June 30, 2026

The Manager, **Listing Department,** **BSE Limited,** **Phiroze Jeejeebhoy Towers,** **Dalal Street,** **Mumbai 400 001** **BSE Scrip Code: 532636**	**The Manager,** **Listing Department,** **The National Stock Exchange of India Limited,** **Exchange Plaza, 5th Floor, Plot C/1, G Block,** **Bandra - Kurla Complex, Bandra (E),** **Mumbai 400 051** **NSE Symbol: IIFL**	**The Manager,** **Listing Department,** **India International Exchange (IFSC) Limited** **1st Floor, Unit No. 101, The Signature Building No. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat – 382050** **India INX Symbol: 500058**	**The Manager,** **Listing Department,** **NSE IFSC Limited** **Unit-1201, 12th Floor, Brigade International Financial Centre, Block-14, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat – 382355**

Subject: Notice of the 31st Annual General Meeting and Annual Report for the Financial Year 2025-26

Dear Sir/Madam,

Pursuant to the provisions of Regulation 34 read with other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed the following:

a) Notice of the 31st Annual General Meeting ("AGM") of the Company scheduled to be held on Friday, July 24, 2026, at 11:30 a.m. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM");

b) Annual Report of the Company, including Business Responsibility and Sustainability Report for Financial Year 2025-26.

Further, the Notice of the AGM along with the Annual Report of the Company for the Financial Year 2025-26 is sent by electronic mode to all the Members of the Company whose e-mail addresses are registered with the Company, Depositories, Registrar to an Issue and Share Transfer Agent ("RTA") of the Company and the physical copies of the same will be provided to the Members on request.

Pursuant to Regulation 36 of Listing Regulations, a letter providing a Weblink and Quick Response Code to access the Notice of the AGM and the Annual Report for the Financial Year 2025-26, is sent to those Members who have not registered their e-mail addresses with the Company, Depositories or RTA.

The Notice of the AGM and the Annual Report for FY 2025-26 is also hosted on the Company's website at www.iifl.com, on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively as well as on the website of MUFG Intime India Private Limited (*formerly known as Link Intime India Private Limited*) at https://instavote.linkintime.co.in.

Kindly take the same on record and oblige.

Thanking You,

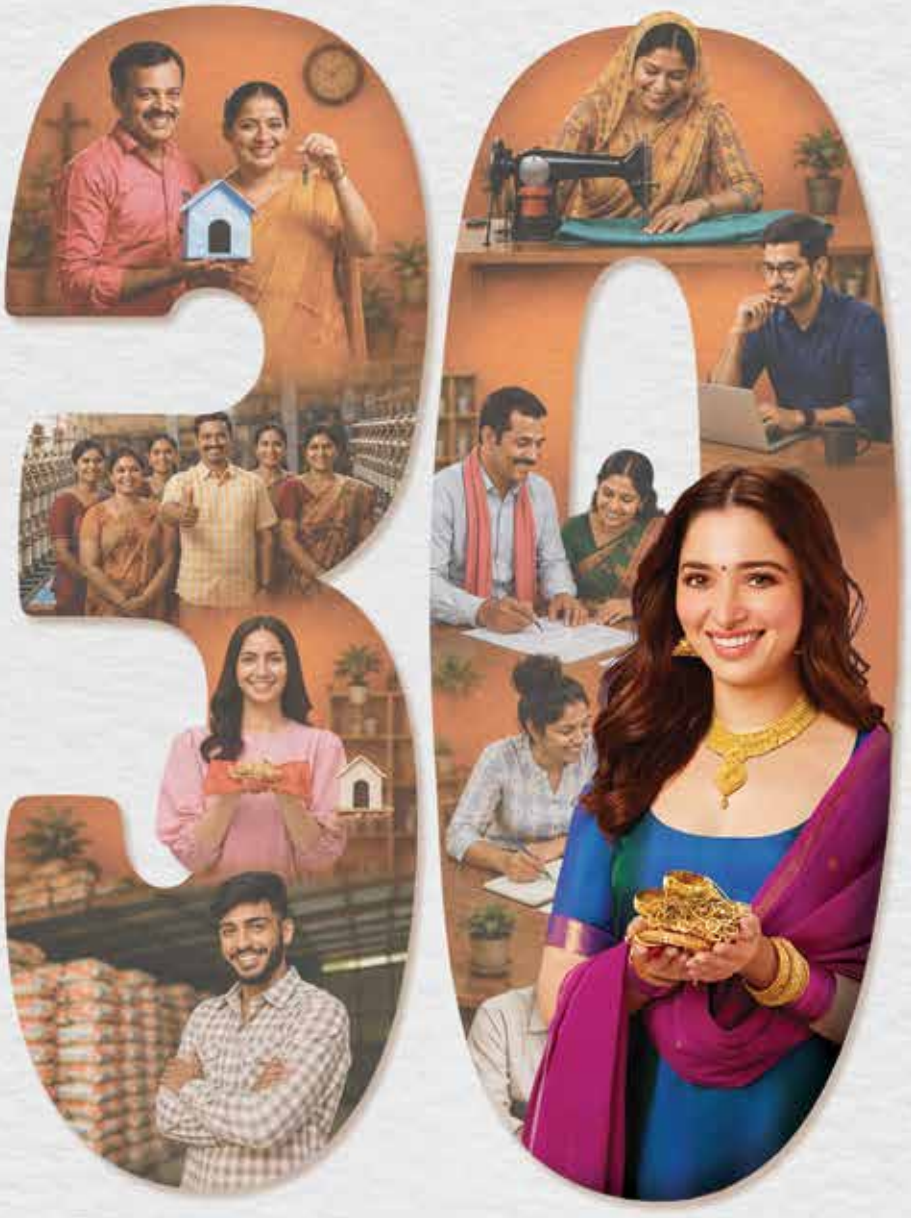
For **IIFL Finance Limited**

Samrat Sanyal
Digitally signed by Samrat Sanyal
Date: 2026.06.30 22:46:39 +05'30'

Samrat Sanyal
Company Secretary & Compliance Officer
ACS- 13863
Email Id: csteam@iifl.com
Place: Mumbai

Encl: As above

IIFL FINANCE



YEARS OF TRUST AND EXCELLENCE

IIFL FINANCE LIMITED

Integrated Annual Report 2025-26

30

YEARS OF TRUST AND EXCELLENCE

In 1995, a thought took root—quiet, deliberate— Probity Research and Services Private Limited, born not in haste, but in honesty, in the discipline of asking the right questions.

From those measured beginnings, we did not rush— *we unfolded*. Insight turned to action, purpose found its scale, and in time, we came to be known as IIFL Finance Limited— a name carried forward on the strength of trust, on the steadiness of prudence, on the quiet confidence of doing things right.

Thirty years have passed, and we have continuously reinvented ourselves. We have listened to the pulse of a changing India, and learned to move with it— shaping ourselves, reshaping our path. From research to reach, from ideas to impact— gold loans that unlock value, home loans that help provide shelter, MSME finance that fuels enterprises, microfinance that carries hope to the edges of possibility.

Ours has never been a journey of chance.

It has been chosen—

a thoughtful turn towards secured lending,

a portfolio crafted with care,

a framework of governance

that stands firm, even when cycles shift.

Through seasons of uncertainty, we have held our ground— guarding quality, embracing technology, extending our reach without losing our essence.

"30 Years of Trust and Excellence"— not just a line, but a lived truth. Trust, earned quietly, one relationship at a time. Excellence, pursued patiently, through rigour, through resolve.

श्रेयान् स्वधर्मो विगुणः परधर्मात् स्वनुष्ठितात्।

स्वधर्मे निधनं श्रेयः परधर्मो भयावहः॥

(भगवद्गीता अध्याय 3, श्लोक 35)

It is better to follow one's own path, even imperfectly, than to imitate another's perfectly.

In business, this reflects the power of staying true to one's core purpose and values—sustainable success comes from authenticity, not imitation. And now, at the threshold of a new decade, we step forward— clear in vision, steady in purpose— rooted in secured lending, strengthened by governance, carried ahead by the force of technology.

This is not merely time gone by.

It is resilience,

it is reinvention,

it is responsibility,

etched into every step that we have taken.

A foundation laid with care— not just to endure, but to rise, to lead, and to become what tomorrow demands.

ABOUT THIS REPORT

REPORTING SCOPE AND BOUNDARY

The Integrated Annual Report ("Report") for FY 2025-26 presents a cohesive narrative of IIFL Finance Limited's journey in advancing its purpose and delivering sustainable, long-term value. It outlines how we create enduring value for stakeholders—including customers, shareholders, bankers/lenders, regulators, employees and the wider community—while reflecting our impact beyond financial performance.

The Report provides a balanced perspective on financial and non-financial performance, key risks and opportunities, strategic priorities, and sustainability initiatives. It also highlights the governance and risk management frameworks that underpin our operations, covering the Company's core businesses, subsidiaries, and investments where we exercise financial control or significant influence.

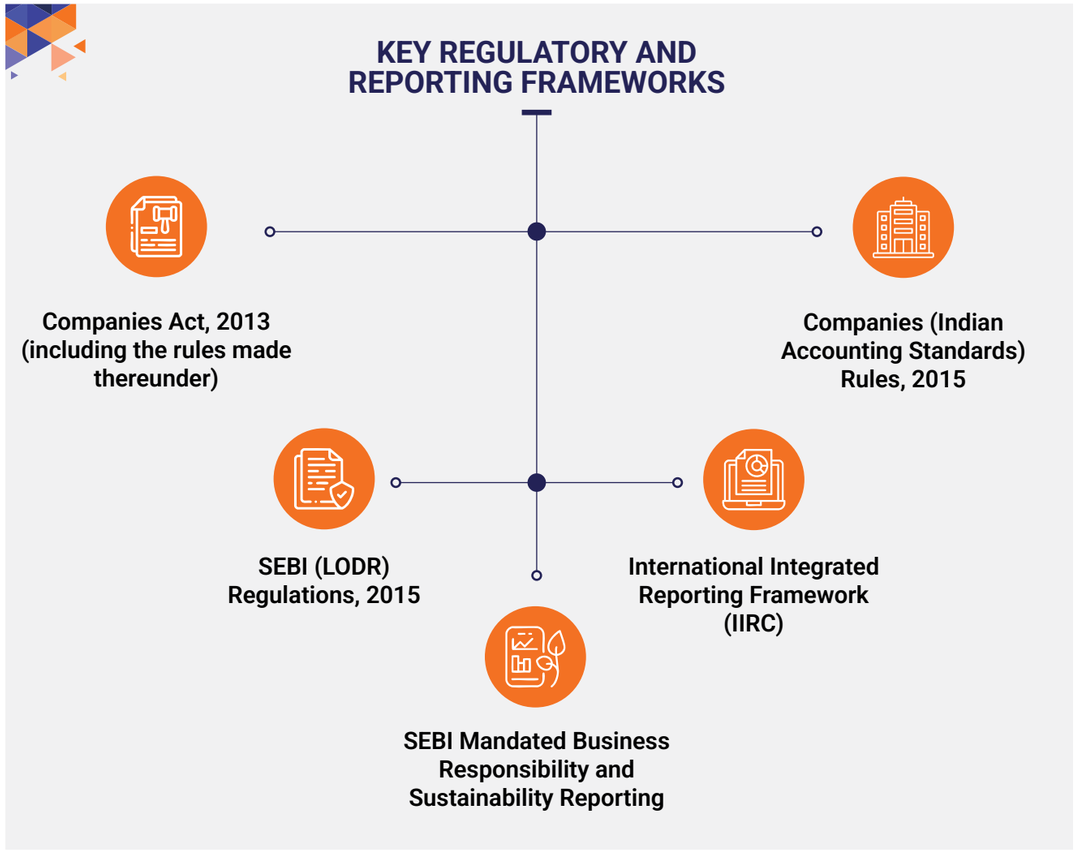
REPORTING PERIOD

This Report covers the period from April 1, 2025 to March 31, 2026, in line with the Company's financial reporting cycle. It also includes significant developments subsequent to the reporting period up to the date of the Board Meeting, i.e., April 29, 2026, at which the statutory reports were approved.

PURPOSE AND AUDIENCE

This Report explains how IIFL Finance uses its available resources to achieve its strategic priorities and measure progress against financial and non-financial targets while creating and preserving value. It provides a holistic and balanced view of our performance, strategy, governance and outlook. This Report is primarily intended for providers of financial capital but is available to all our stakeholders.

KEY REGULATORY AND REPORTING FRAMEWORKS



FORWARD-LOOKING STATEMENTS

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

BOARD APPROVAL

The Board acknowledges its responsibility for the integrity of this Integrated Annual Report. It oversees the management's evaluation of the efficacy of disclosure controls and procedures through an internal control framework and assessment.

REPORTING ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) METRICS

This Report extends beyond traditional financial disclosures to incorporate key ESG performance indicators. Detailed sustainability disclosures are integrated within the Strategic Review and BRSR sections, providing a comprehensive perspective on the Company's ESG performance.

ASSURANCE

The financial and non-financial disclosures presented in this Integrated Report have undergone independent assurance and audit processes to enhance the reliability, accuracy and transparency of the information disclosed. The standalone and consolidated financial statements have been audited in accordance with the applicable accounting and auditing standards. Further, the non-financial disclosures, including the Business Responsibility and Sustainability Report (BRSR), have been independently assured by TUV India. The Report also includes assurance on compliance with applicable secretarial and corporate governance requirements under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMMUNICATION TOOLS FOR CORPORATE REPORTING

IIFL Finance's Integrated Annual Report is supported by a multi-channel communication framework that ensures consistent and connected disclosure of financial and non-financial information.

- Integrated Annual Report aligned with IR principles
- Investor presentations, earnings calls and stock exchange filings
- Views and outlook of Management and HODs
- Corporate website and digital dissemination platforms
- Use of data visualization for enhanced clarity and accessibility

This approach strengthens stakeholder engagement by delivering concise, decision-useful insights.

QUALITATIVE CRITERIA IN OUR INTEGRATED ANNUAL REPORT

This Report emphasises qualitative insights to present a holistic view of value creation across all capitals.

- Focus on strategy, business model and governance linkages
- Coverage of risks, opportunities and sustainability initiatives
- Alignment with materiality and stakeholder relevance principles
- Inclusion of management perspectives and forward-looking insights

This enhances transparency and provides a balanced view of long-term value creation.

A STRUCTURED APPROACH TO INTEGRATED REPORTING

OUR PURPOSE

Deliver credit to households under-served by banks.

INTEGRATED THINKING TO EMBED SUSTAINABILITY INTO THE BUSINESS

At IIFL Finance, integrated thinking underpins our operating model, linking strategy, governance, performance and sustainability. This ensures that every business decision is aligned with our purpose and contributes to long-term, responsible value creation.

OUR INTEGRATED REPORTING PROCESS

Our Integrated Reporting process provides a clear and holistic view of how IIFL Finance creates and sustains value over time. Aligned with the <IR> Framework, it is supported by strong internal controls and assurance practices.

- Integration of financial and non-financial information across functions
- Validation through internal reviews and external assurance
- Review and approval by Senior Management and the Board
- Alignment with strategic priorities, stakeholder expectations and regulatory requirements

OUR STRATEGIC PILLARS

S1 Address growing financial needs in under-served markets

S2 Build capacity and grow customer base through retail focus and geographic expansion

S3 Strengthen performance by fortifying our operating processes and risk management

S4 Continue to invest in digitalization and technology to reduce costs and improve efficiency

S5 Ensure effective asset-liability management, diversify borrowing sources and strengthen our credit profile

S6 Capital -optimized, value-innovation driven strategy

For more information, please refer to page 36

OUR STAKEHOLDERS

Customers · Investors/Shareholders · Employees · Communities/NGOs

Government/ Regulators · Business Partners/ Suppliers · Bankers/ Lenders

For more information, please refer to page 46

SUSTAINABILITY PILLARS

Financial stability · Positive environmental impact · Inclusive growth · A winning workplace

OUR MATERIAL PRIORITIES

Corporate governance and ethics · Financial inclusion and literacy · Employment practices · Data and customer privacy · Customer satisfaction · Regulatory compliance

Digitalization · Responsible lending · Community development · Risk management · Engagement with business partners · Diversity and inclusion

Responsible marketing · Customer financial protection · Human rights · Climate change and GHG emissions · Resource management

*For more information, please refer to page **50***

INSIDE THE JOURNEY

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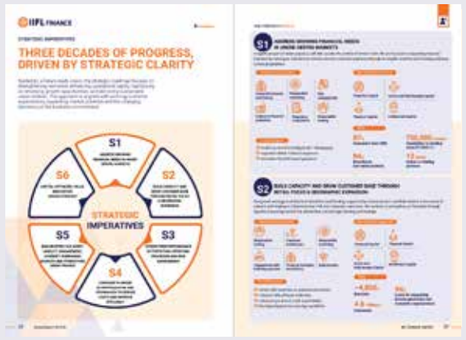
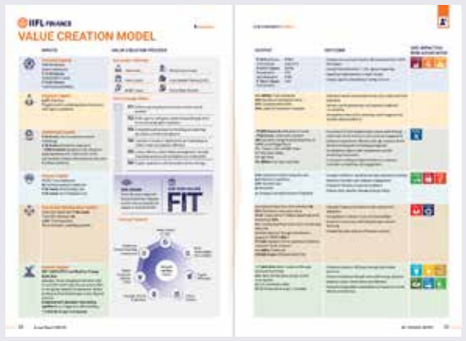
Read about our Performance on Pages 14-15



Explore our Strategic Imperatives on Pages 36-39



Explore our Value creation model on Pages 44-45

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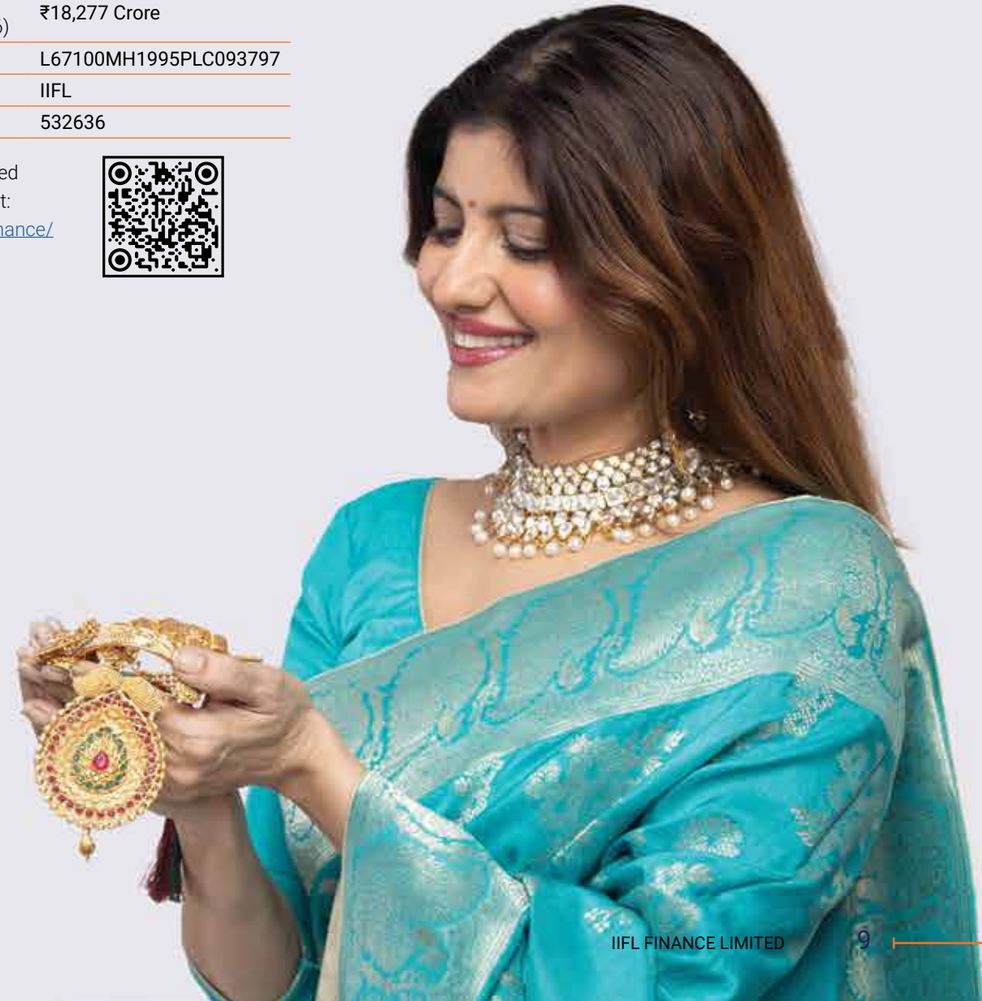
INVESTOR INFORMATION

Market capitalization (as on March 31, 2026)	₹18,277 Crore
CIN	L67100MH1995PLC093797
NSE symbol	IIFL
BSE code	532636

For more investor-related information, please visit: https://www.iifl.com/finance/overview

Explore our CSR Initiatives on Pages 92-93



ABOUT US

30 YEARS OF TRUST AND EXCELLENCE IN FINANCIAL SERVICES

With a legacy of over three decades, we have built IIFL Finance Limited into a trusted, retail-focused non-banking financial institution (NBFC) committed to expanding access to responsible credit across India. We deliver innovative, technology-enabled financial solutions tailored to the evolving needs of our customers across home loans, gold loans, MSME financing and microfinance.

Supported by its subsidiaries— IIFL Home Finance and IIFL Samasta Finance— the Company has built a strong, scalable platform anchored in a phygital distribution model, with an extensive branch network of ~ 4,800 branches and a growing customer base exceeding 4.6 Million. With a strategic focus on secured retail lending, robust risk management frameworks and technology-led operations, IIFL Finance continues to strengthen its position as a trusted financial partner to the underserved and emerging segments across the country.

Complementing our core operations, we advance our social commitment through the IIFL Foundation, established in 2014 as our CSR arm. Focused on Health, Education & Environment, Livelihood, and Poverty Alleviation, the Foundation addresses critical grassroots challenges while fostering inclusive and sustainable community development.

At IIFL Finance, we view growth holistically integrating financial performance with social responsibility. We remain committed to enhancing financial inclusion, empowering communities and creating lasting value through meaningful societal impact.

OUR VISION

To be the most respected financial services company in India. Not necessarily the largest or most profitable.

OUR MISSION

Reach out and serve the underserved segments in underserved areas of India.

OUR CORE VALUES

Our core principles serve as a moral compass, guiding every decision and action we take. FIT – Fairness, Integrity, and Transparency, are the driving principles behind our operations. We partner with individuals and organizations who share our unwavering commitment to these values. These principles are not just ideals – they are non-negotiables that define who we are and how we do business.

F – FAIRNESS

Fairness in our transactions with all stakeholders, including employees, customers, communities, regulators, Government, investors, and vendors, bereft of fear or favor

I – INTEGRITY

Integrity and honesty of the utmost nature, in letter, in spirit, and in all our dealings with people, internal or external

T – TRANSPARENCY

Transparency in all our dealings with stakeholders, media, investors, and the public at large

30+
Years of experience

4.6 Million+
Customers

IIFL Foundation
CSR arm of IIFL Group

'B+' long-term
'B' short-term
Credit rating by S&P Global Ratings

OUR ORGANIZATIONAL STRUCTURE

THREE DECADES OF TRUST, ANCHORED BY ORGANIZATIONAL EXCELLENCE

Our material subsidiaries, IIFL Home Finance and IIFL Samasta Finance Limited, are central to expanding our retail lending franchise. With focused strengths in home loans and microfinance, they enhance our reach across diverse and underserved segments, strengthening our geographic presence and reinforcing a well-diversified, customer-centric lending platform.

IIFL HOME FINANCE LIMITED

IIFL Home Finance Limited is one of India's leading technology-driven, retail-focused housing finance companies, dedicated to supporting first-time homebuyers from the Economically Weaker Sections (EWS), Medium Income Groups (MIG) and Low-Income Groups (LIG). The company operates through an extensive network of 315 branches across 18 states and 2 Union Territories. With a strong focus on underserved and and predominantly affordable housing markets in Tier 2 cities and beyond, IIFL Home Finance is committed to expanding access to homeownership for aspiring families across India.

IIFL SAMASTA FINANCE LIMITED

IIFL Samasta Finance Limited, a prominent NBFC-MFI, delivers microfinance solutions across rural and semi-urban regions. With a strong focus on financial inclusion and grassroots entrepreneurship, it empowers underserved communities and supports sustainable socio-economic development. With a network of over 1,614 branches, the company continues to expand its reach and deepen its impact across diverse geographies.

CORPORATE STRUCTURE

IIFL Finance Limited's ownership (%)*

IIFL HOME LOAN

IIFL Home Finance Limited

79.59%

IIFL samasta

IIFL Samasta Finance Limited

99.56%

*as on March 31, 2026

OUR COMPETITIVE MOAT

Deep management expertise

We are backed by a seasoned leadership team and distinguished Board members from institutions such as RBI, NABARD, HDFC and ICICI Bank, bringing deep expertise across lending, governance, technology and risk management. This strong leadership foundation has enabled us to scale our retail-focused franchise to an AUM of ₹1.08 lakh crore with sustained operational discipline.

Strong Balance Sheet, financials

Our strong financial position is supported by a healthy consolidated capital adequacy ratio of 25.3%, provision coverage of 93% and a liquidity buffer of ₹6,638 Crores as of March 31, 2026. With controlled net gearing of 3.8x and a diversified funding mix across banks, debentures, securitisation and co-lending partnerships, we remain well-positioned to drive scalable and capital-efficient growth.

Trusted brand and market leader

Over the years, we have strengthened our position as a trusted, customer-centric and technology-enabled NBFC through a strong mix of ATL, BTL and digital initiatives. Backed by a network of 4,829 branches serving over 4.6 Million customers across India, along with vernacular outreach and hyperlocal engagement in Tier II and III markets, we continue to deepen customer trust, expand market presence and enhance brand visibility across underserved segments.

Rigorous risk, compliance and control

We follow a disciplined approach to risk management through strong underwriting standards, proactive compliance practices and robust internal controls. Supported by AI-led fraud detection and continuous portfolio monitoring, we maintained healthy asset quality with GNPA at 1.5%, NNPA at 0.7% and provision coverage at 93% as of March 31, 2026.

Operational and technological excellence

IIFL Finance continues to strengthen operational efficiency through a robust phygital model and AI-led transformation across underwriting, collections, customer engagement and fraud detection. Our AI-driven lead engine generates a monthly pipeline of nearly ₹1,000 Crores, while multilingual digital interfaces across 22 languages and AI-powered branch productivity tools are enhancing customer experience, scalability and operational agility.

DELIVERING ALL-ROUND PERFORMANCE

30 YEARS OF PURPOSE. PROGRESS. PERFORMANCE.

FINANCIAL HIGHLIGHTS

₹ 1,08,180 Crores Loan AUM	**0.7%** NNPA	**25.3%** Consolidated CRAR (Computed)
2.4% ROA	**₹ 7,626 Crores** Total Income	**₹ 1,817 Crores** Profit after tax (pre-NCI)

DEEPENING OUR PRESENCE

4,829
Branches across India

4.6 Million+
Customers served

50 Lakhs+
App downloads

EMPOWERING OUR WORKFORCE

37,189*
Total employees

16,96,403
Training hours

₹ 2,111 Crores
Total employee cost

ADVANCING OUR DIGITAL JOURNEY

~₹450 Crores
Collections assisted via AI

48%
Branches taking decisions based on AI/analytics

~₹1,000 Crores
Monthly from AI Leads

*number pertains to consolidated entity

ENVIRONMENT

LEED Certification (Gold) for Gurugram office

Adoption of renewable energy through Tata Green Tariff in select large offices

~21 lakh litres Rainwater harvesting-driven water conservation at Thane office

ISO 14001:2015 Certified branches in Mumbai, Thane and Bangalore

IoT-enabled
Real-time energy monitoring for operational efficiency in Thane office

E-waste
disposed through authorized recyclers

GOVERNANCE

Board-level ESG Committee

MD chairs FICCI NBFC Committee – sector advocacy & policy engagement

Among the few Indian companies preparing **Sustainability Report** per **GRI Standards 2021** (in accordance) and aligned with relevant sections of **IFRS Sustainability Disclosure Standards.**

SOCIAL

27,95,100+
Total CSR beneficiaries

₹ 40 Crores*
Total CSR expenses

CSR in aspirational districts: **Jaisalmer, Sirohi, Kupwara**
₹72 Lakhs deployed

Above numbers pertain to FY 2025-26
**number pertains to consolidated entity*

REFLECTING ON THREE DECADES OF TRUST AND EXCELLENCE

Dear Stakeholders,

It is my privilege to present to you the Integrated Annual Report for FY 2025-26, a year that marks 30 Years of Trust and Excellence of our institution. Three decades in financial services is a significant milestone, where cycles are unforgiving and reputations are hard earned.

As I reflect on our journey from a small, ambitious team in 1995 to a leading retail-focused NBFC serving over 4.6 Million customers across 4,829 branches, what stands out most is not just the scale we built, but the character we have built alongside it. Trust is not a marketing claim. It is the slow accumulation of small decisions made correctly, year after year, especially in the difficult ones. FY 2025-26 was a defining one for our institution, and I believe we honoured the trust placed in us at every step.

MACRO-ECONOMIC OVERVIEW

The global economy faced a turbulent year — geopolitical tensions deepened, trade flows fragmented, and central banks navigated the difficult balance between growth and inflation. The escalating US-Iran conflict sent energy prices sharply higher, straining shipping lanes through the Strait of Hormuz and sending shockwaves across commodity, currency, and credit markets.

India was not insulated from these pressures. Wholesale inflation rose to 8.3% in April, the rupee faced periodic headwinds, and short-term funding markets felt the stress of imported inflation.

Yet, India's story remained one of extraordinary resilience.

GDP growth held strong at 7.4%, reaffirming India's position as one of the world's fastest-growing major economies. Consumption demand stayed firm, credit offtake from retail and MSME segments — structurally underpenetrated and rich with opportunity — continued to expand at a healthy pace. Encouragingly, asset quality trends showed meaningful improvement, with the industry wide GNPA ratio declining to ~2.9%, reflecting stronger portfolio discipline and better borrower performance across the system. Also, elevated gold prices further provided a favourable backdrop for the gold loan industry, enhancing collateral values, supporting higher loan disbursements, and driving steady growth in assets under management.

PORTFOLIO RESET AND ASSET QUALITY IMPROVEMENT

Last year, in the wake of the regulatory intervention on our gold loan business, we made a clear commitment to you: we would emerge from this period not just compliant, but structurally stronger. I am proud to report that this commitment has been delivered in full.

We made hard choices through the year. We scaled down higher-risk unsecured exposures. We exited businesses where the risk-return profile no longer met our standards. We strengthened our provisioning architecture, moved decisively to an ECL-aligned framework, and invested heavily in early-warning systems and AI-led fraud detection.

Our microfinance subsidiary, IIFL Samasta, weathered sector-wide stress without retreating from its mission. We worked alongside vulnerable borrowers, supported them through a difficult cycle, and resumed disbursements with enhanced safeguards. The portfolio today is stable, asset quality is improving, and growth is being calibrated carefully.

GOLD LOAN LEADERSHIP, SECURED RETAIL FOCUS

If one chapter of this year's story stands above the rest, it is the remarkable journey of our gold loan business. From the regulatory pause of March 2024, to a period of introspection and rebuilding, to emerging in FY 2025-26 as the single largest growth engine of the consolidated franchise — this arc captures everything we believe about how institutions should respond to setbacks.

The story is not just about volume. It is about how the volume was built. We rebuilt systems, retrained branches, recalibrated underwriting, and embedded AI-powered ornament authentication and fraud detection across our network.

GOVERNANCE, COMPLIANCE AND RISK DISCIPLINE

Strengthening governance, compliance, and risk discipline remained a key priority during the year. We enhanced policy frameworks, compliance monitoring, and risk management practices aligned with evolving regulatory expectations. Supported by technology-enabled oversight and strong Board governance, our disciplined approach strengthened organizational resilience, safeguarded stakeholder interests, and reinforced our commitment to sustainable growth.

STRATEGIC OUTLOOK

As we step into FY 2026-27, our strategic framework is simple, and we call it resilient, capital-efficient growth.

Our AI transformation is already producing tangible results and that will compound in value over the years ahead.

We will also continue to scale our co-lending franchise meaningfully. The new RBI Co-Lending Directions, 2025 have brought welcome clarity to the framework, and we are well positioned to take advantage of the expanded scope across both PSL and non-PSL categories.

VOTE OF THANKS

This year also marks the retirement of our Chairperson, Mr. A. K. Purwar, after more than seventeen years of distinguished service to this institution. His wisdom, integrity, and steady leadership have shaped the character of this Company and guided us through some of our most challenging moments. While he steps away from formal responsibilities, he remains a mentor and inspiration to us all. On behalf of the entire IIFL family, I extend our heartfelt gratitude and deepest respect.

To our customers, your trust has been the foundation on which everything else stands. We do not take it for granted.

To our regulators, your scrutiny has made us a stronger, more responsible institution. We are grateful for the rigor you bring.

To our investors and shareholders your conviction during a year of challenge reflects a long-term belief in this enterprise that we are determined to honor.

To our partners the banks who co-lend with us, the technology providers who power our platforms, the auditors and advisors — thank you for walking alongside us.

And, to the members of the IIFL family, you are the foundation of our success. Your commitment, professionalism, and customer-first mind-set have shaped our journey over the past three decades and strengthened the trust we enjoy today.

We emerge from FY 2025-26 stronger, sharper, and more aligned than ever with the mission that started this journey thirty years ago — to democratize access to finance and build a more inclusive economy. The road ahead is long, but the foundation is firm. The storms will come, as they always do. We will be ready.

Warm Regards,

Bibhu Prasad Kanungo

Chairperson and
Non-Executive Independent Director

LETTER FROM THE MANAGING DIRECTOR

Dear Stakeholders,

When the IIFL Group was founded thirty years ago as a small, independent research firm, its purpose was to bring honest, rigorous financial analysis to India's capital markets. From the outset, the focus remained on financial services as the core domain — expanding steadily into synergistic, adjacent areas rather than diversifying beyond its competence. What emerged over three decades is a strong non-banking financial services franchise spanning broking, wealth management, lending, and financial product distribution — one of India's more respected first-generation, professionally managed entrepreneurial groups in this space. IIFL Finance, as the Group's lending franchise, has been central to this expansion: growing from a nascent credit business into one of India's prominent retail NBFCs, serving over 8 million customers (till date) across 4,829 branches in 28 states and union territories.

Three decades in financial services is a significant reckoning. Markets rise and fall. Regulations evolve. Technology disrupts business models that once seemed permanent. Through every such shift, the discipline that has sustained this institution has remained constant — a commitment to trust and excellence, earned not through declaration, but through conduct, year after year, and most of all in the difficult ones. FY 2025-26 was precisely such a year. The results reflect that.

FY26: PERFORMANCE IN NUMBERS

FY 2025-26 delivered a meaningful recovery across all key parameters. Consolidated Loan AUM reached ₹1,08,180 Crores, growing 38% year-on-year and crossing the ₹1 Lakh Crore mark for the first time. Full-year Profit After Tax stood at ₹1,817 Crores, up 214% year-on-year. Q4 Profit After Tax (PAT, pre-NCI) reached ₹623 Crores, up 148% year-on-year, with pre-provision operating profit growing 80% year-on-year in the quarter. Gold loan AUM reached ₹52,581 Crores, up 150% year-on-year — albeit on a lower base in FY25 that was affected by the regulatory embargo — with IIFL Finance re-established as one of India's leading gold loan NBFCs. Asset quality improved materially: Gross NPA at 1.5%, Net NPA at 0.7%, and provision coverage ratio at 93%.

These numbers follow the most challenging period in the Company's history. That they have been delivered with improved asset quality and a strengthened balance sheet reflects the institutional resilience built over three decades. The successful issuance of a USD 500 Million Social Bond — the largest in IIFL Finance's history — with strong international institutional demand, reflects the confidence that global capital markets continue to place in this franchise.

TECHNOLOGY AND AI: PUTTING CAPABILITY TO WORK

Technology has been integral to IIFL Finance's operating model for several years. In FY 2025-26, artificial intelligence moved from planning into active deployment — in lead generation, in gold ornament authentication, in credit underwriting, and in collections and customer service. Each of these applications is improving speed, accuracy, and risk outcomes in ways that benefit both customers and the business. Investment in technology will continue to deepen, with AI embedded more widely across the credit lifecycle in the years ahead.

The direction is clear: lending institutions that use data and AI to serve customers with greater precision and lower cost will be better positioned for the decade ahead. IIFL Finance has made meaningful progress on this path.

SERVING THE BHARAT THAT FORMAL FINANCE HAS BARELY REACHED

Hundreds of millions of creditworthy Indians — the self-employed artisan, the small trader, the first-time homebuyer in a growing town — remain outside the reach of formal finance. Not for want of creditworthiness, but for want of institutions willing and able to serve them with appropriate products, fair pricing, and genuine last-mile presence.

IIFL Finance's gold loan franchise serves predominantly the self-employed Indian who holds gold but carries little formal credit history, with branches in markets that formal banking has not fully reached. The home loan subsidiary supported over 5,200 beneficiaries under the PMAY 2.0 affordable housing scheme in FY 2025-26, extending access to buyers in tier-2 and tier-3 India. Both businesses have clear structural headroom ahead. Driving financial inclusion for the underbanked and unbanked, from economically weaker sections and geographically underdeveloped areas of our country, is not incidental to this business. It is the business.

CULTURE, EXCELLENCE, AND THE OWNER MINDSET

Behind every metric in this report is a culture and set of values consistently adhered to over thirty years — not assembled overnight. IIFL Finance's values of Fairness, Integrity, and Transparency are not aspirational statements. They are operating disciplines, embedded in how credit decisions are made, how customers are served, and how every commitment to every stakeholder is honored. The owner mindset that runs through this organization — where every colleague treats the customer's trust and the Company's capital with the same care they would their own — reflects thirty years of deliberate investment in people and values.

Excellence, in this context, means holding the same standard in governance, underwriting, and customer engagement every single day, regardless of conditions. It is this culture, as much as any product or platform, that has kept this institution grounded through difficulty and capable of delivery when conditions improve.

FY 2025-26 also marked the retirement of Mr. A. K. Purwar as Chairperson, after more than seventeen years of distinguished service to this institution. His counsel, integrity, and steady leadership guided IIFL Finance through some of its most defining moments. On behalf of the entire IIFL family, we extend our deepest gratitude and respect.

We are privileged to welcome Mr. B. P. Kanungo as the incoming Chairperson. Mr. Kanungo brings exceptional institutional experience, including a distinguished tenure as Deputy Governor of the Reserve Bank of India. His regulatory depth and understanding of financial systems will be of considerable value as IIFL Finance continues to strengthen its governance and compliance culture.

To our customers, investors, lenders, banking partners, regulators, and every member of the IIFL team: thirty years of this institution's strength is a reflection of your trust. We remain committed to honoring it.

Warm Regards,

Nirmal Jain

Managing Director

OUR OFFERINGS

EMPOWERING ASPIRATIONS FOR 30 YEARS

BUILDING DREAMS THROUGH ENTREPRENEURSHIP

Ranju Verma from Ranchi transformed her entrepreneurial aspirations into a thriving reality through determination and perseverance. Beginning her career as a teacher, she later ventured into a home-based saree business, gradually building a loyal customer base. Encouraged by her success, she expanded into the interior design segment, establishing a second venture that continues to grow steadily.

Over the past fifteen years, IIFL Finance has supported her journey by providing gold loans whenever additional working capital was required. The flexibility to borrow during business expansion phases and repay based on cash flow cycles enabled her to manage operations efficiently and pursue new opportunities with confidence.

Today, her businesses continue to flourish, while her children have successfully established their own careers. Her story reflects the transformative power of entrepreneurship and demonstrates how timely access to finance can empower individuals to create sustainable livelihoods and achieve long-term financial independence.

Scan the QR code to watch this video.

GOLD LOANS

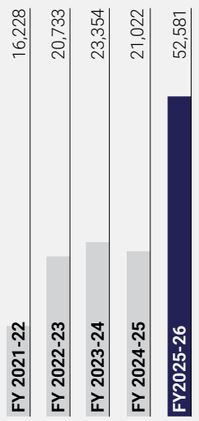
At IIFL Finance Limited, we offer a comprehensive suite of gold loan solutions designed to provide quick and convenient access to liquidity. Our offerings include small-ticket, short-tenure loans secured against gold jewellery, supported by our extensive pan-India branch network and digitally enabled processes to ensure seamless disbursals.

We further enhance accessibility through innovative solutions such as 'Gold Loan at Home', delivering a secure, paperless and doorstep-enabled borrowing experience. Our portfolio also includes specialized offerings such as agriculture gold loans, education-linked gold loans, and tailored solutions for women and MSMEs, catering to diverse customer needs. Through these offerings, we enable timely access to formal credit, supporting underserved segments and strengthening everyday financial resilience.

₹ 52,581
Crores
Loan AUM

18.1%
Yield

Loan AUM (₹ Crores)



Our solutions

- Agriculture gold loan
- Education gold loan
- Gold loan for women
- Gold loan for MSME
- Gold auction
- Suvarna Dhara Gold Loan

Our clients

- Individuals seeking quick liquidity against gold
- Small traders and micro-entrepreneurs
- Self-employed borrowers
- Rural and semi-urban households
- Farmers and agri customers
- Women borrowers

Our competitive advantages

- Extensive branch network enabling deep last-mile reach and efficient sourcing
- Quick disbursals supported by streamlined processes and doorstep service offerings
- Strong expertise in gold valuation with robust collateral and risk management
- Granular, short-tenure portfolio ensuring lower risk and faster churn
- Established brand trust in secured lending driving customer confidence

Near term outlook

- Strong demand for short-term secured liquidity to enable growth momentum
- Portfolio expansion supported by increased branch productivity and customer acquisition
- Stable asset quality expected, backed by collateralized lending and tight risk controls
- Focus on scaling operations through phygital distribution and doorstep services

Strategic execution during the year

- Gold loan business fully normalized post-embargo with strong revival in operations
- Significant portfolio scale-up with gold loans becoming the largest AUM contributor
- Strategic pivot towards gold loans as a core collateral-backed growth driver
- Strengthened asset quality with stable and low-risk secured lending profile
- Leveraged extensive phygital network to accelerate sourcing and disbursements
- Enhanced risk and governance through AI-led monitoring frameworks

RESET. REBUILD. RISE.
REBUILDING STRENGTH. RESTORING MOMENTUM.

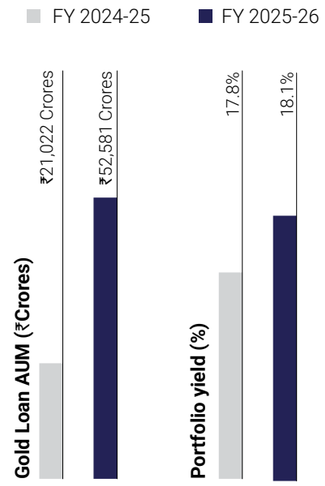
The RBI's restrictions on IIFL Finance's gold loan disbursements in FY 2023-24, arising from process-level observations in the gold loan business, marked a significant inflection point for us. The embargo continued to impact business momentum during FY 2024-25, particularly across the gold loan franchise, which historically remained a key contributor to the retail lending portfolio.

Following the lifting of the embargo effective September 19, 2024, we undertook a calibrated recovery strategy centered on governance strengthening, secured lending expansion, tighter risk management and capital-efficient growth. FY 2025-26 consequently emerged as a year of operational recovery, robust profitability improvement and portfolio realignment, supported by disciplined execution across businesses.

RECOVERY PLAYBOOK

KEY ACTIONS UNDERTAKEN	BUSINESS IMPACT
Portfolio Recalibration	Reduced exposure towards high-risk unsecured lending and increased focus on secured lending businesses	Improved portfolio quality and lowered earnings volatility
Governance & Controls	Strengthened underwriting, compliance monitoring and AI-led fraud detection systems	Enhanced operational discipline and strengthened risk oversight
Capital Discipline	Improved provisioning buffers, diversified borrowings and strengthened ALM framework	Higher balance sheet resilience and stable liquidity
AI-Led Transformation	Expanded AI deployment across underwriting, collections, customer engagement and fraud detection	Improved productivity, operational efficiency and portfolio monitoring
Co-Lending Expansion	Scaled co-lending partnerships with banks across gold, MSME and retail products	Strengthened capital efficiency and off-book growth

GOLD LOANS: THE CORE REBOUND ENGINE



Note: AUM - Assets Under Management

PERFORMANCE HIGHLIGHTS

150% YoY
growth in Gold Loan AUM

Improved yield

Strong asset quality

STRATEGIC OUTCOMES

Fortified portfolio of secured loans

- Gold Loans and Mortgages accounted for ~88% of portfolio mix in FY 2025-26
- Strategic pivot towards collateral-backed retail lending reduced portfolio volatility
- Continued focus on productive-purpose lending strengthened portfolio resilience

Accelerated capital-efficient growth

- Off-book AUM increased to ₹38,088 Crores, accounting for 35% of total AUM
- Cumulative co-lending originations since FY 2020-21 crossed ₹50,000 Crores
- 12 active co-lending bank partnerships operational during FY 2025-26

AFFORDABLE HOME LOANS

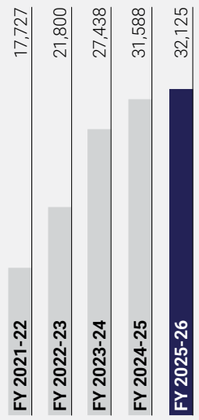
IIFL Finance Limited, through its subsidiary IIFL Home Finance Limited, remains committed to advancing homeownership across underserved segments by offering accessible and affordable housing finance solutions. Leveraging an extensive phygital distribution network and a nuanced understanding of customer needs, we facilitate seamless, inclusive and efficient access to formal housing credit.

Our focus remains primarily on first-time homebuyers who remain underserved by formal home finance services, particularly across non-metro and rural markets. Supported by disciplined credit assessment frameworks and a strong operational backbone, the business upholds prudent lending practices while preserving asset quality.

₹ 32,125
Crores
Loan AUM

10.6%
Yield

Loan AUM (₹ Crores)



Our solutions

- Home Loan
- PMAY-U 2.0
- LAP - Loan Against Property
- Balance Transfer
- Home Improvement Loan
- Home Loan for Uniformed Services
- NRI Home Loan

Our clients

- Future Homeowners
- Informal and semi-formal income households in tier II, III and affordable housing markets
- Self-employed individuals with limited formal income documentation

Our competitive advantages

- Deep underwriting expertise in informal income segments with strong presence across emerging and affordable markets
- Focus on affordable markets to penetrate deeper in Tier 2 to Tier 4 cities
- Faster processing through simplified credit evaluation and customized affordable housing solutions
- Secured mortgage model ensuring portfolio resilience and stability

Strategic execution during the year

- Strengthened focus on collateral-backed retail lending, including mortgages, with portfolio rebalancing towards low-risk secured assets
- Exit from high-risk segments alongside sustained emphasis on asset quality improvement and lower NPAs
- Leveraging phygital distribution and AI-led risk and governance frameworks to enhance sourcing and control
- Embedding AI and intelligence across the lending lifecycle, building a technology-first affordable housing finance company where execution is faster, smarter, and more customer-centric, enabling us to accelerate growth, deepen customer relationships, and expand our market presence

Near term outlook

- Consistent growth expected, supported by continued focus on secured mortgage-led retail lending
- Asset quality to remain stable, driven by calibrated underwriting and portfolio discipline
- Growth to be driven by demand in affordable housing across tier II and semi-urban markets

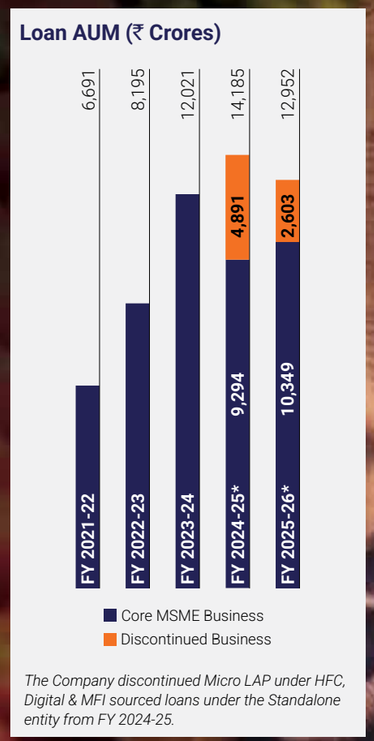
MSME LOANS

IIFL Finance Limited, offers a comprehensive suite of secured and unsecured business loan solutions tailored to meet the diverse financing needs of self-employed individuals, micro-enterprises, and MSMEs. Our offerings are designed to support working capital requirements, business expansion and asset creation across urban and semi-urban markets.

Leveraging advanced data analytics, proprietary digital platforms and fintech collaborations, we deliver fully paperless, cash flow-based lending solutions with swift approvals and seamless disbursals. Backed by robust underwriting frameworks and disciplined risk management, our business loan portfolio ensures both agility and reliability. Through these offerings, we enable underserved enterprises to access timely and formal credit, driving entrepreneurial growth and strengthening financial inclusion.

₹ 10,349 Crores
Loan AUM

15.9%
Yield



The Company discontinued Micro LAP under HFC, Digital & MFI sourced loans under the Standalone entity from FY 2024-25.

Our solutions

- MSME Loan
- MSME Knowledge Center
- Business Loan for women
- Supply chain finance
- E-Commerce business loans

Our clients

- MSMEs across: manufacturing, trading & services
- Self-employed individuals
- Small traders, retailers and shopkeepers
- Entrepreneurs seeking working capital or business expansion funding
- Emerging businesses in urban and semi-urban markets
- Business owners

Our competitive advantages

- Strong underwriting capability combining cash flow-based assessment with a balanced secured and unsecured lending mix
- Deep reach across urban and semi-urban MSME clusters with a diversified and granular borrower base
- Quick disbursals enabled through digital, paperless processes and data-led credit evaluation
- Robust risk and collection frameworks ensuring portfolio quality and resilience

Strategic execution during the year

- Strategic pivot towards secured MSME lending with calibrated reduction in unsecured exposure, including exit from high-risk segments, to strengthen asset quality
- Portfolio rebalancing towards low-risk, collateral-backed lending supported by prudent underwriting and tighter risk controls, driving sustainable AUM growth
- Strengthened risk, governance and monitoring frameworks through AI-led systems, aligned with the broader focus on improving asset quality and long-term portfolio resilience

Near term outlook

- Healthy growth led by increased focus on secured MSME lending
- Asset quality expected to improve with calibrated underwriting and reduced unsecured exposure
- Demand supported by working capital needs across small businesses in semi-urban and urban markets

MICROFINANCE

Leveraging our subsidiary IIFL Samasta Finance Limited, IIFL Finance Limited offers microfinance solutions aimed at empowering women entrepreneurs across rural and semi-urban India. Our offerings comprise small-ticket, income-generating loans extended under the Joint Liability Group (JLG) model, enabling access to formal credit for underserved communities.

Designed to support self-employment and livelihood generation, these solutions contribute to community development and financial inclusion. Backed by a strong on-ground presence and an increasingly digital delivery framework, we ensure efficient, scalable and responsible lending. Collectively, these offerings strengthen sustainable livelihoods while advancing economic empowerment at the grassroots level.

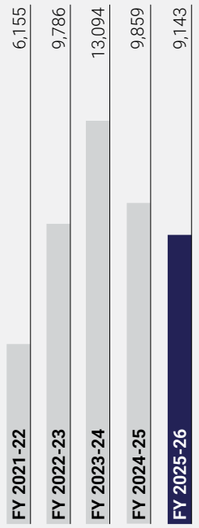
₹ 9,143 Crores
Loan AUM

24.5%
Yield

Our Offerings

- SAMRIDDHI (Income Generation Loan)
- Samvardhana (Top-up Loan)
- Surabhi (Dairy Cattle Loan)
- SAJAL (Water & Sanitation Loan)
- SUVIDHA (Consumer Product Loan)
- Samriddhi Plus (Income Generation Loan)
- PRAGATI (Mortgage Loan)
- SAMPARK (Mortgage Loan)
- SAMPARK ADVANTAGE (Mortgage Loan)
- Unsecured Business Loans
- Suvidha Consumer Product Loan
- Surabhi 1 Dairy Cattle Loan
- Dairy Cattle Loan (Co-lending)
- Two-Wheeler Loans
- Saral

MFI Loan AUM (₹ Crores)



Our clients

- Women borrowers organized under Joint Liability Groups (JLGs)
- Low-income households in rural and semi-urban regions
- Micro-entrepreneurs engaged in small livelihood activities
- Self-employed individuals in informal sectors
- First-time borrowers with limited access to formal credit
- Households seeking income-generating and consumption support loans

Our competitive advantages

- Deep rural and semi-urban penetration supported by strong on-ground presence and local market understanding
- Proven JLG-based lending model focused on women borrowers, ensuring high repayment discipline and social impact
- Granular small-ticket portfolio reducing concentration risk and enhancing stability
- Tech-enabled operations with robust risk and collection frameworks driving efficiency and asset quality

Strategic execution during the year

- Portfolio recalibration with exit from high-risk geographies to strengthen asset quality
- Tighter underwriting and strengthened collection mechanisms to improve credit performance
- Strengthening of risk, compliance and governance frameworks across operations
- Focus on stabilization and calibrated growth in line with evolving market conditions

Near term outlook

- Improving collection efficiency and stabilizing portfolio trends to drive growth
- Asset quality to strengthen, supported by tighter underwriting and disciplined lending practices
- Calibrated growth with continued focus on low-risk geographies and customer segments
- Sustained demand for small-ticket credit across rural and semi-urban markets

UNLOCKING EMERGING OPPORTUNITIES

THREE DECADES OF FINANCIAL INCLUSION AND PROGRESS

GOLD LOAN MARKET EXPANSION

Rapid portfolio expansion

India's gold loan industry has witnessed accelerated growth over the last few years, with the overall portfolio expanding by nearly 3.8x since March 2022. Gold loans now account for 11.1% of the retail credit portfolio, making it the second-largest retail lending segment after housing loans. Additionally, rising gold prices significantly increased gold collateral values, leading to higher gold loan ticket sizes and overall portfolio expansion.

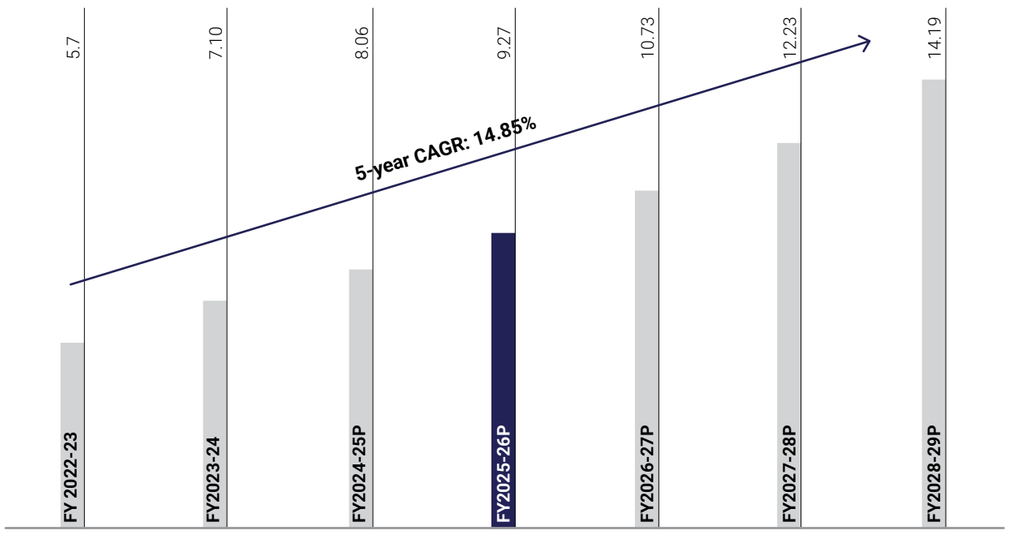
Rising ticket sizes and borrower participation

The segment has seen a sharp increase in origination activity, with origination volumes growing by 2.3x and origination value increasing by 5.1x between 2022 and 2025. Average ticket sizes have more than doubled from approximately ₹ 90,000 to ₹ 1.96 lakh, supported by higher collateral valuations and growing borrower confidence. Moreover, the organized gold loan market demonstrated substantial growth, reaching a valuation of ₹ 7.1 Lakhs Crores in FY 2023-24 and is expected to reach around ₹ 14.19 Lakhs Crores by FY 2028-29 at a CAGR of 14.85%.

3.8x
Growth in gold loan portfolio since March 2022

11.1%
Gold loans contribute to India's retail credit portfolio

Projected market growth (₹ Lakhs Crores)



P - Projected

Gold Loan Landscape Digital Report
Striking gold: The rise of India's gold loan market

UNDERPENETRATED AFFORDABLE HOUSING FINANCE

India's affordable housing finance market continues to offer strong long-term growth potential, supported by low mortgage penetration, rising housing demand and Government initiatives such as 'Housing for All'. According to ICRA, the AUM of Affordable Housing Finance Companies (AHFCs) increased by 19% YoY to ₹1.58 Lakhs Crores in 9M FY 2025-26, driven by healthy demand across affordable housing and LAP segments.

The sector remains significantly underpenetrated across underserved and semi-urban markets, creating substantial headroom for growth. ICRA expects the AHFC industry to maintain a healthy 19–21% growth trajectory in FY 2025-26 and FY 2026-27, supported by improving income levels, increasing formalization of credit, and sustained housing demand.

19% YoY AUM growth
During 9M FY 2025-26

19–21%
Expected industry growth in FY 2026 and FY 2027

₹1.58 lakh crore
AHFC industry AUM

STRUCTURAL GROWTH IN RETAIL CREDIT

NBFCs in India continued to play a pivotal role in driving retail credit expansion in FY 2025-26, complementing the banking system amid moderated but steady overall credit growth. Retail lending remained a core focus area for NBFCs, supported by rising consumption demand, formalization trends (e.g., gold loans), and NBFCs' agility in serving underserved segments like MSMEs, vehicle finance, and smaller-ticket retail borrowers.

Retail assets constituted around 56-58% of NBFC lending (up significantly from earlier years), estimated at over ₹16 lakh crore with double-digit CAGR. NBFC-Retail AUM (excluding Housing Finance Companies) grew at a moderated but healthy pace—around 17-19% in H1 FY 2025-26, with full-year expectations in the 16-18%. ICRA projected retail AUM crossing ₹30 lakh crore by FY 2026-27.

https://www.icra.in/CommonService/OpenMediaS3?Key=4a11aca3-1a1d-4e46-916e-2697687f90ed

MSME FORMALIZATION & CREDIT GAP

The increasing formalisation of MSMEs is expanding the addressable credit market for lenders. Rising GST registrations, digital payment adoption, UPI penetration, and broader use of formal banking channels are improving financial transparency and enabling better borrower assessment. As per Government estimates, GST registrations have crossed 1.5 crore, reflecting the growing integration of small businesses into the formal economy.

Despite this progress, the MSME sector continues to face a substantial credit gap. India's MSME financing gap exceeds US$ 530 Billion, with a significant share of small enterprises still dependent on informal borrowing channels due to limited collateral, insufficient credit history and restricted access to organized finance.

1.5 Crore
MSME registered under GST

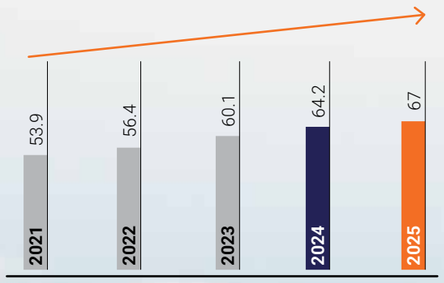
Addressing the $530 Billion Credit Gap in India's MSME sector

RISING FINANCIAL INCLUSION

India's expanding financial inclusion ecosystem continues to act as a key growth driver for the NBFC sector by increasing formal credit penetration across underserved and unbanked segments. The RBI's Financial Inclusion Index (FI-Index) rose to 67.0 in FY2025, reflecting sustained improvement in access, usage, and quality of financial services across the country.

Government-led initiatives such as Pradhan Mantri Jan Dhan Yojana (PMJDY), digital banking expansion, and the JAM trinity have significantly widened the formal financial ecosystem, creating a larger addressable customer base for NBFCs. As of August 2025, PMJDY covered over 55.98 crore beneficiaries.

Financial Inclusion Index



67.0
RBI Financial Inclusion Index in FY2025

55.98 Crores
PMJDY Beneficiaries as of August 2025

IMPROVING LIQUIDITY ENVIRONMENT

The liquidity environment for NBFCs improved during FY 2025-26, supported by the RBI's accommodative monetary measures, easing money market conditions and improving credit flow to the sector despite persistent global macroeconomic and political risks. The RBI's Monetary Policy Committee reduced the policy repo rate by 25 bps to 5.25% in December 2025, taking cumulative rate cuts during 2025 to 125 bps, while maintaining a neutral policy stance.

To further ease systemic liquidity pressures, the RBI announced durable liquidity support measures, including capital infusion through Open Market Operations (OMOs) and long-tenor US$/₹ buy-sell swaps. This included phased purchase of government securities between December 2025 and January 2026, along with a three-year US$10 Billion swap to inject durable rupee liquidity into the banking system.

https://www.ey.com/content/dam/ey-unified-site/ey-com/en-in/insights/strategy-transactions/documents/2026/ey-private-credit-in-india-h2-2025-update.pdf

KEEPING BUSINESS MOMENTUM ALIVE

Gaurav Mishra, a trader from Varanasi, operates a diversified retail business serving customers across electrical, plumbing, hardware, cosmetics, and garment segments. Like many small business owners, he often faces working capital challenges as payments from customers are received over extended periods, while inventory requirements remain immediate.

Recognizing the importance of maintaining liquidity, he turned to IIFL Finance Gold Loans to bridge temporary cash flow gaps and ensure uninterrupted business operations. The facility provided quick access to funds whenever inventory replenishment was required, helping him meet customer demand without compromising on service levels.

The convenience of digital top-up facilities further strengthened his ability to respond to business opportunities in real time. By enabling easy access to liquidity against existing gold collateral, IIFL Finance continues to support entrepreneurs like Gaurav in maintaining operational continuity and pursuing business growth with confidence.

Scan the QR code to watch this video.

THREE DECADES OF PROGRESS, DRIVEN BY STRATEGIC CLARITY

Guided by a future-ready vision, the strategic roadmap focuses on strengthening resilience, enhancing operational agility, capitalizing on emerging growth opportunities and delivering sustainable value creation. The approach is aligned with evolving customer expectations, expanding market potential and the changing dynamics of the business environment.

S1 ADDRESS GROWING FINANCIAL NEEDS IN UNDER-SERVED MARKETS

A significant part of Indian populace still falls outside the ambits of formal credit. We are focused on expanding financial inclusion by catering to underserved and low-income customer segments through accessible, retail-focused lending solutions across geographies.

Material topics linked

- Financial inclusion and literacy
- Responsible marketing
- Risk management
- Customer financial protection
- Regulatory compliance
- Responsible lending

Key Capitals Impacted

- Financial Capital
- Social and Relationship Capital
- Physical Capital
- Intellectual Capital

FY 26 Progress

- Scaled up secured lending (Gold + Mortgages)
- Expanded MSME & Bharat segments
- Increased Tier II/III branch presence

KPIs

87% Customers from EWS

₹50,000 Crores+ Cumulative co-lending since FY 2020-21

84% Branches in non-metro markets

12 banks Active co-lending partners

S2 BUILD CAPACITY AND GROW CUSTOMER BASE THROUGH RETAIL FOCUS & GEOGRAPHIC EXPANSION

Our growth strategy is anchored in diversified retail lending, supported by a broad product portfolio tailored to the needs of salaried, self-employed, informal sector, HNI, and corporate customers. We continue to strengthen our franchise through hyperlocal sourcing, branch-led distribution, and strategic banking partnerships.

Material topics linked

- Responsible lending
- Customer satisfaction
- Responsible marketing
- Engagement with business partners
- Financial inclusion and literacy
- Digitalization

Key Capitals Impacted

- Financial Capital
- Physical Capital
- Social and Relationship Capital
- Intellectual Capital

FY 26 Progress

- Added 200+ branches in underserved markets
- Achieved 35% off-book AUM ratio
- Enhanced per-branch AUM & profitability
- Developed hyperlocal sourcing capabilities

KPIs

~4,800+ Branches

94% Loans for supporting income generation and economic empowerment

4.6 Million+ Customers

S3 STRENGTHEN PERFORMANCE BY FORTIFYING OPERATING PROCESSES AND RISK MANAGEMENT

A strong governance framework, robust credit policies, disciplined collections, and effective controls support superior asset quality and operational resilience. Backed by a culture of compliance, audit, and risk management, extensive digitization enhances efficiency, accelerates turnaround times, and reduces operational errors.

Material topics linked

- Customer financial protection
- Risk management
- Data and customer privacy
- Corporate governance and ethics
- Regulatory compliance
- Digitalization

Key Capitals Impacted

- Financial Capital
- Intellectual Capital
- Human Capital

FY 26 Progress

- Maintained GNPA <1.5%
- Achieved provision coverage >90%
- Implemented AI-powered risk controls
- Completed 100% PD transition (Home Finance)
- Deployed advanced analytics for early warnings

KPIs

1.5% Gross NPA

₹6,638 Crores Liquidity position

S4 CONTINUE TO INVEST IN DIGITALIZATION & TECHNOLOGY TO REDUCE COSTS AND IMPROVE EFFICIENCY

Accelerating AI-led transformation across underwriting, collections, customer engagement, and cross-selling remains a key priority to enhance productivity and optimize acquisition costs. Backed by our in-house loan origination platform, we continue to strengthen digital capabilities to improve efficiency, scalability, and customer experience.

Material topics linked

- Digitalization
- Risk management
- Data and customer privacy
- Customer satisfaction
- Employment practices
- Corporate governance and ethics

Key Capitals Impacted

- Financial Capital
- Intellectual Capital
- Human Capital
- Physical Capital

FY 26 Progress

- Launched agentic customer support
- Deployed Business Loan Referral Agent
- Achieved 30% cost reduction through automation
- Reduced CAC by 25% via AI lead generation

KPIs

~₹1,000 Crores AI-Driven monthly lead pipeline

1,895 Loans Flagged by AI

S5 ENSURE EFFECTIVE ASSET-LIABILITY MANAGEMENT, DIVERSIFY BORROWING SOURCES AND STRENGTHEN CREDIT PROFILE

Optimizing the funding mix and co-lending remains a key focus, supported by prudent liquidity management and a strong ALM framework. A diversified funding strategy and continued strengthening of the credit profile enhance access to a broader pool of capital to support sustainable growth.

Material topics linked

- Regulatory compliance
- Risk management
- Responsible lending
- Engagement with business partners
- Corporate governance and ethics

Key Capitals Impacted

- Financial Capital
- Intellectual Capital
- Social and Relationship Capital

FY 26 Progress

- Maintained positive ALM across all buckets
- Sustained liquidity buffer of ₹6,638 Crores
- Increased off-book AUM to ₹38,088 Crores
- Maintained Consolidated CRAR (computed) at 25.3% and net gearing at 3.8

KPIs

Asset Liability Match (ALM) - Surplus across all buckets

Net gearing 3.8x

S6 CAPITAL-OPTIMIZED, VALUE-INNOVATION DRIVEN STRATEGY

Leverage direct assignment, co-lending, and securitisation to optimize capital deployment, enhance RWA efficiency, and maximize returns. Strong banking partnerships, advanced underwriting capabilities, fintech collaborations, and a robust phygital distribution network enable scalable, capital-efficient growth.

Material topics linked

- Responsible lending
- Digitalization
- Risk management
- Regulatory compliance
- Corporate governance and ethics

Key Capitals Impacted

- Financial Capital
- Intellectual Capital
- Social and Relationship Capital

FY 26 Progress

- Improved CRAR via off-book growth
- Enhanced shareholder value
- Delivered 20%+ AUM growth with discipline
- Achieved best-in-class ROAE in retail lending

KPIs

2.4% ROA (Consolidated)

13.1% ROE (Consolidated)

₹318.8 Book Value/Share

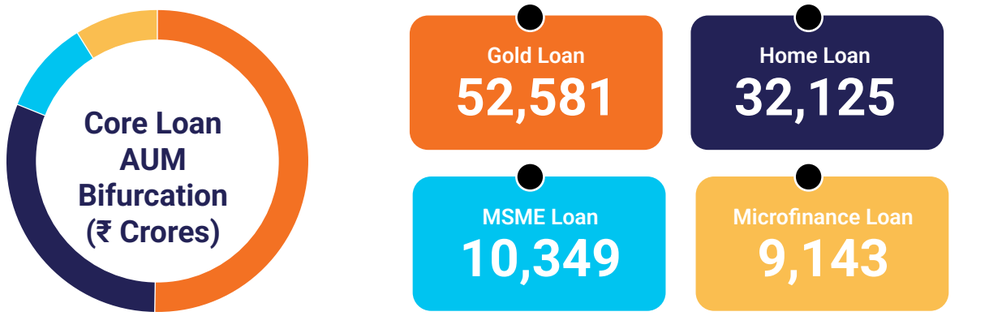
OUR STRENGTHS

FROM TRUST TO RETURNS: A COMPELLING STORY

DIVERSIFIED PRODUCT PORTFOLIO SERVING A BROAD RETAIL CUSTOMER BASE

IIFL Finance Limited has established a well-diversified, retail-focused lending franchise encompassing gold loans, home finance, MSME lending, microfinance and capital market finance, enabling it to address a wide spectrum of credit needs. As of FY 2025-26, the Company reported a consolidated AUM of ₹ 1,08,180 Crores, anchored in a prudently constructed portfolio with a strong bias towards secured assets. These offerings are tailored to meet varied financial needs—from short-term liquidity and housing finance to business funding and livelihood support—thereby strengthening its position as a full-spectrum retail NBFC.

The portfolio composition is led by gold loans, followed by home loans, MSME loans and Microfinance loans, reflecting a well-balanced distribution across asset classes and borrower segments.



Broad retail customer base:

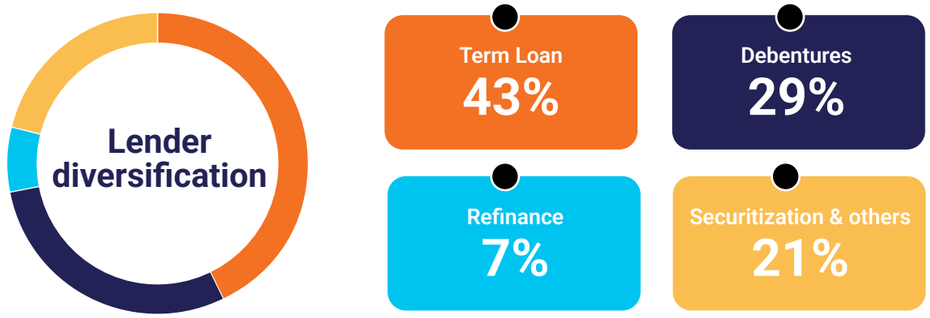
Customer Income Profile
Focused on advancing financial inclusion, 87% of customers belong to income groups earning below ₹3 lakh annually, reflecting a strong presence across economically weaker sections (EWS) and underserved communities.

Branch Distribution Profile
Our branch network continues to maintain a strong presence beyond metropolitan markets, with 84% of branches located across semi-urban, urban and rural regions, enabling deeper penetration into underserved and high-growth Bharat markets.

This diversified business framework constitutes a structural competitive moat for IIFL Finance Limited, enabling superior risk dispersion and portfolio resilience. By mitigating concentration risks and reducing cyclicality across business segments, the model ensures continuity of growth momentum, even amid volatility in individual verticals, thereby reinforcing earnings stability and long-term value creation.

FUNDING MIX SUPPORTED BY A STRONG CREDIT PROFILE

At IIFL Finance Limited, we maintain a well-diversified borrowing profile, underpinned by strong liquidity and disciplined liability management. As of FY 2025-26, our total borrowings stood at ₹ 67,991 Crores, with a balanced mix comprising term loans, debentures, refinance, and securitization & others. This diversified funding mix reduces reliance on any single source, ensuring stable access to capital even during market volatility. It enables optimization of cost of funds, strengthens asset-liability alignment and lowers refinancing risk, thereby supporting consistent and resilient growth.



IIFL Finance Limited continues to demonstrate a resilient credit profile, underpinned by improving asset quality, prudent capitalization and a diversified funding base. Reflecting this strength, S&P Global Ratings revised the Company's outlook to Positive from Stable, while affirming its 'B+' long-term and 'B' short-term issuer credit ratings, along with the 'B+' rating on its US$-denominated senior secured notes.

'B+' long-term and 'B' short-term
issuer credit rating from S&P Global Ratings

SUSTAINED FOCUS ON ASSET QUALITY AND RISK DISCIPLINE

At IIFL Finance Limited, we have embedded asset quality and risk discipline at the core of our operating strategy, supported by a calibrated shift towards secured lending and proactive portfolio realignment. During the financial year, our GNPA improved to ~1.5% and NNPA to ~0.7%, with a provision coverage ratio of ~93%, reflecting a strengthened credit buffer and prudent provisioning approach.

1.5%
GNPA

0.7%
NNPA

93%
Provision coverage ratio

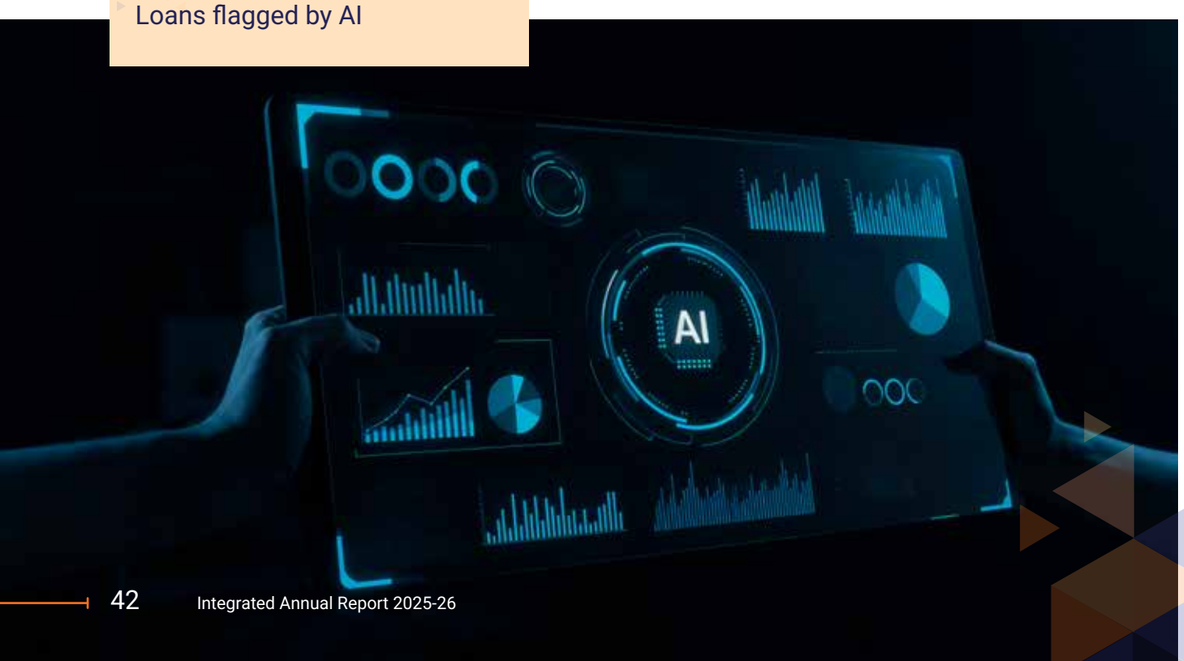
During the year, we undertook decisive actions to enhance portfolio resilience, including exit from higher-risk segments such as digital unsecured MSME, Micro LAP and select microfinance geographies, alongside a one-time portfolio clean-up in housing finance. This has resulted in a more resilient portfolio, lower volatility and improved risk-adjusted returns.

Our risk framework is further fortified through AI-led early warning systems, continuous portfolio surveillance and disciplined collection mechanisms, enabling timely identification and mitigation of emerging risks. Additionally, Stage 2 and Stage 3 assets continue to trend downward, indicating sustained improvement in underlying asset quality.

This sharp focus on risk selection, secured lending and governance discipline has enabled us to progressively lower credit costs, with a clear trajectory towards sub-2% levels, while strengthening portfolio stability and long-term earnings visibility.

IIFL Finance is also strengthening risk governance through advanced technology, AI-powered image fraud detection systems are being leveraged to assess and flag suspicious gold ornament images for field audits. The initiative enhances fraud monitoring capabilities, enables faster risk identification and reinforces control mechanisms across gold loan operations.

1,895
Loans flagged by AI



EXTENSIVE PHYSICAL NETWORK INTEGRATED WITH DIGITAL REACH

IIFL Finance Limited has built a differentiated phygital distribution model that seamlessly integrates an expansive physical footprint with advanced digital capabilities. As of March 31, 2026, we operate a network of ~4,800+ branches, serving over 4.6 Million customers, enabling deep and granular penetration across urban, semi-urban and rural markets.

This on-ground reach is augmented by AI-led underwriting, proprietary digital platforms and paperless processes, driving faster turnaround times, enhanced customer experience and efficient risk assessment.

4,829
Branches

4.6 Million+
Customers

ROBUST TECHNOLOGY INFRASTRUCTURE WITH A DIGITAL-FIRST ORIENTATION

IIFL Finance Limited has established a robust digital-first technology backbone, integrating AI-led systems across underwriting, monitoring and governance to enhance credit assessment and risk visibility.

Advanced analytics enable faster, data-driven credit decisions while maintaining portfolio quality, supported by automated compliance frameworks that ensure standardized processes at scale. Technology is embedded across the lending lifecycle, enabling seamless onboarding, efficient servicing and data-driven collections.

Continuous monitoring through early warning systems and stress testing further strengthens portfolio resilience, supporting disciplined execution and sustainable growth.

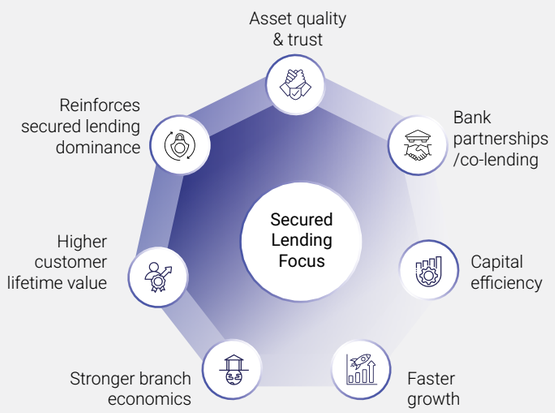
STRONG GOVERNANCE AND REGULATORY COMPLIANCE

A strong governance foundation underpins our ability to operate with integrity, manage risks effectively and ensure full regulatory compliance. Our framework is aligned with RBI's Scale-Based Regulations, reinforcing disciplined and transparent operations across the organization.

Board-led oversight is strengthened through independent committees and direct reporting of the Chief Compliance Officer and Internal Audit to the Board. Technology-driven compliance systems and automated controls enable consistent adherence across our branch network, while continuous monitoring of early warning signals supports proactive risk management. Quarterly stress testing further enhances portfolio resilience.

A robust ethical framework, supported by whistleblower and anti-corruption mechanisms, reinforces our commitment to accountability and sustainable growth.

VALUE CREATION MODEL

INPUTS	VALUE CREATION PROCESS	OUTPUTS	OUTCOMES	SDGs IMPACTED
Financial Capital **₹ 84,795 Crores** Capital employed **₹ 13,920 Crores** Shareholder's equity **₹ 72,934 Crores** Total financial liability	**Key product offerings:** Gold Loans Microfinance Loans Home Loans Loan Against Property (LAP) MSME Loans Co-Lending Products **Our strategic imperatives** **S1:** Address growing financial needs in under-served markets **S2:** Build capacity and grow customer base through retail focus and geographic expansion **S3:** Strengthen performance by fortifying our operating processes and risk management **S4:** Continue to invest in digitalization and technology to reduce costs and improve efficiency **S5:** Ensure effective asset-liability management, diversify borrowing sources and strengthen our credit profile **S6:** Capital -optimized, value-innovation driven strategy **OUR VISION** To be the most respected financial services company in India. Not necessarily the largest or most profitable. **OUR CORE VALUES** FAIRNESS INTEGRITY TRANSPARENCY **Strategy Flywheel** 	**₹ 7,626.4 Crores** Total Income **₹ 4,116.7 Crores** Pre provision operating profit **₹ 1,816.7 Crores** Pat (Pre-NCI) **₹ 39.1** Basic EPS **13.1%** ROE **2.4%** ROA	• Consistent loan asset growth • Overall yield maintained ~16% • Significant improvement in asset quality • Strong liquidity, diversifying funding sources • Maintained strong credit ratings	8
Physical Capital **4,829** Branches Phygital model combining physical presence with digital capabilities		**4.6 Million+** Total customers **84%** Branches in non-metro areas **87%** Customers from economically weaker sections **94%** Loans for productive purposes	• Enhanced market penetration across semi-urban and rural segments • Deeper market penetration and improved customer accessibility • Strengthened branch-led operating model supported by scalable digital platforms	8, 9
Intellectual Capital ISO 27001 & ISO 22301 Certifications Robust information security and business continuity		**~₹1,000 Crores** Monthly from AI Leads **~₹450 Crores** Collections assisted **48%** Branches taking decisions based on AI/ analytics **1,895** Loans flagged by AI **IIFL Finance: Gold & MSME Loan-** **4.7 Stars** Play Store rating **50 Lakhs+** App downloads	• Accelerated AI-led transformation across underwriting, collections, fraud detection, and customer engagement • Enhanced operational efficiency through analytics-driven decision-making and technology integration • Strengthened digital credit assessment and risk monitoring frameworks • Leveraged multilingual digital interfaces to improve customer accessibility and engagement	8, 9
Human Capital **37,189*** Total employees **₹ 2,111 Crores** Total employee cost *number pertains to consolidated entity		**15.53%** Women in workforce **45.62** Average learning hours per employee	• Stronger workforce capability through continuous learning • Improved retention and employee engagement • Enhanced diversity across the workforce • Robust talent pipeline through strategic hiring • IIFL Finance is recognized as one of India's Top 25 Best Workplaces in the BFSI sector (Great Place to Work)	3, 4, 5, 8, 10
Social and Relationship Capital Total CSR expense: **₹ 40 Crores*** **12:** Active bank co-lending partners *number pertains to consolidated entity		Total beneficiaries from CSR activities: **27,95,100+** Trained youth in aspirational districts: Jaisalmer, Sirohi, Kupwara **₹50,512 Crores** Cumulative co-lending since FY 2020-21	• Expanded financial inclusion across underserved segments • Strengthened customer trust and relationships • Improved community well-being through inclusive financing • Enabled last-mile delivery of financial services	1, 3, 4, 5, 8, 10, 16, 17
Natural Capital **ISO 14001:2015 certified for 3 large branches** (Mumbai, Thane, Bangalore) Received Gold Level LEED Certification for our owned office in Gurugram Adopted access-based, duplex printing and formalized paper waste disposal systems **Implemented rainwater harvesting system in** our Registered office building **11,063.80 Scope 3 emission**		**~21 lakh litres** Water conserved through rainwater harvesting **Green Housing Impact Snapshot** Green housing units supported: 46,033 Annual energy savings: 31,418 MWh Annual water savings: 1,815 ML CO_2 emissions avoided: 28,904 tCO_2e	• Enhanced resource efficiency through sustainable practices • Reduced emissions through renewable energy adoption • Improved water conservation and efficiency • Promoted responsible consumption of resources across offices and branches • Improving ESG ratings	6, 7, 12, 13, 15

STAKEHOLDER ENGAGEMENT

ENGAGING STAKEHOLDERS THROUGH THREE DECADES OF TRUST AND EXCELLENCE

Our engagement approach is guided by principles of transparency, responsiveness, ethical governance and shared value creation. We maintain regular and structured interactions with our different stakeholders through multiple engagement channels. These interactions enable us to strengthen service delivery, enhance operational resilience, improve governance standards and contribute positively to the socio-economic development of the communities we serve.

STAKEHOLDER ENGAGEMENT PROCESS

1. Execute stakeholder engagement plans
2. Understand stakeholder expectations and aspirations
3. Communicate insights gained from stakeholder discussaions to make necessary updates
4. Monitor progress and report back to stakeholders on the fulfillment of their needs

OUR CAPITALS

Financial Capital | Physical Capital | Intellectual Capital | Human Capital | Social & Relationship Capital | Natural Capital

Key stakeholders	Engagement mechanisms	Their needs	Our response to their needs	Value we created	Key Capitals / UN SDGs
Customers	Social media marketing campaigns Customer satisfaction surveys Grievance channels Engagement initiatives Financial inclusion and literacy initiatives	Bespoke financial products and services Competitive interest rates Seamless customer service Secure transactions Fair grievance redressal mechanisms Access to physical and digital channels	Strong phygital distribution network Stronger digital capabilities AI-led underwriting systems Enhanced grievance redressal mechanisms Responsible lending practices	Improved financial inclusion Enhanced customer experience Wider access to formal credit Stronger customer trust	
Investors/ Shareholders	Investor meets Investor presentations Annual general meeting Annual reports Sustainability reports Business performance reports Grievance channels Social media	Sustainable performance Transparent disclosures Ethical business practices Strong governance practices Long-term value creation	Strengthened governance frameworks Prudent capital management Improved asset quality Regular disclosures Sustainable growth strategy	Enhanced investor confidence Resilient financial performance Sustainable shareholder value	
Employees	Townhalls Meetings Upskilling modules Digital applications Performance appraisals Workshops, seminars Volunteering initiatives Grievance channels Engagement programs	Training and development Fair remuneration Recognition Diversity Safe workplace Work-life balance	Continuous learning initiatives Inclusive workplace practices Employee wellness programs Leadership engagement Capability-building initiatives	Improved employee engagement Stronger organizational capability Enhanced productivity Inclusive workplace culture	
Communities/NGOs	CSR initiatives Meetings Financial literacy initiatives Grievance channels	Social upliftment Financial literacy Livelihood opportunities Community welfare	CSR programs across health, Education, livelihoods and poverty alleviation Financial literacy drives Community development initiatives	Enhanced community well-being Improved financial awareness Stronger socio-economic development	

Key stakeholders	Engagement mechanisms	Their needs	Our response to their needs	Value we created	Key Capitals / UN SDGs
Government/ Regulators	Mandatory regulatory filings Meetings Sustainability reports Annual reports Business performance reports Grievance channels	Compliance with laws and regulations Ethical conduct Industry participation	Strengthened compliance systems Robust governance practices Proactive regulatory engagement Risk management frameworks	Strengthened regulatory alignment Enhanced institutional credibility Improved governance standards	
Business Partners/ Suppliers	Meetings Annual reports Sustainability reports Grievance channels	Fair and ethical engagement practices Transparency and long-term partnerships	Strengthened supplier engagement practices Enhanced ESG alignment Collaborative business relationships	Improved operational efficiency Stronger partnerships Enhanced business continuity	
Bankers/ Lenders	Lenders' meets Business performance reports Sustainability reports Annual reports Grievance channels	Timely debt servicing Sustainable growth Governance standards Transparent reporting	Maintained strong liquidity position Diversified funding profile Prudent ALM practices Strong governance frameworks	Strengthened lender confidence Diversified access to capital Enhanced financial resilience	

MATERIALITY ASSESSMENT

FOCUSED TODAY. READY TOMORROW.

Materiality assessment serves as a strategic framework for identifying and prioritizing the environmental, social and governance issues that are most significant to our business and stakeholders. Through a structured assessment process involving stakeholder engagement, sectoral analysis and evaluation of emerging risks and opportunities, we align our sustainability priorities with long-term business objectives, enabling responsible growth, informed decision-making and sustainable value creation.

MATERIALITY ASSESSMENT PROCESS

1 Identify

We identified key ESG priorities through an assessment of sectoral trends, business risks and opportunities, peer benchmarking, and reference to globally recognized frameworks such as SASB and MSCI. These insights were further aligned with our business model, operations and long-term strategic objectives.

2 Prioritize

The identified material topics were subsequently evaluated and prioritized based on their significance to key stakeholder groups, management and the Board, ensuring alignment with stakeholder expectations and business relevance.

3 Integrate

The prioritized material issues were embedded into our strategic and operational framework through defined KPIs, monitoring mechanisms and performance review processes to strengthen sustainability outcomes and long-term value creation.

Material priorities	Description of impact	Capitals	Stakeholders	UNSDGs	Performance during FY 2025-26
GOVERNANCE					
Corporate governance and ethics	Strong governance and ethical conduct ensure stakeholder trust, business resilience and regulatory compliance.				▲ Board-level Committees for fraud prevention, willful defaulters, ESG and all important functions ▲ Strengthened governance oversight; ▲ Tax Policy and Human Rights Policy adopted ▲ ABAC Policy refreshed with Board approval
Regulatory compliance	Proactive compliance reduces legal risks and ensures operational stability and stakeholder confidence.				▲ Maintained zero instances of non-compliance ▲ Completed first-year external BRSR Core assurance with no major observations
Risk management	Any lapse in risk management may affect asset quality, portfolio resilience, liquidity position and profitability.				▲ Strengthened Three Lines of Defense model ▲ Enhanced risk monitoring ▲ Improved stress-testing capabilities

Material priorities	Description of impact	Capitals	Stakeholders	UNSDGs	Performance during FY 2025-26
SOCIAL					
Data and customer privacy	Data breaches and cybersecurity incidents may impact customer trust, regulatory compliance and digital operations.				▲ AI-powered fraud detection system flagged 1,895 loans for field audit ▲ Multilingual AI customer interface launched across 22 languages. ▲ Compliance with the DPDP Act and its applicable rules is currently in progress
Responsible lending	Insufficient assessment of borrower and sustainability-related risks may increase default risk and adversely impact portfolio quality.				▲ 87% of customers belong to economically weaker sections ▲ 84% of branches are located in non-metro markets ▲ 94% of loans support productive purposes
Customer financial protection	Protecting customers' financial interests builds trust, reduces grievances, and ensures regulatory compliance.				▲ Enhanced customer grievance mechanisms ▲ Promoted clear and transparent loan terms ▲ Strengthened borrower protection initiatives
Responsible marketing	Non-transparent communication and mis-selling practices may negatively impact brand credibility, customer trust and regulatory standing.				▲ Enhanced customer communication through AI-enabled multilingual engagement platforms and transparent disclosure practices
Financial inclusion and literacy	Expanding access to affordable financial services promotes social equity and strengthens economic participation.				▲ Continued focus on underserved Bharat and MSME segments ▲ 84% branches located in non-metro regions ▲ 87% customers from EWS categories
Community development	Community investment supports inclusive growth and strengthens social capital.				▲ Expanded CSR initiatives across focus areas of HELP
Customer satisfaction	Poor customer experience may impact retention levels, brand perception and business growth.				▲ AI-driven lead engine contributed ~ ₹1,000 Crores monthly pipeline ▲ Branch productivity tools improved customer engagement, service efficiency
Employment practices	Fair, inclusive, and progressive employment practices drive workforce productivity, retention, and brand reputation.				▲ Recognized among the 'Best Organizations for Women 2026' by ET Edge ▲ Certified as a Great Place to Work®, ranked among the Top 25 BFSI Companies to Work For ▲ Continued to invest in employee capability building
Engagement with business partners	Transparent and fair engagement fosters supply chain reliability and business sustainability.				▲ Expanded co-lending ecosystem to 12 active bank partners with cumulative co-lending originations since FY 2020-21 exceeding ₹50,000 Crores
Diversity and inclusion	Inclusive practices drive innovation, employee engagement, and social equity.				▲ Strengthened inclusive workplace practices with women representing about 27% of the workforce ▲ Women employees supported through maternity and daycare benefits, leadership and capability-building programs ▲ A robust POSH framework, ▲ Recognition as one of the 'Best Organizations for Women 2026'
Human rights	Human rights violations across operations or value chain may adversely impact reputation, compliance and stakeholder trust.				▲ Adopted a Board-approved Human Rights Policy ▲ Trained 98% of employees on human rights principles
Digitalization	Digital platforms enhance customer reach, operational efficiency, and service excellence.				▲ Scaled AI-led operating model across underwriting, collections, fraud detection and cross-sell functions to improve efficiency and productivity.

Material priorities	Description of impact	Capitals	Stakeholders	UNSDGs	Performance during FY 2025-26
ENVIRONMENT					
Climate change and GHG emissions	Climate-related risks and environmental impacts may affect operational continuity, regulatory compliance and ESG performance.				▲ Advanced environmental stewardship through financed emissions measurement, green housing finance initiatives, rainwater harvesting, wastewater recycling ▲ Strengthened environmental management practices across operations
Resource management	Inefficient resource utilization may increase operational costs and environmental footprint.				▲ Augmented rainwater harvesting capacity at the Thane office ▲ Implemented IoT-based energy monitoring in one large office ▲ Secured ISO 14001:2015 certification for three large offices

Financial Capital | Physical Capital | Intellectual Capital | Human Capital | Social & Relationship Capital | Natural Capital

Customers | Investors/Shareholders | Employees | Communities/NGOs

Government/ Regulators | Business Partners/ Suppliers | Bankers/ Lenders

A SECOND CHANCE THAT SPARKED SUCCESS

Randheer Singh Gorarandhawa from Amritsar began his entrepreneurial journey with a simple vision of building a milk distribution business. The initial days were filled with uncertainty, and his first attempt yielded disappointing results. Having already pledged his family's gold to raise capital, the setbacks could easily have ended his entrepreneurial ambitions.

Instead, timely support from IIFL Finance helped him stay committed to his goal. By extending additional funding against the same collateral at lower interest rate and encouraging him to persevere, IIFL Finance provided both financial assistance and confidence at a critical stage of his journey.

With renewed determination, he gradually expanded his operations and successfully established multiple milk retail outlets. His story is a testament to resilience, hard work, and the importance of having a dependable financial partner. Today, his thriving business stands as proof that access to timely credit can help transform challenges into opportunities and aspirations into lasting success.

Scan the QR code to watch this video.

RISK MANAGEMENT AND MITIGATION

RESILIENCE REFINED OVER THREE DECADES

Risk management forms an integral part of IIFL Finance's organizational framework. We follow a comprehensive and proactive approach towards identifying, assessing and mitigating risks across all areas of our business operations. Our approach is centered on strengthening resilience through robust risk mitigation practices, strict regulatory compliance and the promotion of a strong culture of accountability, governance and risk awareness across the organization.

INTEGRATED RISK GOVERNANCE FRAMEWORK

Our Company has a globally recognized 'Three Lines of Defense' model, the framework ensures clear accountability, independent oversight and effective control mechanisms across all business operations, enabling proactive risk identification, mitigation and regulatory compliance.

THREE LINES OF DEFENCE MODEL

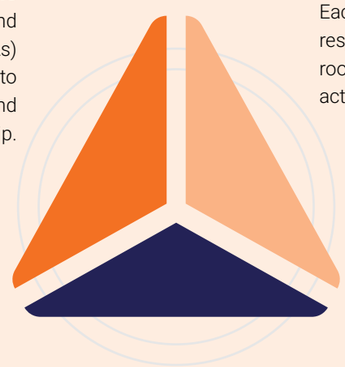
1	2	3
First Line of Defense	**Second Line of Defense**	**Third Line of Defense**
KEY RESPONSIBILITY		
Business and operational management teams are responsible for owning, identifying and managing risks within day-to-day operations while ensuring effective internal controls.	Risk Management, Compliance and other control functions provide oversight, policy guidance and continuous monitoring to strengthen governance and risk mitigation practices.	Internal Audit provides independent assurance on the effectiveness of internal controls, governance processes and overall risk management framework.

OPERATIONAL RISK OVERSIGHT

OPERATIONAL RISK OVERSIGHT AREA	KEY PRACTICES IMPLEMENTED
Operational Risk Management Committee (ORMC)	Quarterly review of key operational risks, root causes and status of corrective actions to strengthen risk oversight and governance.
SOPs & RCSAs	Annual updation and sign-off of Standard Operating Procedures (SOPs) and Risk Control Self-Assessments (RCSAs) to ensure process effectiveness and control alignment.
Departmental Risk Coordination	Designated nodal officers across departments to report incidents, coordinate remediation efforts and support timely risk resolution.
Incident & Loss Reporting System	Structured reporting framework capturing incidents, loss events, Risk Control Assessments (RCAs), corrective and preventive actions, responsible stakeholders and implementation timelines.
Continuous Improvement Framework	Focus on transparency, accountability and continuous enhancement of operational risk management practices across the organization.

OPERATIONAL RISK OVERSIGHT FRAMEWORK

Process Discipline
Standard Operating Procedures (SOPs) and Risk Control Self-Assessments (RCSAs) are reviewed and approved annually to strengthen process governance and institutionalize control ownership.



Departmental Ownership
Each department appoints a Nodal Officer responsible for incident reporting, supporting root cause analysis and driving corrective actions.

Risk Capture Mechanism
Incident and loss reporting systems capture RCAs, corrective and preventive measures, accountable stakeholders and closure timelines to ensure effective risk resolution.

Risk	Risk Description and Impact on our Business	Mitigating Actions	Opportunities Arising from Mitigating the Risk	Linkages
Credit Risk	Deterioration in borrower repayment capacity may impact asset quality and profitability. Emerging stress may remain undetected, leading to higher credit losses, and volatility in portfolio performance. EWS (Early warning signals) framework has been implemented to proactively monitor the portfolio on the early stress indicators & take corrective actions to ensure sustainable portfolio growth with controlled risk. This helps identify incipient stress in borrower behavior or portfolio trends before accounts deteriorate into delinquencies or NPAs.	Secured lending focus, robust underwriting, portfolio monitoring and early warning systems. Monitoring of leading indicators such as rising LTVs (stress testing), overdue renewals, repeat rollovers, and branch level deviations, pre defined thresholds and escalation mechanisms for timely intervention, early corrective measures.	▲ Supports sustainable growth and stronger portfolio resilience ▲ Enables proactive credit risk management rather than reactive loss control ▲ Reduces severity of losses during stress periods, including gold price volatility ▲ Strengthens regulatory confidence and aligns with RBI expectations on forward looking risk monitoring	S1 S3 S6
Fraud Risk	Fraudulent activities may result in financial losses and reputational impact. Emerging stress may remain undetected, leading to higher credit losses, and volatility in portfolio performance. EWS (Early warning signals) framework has been implemented to proactively monitor the portfolio on the early stress indicators & take corrective actions to ensure sustainable portfolio growth with controlled risk. It helps identify incipient stress in borrower behavior or portfolio trends before accounts deteriorate into delinquencies or NPAs.	AI-led fraud detection, internal controls, audits and monitoring systems. Monitoring of leading indicators such as rising LTVs (stress testing), overdue renewals, repeat rollovers, and branch level deviations, pre defined thresholds and escalation mechanisms for timely intervention, early corrective measures.	▲ Strengthens governance, customer trust and operational efficiency ▲ Enables proactive credit risk management rather than reactive loss control ▲ Reduces severity of losses during stress periods, including gold price volatility ▲ Strengthens regulatory confidence and aligns with RBI expectations on forward looking risk monitoring	S3 S4
Operational Risk	Process failures or control gaps may disrupt business operations and customer service.	SOPs, RCSAs, ORMC oversight and technology-enabled controls.	▲ Improves operational resilience and process efficiency.	S3 S4
Collection Risk	Delays or inefficiencies in collections may increase delinquencies and credit costs. Emerging stress may remain undetected, leading to higher credit losses, and volatility in portfolio performance. EWS (Early warning signals) framework has been implemented to proactively monitor the portfolio on the early stress indicators & take corrective actions to ensure sustainable portfolio growth with controlled risk. It helps identify incipient stress in borrower behavior or portfolio trends before accounts deteriorate into delinquencies or NPAs.	Digital collection tools, analytics-driven monitoring and proactive recovery mechanisms. Monitoring of leading indicators such as rising LTVs (stress testing), overdue renewals, repeat rollovers, and branch level deviations, pre defined thresholds and escalation mechanisms for timely intervention, early corrective measures.	▲ Enhances asset quality and collection efficiency ▲ Enables proactive credit risk management rather than reactive loss control ▲ Reduces severity of losses during stress periods, including gold price volatility ▲ Strengthens regulatory confidence and aligns with RBI expectations on forward looking risk monitoring	S3
Market Risk	Changes in interest rates and market conditions may impact borrowing costs and profitability.	ALM practices, diversified funding mix and periodic stress testing.	▲ Strengthens financial stability and funding flexibility.	S5 S6
Liquidity Risk	Inadequate liquidity may affect business continuity and growth plans.	Strong liquidity buffers, diversified borrowing sources and co-lending partnerships.	▲ Supports scalable and capital-efficient growth.	S5 S6
Legal Risk	Legal disputes or contractual non-compliance may lead to financial and reputational losses.	Legal review frameworks, policy controls and compliance monitoring.	▲ Enhances governance standards and stakeholder confidence.	S3
Compliance Risk	Non-adherence to regulatory requirements may result in penalties and operational disruptions.	Board-approved governance framework, audits and regular compliance training.	▲ Reinforces transparency and regulatory credibility.	S3 S5
Reputation Risk	Negative public perception may impact customer trust and market positioning.	Transparent communication, customer-centric practices and grievance redressal mechanisms.	▲ Strengthens brand equity and customer loyalty.	S1 S2
Information Technology Risk	System failures or technology disruptions may affect operational continuity and service delivery.	IT governance frameworks, system monitoring and infrastructure upgrades.	▲ Improves digital capabilities and operational agility.	S4
Cyber Risk	Cyberattacks or data breaches may compromise customer data and business operations.	Cybersecurity systems, access controls, monitoring tools and employee awareness programs.	▲ Builds customer trust and strengthens digital resilience.	S4
Outsourcing Risk	Dependence on third-party service providers may expose operations to disruptions or compliance gaps.	Vendor due diligence, contractual controls and periodic performance reviews.	▲ Improves partner ecosystem governance and operational continuity.	S3 S5
People / Conduct Risk	Inadequate employee conduct or skill gaps may impact productivity and governance culture.	Training programs, code of conduct policies and employee engagement initiatives.	▲ Strengthens workplace culture and talent retention.	S2 S3
Environmental, Social and Governance (ESG) Risk	ESG-related risks may impact portfolio sustainability, stakeholder perception and long-term resilience.	ESG due diligence, climate risk assessment and sustainability-focused governance practices.	▲ Enhances responsible financing and long-term value creation.	S3 S4 S6

OUR MATERIAL PRIORITIES

- Corporate governance and ethics
- Regulatory compliance
- Risk management
- Data and customer privacy
- Responsible lending
- Customer financial protection
- Responsible marketing
- Digitalization
- Financial inclusion and literacy
- Community development
- Customer satisfaction
- Employment practices
- Engagement with business partners
- Diversity and inclusion
- Human rights
- Climate change and GHG emissions
- Resource management

Financial Capital

INVESTORS/SHAREHOLDERS

EXCELLENCE BUILT OVER 30 YEARS OF FINANCIAL PRUDENCE

IMPACT NUMBERS

2.4% Return on Assets (ROA)	**13.1%** Return on Equity (ROE)	**25.3%** Consolidated Capital Adequacy Ratio (Computed)
3.8x Net Gearing Ratio	**₹ 6,638 Crores** Liquidity Buffer	**93%** Provision Coverage Ratio

PILLARS OF FINANCIAL CAPITAL

Strategy

S1 S2 S5 S6

Risk

Credit Risk
Collection Risk
Liquidity Risk

UNSDGs

Material Priority

KEY FOCUS AREAS

STRENGTHENING CAPITAL ADEQUACY

- Maintained strong CRAR (computed) of 25.3% in FY 2025-26
- Focused on capital-efficient secured lending growth
- Strengthened resilience through prudent provisioning

MAINTAINING STRONG LIQUIDITY BUFFERS

- Maintained liquidity buffer of ₹6,638 Crores
- Ensured positive ALM across maturity buckets
- Continued focus on prudent liquidity management

DIVERSIFYING FUNDING SOURCES

- Diversified funding across banks, bonds and securitisation
- Expanded co-lending partnerships with banking partners

OPTIMIZING COST OF FUNDS

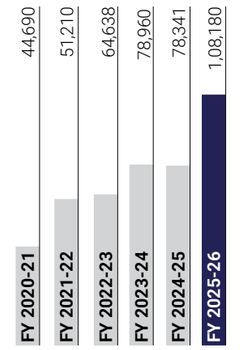
- Leveraged diversified borrowings to optimize funding costs
- Improved funding efficiency through secured lending mix
- Strengthened treasury and liability management practices

IMPROVING RETURN RATIOS

- Achieved ROA of 2.4% and ROE of 13.1%
- Focused on operational and capital efficiency

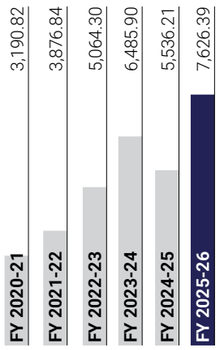
Loans assets under Management

(₹ Crores)



Net Total Income

(₹ Crores)



ECONOMIC PERFORMANCE

Particulars	FY 2025-26	FY 2024-25
Direct economic value generated: Revenues	**13,373.83**	**10,237.07**
Economic value distributed	**11,756.82**	**9,658.91**
Operating costs	8,814.70	7,599.10
Employee wages and benefits	2,110.51	1,888.77
Payments to providers of capital (dividends)	199.69	-
Payments to the Government (taxes)	591.88	128.85
Community investments (CSR)	40.04	42.20
Economic value retained	**1,617.01**	**578.16**

1 DEFINED BENEFIT OBLIGATIONS AND EMPLOYEE RETIREMENT PLANS

Employee benefit obligations are administered through both defined contribution and defined benefit retirement schemes, including Provident Fund and Gratuity Plans. Contributions towards Provident Fund are recognized on an accrual basis, while gratuity liabilities are fully funded through an independent trust structure. The Company undertakes periodic actuarial evaluations using the Projected Unit Credit Method to ensure appropriate provisioning and effective oversight of post-retirement benefit obligations.

2 GOVERNMENT-SUPPORTED FINANCIAL INCLUSION INITIATIVES

Although no direct financial support has been received from the Government, various institutional schemes and guarantee programs such as NAPS, CGTMSE and CGFMU continue to create an enabling ecosystem for business growth. These frameworks help strengthen credit outreach, enhance access to finance for underserved segments and support the broader objective of inclusive economic development.

3 CLIMATE-RELATED RISKS, OPPORTUNITIES AND FINANCIAL IMPLICATIONS

Evolving climate-related regulations and rising sustainability expectations are reshaping the operating environment for financial institutions, creating both challenges and emerging growth avenues. While increased compliance requirements may influence operational costs, the transition towards sustainable and inclusive finance is opening new opportunities across affordable housing and financial inclusion. Through IIFL Home Finance and IIFL Samasta, we continue to advance responsible lending practices aligned with long-term sustainable development goals.

4 NAVIGATING CHALLENGES WITH RESILIENCE

Amid a dynamic operating landscape in FY 2025-26, the Company navigated macroeconomic pressures and regulatory challenges, including temporary restrictions on gold loan disbursements by the Reserve Bank of India. Through focused execution, effective liquidity management and a successfully subscribed rights issue, we further strengthened our financial resilience and enhanced our readiness to capitalize on future growth opportunities.

EMPLOYEES

EMPOWERING PEOPLE THROUGH 30 YEARS OF TRUST AND EXCELLENCE

IMPACT NUMBERS

37,189*
Employee strength

16,96,403
Total employee training hours

*number pertains to consolidated entity

Strategy S1 S2

UNSDGs

Material Priority

KEY FOCUS AREAS

BUILDING A FUTURE-READY WORKFORCE

- Strengthened talent acquisition through technology-enabled and employer-brand-led hiring practices
- Built a robust pipeline of early-career talent through campus hiring initiatives

ENHANCING EMPLOYEE EXPERIENCE AND RETENTION

- Strengthened employee listening through AI-enabled feedback and HR Connect mechanisms
- Enhanced employee value proposition through progressive policies, benefits, and career development opportunities
- Improved employee engagement, recognition, and retention across the organization

FOSTERING A HIGH-PERFORMANCE AND INCLUSIVE CULTURE

- Promoted a culture of recognition, collaboration, and accountability
- Strengthened Diversity, Equity, and Inclusion (DE&I) through leadership commitment, awareness programs, and equitable workplace practices
- Encouraged employee participation and belonging through organization-wide initiatives

ADVANCING EMPLOYEE WELLBEING, HEALTH AND SAFETY

- Strengthened physical, mental, and preventive wellness programs
- Enhanced healthcare benefits, counselling support, and wellness initiatives
- Reinforced workplace safety through robust governance, POSH compliance, awareness programs, and grievance mechanisms

STRENGTHENING EMPLOYER BRAND AND ORGANIZATIONAL EXCELLENCE

- Enhanced employer brand visibility through digital engagement, thought leadership, and employee advocacy
- Received multiple recognitions for workplace excellence and employee experience
- Continued building a trusted, people-centric organization recognized as an employer of choice

HIRING AND RETENTION

OUR HIRING STRATEGY

During the year, we strengthened our talent acquisition capabilities through a, technology-enabled and employer-brand-led recruitment strategy.

Key initiatives included :

- Enhanced recruitment effectiveness through optimization of the **Applicant Tracking System (ATS)**, enabling greater efficiency, transparency, and data-driven hiring decisions
- Strengthened **employer branding** through targeted digital campaigns, employee advocacy, and culture-focused initiatives to enhance talent attraction and market visibility
- Introduced focused digital hiring interventions, including the "**Monday Hiring Series**", to improve hiring velocity, candidate engagement, and recruiter productivity
- Expanded **thought leadership presence** through participation in industry forums and publication of leadership insights, reinforcing IIFL Finance's employer brand
- Strengthened the **I-ACE campus hiring program** to build a robust pipeline of young and future-ready talent across critical business functions
- Continued the **transition towards a technology-enabled**, brand-led, and future-ready talent acquisition model, suitable for a meet scale seamlessly

INITIATIVES FOR EMPLOYEE RETENTION

Our organization strengthened employee retention through focused engagement, wellbeing, and development initiatives.

- Strengthened employee listening through Amber and HR Connect mechanisms
- Enhanced employee wellbeing support through MindPeers
- Conducted leadership and capability development programs
- Promoted engagement through recognition platforms and inclusive policies
- Improved workplace experience and career growth opportunities
- Reduced attrition by ~2.3% year-on-year, improving employee retention

EMPLOYEE INITIATIVES

Employee engagement at IIFL Finance is driven through a structured and insight-led approach focused on continuous listening, wellbeing, inclusion, recognition, and meaningful employee experiences. During the year, our organization strengthened engagement across locations and employee groups through several targeted initiatives aimed at fostering a connected, inclusive, and high-trust workplace culture.

AMBER – AI-POWERED EMPLOYEE LISTENING

Strengthened employee listening capabilities through the implementation of AI-enabled feedback platforms, enabling real-time sentiment analysis, multilingual participation, and data-driven people interventions.

EMPLOYEE WELLBEING SUPPORT

Enhanced employee wellbeing support by providing access to professional counselling, wellness resources and supported programs aimed at promoting holistic wellbeing and mental health awareness.

SPORTS, IIFL CHAMPIONS LEAGUE

Fostered a culture of engagement, inclusion, and collaboration through organization-wide pan India cricket tournament initiatives, strengthened cross-functional and regional connectivity across both men's and women's teams.

"YOU SAID. WE DID." FEEDBACK INITIATIVE

Increased transparency and trust through structured employee feedback mechanisms and regular communication on actions taken against employee suggestions and concerns.

HR CONNECT FRAMEWORK

Deepened employee engagement through the HR Connect framework, enabling direct interactions between employees and HR teams, improving responsiveness and on-ground support.

EMPLOYEE PARTICIPATION AND FEEDBACK MECHANISMS

- **Speak Up**: Provided a safe and anonymous platform for employees to raise concerns, share ideas, and promote a culture of transparency
- **FIT helpline**: Strengthened governance and employee voice through multiple grievance redressal and feedback channels, reinforcing a culture of fairness, integrity, transparency, and open communication
- **Bravo IIFL**: Enabled real-time peer-to-peer recognition through the digital platform, fostering appreciation, motivation, and employee engagement across locations
- **Champions Of the Quarter**: Recognizing performers across sales & support on quarterly basis, with visibility of recognition across the organization
- **Long Service Award Club**: Introduced LSA club to recognize 5,10,15,20, 25 years of service, with dedicated celebration plan for employees and their families
- **New policies / revamped policies**: Enhanced the employee value proposition through strengthened policies and benefits focused on wellbeing, learning, career development, healthcare, and employee mobility. This year we introduced continuous education policy, garden leave, enhanced coverage on certain illnesses under group medical policy and enhanced reimbursement benefits

LONG SERVICE CLUB

HEALTH AND SAFETY

Employee health, safety and wellbeing at IIFL Finance are driven through a holistic and proactive approach focused on physical, mental, and preventive wellness. During the year, our Company strengthened employee wellbeing through enhanced healthcare benefits, wellness awareness programs, fitness initiatives, and workplace safety interventions aimed at fostering a healthier, safer and more engaged workforce.

HEALTH AND WELLBEING INITIATIVES

LIVLONG CORPORATE WELLNESS PLAN

Extended the LivLong Corporate Wellness Plan across employee grades through Silver, Gold, and Platinum tiers, ensuring structured and differentiated healthcare benefits.

HEALTH AND WELLBEING AWARENESS SESSIONS

Conducted wellness sessions on topics such as cardiac health, stress management, and lifestyle awareness to promote preventive healthcare and employee wellbeing.

GMC AWARENESS SESSIONS

Organized Group Medical Coverage (GMC) awareness sessions to help employees better understand and effectively utilize their health insurance benefits.

VIRTUAL YOGA SESSIONS

Conducted virtual yoga sessions on World Yoga Day to encourage physical fitness, mindfulness, and mental wellbeing among employees across locations.

HOMEOPATHY HEALTH CAMPS

Organized homeopathy camps at the Mumbai office, providing employees with convenient access to consultative healthcare support.

IIFL CHAMPIONS LEAGUE

Promoted fitness, teamwork, and employee engagement through the IIFL Champions League cricket tournament, with participation from over 224 employees across men's and women's teams.

WORKPLACE SAFETY AND AWARENESS SESSIONS

Conducted awareness sessions on workplace safety and cybersecurity to strengthen employee preparedness and promote a secure work environment.

WORKPLACE SAFETY AND EMPLOYEE SUPPORT MECHANISMS

- **POSH framework**: Strengthened workplace safety through a robust Prevention of Sexual Harassment (POSH) framework supported by an Internal Committee, defined redressal timelines, and confidentiality protocols
- **POSH awareness and training**: Conducted regular awareness sessions and mandatory training programs to reinforce a respectful workplace culture and encourage safe reporting of concerns
- **MindPeers support**: Provided confidential counselling and mental health support through MindPeers to strengthen psychological wellbeing and employee resilience
- **Grievance redressal mechanisms**: Enabled multiple grievance channels, including HR Connect and digital platforms, supported by defined escalation and resolution processes
- **Integrated Safety Culture**: Continued to embed workplace safety into daily operations through strong, governance, employee suppor mechanisms, proactive engagement, and policy-driven practices

DIVERSITY AND INCLUSION

Diversity, Equity, and Inclusion (DE&I) remain integral to IIFL Finance's people strategy and workplace culture. During the year, our Company strengthened its commitment to building an inclusive, equitable, and respectful workplace through initiatives focused on representation, leadership accountability, awareness, employee wellbeing, and equal opportunity.

INCLUSIVE PARTICIPATION AND REPRESENTATION

Promoted inclusion through initiatives such as the IIFL Champions League and Women's Champions League, ensuring equal participation, visibility, and recognition across the organization.

SHAKTI EXPRESS 2.0

Celebrated Women's Day by recognizing and showcasing the achievements of women employees, reinforcing representation and leadership visibility.

INCLUSIVE LEADERSHIP PRACTICES

Strengthened leadership accountability by recognizing and encouraging people managers who foster diverse teams and inclusive work environments.

UNCONSCIOUS BIAS AWARENESS PROGRAMS

Conducted sensitization programs to help employees and managers identify and mitigate unconscious biases in hiring, performance management, and team interactions.

SUPPORTIVE POLICIES FOR WOMEN EMPLOYEES

Enhanced workplace support through maternity-related benefits, flexible transition support, and initiatives aimed at improving employee experience and retention.

POSH FRAMEWORK AND SAFE WORKPLACES

Maintained a robust Prevention of Sexual Harassment (POSH) framework supported by Internal Complaints Committees (ICC), awareness programs, and structured grievance redressal mechanisms to promote a safe and respectful workplace.

WOMEN'S DEVELOPMENT INITIATIVES

Conducted focused sessions on wellbeing, confidence-building, communication, and leadership effectiveness to support the personal and professional growth of women employees.

EMBEDDING AN INCLUSIVE CULTURE

Continued to strengthen inclusion through equitable opportunities, leadership commitment, employee-centric practices, and a culture of belonging across the organization.

4,483
Female employees

27%
Women as a % of total workforce

Above numbers are for IIFL Finance on a standalone basis

AWARDS AND RECOGNITIONS

During the year, IIFL Finance received several prestigious recognitions across workplace excellence, customer centricity, innovation, governance, and technology, reinforcing its position as a leading and trusted financial services organization.

- Ranked among India's Top 100 Best Workplaces by Great Place to Work® India
- Recognized as one of the Best Organizations to Work 2025 by ET Now
- Awarded Employer of Choice by AmbitionBox Employee Choice Awards 2025
- Featured among the Iconic Brands of India 2025 by ET Now

TRAINING AND DEVELOPMENT

During the year, we undertook a comprehensive range of learning and development initiatives aimed at strengthening functional expertise, behavioral competencies, leadership effectiveness, and customer engagement capabilities across employee levels. These programs were designed to build a future-ready workforce while enhancing operational excellence, compliance adherence, and people management capabilities.

Key training programs conducted during the year:

HR ORIENTATION & FOUNDATIONS TRAINING

Conducted structured on-boarding and foundation programs to strengthen product understanding, process knowledge, and sales capabilities among new joiners, enabling faster role readiness and smoother integration into the organization.

PRODUCT & PROCESS TRAINING

Delivered focused training programs to enhance employees' domain expertise, operational knowledge, and adherence to standardized processes and compliance requirements across business functions.

AI BASICS FOR GOLD LOAN SALES EMPLOYEES

Introduced foundational AI training for gold loan sales employees to improve productivity, customer engagement, and awareness of emerging technology-led practices within business operations.

BRANCH LEADERSHIP PROGRAM (EMPOWER)

Implemented the EMPOWER program to strengthen Branch Managers' capabilities in customer service, compliance management, operational effectiveness, and team leadership.

FIRST-TIME & SAFE MANAGER PROGRAMS

Conducted dedicated managerial development programs to build leadership, communication, collaboration, and team management capabilities among first-time and people managers.

QUARTERLY SKILL ASSESSMENTS

Undertook periodic skill assessments to identify competency gaps, monitor employee progress, and drive continuous capability enhancement through targeted interventions.

IMPACT ASSESSMENT FOR TRAINING AND DEVELOPMENT

- Conducted post-training and quarterly assessments to measure knowledge retention and capability enhancement
- Monitored on-the-job performance through key productivity and quality metrics
- Assessed practical application of learning across business functions
- Captured feedback from participants and managers to evaluate program effectiveness
- Used periodic performance reviews to identify improvement areas and refine interventions
- Ensured measurable impact on employee performance and overall business outcomes

PHYSICAL CAPITAL

INTELLECTUAL CAPITAL

SOCIAL AND RELATIONSHIP CAPITAL

CUSTOMERS

WHERE EVERY DREAM FINDS DIRECTION

IMPACT NUMBERS

87%
Customers from Economically Weaker Sections (EWS)

4.6 Million+
Customers

94%
Loans supporting productive purposes

84%
Branches in non-metro cities

Strategy: S1 S2 S4

UNSDGs

Material Priority

OUR FOCUS AREAS

EXPAND ACCESS TO SECURED RETAIL CREDIT

A diversified portfolio of secured lending products across gold loans, home loans, and MSME finance enables access to formal credit for a wider customer base.

FASTER DIGITAL ONBOARDING AND APPROVALS

Technology-led processes, digital onboarding, and advanced underwriting capabilities help reduce turnaround times and enhance customer convenience.

DEEPER LAST-MILE AND RURAL PENETRATION

An extensive branch network and strong presence in non-metro markets improve access to financial services across underserved communities.

SEAMLESS PHYGITAL CUSTOMER EXPERIENCE

Integrated digital channels and branch-led engagement provide a convenient, personalised, and consistent customer experience across touchpoints.

STRONG GRIEVANCE REDRESSAL FRAMEWORK

Dedicated service channels, structured escalation mechanisms, and timely resolution processes ensure effective handling of customer concerns and feedback.

RESPONSIVE GRIEVANCE REDRESSAL

We remain committed to resolving customer concerns promptly and effectively. During FY 2025-26, we handled 40,869 customer complaints, including 171 complaints carried forward from FY 2024-25, all of which were successfully resolved by April 2025. We maintained an average complaint resolution turnaround time of 2 days and achieved a 99.9% complaint resolution rate, reflecting the effectiveness of our customer service and grievance redressal framework. During FY 2026-27, we had already resolved 54 complaints, demonstrating our continued focus on responsiveness and customer satisfaction.

99.9% Complaint Resolution Rate

2
Days Average Resolution TAT

SAMPAT DEVI'S JOURNEY TOWARDS FINANCIAL INDEPENDENCE

Driven by a desire to improve her family's financial well-being, Sampat Devi from Nagaur, Rajasthan, aspired to establish a small retail venture that could provide a steady and sustainable source of income. However, limited financial resources made it challenging to turn her dream into reality.

With the support of IIFL Samasta Finance Limited, she was able to open a grocery store and gradually grow the business through consistent effort, prudent financial management and timely loan repayments. Over time, she earned the trust of customers and strengthened her presence within the community.

Today, the grocery store stands as a reliable source of livelihood, contributing significantly to her family's financial security and resilience. Her journey demonstrates how access to timely financial support can empower women entrepreneurs to build sustainable livelihoods and create lasting economic impact for their households.

PHYSICAL CAPITAL

30 YEARS OF TRUST, ACROSS EVERY CORNER OF BHARAT

IMPACT NUMBERS

4,829
Branches

23 States & 5 UTs Served
Driving nationwide reach and market penetration

Over the past 30 years, we have built a strong and scalable physical network that brings financial solutions closer to customers across urban, semi-urban, and rural markets. Our extensive branch footprint, supported by digital capabilities, enables deeper market penetration, stronger customer relationships, and seamless service delivery.

Strategy

S1 S2 S4

UNSDGs

Material Priority

OUR FOCUS AREAS

EXPANDING AND OPTIMIZING BRANCH NETWORK ACROSS TIER II AND III MARKETS

Strengthened market presence by expanding and optimizing the branch network, improving accessibility to financial services in underserved and emerging markets.

STRENGTHENING PHYGITAL INFRASTRUCTURE TO ENHANCE CUSTOMER REACH

Integrated digital capabilities with the branch network to deliver seamless customer experiences and improve service accessibility across channels.

UPGRADING BRANCH SECURITY AND GOLD STORAGE INFRASTRUCTURE

Enhanced branch security systems and strengthened gold storage infrastructure to safeguard customer assets and support operational reliability.

ENHANCING CORE LENDING AND RISK MANAGEMENT SYSTEMS

Upgraded lending and risk management platforms to improve underwriting efficiency, strengthen controls, and support data-driven decision-making.

IMPROVING OPERATIONAL EFFICIENCY THROUGH TECHNOLOGY-ENABLED INFRASTRUCTURE

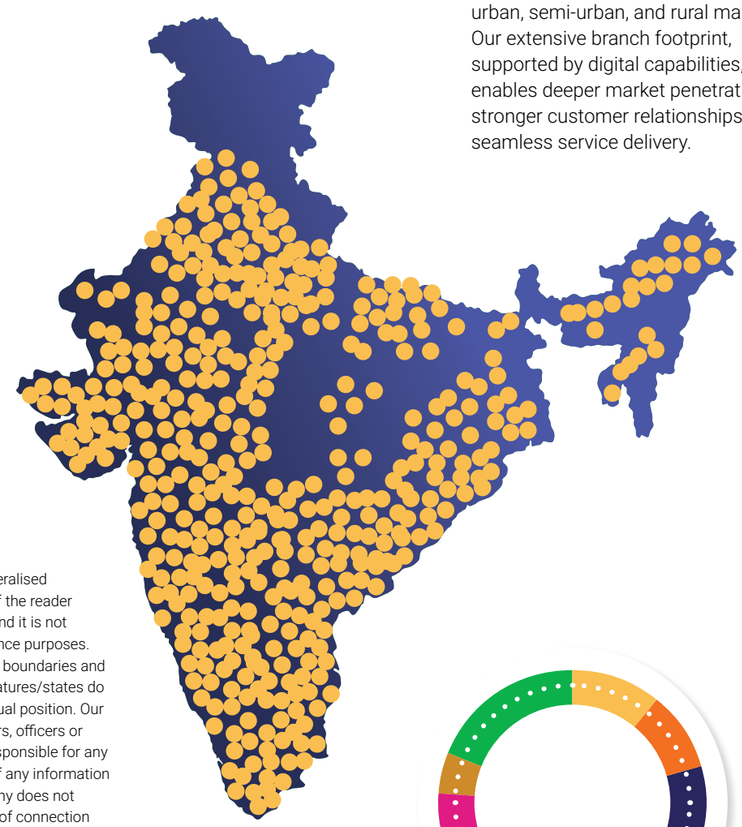
Leveraged technology and process automation to streamline operations, reduce turnaround times, and enhance overall productivity and service quality.

KEY SECURITY MEASURES AT GOLD LOAN BRANCHES

- 24x7 HD CCTV surveillance and intrusion detection systems
- AI-enabled facial recognition and OTP-based vault access controls
- BIS-certified cellular vaults with dual-key security mechanisms
- Round-the-clock monitoring through dedicated command and control centers
- On-site trained security guards equipped with handheld metal detectors
- Regular security audits by specialized ex-defense and police personnel
- GPS-enabled tracking systems for enhanced asset protection
- Continuous employee training on security awareness and emergency response

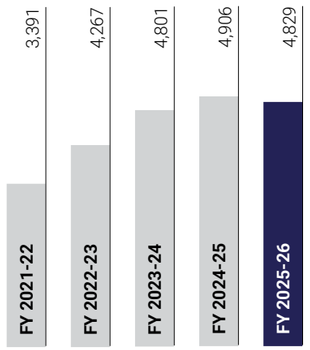
OUR PRESENCE

Over the past 30 years, we have built a strong and scalable physical network that brings financial solutions closer to customers across urban, semi-urban, and rural markets. Our extensive branch footprint, supported by digital capabilities, enables deeper market penetration, stronger customer relationships, and seamless service delivery.



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

Number of branches



Branch distribution - Top states

	States (%)
Maharashtra	15
Gujarat	12
Karnataka	8
Andhra Pradesh	8
Rajasthan	7
Uttar Pradesh	7
Bihar	5
West Bengal	5
Tamil Nadu	5
Telangana	3
Odisha	3
Others	22

INTELLECTUAL CAPITAL

ENABLING DIGITAL-FIRST ENGAGEMENT

With 20+ fintech and technology partnerships, 25+ new digital capabilities launched, zero cybersecurity incidents reported, and a 99% platform uptime, FY 2025-26 has been a year of meaningful digital momentum — anchored on a cloud-native, API-first architecture and an increasingly AI-driven operating model.

With 20+ fintech and technology partnerships, 25+ new digital capabilities launched, zero cybersecurity incidents reported, and a 99% platform uptime, FY 2025-26 has been a year of meaningful digital momentum — anchored on a cloud-native, API-first architecture and an increasingly AI-driven operating model.

20+ Fintech & Technology Partnerships	**25+** New Digital Capabilities Launched	**20+** Technology Integrations Completed	**Zero** Cybersecurity Incidents Reported
100% Security Monitoring Coverage (24x7 SOC)	**10+** Security Audits Conducted During the Year	**2x/Yr** Independent Penetration Tests (CERT-In Empanelled)	**99%** Platform Uptime

Strategy

S1 S2 S4 S6

Risk

Cyber Risk IT / Technology Risk Operational Risk Data Privacy Risk

UN SDGs

Material Priority

DIGITAL INFRASTRUCTURE AND ARCHITECTURE

Our digital infrastructure is built on a scalable, API-linked, cloud-native foundation that integrates customer-facing applications, core lending systems and an advanced analytics layer into a single, cohesive ecosystem. The architecture is designed for high availability, real-time processing and rapid innovation — enabling us to serve over 4.6 Million customers seamlessly across digital and branch touchpoints.

Platform / Layer	What It Does	Value Delivered
IIFL Loan App	Customer-facing mobile application supporting loan applications, account servicing, repayments and real-time tracking across Gold Loans, Home Loans and Business Loans.	Play Store Rating: 4.7 enabling 24x7 self-service for Millions of customers.
Cloud-Native, API-Integrated Architecture	Microservices-based architecture with containerization, auto-scaling and DevSecOps practices; integrates LOS, LMS and CRM through a robust middleware orchestration layer.	99% platform uptime; real-time processing at scale; faster deployments with minimal downtime.
Customer 360 Data Platform	Unified data platform providing real-time insights, lifecycle management and personalization across all customer touchpoints — acquisition, servicing and collections.	Enables cross-sell, personalized interactions and data-driven decision-making across 4.6 Million+ customers.
AI-Powered Chatbots & Conversational Interfaces	24x7 AI chatbots and conversational interfaces via mobile app, WhatsApp and digital channels for customer queries, servicing and engagement.	Round-the-clock customer support; reduced response times; improved first-contact resolution.
Advanced Analytics & ML Engine	Machine learning models deployed across underwriting, risk assessment, collections and cross-sell; supported by real-time analytics dashboards and MIS for portfolio monitoring.	Smarter credit decisions; early risk identification; improved portfolio quality management.

END-TO-END LOAN ORIGINATION — AUTOMATED AND DIGITALIZED

The digitalization of our loan origination lifecycle has been central to improving branch productivity, reducing turnaround times and ensuring process standardisation across our 4,829+ branch network. Every step — from customer onboarding and KYC, to valuation, approval, and disbursement — is now supported by digital tools that minimize manual effort and ensure compliance-driven, consistent processing.

Application / Initiative	Description and Impact
GL LOS App (Gold Loan – Flutter)	In-house TAB application built for gold loan origination. Supports customer onboarding, KYC capture, bank account verification, gold valuation, LTV calculation and online disbursement through built-in APIs. Ensures a seamless, fully digital journey from application to fund transfer.
GL 2.0	Next-generation gold loan processing platform developed on Flutter, enabling streamlined, standardised and scalable loan processing across branches.
IIFL Assists App	Mobile application for gold loan deviation approvals, enabling quick management authorization and faster credit decision-making for branch staff.
QuickPay 2.0	OTP-based customer payment verification system, enhancing security and convenience in loan repayment processes.
ReKYC 2.0	Online re-KYC platform enabling customers to update demographic details and upload documents digitally — reducing branch visits and improving compliance efficiency.
Sangrah 2.0 (WIP)	Collections follow-up platform with in-built calling functionality, enabling efficient gold loan collection management with reduced manual effort.
eKYC, OCR, MNRL, Credit Checks	Integrated verification APIs including eKYC, Optical Character Recognition (OCR), MNRL checks and automated credit bureau integrations — strengthening customer verification, reducing manual effort and accelerating onboarding.

AI-LED UNDERWRITING AND CREDIT SYSTEMS

Artificial intelligence is increasingly at the core of how we evaluate credit, manage risk and serve customers. Our AI and machine learning models are deployed across the lending lifecycle — from initial credit assessment and underwriting to real-time portfolio monitoring, collections prioritization and cross-sell recommendations.

KEY CAPABILITIES IN DEVELOPMENT AND DEPLOYMENT:

- AI-driven underwriting models that incorporate bureau data, transaction history and behavioral signals for faster, more accurate credit decisions
- Predictive risk models and early warning systems deployed to identify portfolio stress signals before they become delinquencies — supporting our strong GNPA trajectory
- AI-powered copilots being developed using Copilot Studio for employee-assisted and customer-facing conversational interfaces across lending workflows
- Machine learning models supporting collections prioritization, reducing cost-to-collect and improving recovery rates
- Model governance, validation and monitoring frameworks ensuring accuracy, auditability and bias-free decisioning across all AI systems

CYBERSECURITY AND TECHNOLOGY RESILIENCE

Protecting customer data and securing our information systems are foundational to our business continuity and to the trust our customers place in us. Our cybersecurity architecture is designed around a defense-in-depth philosophy — with layered controls, continuous monitoring and board-level governance — ensuring that we are proactive, not reactive, in the face of an evolving threat landscape.

Framework / Control	Description
Governance & Standards	ISO/IEC 27001:2022 aligned Information Security Management System (ISMS); NIST Cybersecurity Framework 2.0 (Govern–Identify–Protect–Detect–Respond–Recover); CIS Critical Security Controls; ISO 22301 Business Continuity Management.
Zero Trust Architecture	"Never trust, always verify" — continuous authentication and authorization of all users, devices and systems. Reinforced through a defense-in-depth strategy with controls across network, application, endpoint and data layers.
Advanced Security Controls	Next-Generation Anti-Virus (NGAV), advanced malware threat detection, Privileged Access Management (PAM), Data Loss Prevention (DLP), encryption, virtual patching and OWASP-aligned secure development practices across all applications and APIs.
24x7 AI-Driven SOC	Next-generation Security Operations center (SOC) with AI-driven analytics for real-time threat detection, analysis and response; integrated with threat intelligence from CERT-In, FS-ISAC, and curated threat feeds.
Brand & Digital Protection	Brand Protection Service proactively monitors the external digital ecosystem for phishing, impersonation, look-alike domains, fake applications and fraudulent social media activity, with rapid takedown capabilities.
Testing & Resilience	10+ security audits annually; bi-annual penetration testing by CERT-In empanelled independent auditors; periodic cyber drills and simulation exercises to validate incident response preparedness; Application Security Lifecycle Management (ASLM) framework.
Board-Level Oversight	CTO and CISO lead execution of cybersecurity strategy with regular reporting to the Board. IT Strategy Committee, IT Steering Committee, and Information Security Committee provide multi-layered governance.

FUTURE DIGITAL PRIORITIES

Our technology roadmap for FY 2026-27 is anchored on building a more intelligent, more integrated and more customer-centric digital ecosystem — one that supports our ambition to scale responsibly across Gold Loans, MSME Finance and Home Loans while delivering a differentiated customer experience.

Framework / Control	
Unified API-First Architecture	Build a future-ready digital ecosystem on a unified, API-driven architecture integrating LOS, LMS, and CRM — enabling scalability, interoperability and faster time-to-market across all product lines.
AI-First Customer Engagement	Deploy AI copilots built on Copilot Studio for conversational customer interfaces; intelligent automation across the lending lifecycle; AI-driven personalization for cross-sell and retention across 4.6 Million+ customers.
Customer 360 & Real-Time Analytics	Develop a comprehensive Customer 360 data platform supported by real-time data capabilities to drive advanced ML-based underwriting, risk assessment, collections optimization and cross-sell decisioning.
Omnichannel Experience Orchestration	Deliver consistent, session-aware customer interactions across digital and branch-assisted touchpoints — ensuring a seamless phygital experience at every stage of the customer journey.
Straight-Through Processing (STP)	Expand automation across loan origination, underwriting and disbursement to increase STP rates, reduce manual touchpoints and improve operational efficiency and turnaround times.

COMMUNICATING TRANSPARENTLY FOR 30 YEARS

Anchored in a legacy of trust built over 30 years, we continued to strengthen our positioning as a customer centric organization. Through our marketing initiatives, we remained focused on supporting sustainable growth across key lending businesses through integrated campaigns spanning digital, on-ground and branch-led channels. These initiatives enabled us to deepen customer engagement, expand market penetration and strengthen brand recall across both urban and emerging Bharat markets.

MARKETING STRATEGIES

MARKETING INITIATIVES WERE DESIGNED TO:

- Drive high-quality lead generation
- Support loan disbursals across key products
- Improve customer acquisition efficiency
- Strengthen retention and cross-selling opportunities

IN RESPONSE TO EVOLVING CUSTOMER BEHAVIOR AND INCREASING DIGITAL ADOPTION, OUR COMPANY FOCUSED ON:

- Strengthening its digital presence across search and social platforms
- Adopting a mobile-first and vernacular-first communication strategy
- Enhancing speed and convenience in customer journeys
- Increasing reliance on performance-driven marketing channels

CAMPAIGN / INITIATIVE	OBJECTIVE	KEY FOCUS AREAS	IMPACT CREATED
Integrated brand campaigns	Strengthen brand visibility and improve customer recall across markets.	Customer-centric positioning, retail lending awareness and brand trust.	Reinforced IIFL Finance's positioning as a trusted retail-focused NBFC and strengthened market visibility.
Gold loan & secured lending campaigns	Accelerate awareness and customer acquisition across secured lending businesses.	Gold loans, MSME financing, secured business loans and customer accessibility.	Supported lead generation, improved customer acquisition and strengthened secured lending visibility.
Digital performance marketing initiatives	Improve online customer acquisition and engagement efficiency.	Search visibility, digital engagement, app traffic and customer conversion.	Generated high-quality leads and strengthened digital customer acquisition capabilities.
Vernacular and hyperlocal outreach programs	Deepen market penetration across Tier II and Tier III markets.	Regional communication, Bharat-focused outreach and branch-level engagement.	Enhanced brand relevance and strengthened customer connect across emerging Bharat markets.
Customer engagement and awareness initiatives	Strengthen customer relationships and improve product awareness.	Financial awareness, social media engagement and customer communication.	Improved customer interaction, enhanced engagement and strengthened local market presence.
Strategic partnership and distribution campaigns	Expand distribution reach and improve market access by adding 10+ strategic partners.	Strategic alliances, co-branded initiatives and customer outreach.	Enhanced brand presence and expanded access to new customer segments.

MARKETING FOCUS AREAS AND OUTCOMES

FOCUS AREA	STRATEGIC APPROACH	BUSINESS OUTCOME
Digital-first engagement	Expanded presence across digital, search and social platforms supported by performance marketing campaigns.	Improved customer reach, engagement and lead conversion.
Vernacular and Bharat outreach	Adopted regional and vernacular communication across Tier II and Tier III markets.	Enhanced market penetration across emerging customer segments.
Branch-led activation	Leveraged branch network for hyperlocal campaigns and on-ground customer engagement.	Strengthened customer acquisition and local market visibility.
Customer journey optimization	Focused on faster, simplified and mobile-first customer interactions.	Improved customer convenience and conversion efficiency.
Cross-sell and retention	Targeted engagement campaigns across existing customer base.	Increased customer lifetime value and retention opportunities.

STRONG PRESENCE ACROSS SOCIAL MEDIA PLATFORMS

FOLLOWERS /COMMUNITY SIZE / SUSBCRIBERS

84% ↑

FY 2023-24	27,700
FY 2024-25	35,400
FY 2025-26	65,000

43% ↑

FY 2023-24	60,000
FY 2024-25	1,38,000
FY 2025-26	1,98,000

35% ↑

FY 2023-24	2,45,000
FY 2024-25	2,45,000
FY 2025-26	3,31,000

96% ↑

FY 2023-24	21,700
FY 2024-25	25,400
FY 2025-26	49,700

3% ↑

FY 2023-24	6,300
FY 2024-25	6,800
FY 2025-26	7,000

SOCIAL AND RELATIONSHIP CAPITAL

COMMUNITIES/NGOS

EXTENDING OUR LEGACY BEYOND BUSINESS

IMPACT NUMBERS

27,95,100+
Total CSR beneficiaries

₹ 40 Crores*
Total CSR expenses

*number pertains to consolidated entity

At IIFL Finance, our commitment extends beyond financial services to creating impactful and lasting impact within the communities we serve. Through the IIFL Foundation, we invest in initiatives spanning education, healthcare, livelihood development, environmental sustainability, and social welfare. By partnering with local institutions and community stakeholders, we strive to improve access to opportunities, strengthen social infrastructure, and foster inclusive development, empowering individuals and communities to build a better future.

Strategy S1 S2

UNSDGs

Material Priority

OUR FOCUS AREAS

HEALTHCARE ACCESS AND WELL-BEING

Strengthening healthcare infrastructure and improving access to quality medical services through diagnostic equipment, health camps, preventive healthcare initiatives, and patient support programs.

EDUCATION AND DIGITAL LEARNING

Enhancing learning outcomes through support for schools, digital classrooms, scholarships, teacher assistance, and initiatives that expand access to quality education for underserved children.

SKILL DEVELOPMENT AND LIVELIHOOD CREATION

Building employability and entrepreneurship capabilities through vocational training, hospitality programs, BFSI skill development, and community-based livelihood initiatives.

WOMEN AND COMMUNITY EMPOWERMENT

Promoting inclusive development by creating opportunities for women, vulnerable groups, and underserved communities through education, livelihood support, and capacity-building interventions.

ENVIRONMENTAL SUSTAINABILITY AND COMMUNITY INFRASTRUCTURE

Supporting sustainable development through green infrastructure, renewable energy solutions, waste-to-resource initiatives, public amenities, and community space development projects.

PUBLIC SAFETY AND SOCIAL WELFARE

Contributing to safer and more resilient communities through emergency response awareness, public safety infrastructure, healthcare support, and community welfare programs.

OUR CSR INITIATIVES

CT SCANNER DONATION, UDAIPUR

To strengthen diagnostic healthcare infrastructure, a 16-slice AI-enabled CT scanner was donated to the Radiodiagnosis Department of Maharana Bhupal Hospital, Udaipur. The advanced imaging equipment provides high-quality, low-dose diagnostics, improving access to timely and accurate healthcare for patients from rural communities and mining regions, particularly those vulnerable to occupational diseases such as silicosis.

BENEFICIARIES
7,147

MEDICAL CAMP – PANDHARPUR

A comprehensive medical camp was organized during the Ashadi Ekadashi pilgrimage in Pandharpur, Maharashtra, providing outpatient consultations, inpatient care, hospitalisation support, and essential medical services to the Warkari community and visiting devotees.

BENEFICIARIES
1,100

MEDICAL CAMP – BARSANA

A multi-speciality healthcare camp in Barsana, Uttar Pradesh, delivered eye and dental care services. The initiative included cataract surgeries, accommodation, post-operative care, medicines, dark glasses, follow-up consultations, dental procedures, and awareness sessions on oral hygiene and cancer prevention.

BENEFICIARIES
3,280

GANESH FESTIVAL HEALTH SUPPORT

During the Ganesh Festival in Maharashtra, a dedicated healthcare stall provided round-the-clock doctor consultations, free health check-ups, first-aid services, diagnostics, and medicine distribution, ensuring accessible healthcare support for devotees and local residents.

BENEFICIARIES
1,000

DIAGNOSTIC EQUIPMENT DONATIONS

To strengthen healthcare delivery at Community Health Center, Khamnor, Rajasthan, a Dental X-Ray Machine and a fully automatic Bio-Chemistry Analyser were donated, improving diagnostic accuracy and reducing turnaround times for patients dependent on public healthcare facilities.

BENEFICIARIES
87

GI MOBILITY LAB INFRASTRUCTURE

A High-Resolution Manometry and pH-metry System was donated to Lokmanya Tilak Municipal Medical College and General Hospital, Mumbai, enabling the establishment of a state-of-the-art GI Mobility Lab and providing affordable specialised gastrointestinal diagnostic services.

BENEFICIARIES
1,200

EDUCATION

SAKHIYON KI BAADI

The Foundation's flagship education program supports out-of-school girls aged 4–14 years through community-based learning centers focused on foundational literacy and numeracy. The initiative facilitates mainstream school enrolment while promoting educational inclusion and long-term empowerment.

BENEFICIARIES
7,891

TATTVA UNIVERSITY

Support was extended towards establishing Tattva University, a multidisciplinary, research-oriented institution spread across 79 acres in Maharashtra. The university aims to nurture future-ready leaders through programs spanning business, technology, life sciences, social sciences, and research.

BENEFICIARIES
4,200

SUPPORT TO MANAV SHELTER HOME

Assistance was provided to Manav Shelter Home, Mumbai, enabling vulnerable children to access food, shelter, clothing, healthcare, education, rehabilitation, emotional support, and skill development opportunities.

BENEFICIARIES
28

TEACHER VOLUNTEER SUPPORT PROGRAM

Teacher volunteers were deployed across government schools in Udaipur district to strengthen classroom teaching quality and improve student learning outcomes.

BENEFICIARIES
580

ADMINISTRATIVE SUPPORT TO MATHRUBHOOMI HIGH SCHOOL

Financial assistance covering staff salaries, rent, and administrative expenses enabled free primary education for children from marginalised communities residing in nearby slum settlements.

BENEFICIARIES
120

INFRASTRUCTURE UPGRADATION OF SCHOOLS

Multiple interventions strengthened learning infrastructure, including computer laboratories, digital learning facilities, solar-powered classrooms, student furniture, smart boards, and conference halls across schools in Rajasthan and Jammu & Kashmir facilities.

BENEFICIARIES
523

SEWA FELLOWSHIP CAPACITY BUILDING PROGRAM

Support was extended to the SEWA Fellowship Program through a mid-year leadership and program management camp aimed at strengthening grassroots engagement and developmental leadership capabilities.

BENEFICIARIES
22

SCHOLARSHIP SUPPORT

Scholarships were provided to deserving students from Rajasthan and Maharashtra, enabling uninterrupted education despite financial constraints.

BENEFICIARIES
3

LIVELIHOOD DEVELOPMENT

HOSPITALITY AND CHEF TRAINING PROGRAM

A structured hospitality and chef training program was implemented in Kupwara, combining classroom learning, practical exposure, soft-skills development, and placement support to improve employability among local youth.

BENEFICIARIES
120

HOMESTAY HOST TRAINING PROGRAM

In collaboration with the National Cadet Corps, youth in Tezu received training in hospitality management, guest servicing, entrepreneurship, and sustainable tourism, creating pathways for employment and self-employment.

BENEFICIARIES
120

BFSI SKILL DEVELOPMENT PROGRAM

A specialized Banking, Financial Services and Insurance training program in Maharashtra equipped participants with knowledge of banking operations, insurance products, compliance requirements, and customer service practices.

BENEFICIARIES
30

ENVIRONMENT AND COMMUNITY INFRASTRUCTURE

PLASTIC-TO-PROTECTION INITIATIVE

Ocean-bound and land-based plastic waste was recycled into ISO-certified safety helmets while generating livelihood opportunities for underprivileged women and youth engaged in the production process. The helmets were subsequently donated to police personnel in Rajasthan and Mumbai.

BENEFICIARIES
1,510

TEHSIL GARDEN DEVELOPMENT

The Khamnor Tehsil Office was transformed into a community-centric green zone featuring landscaped gardens, public seating, pathways, drinking water facilities, washrooms, charging stations, and a solar-powered infrastructure system.

BENEFICIARIES
45,300

COMMUNITY HALL UPGRADATION

Infrastructure improvements at the Rural Police Campus in Chhatrapati Sambhaji Nagar included soundproofing, acoustic enhancement, and safety upgrades, creating a more functional space for community activities and public engagement.

BENEFICIARIES
1,00,000

SOCIAL WELFARE AND PUBLIC SAFETY

CRITICAL HEALTHCARE SUPPORT

Financial and medical assistance was provided to a financially disadvantaged senior citizen suffering from acute cardiac complications, enabling access to timely life-saving treatment.

BENEFICIARY
1

CPR TRAINING SESSIONS

Hands-on CPR training sessions conducted in Pune and Chennai enhanced emergency response preparedness and equipped participants with essential life-saving skills.

BENEFICIARIES
121

THALASSEMIA AWARENESS DRIVE

Awareness programs educated communities on thalassemia prevention, treatment pathways, counselling support, and early diagnosis, contributing to improved health awareness among women and families.

BENEFICIARIES
7,003

TRAFFIC MANAGEMENT INFRASTRUCTURE SUPPORT

Traffic barricades, shutter barricades, and traffic cones were donated to Rajasthan Police to strengthen crowd management, road safety, and traffic regulation, particularly during peak tourist seasons and public events.

BENEFICIARIES
13,11,000

CASE STORIES

FROM STRUGGLE TO SUCCESS – RAM'S JOURNEY OF TRANSFORMATION

When Ram Rawat (name changed) arrived at Manav Shelter Home in 2022, he faced immense challenges. Having lost his mother and been abandoned by his father, he grew up in a difficult environment with limited support. Despite being enrolled in Grade 5, Ram was unable to read or write and struggled with behavioral and social issues that made it difficult for him to connect with peers.

Through remedial education, regular counselling, personalized mentoring, and participation in sports and group activities, Ram gradually rebuilt his confidence and skills. Today, he is a capable student who actively participates in school and social activities. His transformation was further reflected when he represented his school in Atya Patya at the Raigad district level, securing first place and bringing recognition to his school. Ram's journey demonstrates how consistent care, guidance, and opportunity can transform a vulnerable child into a confident and motivated young individual.

BUILDING A CAREER THROUGH HOSPITALITY TRAINING – OWAIS AHMAD MALIK

Coming from a modest background in Thregam, Owais Ahmad Malik aspired to build a career in the hospitality sector but lacked the resources and opportunities to pursue his ambitions. His journey changed when he enrolled in the hospitality training program at the IIFL–REACHA Skill Hub.

The program equipped him with industry-relevant technical skills, practical exposure, and the confidence required to enter the workforce. Upon successful completion of the training, Owais secured employment at Hukus Bukus Café & Grill, Srinagar, earning a monthly salary of ₹15,000 along with food and accommodation benefits. Today, he stands as a self-reliant professional, supporting his aspirations and demonstrating the transformative impact of skill development and employability-focused interventions.

FINDING CONFIDENCE THROUGH OPPORTUNITY – MERRY GURUNG

Before joining the Homestay Host Training Program at IGGC Tezu, Merry Gurung was uncertain about her future and lacked a clear career direction. Through the program implemented by REACHA Foundation with support from IIFL Foundation, she received structured training in guest handling, hospitality operations, hygiene standards, communication, and teamwork.

The program not only enhanced her professional capabilities but also strengthened her confidence and independence. Following successful completion of the training, Merry secured placement at Sterling Kodai Lake, Kerala. Adapting to a new environment was challenging, but the skills and resilience she developed during the program enabled her to thrive. Today, she is earning independently and building a sustainable career in the hospitality industry, creating a pathway toward long-term economic empowerment.

ACROSS THE WATER – KAMLA MEENA

Every morning, Kamla Meena rows across a lake to reach Bindoda Fala, a remote island with no school, anganwadi, or road connectivity. The journey, often made against changing winds and rough waters, is one she has undertaken for years to run the Sakhiyon Ki Baadi center on the island.

After completing Class XII, Kamla struggled to find employment and support her family. The opening of the center gave her both a livelihood and a purpose. Through songs, games, and simple lessons, she introduced children—many of whom had never attended school—to the world of learning.

As attendance grew and families witnessed the impact, education became a regular part of life on the island. The income from the center also enabled Kamla to complete her Bachelor's degree in July 2024, strengthening her role as a provider for her family.

Today, Kamla is recognized across Bindoda Fala not only as an educator but as a symbol of determination. In a place separated by water and distance, she ensures that education reaches every child—one boat ride at a time.

GOVERNMENT/ REGULATORS

STRENGTHENING TRUST THROUGH REGULATORY EXCELLENCE

Governments and regulators are foundational partners in building a responsible financial ecosystem. Our engagement with them goes beyond meeting statutory obligations — it reflects a deeply held conviction that disciplined governance and proactive compliance are integral to long-term institutional credibility and growth.

Through our lending products and subsidiaries, we actively advance the Government of India's flagship financial inclusion programs.

98.27%
Employees covered — Anti-Bribery Anti-Corruption training

Zero
Corruption instances reported

13
Board-Level oversight Committees

₹592 Crores
Taxes paid to Government (FY 2025-26)

Strategy

S2 S3 S5 S6

Risk

Regulatory Risk
Compliance Risk
Reputation Risk
Legal Risk

UN SDGs

Material Priorities

OUR COMPLIANCE ARCHITECTURE

Board & CCO Oversight
A dedicated Chief Compliance Officer (CCO) leads regulatory compliance. 13 Board Committees — including the Audit Committee, Risk Management Committee, and Stakeholders Relationship Committee — provide focused supervisory coverage across all regulatory domains.

Three Lines of Defense
- **1st Line**: Business/management teams;
- **2nd Line**: Risk Management, Compliance & Control functions;
- **3rd Line**: Internal Audit providing independent assurance. The Operational Risk Management Committee (ORMC) meets quarterly to review risks, conduct root cause analyses and track corrective actions.

Policy Ecosystem
Comprehensive framework covering: Fair Practices Code; AML/KYC Policy; Grievance Redressal Policy; Code of Conduct; Whistleblower Policy; Cybersecurity Policy; BCMS Policy; NPA Provisioning Policy — all publicly available at www.iifl.com/finance/corporate-governance

Anti-Corruption
- Zero tolerance policy;
- Dedicated Chief Anti-Corruption Officer;
- Anonymous Ethics Helpline;
- Anti-corruption training covering 98.27% of employees annually.
- Zero instances of corruption reported in FY 2025-26

NGRBC and Certifications
- Aligned with all 9 NGRBC Principles;
- ISO 27001 (Information Security); ISO 22301 (Business Continuity);
- ISO 14001:2015 (Environmental Management).
- BRSR independently assured by TUV India Private Limited.

KEY REGULATORY MILESTONES — FY 2025-26

Zero Regulatory Penalties
No fines, sanctions, or legal actions for non-compliance with RBI, SEBI, NHB, or other regulatory bodies. One administrative penalty of ₹5.30 Lakhs levied by RBI (February 2026) for an NPA classification issue on restructuring — no pronouncement on the validity of any customer transaction.

Gold Loan Remediation
Following RBI restrictions on gold loan disbursements (March 2024), the Company undertook comprehensive process overhauls, governance reinforcement and compliance upgrades. RBI lifted the embargo on September 19, 2024, validating our remediation.

Social Financing Framework
"Good" Second Party Opinion from Sustainable Fitch; enables issuance of Social Bonds and Social Loans aligned with ICMA Social Bond Principles 2023 and LMA Social Loan Principles 2023..

DPDP Act Alignment
Actively enhancing personal data governance framework in alignment with the Digital Personal Data Protection Act, 2023, to safeguard individual rights and ensure lawful, responsible data use.

INDUSTRY ASSOCIATION MEMBERSHIPS

Association	Level
Finance Industry Development Council (FIDC)	National
PHD Chamber of Commerce and Industry (PHDCCI)	National
Federation of Indian Chambers of Commerce and Industry (FICCI)	National
Microfinance Institutions Network (MFIN)	National
The Association of Microfinance Institutions in West Bengal (AMFI- WB)	State
Association of Karnataka Microfinance Institutions (AKMI)	State
Kerala State Association of Financial Inclusion Institutions (KASAFI)	State
Odisha State Association of Financial Inclusion Institutions (OSAFII)	State
Microfinance Association Uttar Pradesh (UPMA)	State

SOCIAL AND RELATIONSHIP CAPITAL

BANKERS/ LENDERS

PARTNERS IN PROGRESS TODAY, TOMORROW

₹38,088 Crores
Off-book AUM (35%)

₹50,512 Crores
Cumulative Co-Lending Since FY 2020-21

12
Active bank co-lending partners

Strong and enduring relationships with banks, financial institutions, and lending partners are critical to our ability to fund growth, maintain liquidity, and optimize our capital structure. Through prudent financial management, disciplined risk practices, transparent disclosures, and diversified funding sources, we continue to strengthen stakeholder confidence and ensure reliable access to capital to support our long-term growth ambitions.

OUR FOCUS AREAS

EXPANDING STRATEGIC CO-LENDING PARTNERSHIPS

We have strengthened our co-lending ecosystem through 12 active bank partnerships, with progressing discussions with 4–5 PSU and private banks for gold loan and home loan segments. Ongoing API integrations are enhancing efficiency, expanding customer reach, diversifying funding sources, and supporting capital-efficient growth.

DRIVING CAPITAL-LIGHT GROWTH THROUGH OFF-BOOK EXPANSION

Increased the share of off-book assets to 35% of AUM, supported by cumulative co-lending of ₹50,512 Crores since FY 2020-21, enhancing capital efficiency while maintaining growth momentum and portfolio diversification.

SCALING A CAPITAL-EFFICIENT GROWTH MODE

Co-lending remains a cornerstone of our capital-light growth strategy, enabling us to leverage our sourcing, underwriting, and servicing strengths while benefiting from the capital base of banking partners.

EXPANDING STRATEGIC BANKING PARTNERSHIPS

Our co-lending ecosystem continued to strengthen with 12 active bank partners across gold loans, home loans, LAP, MSME finance, and microfinance. During the year, Central Bank of India, Jammu & Kashmir Bank and Bank of Maharashtra were onboarded for gold loan co-lending, further expanding our reach and enhancing our ability to serve diverse customer segments across markets.

BUILDING THE NEXT PHASE OF GROWTH

To further strengthen the platform, discussions are underway with few PSU and private sector banks for gold loan and home loan co-lending partnerships. Concurrently, bank-end API integrations are being initiated to streamline processes, improve customer experience, enhance operational efficiency, and support scalable, capital-efficient growth in the years ahead.

OUR CO-LENDING NETWORK

- CENTRAL BANK OF INDIA
- JAMMU & KASHMIR BANK
- BANK OF MAHARASHTRA
- PUNJAB NATIONAL BANK
- BANK OF BARODA
- UCO BANK
- IDBI BANK
- INDIAN OVERSEAS BANK
- SOUTH INDIAN BANK
- PUNAJB & SINDH BANK
- DCB BANK
- RBL BANK

NATURAL CAPITAL

ENVIRONMENT

30 YEARS OF TRUST, COMMITTED TO A GREENER FUTURE

Strategy

S3 S4 S6

Risk

Climate Risk
Regulatory Risk
Reputational Risk

UN SDGs

Material Priorities

Through sustainable workplace practices, renewable energy adoption and green financing solutions, we strive to minimize our environmental footprint while enabling climate-resilient and resource-efficient housing. From LEED Gold-certified offices and IoT-enabled energy management to financing thousands of green homes through our Kutumb, Humara Kutumb and Green Approved Project Finance (APF) initiatives, we are advancing sustainable growth and creating long-term value for communities and the environment.

46,033 Units
Green Housing Units supported (since inception)

21 Lakh Litres
Rainwater Harvesting Reused in one large office (FY 2025-26)

ENERGY MANAGEMENT

Conserving energy across our offices and operations sits at the heart of our environmental approach, delivering both environmental benefits and meaningful cost efficiencies. Our energy management strategy is shaped around three levers: reducing consumption through smart infrastructure, transitioning to renewable sources, and deploying technology for real-time monitoring.

KEY INITIATIVES

- Achieved LEED Gold Certification for our Gurugram headquarters, reflecting best-in-class energy and resource efficiency standards
- Adopted the Tata Green Tariff at our Hubtown corporate office, Mumbai, enabling the sourcing of renewable electricity directly from the grid
- Deployed an IoT-based energy monitoring system for real-time control of air-conditioning across one large office, delivering measurable energy savings
- Implemented energy-efficient LED lighting with smart sensors across offices and branches
- Installed solar panels at the IIFL Samasta Head Office Guest House, supporting on-site renewable generation
- ISO 14001:2015 Environmental Management System certified for three large offices in Mumbai, Thane and Bangalore, driving systematic energy and resource governance
- 100% paperless gold loan disbursements, eliminating paper-based processes across our flagship lending business
- Adopted access-based printing and default double-sided printing across all offices and branches, reducing paper consumption
- Using bamboo-based (BECO) tissue paper at the Hubtown Mumbai office, replacing single-use bleached tissue products

GHG EMISSIONS

Our emissions reporting covers Scope 1 (direct combustion), Scope 2 (purchased electricity) and Scope 3 (business travel, purchased goods, capital goods and waste). Emission factors are drawn from the EPA GHG Emission Factor Hub, CEA CDM CO_2 Baseline Database and DEFRA GHG Conversion Factors. Consolidation is based on the operational control approach. We have started to measure financed emissions of some of our product segments. This step will help us further enhance our environment disclosures, arrive at a baseline and set targets in a gradual manner.

EMISSION REDUCTION INITIATIVES

1. Transition to Tata Green Tariff (renewable electricity) at Mumbai corporate office — reducing market-based Scope 2 emissions
2. Scope 3 emission mapping initiated for business travel and IT assets, enabling better data capture and accountability
3. Solar panel installation at IIFL Samasta Head Office Guest House, reducing on-site Scope 2 emissions

WATER STEWARDSHIP

As our Company primarily operating across commercial office spaces and branches, our direct water consumption relates largely to sanitation, drinking and facility maintenance. Our water stewardship approach combines infrastructure investments with employee-led conservation practices, ensuring responsible use and reducing dependence on external water sources.

KEY INITIATIVES

- Installation of rainwater harvesting systems at our registered offices and Gurugram headquarters. During the monsoon of 2025, the augmented harvesting infrastructure at Thane office enabled reuse of approximately 21 Lakh Litres of rainwater, significantly reducing dependence on external water sources
- A water treatment plant with a capacity of 8,000 litres has been installed at the Gurugram headquarters, enabling treated wastewater to be reused for washrooms and gardening
- Aerators have been installed on taps across offices to reduce water flow volume and improve usage efficiency
- Improved drainage systems with filtration chambers to prevent sediment blockages

WASTE MANAGEMENT

We take a holistic approach to waste management across all our offices, focusing on reduction, reuse and responsible disposal.

KEY INITIATIVES

1. Partnerships with authorized vendors for safe collection and recycling of e-waste.
2. Regular e-waste collection drives for employees; 100% of e-waste recovered and recycled in FY 2025-26.
3. Access-based printing and default duplex printing across all offices — contributing to reduction in paper waste year-on-year.
4. Replacement of single-use plastics with bio-degradable garbage bags across branches.
5. Bamboo-based tissue paper (BECO) introduced at the Hubtown Mumbai office, replacing bleached single-use tissue products.

EXPANDING ACCESS TO AFFORDABLE AND SUSTAINABLE HOUSING

Access to affordable housing and environmental responsibility are closely connected. Homes that use energy-efficient materials, improved ventilation and sustainable design reduce long-term costs for homeowners while lowering environmental impact. Our sustainability approach focuses on three priorities: expanding access to affordable housing for underserved communities, encouraging green construction practices in housing projects, and improving resource efficiency within our own operations. Through initiatives such as Kutumb and Humara Kutumb, we work with developers, homeowners and local construction ecosystems to promote practical and scalable sustainable housing practices.

EXPANDING ACCESS TO GREEN HOUSING

Affordable housing developments increasingly incorporate sustainability considerations such as energy-efficient building materials, water conservation systems and improved ventilation. These projects incorporate features such as energy-efficient building envelopes, improved daylight utilisation, water-efficient plumbing systems and green landscaping, helping reduce energy consumption and improve long-term affordability for homeowners.

IMPACT SNAPSHOT

12,848
Retail homes financed within Green APF projects

8 projects
New projects certified or pre-certified during the year

44,344 units
Total housing units across certified or pre-certified green projects funded

PROMOTING SUSTAINABLE CONSTRUCTION PRACTICES

KUTUMB – IMPROVING SUSTAINABILITY IN GROUP HOUSING

Kutumb supports developers in integrating sustainability measures into affordable housing projects. Developers incorporate features including:

- Low U-value building envelopes
- Energy-efficient lighting systems
- Water-saving plumbing fixtures
- Improved ventilation and natural daylight design

These features help reduce operational energy use and improve indoor comfort for residents.

KEY HIGHLIGHTS

46,000+ housing units
Engaged to improve environmental efficiency

53 projects
Achieved green certification

HUMARA KUTUMB – ENABLING SUSTAINABLE SELF-BUILT HOMES

Self-built housing represents a large share of residential construction in semi-urban and rural markets. Through the Humara Kutumb initiative, we support individual homeowners with awareness, technical guidance and green certification, helping reduce environmental impact while improving living comfort.

IMPACT SNAPSHOT

130 homes
Certified under EDGE HPC Standards

204 homes
Certified under IGBC NEST Standards

HUMARA कुटुम्ब
Powered By IIFL HOME LOAN
KAREIN GREEN BHARAT MEIN GRAH PRAVESH

STRATEGIC PARTNERSHIPS SUPPORTING GREEN HOUSING

AIIB FINANCING FOR SUSTAINABLE AFFORDABLE HOUSING

A US$ 100 Million financing facility from the Asian Infrastructure Investment Bank (AIIB) supports the expansion of affordable and green housing finance, strengthening both demand-side access and supply-side development.

Demand-side access

- Home loans for EWS and LIG households
- Financing for purchase and construction of affordable homes

Supply-side development

- Financing for developers integrating green certification standards
- Support for climate-resilient housing construction

This collaboration supports sustainable housing development while improving access to homeownership.

SUPPORTING AFFORDABLE HOUSING ECOSYSTEMS

Collaboration with housing agencies and developers strengthens the availability of affordable housing projects.

A partnership with the Maharashtra Housing Development Corporation (MHDC) combines MHDC's project pipeline with our financing capabilities to expand housing access for low-income families, impacting 3,000 affordable housing units.

EXPANDING AFFORDABLE HOUSING THROUGH GOVERNMENT INITIATIVES

Housing finance also supports the Government of India's PMAY-U 2.0 program, which aims to reduce the urban housing shortage. We participated in a housing awareness workshop in Ahmedabad to help explain eligibility, documentation requirements and subsidy benefits, reaching 1,100+ subsidy beneficiaries.

BUILDING AWARENESS OF SUSTAINABLE HOUSING

Community engagement programs help demonstrate practical approaches to sustainable construction.
A green certification felicitation event in Bhuj recognized homeowners who adopted energy-efficient housing practices through the Humara Kutumb initiative, with local contractors, developers and homeowners participating to expand awareness of sustainable housing practices in the region.

INTEGRATING SUSTAINABILITY INTO LENDING

Environmental and social considerations are integrated into lending practices across our product portfolio. Our ESG framework, exclusion list and customer protection principles guide lending decisions to support responsible housing development. Key elements include:

- Environmental and social due diligence for construction finance
- Monitoring of environmental performance in financed projects
- Promotion of resource-efficient housing within retail lending

GREEN VALUE PARTNER (GVP) PROGRAM

Through the Green Value Partner (GVP) program, developers receive technical guidance to integrate sustainability practices into construction projects.

GVP SUPPORT INCLUDES

- Technical advisory on green building practices
- ESG benchmarking and monitoring
- Support for IGBC and GRIHA certification preparation
- Compliance verification with affordable housing programs

GREEN HOUSING IMPACT SNAPSHOT

INITIATIVE-LEVEL IMPACT (FY 2025-26):

INITIATIVE	DESCRIPTION	HIGHLIGHT
Green Value Partnership (GVP)	End-to-end support for developers to achieve IGBC/GRIHA green certifications.	22,371 tCO_2e offset annually; 1,404 ML water saved.
Preferential Green Home Loans	Discounted home loans for energy-efficient buildings with solar, insulation and eco-appliances.	556 green home loans disbursed in FY 2025-26.
ADB Technical Assistance	Collaboration with Asian Development Bank for climate-resilient affordable housing.	Focus on women's housing access and capacity building for developers.
Humara Kutumb	Grassroots program promoting affordable and sustainable housing with green certification focus.	Integrates sustainability into design, execution and community engagement.

AGGREGATE IMPACT METRICS – FY 2025-26

IMPACT METRIC	FY 2025-26
Green housing units supported	10,960
Energy savings	7,480 MWh/year
Water savings	432 ML/year
CO_2 emissions avoided	6,882 tCO_2e/year

CUMULATIVE IMPACT INDICATORS (SINCE INCEPTION)

INDICATOR	IMPACT
Green housing units supported	46,033
Annual energy savings	31,418 MWh
Annual water savings	1,815 ML
CO_2 emissions avoided	28,904 tCO_2e

GOVERNANCE

GOVERNANCE ROOTED IN 30 YEARS OF TRUST AND EXCELLENCE

Governance at IIFL Finance is anchored in a strong framework of accountability, transparency, ethical conduct, and prudent risk management. Guided by an experienced Board and supported by specialized committees, our Company ensures effective oversight across strategic, financial, operational, and compliance matters. The governance framework is designed to strengthen stakeholder trust, support sustainable growth, and ensure adherence to evolving regulatory and business requirements.

SOCIAL WELFARE AND PUBLIC SAFETY

GOVERNANCE LAYER	KEY RESPONSIBILITY
Board of Directors	Provides strategic direction, oversees risk, compliance, ethical conduct, and safeguards long-term stakeholder value
Board Committees	Supports focused oversight through specialized committees including Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, and CSR Committee
Senior Management	Responsible for strategy execution, operational management, risk management, and regulatory compliance

KEY COMMITTEES

COMMITTEE NAME	PRIMARY ROLE
Audit Committee	Oversees financial reporting, internal controls, and audit processes
Risk Management Committee	Monitors enterprise risk management and risk governance practices
Nomination and Remuneration Committee	Oversees Board composition, succession planning, and remuneration matters
Corporate Social Responsibility Committee	Guides CSR strategy, initiatives, and social impact programs
Asset Liability Management Committee	Monitors liquidity, funding, and asset-liability management practices
Finance Committee	Oversees key financial matters and capital management decisions
Credit Committee/ Group Credit Committee	Reviews and approves credit proposals within delegated authority
IT Strategy Committee	Oversees technology governance, cybersecurity, and digital initiatives
Regulatory and Compliance Committees	Ensures compliance with regulatory and statutory requirements

ETHICAL GOVERNANCE AND RESPONSIBLE BUSINESS CONDUCT

Strong governance, ethical conduct, and accountability form the foundation of our business. Director and Key Managerial Personnel remuneration is governed by a defined remuneration policy and overseen by the independent Nomination and Remuneration Committee (NRC), while Board appointments are guided by our Board Diversity Policy. These frameworks ensure transparency, fairness, and alignment with long-term stakeholder interests.

COMMITMENT TO ETHICS AND INTEGRITY

We have established a comprehensive policy framework that promotes responsible business conduct across the organization, aligned with the principles of the National Guidelines on Responsible Business Conduct (NGRBC). Our Code of Conduct sets clear expectations for employees, directors, officers, and business partners to uphold

the highest standards of integrity, accountability, and professionalism in all business dealings. This is reinforced through our Anti-Bribery and Anti-Corruption Policy, regular awareness programs, and robust internal controls.

To encourage transparency and accountability, we maintain dedicated reporting channels, including a Chief Anti-Corruption Officer, an independent Ethics Helpline Portal, and a Whistleblower and Vigil Mechanism that enable secure and confidential reporting of concerns. Our commitment to ethical conduct extends across the value chain through engagement with vendors, contractors, and business partners. During FY 2025-26, no incidents of corruption, anti-competitive conduct, regulatory fines, non-monetary sanctions, or legal actions related to non-compliance were reported.

POLICY GOVERNANCE FRAMEWORK

Training & Communication	Policies are communicated through onboarding programs, mandatory e-learning modules, and annual refresher training programs
Monitoring & Compliance	Compliance is monitored through internal controls, periodic reviews, audits, and established reporting mechanisms

In addition, our Code of Conduct provides a structured framework for identifying, disclosing, and managing actual or potential conflicts of interest, reinforcing transparency and sound governance practices across the organization.

"POLICY FRAMEWORK": https://www.iifl.com/finance/corporate-governance

During the reporting period, there were no instances of fines, non-monetary sanctions, or legal actions related to non-compliance or anti-competitive practices, except as mentioned in Corporate Governance Report.

COMPLIANCE

Our Company has established a robust governance and compliance framework supported by Board-approved policies, standardised processes, and independent oversight mechanisms. These frameworks enable effective risk management, regulatory compliance, operational consistency, and ethical business conduct across the organization, while ensuring alignment with evolving regulatory and business requirements.

GOVERNANCE AND COMPLIANCE FRAMEWORK	
Board-approved policies	Covers compliance, risk management, lending, governance, IT, HR, treasury, ESG, and customer protection
Periodic policy review mechanism	Ensures policies are reviewed, modified, adopted, or discontinued based on regulatory and business developments
Authority matrices	Defines delegated powers, approval structures, and accountability mechanisms
Internal controls framework	Strengthens operational controls, governance processes, and compliance monitoring
Monitoring and reporting mechanisms	Enables regular tracking, escalation, and reporting of compliance and risk-related matters
Senior management oversight	Ensures implementation of policies, controls, and regulatory compliance across functions
Board and Committee oversight	Provides strategic supervision and governance oversight through specialised committees
Compliance function	Monitors adherence to applicable laws, regulations, and internal policies
Risk management function	Identifies, assesses, and manages enterprise-wide risks
Internal audit function	Provides independent assurance on governance, risk management, and control effectiveness

KEY COMPLIANCE AND GOVERNANCE ENHANCEMENTS IMPLEMENTED DURING THE YEAR

- Strengthened policy frameworks in line with evolving regulatory requirements and supervisory expectations
- Revised and discontinued policies where required to improve governance effectiveness
- Reinforced risk management, fraud prevention, and governance control mechanisms
- Enhanced digital compliance tracking through the LexCare system for improved monitoring and accountability
- Strengthened evidence management processes to support regulatory and compliance reporting
- Tightened internal controls, compliance oversight, and audit processes across the organization
- Enabled faster issue identification, structured escalation, and timely corrective actions through enhanced monitoring frameworks

REGULATORY ENGAGEMENT AND COMPLIANCE FRAMEWORK

We maintain transparent and continuous engagement with regulatory authorities through timely filings, disclosures, audits, and inspections. Supported by robust compliance frameworks, internal controls, and Board oversight, we ensure proactive monitoring, timely corrective actions, and adherence to evolving regulatory requirements across our operations.

EVALUATING TODAY'S PRIORITIES FOR TOMORROW'S PROGRESS

Mr. Bibhu Prasad Kanungo

Chairperson & Independent Director

Mr. Bibhu Prasad Kanungo is a former Deputy Governor of the Reserve Bank of India. He is a career central banker with nearly four decades of experience of working in all the major functional areas of the Reserve Bank. As the Deputy Governor, during 2017 to 2021, he was responsible for overseeing Currency Management, Foreign Exchange Regulations, Regulation and Development of the Payment and Settlement Systems, Government Debt Management, Reserve Management, Government and Bank Accounts, Information Technology, Consumer Protection, Financial Inclusion, etc. He also was a member of the Monetary Policy Committee for some time.

Mr. Kanungo was RBI's Banking Ombudsman for Madhya Pradesh and Chhattisgarh. He also oversaw implementation of RBI's policies at ground level as the Regional Director of Rajasthan and also as Regional Director of West Bengal and Sikkim. Mr. Kanungo served as the Nominee Director of RBI on the Boards of Punjab and Sindh Bank, Punjab National Bank, National Housing Bank and NABARD. He represented RBI in international Committees of the Bank for International Settlement in its Markets Committee and Committee for Financial Stability. He was chairman of Bharatiya Reserve Bank Note Mudran Nigam Private Limited. He also headed RBI's external Committee for Review of Customer Service Standards in RBI Regulated Entities (REs).

Post his tenure as Deputy Governor of RBI, Mr. Kanungo was Director of Centre for Advanced Financial Research and Learning (CAFRAL), an RBI- funded research and learning organization devoted to cutting-edge research in Macro-Economics, Finance and skill development of top management of regulated entities.

Mr. Nirmal Jain

Founder, Promoter & Managing Director

Mr. Nirmal Jain is the Promoter and Managing Director of IIFL Finance Limited and the Founder of the IIFL Group. Since establishing the Group in 1995, he has led its evolution into one of India's leading diversified financial services groups. Under his leadership, the Group has built a strong presence across retail lending, wealth and asset management, capital markets, and discount broking. Today, the IIFL Group serves a large and growing customer base through its listed businesses, with IIFL Finance Limited as its flagship company and a significant participant in India's financial services sector.

Mr. Jain has been instrumental in driving technology-led transformation across the Group. His emphasis on digital innovation, customer-centric solutions, prudent risk management, and product innovation has supported the Group's long-term growth and strengthened the confidence of customers, investors, and other stakeholders. Beyond his corporate responsibilities, he actively supports initiatives in financial inclusion and girl child education, working towards expanding access to financial services, education, and opportunities across India. He is also an active member and supporter of the Jain International Trade Organisation (JITO).

Mr. Jain holds a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad, and is a rank-holding Chartered Accountant and Cost Accountant. He began his professional career with Hindustan Unilever Limited in 1989 before founding IIFL as an independent equity research enterprise. With over three decades of experience in financial services, he continues to provide strategic leadership to the Group while helping shape the evolution of India's financial sector.

Mr. R Venkataraman

Co-Promoter & Joint Managing Director

Mr. R Venkataraman is the Co-Promoter and Joint Managing Director of the Company and has been an integral part of the IIFL Group since 1999. Over the past two decades, he has played a central role in driving the Group's strategic direction, guiding its transformation into a diversified and future-ready financial services institutions. As a Co-Promoter of IIFL Finance Limited, he has been instrumental in shaping the Company's presence in capital markets and wealth management. Under his leadership, IIFL Finance is recognized as one of the leading independent financial services Company in the country. With more than 35 years of experience in the financial services industry, Mr. Venkataraman has led several high-impact business initiatives, fostering innovation and growth across key verticals. His vision and unwavering focus on execution have been critical to the sustained performance and reputation as one of India's most trusted financial brands.

Mr. Venkataraman is known for his strategic acumen, operational discipline, and strong execution, which have collectively contributed to enhancing the Group's value proposition and investor confidence. Before his tenure at IIFL, he held senior positions at ICICI Limited, Barclays BZW and GE Capital Services India Limited. His diverse background across banking, investment, and financial strategy has enriched the Group's capabilities and vision.

Mr. Venkataraman holds a Post Graduate Diploma in Management from the IIM-Bangalore and a Bachelor's degree in Electronics and Electrical Communications Engineering from IIT Kharagpur.

Mr. Nihar Niranjan Jambusaria

Independent Director

Mr. Nihar Niranjan Jambusaria is a Member of the Institute of Chartered Accountants of India (ICAI). His distinguished career includes his tenure as President and Vice President of ICAI during 2021–22 and 2020–21, respectively. Since 1984, Mr. Jambusaria has been associated as a senior partner at N. N. Jambusaria & Co., Chartered Accountants. His advisory expertise spans the reputed Reliance group as well as several organizations across the private and public sectors. He possesses deep domain knowledge in Direct Tax, International Taxation, Mergers and Acquisitions, FEMA Regulations, and Business Restructuring. Earlier, Mr. Jambusaria served as Senior Vice President at Reliance Industries Limited from 2011 until April 2020. His professional contributions extend well beyond the corporate sphere.

Mr. Jambusaria has been a Member of the Government Accounting Standards Advisory Board (GASAB) and the Audit Advisory Board of the Comptroller and Auditor General (CAG), reflecting his dedication to advancing standards and professionalism within the accounting fraternity. He also served as the President of the South Asian Federation of Accountants (SAFA) in 2023.

Mr. Ramakrishnan Subramanian

Independent Director

Mr. Ramakrishnan Subramanian, (ACA, ACMA, MCom, Harvard fintech) is an experienced banker who has held leadership roles in India, Singapore, Hong Kong, Thailand in Citibank, HDFC Bank, ING, Standard Chartered Bank, and Shriram Capital. He is a Domain expert in Mortgages, Retail finance & MSME financing. He is an expert in Retail banking across Product development, Pricing, channels, and credit risk management & governance across India and Asian markets and has rich experience in M&A, investment management during his banking career and consulting & advisory practice.

In addition, he has significant governance experience, having served as a Board member at ING Vysya bank, Shriram capital, Shriram transport, Shriram Insurance, IIFL Finance, and IIFL Home Finance. He has served on several management committees and played governance roles during his long banking & consulting career.

Ramky Subramanian was part of the early management team of HDFC Bank as Head of Retail Assets Group, leading secured and unsecured loans business - autoloans, commercial vehicles, personal loans, business banking, Gold loans, MSME loans & Mortgage loans. He was also the first Retail Credit and Risk head of HDFC Bank encompassing Credit policy, underwriting, collections, and a member of the Bank's ALCO.

He is currently a Senior Advisor to Private Equity, Venture Capital, FIs & Fintechs, closely engaged in identifying and selecting portfolio companies and working with management teams on business & value creation, mentoring and coaching.

Mr. Bijou Kurien

Independent Director

Mr. Bijou Kurien is a distinguished consumer business leader with over 40 years of experience in building brands, scaling enterprises, and shaping organizations. He has been associated with leading names across the fast-moving consumer goods, consumer durables, and retail sectors in India. After completing his PGDBM from XLRI Jamshedpur, he started his professional journey with Hindustan Unilever as a Management Trainee in 1981. During his successful tenure of more than six years, he undertook diverse roles across sales and marketing. He later moved to Titan, India's largest manufacturer and retailer of watches and jewellery. As part of the founding team, he contributed to the creation of several iconic lifestyle and accessories brands and was instrumental in establishing one of the country's largest exclusive brand retail networks. Over his 19-year association with Titan, as COO, he played a significant role in driving the company's growth and laying the foundation for some of India's most valuable consumer lifestyle brands. Driven by the opportunity to redefine the retail landscape in India, he assumed the role of President & CEO at Reliance Industries for its ambitious retail venture—Reliance Retail. He was deeply involved in building and scaling the business from 2006 to 2014. Today, Reliance Retail is a dominant force in Indian retail and ranks among the fastest-growing retailers globally. He has since transitioned from operational leadership to advisory roles with private equity firms and their portfolio companies. He also serves as an Independent Director on the Boards of multiple listed and unlisted companies across technology, logistics, poultry, consumer/retail, hospitality and education sectors. He is also the Chairman of the Retailers Association of India (RAI), underscoring his continued contribution to the sector's evolution. He has been associated with the World Retail Congress (WRC) since its inception in 2007.

Ms. Nirma Bhandari

Independent Director

Ms. Nirma Bhandari is a seasoned governance, cybersecurity, and enterprise risk management leader with extensive experience advising organizations operating in complex and highly regulated environments. Her expertise covers cyber governance, enterprise risk management, digital security transformation, operational resilience, technology controls, privacy and data protection, regulatory compliance, and governance modernization.

She has worked closely with regulators and organizations across financial services, insurance, technology, telecom and infrastructure sectors to enhance cyber maturity, strengthen governance structures, improve control effectiveness, increase risk visibility, and build enterprise-wide resilience frameworks aligned with supervisory expectations and emerging digital risks.

Her work reflects a deep understanding of the challenges organizations face as they navigate digital disruption, increasing cyber threats, regulatory evolution, and the demand for secure and future-ready operating models. She has contributed to initiatives involving cyber preparedness, operational continuity, compliance transformation, digital trust, and technology-led governance enhancement — all critical for sustainable growth in regulated sectors.

As an Independent Director, Ms. Bhandari serves on prominent boards including IIFL and Navneet, where she brings a strategic, independent, and risk-focused perspective. Her board contributions reflect governance discipline, technology insight, and a deep appreciation of risk and regulatory oversight. Recognized for her leadership in technology governance and digital resilience, she plays a key role in helping organizations build accountable, secure, and future-ready governance ecosystems.

Mr. Gopalakrishnan Soundarajan

Non-Executive Director

Mr. Gopalakrishnan Soundarajan is the Chief Executive Officer and a Director of Fairfax India Holdings Corporation and the Managing Director, India, at Hamblin Watsa Investment Counsel Limited (Hamblin Watsa), a wholly owned subsidiary of Fairfax Financial Holdings Limited (Fairfax). Prior to his roles with Fairfax and Hamblin Watsa, Gopalakrishnan Soundarajan was the Chief Investment Officer of ICICI Lombard, the largest private sector property and casualty insurance company in India from 2001 to 2018 and was a member of the investment committee. Gopalakrishnan Soundarajan is currently serving as a Director on the boards of FIH Mauritius Investments Limited, FIH Private Investments Limited, 10955230 Canada Inc., Primary Real Estate Investments, Thomas Cook (India) Limited, Bangalore International Airport Limited, Go Digit Solutions Private Limited, Anchorage Infrastructure Investments Holdings Limited, Quess Corp Limited, Bluspring Enterprises Limited, Digitide Solutions Limited, Go Digit General Insurance Limited, Go Digit Life Insurance Limited, Valueattics Reinsurance Limited and Fairfirst Insurance Limited, Sri Lanka.

Mr. Soundarajan holds a Bachelor of Commerce degree from the University of Madras, is a member of the Institute of Chartered Accountants of India and is a Qualified Chartered Financial Analyst and Member of the CFA Institute in the United States.

Mr. T S Ramakrishnan

Non-Executive Nominee Director

Mr. T S Ramakrishnan served as General Manager at LIC Housing Finance Limited, one of India's prominent housing finance institutions. He also served as the Managing Director and Chief Executive Officer of LIC Mutual Fund.

He began his professional journey as a direct recruit officer with LIC of India in 1988 and progressed steadily through various roles to reach this leadership position. Over a distinguished career spanning more than three decades within the organization.

Mr. Ramakrishnan has built strong expertise across training, marketing, and pension and group business segments. He has held the role of Regional Head for Pension & Group Business in LIC's South Central Zone. He also served as the Senior Divisional Manager in charge of the Delhi Division. In addition, he has contributed in an academic capacity as Vice Principal at a Zonal Training Center. Mr. Ramakrishnan holds a B.Com (Hons) degree from the University of Delhi along with a Post Graduate Diploma in Management. He is a Fellow of the Insurance Institute of India and also possesses a Diploma in Health Insurance. He has also been a member of the Board of AMFI (Association of Mutual Funds in India).

MANAGEMENT TEAM*

Nirmal Jain
Managing Director

R Venkataraman
Joint Managing Director

Girish Kousgi
MD & CEO,
IIFL Home Finance

Venkatesh N
Managing Director,
IIFL Samasta Finance

Kapish Jain
Chief Financial Officer

Preeti Kannan
Chief Human Resources Officer

Shivalingam Pillai
Chief Compliance Officer

Gaurav Sharma
Chief Technology Officer

Kirti Timmanagoudar
Head - Co lending & Strategic Alliances

Manav Verma
Chief Marketing Officer

Mayank Sharma
Business Head – Gold Loans

Binay Kumar Mishra
Head - Legal

K.S. Praveen
Head - Internal Audit

Mahesh Mimani
Head - Resolutions

Rahul Sankhlecha
Chief Risk Officer

Sudhanshu Pareek
Head - Construction & Real Estate

Vinay Agarwal
Business Head - Loan against Property

Amlan Narendra Singh
Head - Operations & Customer Service

Samrat Sanyal
Company Secretary &
Compliance Officer

Kailash Gaonkar
Chief Information Security Officer

Sourav Mishra
Head - Corporate Communication

Amit Sharma
Business Head - Unsecured Lending

*as on April 29, 2026

CREDIT RATINGS AND OUTLOOK

Credit ratings are a strong endorsement of an institution's financial resilience, governance standards, and stakeholder confidence. At IIFL Finance, our ratings from leading domestic and international agencies reflect the strength of our balance sheet, prudent risk management practices, and unwavering commitment to robust governance, reinforcing trust among investors, lenders, and business partners.

CREDIT RATINGS AT A GLANCE

Rating Agency	Rating	Outlook
CRISIL Ratings	AA	Stable
India Ratings	AA	Stable
S&P Global	B+	Positive
Fitch Ratings	B+	Positive

WHAT OUR RATINGS REFLECT

- A CRISIL AA and India Ratings AA long-term rating signals exceptional financial strength, prudent credit management, and the ability to service debt obligations across business cycles with high confidence.
- The CRISIL A1+ short-term rating reflects the highest level of confidence in meeting short-term financial obligations — a testament to our liquidity management and ALM discipline.
- S&P and Fitch's B+ (Positive) international ratings — with a Positive Outlook — signal a strong trajectory toward a potential upgrade, underpinned by strengthening capital adequacy, improving return ratios, and robust asset quality recovery.
- The Positive Outlook assigned by S&P and Fitch is particularly significant: it reflects our successful recovery from the gold loan regulatory restrictions in FY 2024-25, our demonstrated ability to strengthen governance and compliance standards, and renewed investor confidence as evidenced by the US$ 152 Million rights issue and US$ 325 Million international bond raise.

ESG RATINGS AND SCORES

ESG ratings offer an independent assessment of our sustainability performance, governance standards, and transparency. During FY 2025-26, IIFL Finance recorded improvements in key ESG ratings, reflecting the stronger integration of ESG principles into our business strategy, enhanced governance frameworks, and continued progress in sustainability disclosures. These recognitions reaffirm our commitment to responsible growth and long-term value creation.

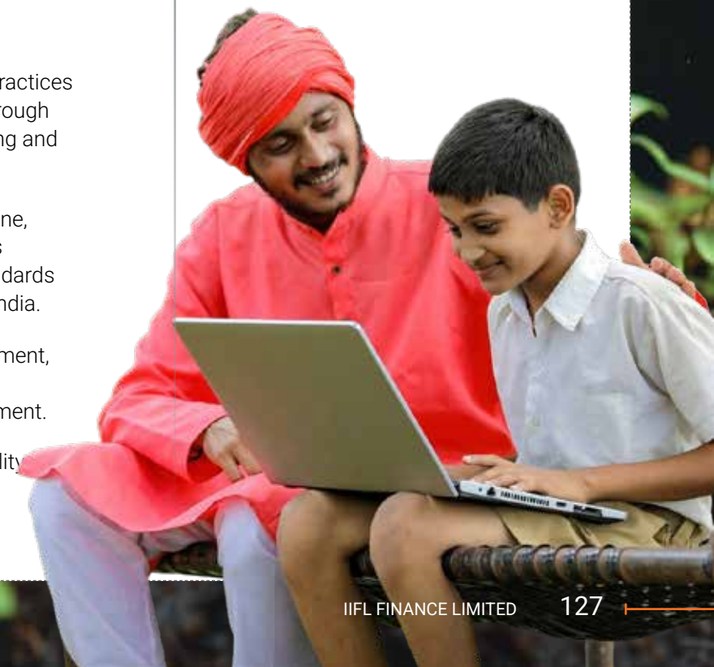
Rating Agency	Score / Rating	December 2025	March 2026
CRISIL ESG Score	Scale: 0–100	60 (Adequate)	60 (Adequate)
ESG Risk.ai	Scale: 0–100	69 (Strong)	69 (Strong)
NSE	Scale: 0–100	60	65 (Strong) ↑
SES ESG Research	Scale: 0–100	77 (Medium)	79.5 (Average) ↑
Sustainalytics	Risk Score (lower = better)	25.9 (Medium Risk)	19.1 (Low Risk) ↑

OUR ESG JOURNEY — RATING TRENDS

Agency	June 2025	March 2026
CRISIL ESG Score	61 (Strong)	60 (Adequate)
S&P DJSI ESG Score	Not Rated	46
SES ESG Research	77% (High)	79.5 (Average)
Sustainalytics	25.9 (Medium Risk)	19.1 (Low Risk)
NSE	Not Rated	65 (Strong)

WHAT STRONG ESG RATINGS SIGNAL

- Stronger governance architecture with enhanced board oversight, audit controls, and risk management systems.
- Continued integration of sustainable finance practices within our core business growth strategy — through green home loan products, GVP-linked financing and microfinance for underserved communities.
- Improved transparency and disclosure discipline, including BRSR reporting, GRI 2021 Standards alignment, IFRS Sustainability Disclosure Standards alignment and third-party assurance by BDO India.
- Enhanced ESG risk identification and management, including climate risk assessment, Scope 3 emissions mapping and supply chain engagement.
- Alignment with globally recognized sustainability frameworks — GRI, UN SDGs, UN Global Compact and NGRBC Principles.



AWARDS AND ACCOLADES

- IIFL Finance was recognized among 'ET Now Best Organizations to Work 2025' (July 2025)
- IIFL Finance was recognized among ET Now Iconic Brands of India for the year 2025
- IIFL Finance received Ambition Box Employee Choice Awards 2025 as Top rated Financial Services Company and Top rated large company (May 2025)
- IIFL Finance was recognized among the Best Companies to Work for 2025 in the NBFC sector at the Global Energy & Environment Foundation (GEEF) Global HR Excellence Awards 2025 (April 2025)
- IIFL Finance received the 'Best DevOps Team in Automated Incident Response (Financial Services) at the 7th Edition of India DevOps Show 2025
- IIFL Finance received award for 'Excellence in Corporate Governance' at the Audit and Risk Summit and Awards
- IIFL Finance received award for 'Excellence in Cybersecurity at the Audit and Risk Summit and Awards
- IIFL Finance received award for 'Digital Audit Trailblazer Award' at the Audit and Risk Summit and Awards
- IIFL Finance received the 'Best Co-Lending Partnership' award at Bharat NBFC and Fintech Awards
- IIFL Finance received the 'Best Customer Centric NBFC' award at the at Bharat NBFC and Fintech Awards
- Best Gen AI Innovation Award 2025 for IIFL Finance
- Best Gen AI Use Case of the Year for IIFL Finance Gold Loan Business
- Best Gen AI Initiative of the Year – Utilization of AI for Content – IIFL Finance
- IIFL Finance received the "Changemakers 2026" Award at the Palo Alto Networks Cybersecurity Leadership Summit in February 2026
- IIFL Finance has been recognized as one of the "Best Organisations for Women 2026" by ET Edge, a Times Group initiative
- IIFL Finance ranked 77 among India's Top 100 Best Workplaces by Great Place to Work India® (June 2025)
- IIFL Foundation received the 'Best Skill Development Program Initiative of the Year' award for its 'Manipur Skill Development Program' at the 16th CSR Summit & Awards
- IIFL Foundation received the 'Best CSR Project of the Year' award for Holistic Development of 102 Schools in Rajasthan at the 16th CSR Summit & Awards
- Mrs. Madhu Jain, Founder-Director, IIFL Foundation received the 'CSR Leadership Award' award at the 16th CSR Summit & Awards

CORPORATE INFORMATION

Board of Directors

Mr. Bibhu Prasad Kanungo
Chairperson & Independent Director

Mr. Nirmal Jain
Managing Director

Mr. R Venkataraman
Joint Managing Director

Mr. Nihar Niranjan Jambusaria
Independent Director

Mr. Ramakrishnan Subramanian
Independent Director

Mr. Bijou Kurien
Independent Director

Ms. Nirma Bhandari
Independent Director

Mr. Gopalakrishnan Soundarajan
Non-Executive Director

Mr. T S Ramakrishnan
Non-Executive Nominee Director

Composition of Board Committees*

Audit Committee

Mr. Nihar Niranjan Jambusaria
Chairperson

Mr. Bibhu Prasad Kanungo
Member

Mr. Ramakrishnan Subramanian
Member

Ms. Nirma Bhandari
Member

Nomination and Remuneration Committee

Mr. Nihar Niranjan Jambusaria
Chairperson

Mr. Bijou Kurien
Member

Mr. Bibhu Prasad Kanungo
Member

Corporate Social Responsibility Committee

Mr. Bijou Kurien
Chairperson

Mr. Nihar Niranjan Jambusaria
Member

Mr. R Venkataraman
Member

Stakeholders Relationship Committee

Mr. Bijou Kurien
Chairperson

Mr. R Venkataraman
Member

Mr. Bibhu Prasad Kanungo
Member

Asset Liability Management Committee

Mr. R Venkataraman
Chairperson

Mr. Bibhu Prasad Kanungo
Member

Mr. Ramakrishnan Subramanian
Member

Mr. Kapish Jain
Member

Mr. Rahul Sanklecha
Member

Mr. Govind Modani
Member

IT Strategy Committee

Ms. Nirma Bhandari
Chairperson

Mr. Bijou Kurien
Member

Mr. Ramakrishnan Subramanian
Member

Mr. Rahul Sanklecha
Member

Mr. Gaurav Sharma
Member

Mr. Kailash Gaonkar
Permanent Invitee

Risk Management Committee

Mr. Nihar Niranjan Jambusaria
Chairperson

Mr. R Venkataraman
Member

Mr. Bibhu Prasad Kanungo
Member

Mr. Ramakrishnan Subramanian
Member

Ms. Nirma Bhandari
Member

Mr. Rahul Sanklecha
Member

ESG Committee

Mr. R Venkataraman
Chairperson

Mr. Nihar Niranjan Jambusaria
Member

Ms. Nirma Bhandari
Member

Ms. Madhu Jain
Member

Mr. Rahul Sanklecha
Member

Mr. Kapish Jain
Member

Customer Service Committee

Mr. Nihar Niranjan Jambusaria
Chairperson

Mr. Bijou Kurien
Member

Mr. R Venkataraman
Member

Chief Financial Officer

Mr. Kapish Jain

Company Secretary & Compliance Officer

Mr. Samrat Sanyal

Statutory Auditors

M/s. Sharp & Tannan Associates
M/s. G. M. Kapadia & Co.

(Joint Statutory Auditors for IIFL Finance Limited)

M/s. S.R. Batliboi & Associates LLP
M/s. Sundaram & Srinivasan

(Joint Statutory Auditors for IIFL Home Finance Limited)

M/s. Suri & Co
(For IIFL Samasta Finance Limited)

Registrar to an Issue and Share Transfer Agent

MUFG Intime India Private Limited

(Formerly Link Intime India Private Limited)

C-101, Embassy 247, L.B.S Marg, Gandhi Nagar, Vikhroli (West), Mumbai – 400 083

Trustees

Catalyst Trusteeship Limited

Registered Office: GDA House, 1st Floor, Plot No. 85 S., No. 94 & 95, Bhusari Colony (right), Kothrud,

Tel:- +9122 4922 0555

Email: Mumbai@ctltrustee.com

Website: www.catalysttrustee.com

Corporate Office: Unit No- 901, 9th Floor, Tower B, Penninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013

IDBI Trusteeship Services Limited

Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai – 400001

Tel: +91 22 40807000

Email: itsl@idbitrustee.com

Website: www.idbitrustee.com

Vardhman Trusteeship Private Limited

The Capital, A wing, 412 A, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

Email: corporate@vardhmantrustee.com

Website: https://vardhmantrustee.com/

MITCON Credentia Trusteeship Services Limited

1402/1403, 14th Floor, Dalamal Tower, B-Wing, Free Press Journal Marg, 211, Nariman Point, Mumbai – 400021

Tel: +91-9867773705

Email: Contact@mitconcredentia.in

Website: https://mitconcredentia.in/index.php

Beacon Trusteeship Limited

Address: 4C & D, Siddhivinayak Chambers, Opp. MIG Cricket Club, Gandhi Nagar, Bandra (East), Mumbai – 400 051

Tel: +91-9555449955

E-mail: compliance@beacontrustee.co.in

Website: http://beacontrustee.co.in/

Vistra ITCL (India) Limited

505, A-2, The Capital G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051

Tel: +91 2228500028

Email: mumbai@vistra.com

SBICAP Trustee Company Limited

Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai - 400051

Tel: +91 22 4302 5555

Email: helpdesk@sbicaptrustee.com

Website: www.sbicaptrustee.com

The Hongkong and Shanghai Banking Corporation Limited

Level 26, HSBC Main Building 1 Queen's Road Central Hong Kong S.A.R.

Tel: +852 28224472

Email: amy.g.y.zhao@hsbc.com.hk

Website: https://www.hsbc.com.hk/

Registered Office

IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604

Corporate Office

802, 8th Floor, Hubtown Solaris, N. S. Phadke Marg, Vijay Nagar, Andheri (East), Mumbai – 400 069

List of bankers of the Company & its Subsidiaries

Axis Bank Limited
Bandhan Bank Limited
Bangiya Gramin Vikash Bank
Bank Of Baroda
Bank Of India
Bank Of Maharashtra
Canara Bank
Capital Small Finance Bank
Central Bank Of India
CSB Bank
Dakshin Bihar Gramin Bank
DBS Bank Limited
DCB Bank Limited
Deutsche Bank A.G.
Dhanlakshmi Bank Limited
Emirates NDB
Equitas Small Finance Bank
Federal Bank Limited
Hatton National Bank PLC.
HDFC Bank Limited
Hong Kong and Shanghai Banking Corporation Limited
ICICI Bank Limited
IDBI Bank Limited
IDFC First Bank Limited
Indian Bank
Indian Overseas Bank
Industrial & Commercial Bank of China
Jana Small Finance Bank
Kangra Central Co-operative Bank Limited
Karnataka Bank
Karur Vysya Bank
Kookmin Bank
Kotak Mahindra Bank Limited
Kurmanchal Nagar Sahkari Bank Limited
Mizuho Bank Limited
MUFG Bank
Odhisha Gramin Bank
Punjab National Bank
Punjab Sind Bank
Qatar National Bank
RBL Bank Limited
Sampath Bank PLC.
Shinhan Bank
Shivalik Small Finance Bank
Slice Bank
South Indian Bank
Standard Chartered Bank
State Bank of India
State Bank of Mauritius
Suryoday Small Finance Bank Limited
UCO Bank
Ujjivan Small Finance Bank Limited
Union Bank of India
Uthkarsh Small Finance Bank Limited
Woori Bank
YES Bank Limited

*as on April 29, 2026

REPORT OF THE BOARD OF DIRECTORS

Dear Members,

The Board of Directors (the "Board") is pleased to present the Thirty-First Annual Report of IIFL Finance Limited (the "Company") enumerating the business and operations of the Company, together with the Audited Financial Statements (Consolidated and Standalone) of the Company for the Financial Year ended March 31, 2026. The Company is registered with the Reserve Bank of India ("RBI") as a Middle Layer ("NBFC-ML") entity under Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025.

1. FINANCIAL HIGHLIGHTS

A summary of the financial performance of the Company and its subsidiaries, for the Financial Year ended March 31, 2026, is as under:

(₹ in Crore)

Name of the Company	Revenue	Profit/(Loss) After Tax
IIFL Finance Limited	7,447.94	1,153.52
IIFL Home Finance Limited ("HFC")*	3,829.13	763.36
IIFL Samasta Finance Limited ("Samasta")	2,208.54	21.30
IIFL Fintech Private Limited ("IIFL Fintech") (formerly known as IIFL Open Fintech Private Limited)	(0.01)	2.65

* includes IIHFL Sales Limited, Wholly-Owned Subsidiary of HFC.

The Consolidated and Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026, prepared as per Indian Accounting Standards ("Ind AS") and in accordance with the provisions of the Companies Act, 2013 ("the Act") forms part of this Annual Report. The financial performance during the Financial Year 2025-26 compared with the previous Financial Year 2024-25, is summarized below:

(₹ in Crore)

Particulars	Consolidated		Standalone	
	FY2025-26	FY2024-25	FY2025-26	FY2024-25
Total income	13,373.83	10,237.07	7,467.11	4,080.16
Profit before Finance Cost, Depreciation Amortization Expenses and Tax Expenses and Exceptional Items	8,336.57	5,651.60	4,942.52	2,021.43
Less: Finance Cost	5,717.37	4,169.52	3,273.29	1,848.72
Depreciation	210.62	188.57	163.14	136.98
Exceptional items	-	586.50	-	586.50
Profit/(Loss) before tax	2,408.58	707.01	1,506.09	(550.77)
Less: Current tax	395.89	365.76	243.28	77.39
Deferred tax	195.83	(230.36)	105.89	(218.59)
Short/(Excess) provision relating to previous year	0.16	(6.55)	3.40	-
Profit/(Loss) for the year	1,816.70	578.16	1,153.52	(409.57)
Other Comprehensive Income /(Loss) net of tax	15.37	(13.27)	13.39	(3.06)
Total Comprehensive Income/(Loss) net of tax	1,832.07	564.89	1,166.91	(412.63)
Attributable to:				
Owners of the Company	1,675.72	367.54	1,166.91	(412.63)
Non-controlling interests	156.35	197.35	N.A.	N.A.
Less: Appropriations				
Dividend	199.69	-	170.09	-
Transfer to/ from Other Reserves	2,334.93	204.04	230.71	-
Change in Minority	-	2.69	N.A.	N.A.
Add: Balance brought forward from the previous year	4,328.39	4,167.58	1,273.97	1,686.60
Balance to be carried forward	**3,469.49**	**4,328.39**	**2,040.08**	**1,273.97**

Note: Previous period's figures have been regrouped/rearranged wherever necessary.

Transfer to Reserves

Under Section 45-IC (1) of RBI Act, 1934, ("RBI Act") Non-Banking Financial Companies ("NBFCs") are required to transfer a sum not less than 20% of its net profit every year to reserve fund before declaration of any dividend. Accordingly, during the year under review, your Company transferred the below mentioned amount to Special Reserves and to the General Reserve out of the Retained Earnings, as mentioned below:

(₹ in Crore)

Particulars	Standalone	Consolidated
	FY 2025-26	FY 2025-26
Special Reserve during the year (Pursuant to Section 45-IC (1) of the Reserve Bank of India Act, 1934)	230.71	234.93
Special Reserve during the year (Pursuant to Section 29C (1) of National Housing Bank Act, 1987)	NA	300.00
General Reserve during the year	8.21	1,816.90

2. REVIEW OF BUSINESS, OPERATIONS AND STATE OF AFFAIRS OF YOUR COMPANY AND OUTLOOK

Details of business, operations and state of affairs of your Company is provided in the Management Discussion and Analysis Report. Refer Page No. 208 of this Annual Report.

3. MACROECONOMIC OVERVIEW

Details on macroeconomic overview of your Company is provided in the Management Discussion and Analysis Report. Refer Page No. 208 of this Annual Report.

4. DIVIDEND DISTRIBUTION POLICY AND DIVIDEND

During the year under review, the Board declared and paid an interim dividend of ₹4 per equity share (200%) (i.e. 2 times of the Face Value of 2 per equity share) in accordance with the Dividend Distribution Policy of the Company and relevant provisions of the Companies Act & RBI Act. This led to an outgo of ₹170.09 Crore (including tax deducted at source). The Board recommend that the said interim dividend be considered as final.

As stipulated in Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board has adopted a Dividend Distribution Policy which is annexed as **"Annexure I"** to this Report and is available on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2026-05/Dividend_Distribution_Policy.pdf

5. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends which remain unclaimed/unpaid for a period of 7 years are required to be transferred to Investor Education and Protection Fund ("IEPF").

Similarly, in the case of Non-Convertible Debentures ("NCDs"), the unclaimed interest and principal amounts are also required to be transferred to the IEPF Authority within thirty (30) days from the expiry of seven (7) years, as per the relevant provisions of the IEPF.

During the year under review, the Company transferred to IEPF ₹10,73,225 on April 4, 2025 being the unclaimed dividend amount pertaining to the FY 2017-18 and ₹5,86,680 on March 17, 2026 being the unclaimed dividend amount pertaining to the FY 2018-19 and also transferred ₹1,16,13,278 to IEPF being the unclaimed interest and principal amount pertaining to NCDs.

In accordance with the aforesaid provisions, the underlying shares in respect of dividends which remain unpaid/unclaimed for a period of seven consecutive years or more shall be transferred to demat account of the IEPF Authority within thirty days from expiry of the said period. Accordingly, various steps are being taken on an ongoing basis to reach out to the Members, through email and other means, whose shares are due to be transferred to the IEPF, in order to create awareness and provide them an opportunity to claim their unclaimed dividends. In view of the aforesaid, the Company had sent individual notices to the concerned Members and had published the notice in the leading newspapers in English and Regional Language having wide circulation to inform the Members about the transfer of equity shares to demat account of IEPF Authority. In accordance with the above provisions, the Company transferred 8,652 equity shares pertaining to the FY 2017-18 and 3,433 equity shares pertaining to the FY 2018-19 to the demat account of the IEPF Authority, in respect of which the dividend has remained unclaimed for seven consecutive years.

The list of unpaid dividend is available on the Company's website at https://www.iifl.com/finance/investor-information. Members are requested to check the said

list and if any dividend due to them remains unpaid in the said list, Members can approach the Company or Registrar and Transfer Agent of the Company for the release of unclaimed dividends. Members can find the details of Nodal Officer on the Company's website at https://www.iifl.com/finance/contact-center.

In compliance with Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/DDHS/DDHS-RAC-1/P/ CIR/2023/176 dated November 8, 2023, relating to unclaimed amounts in respect of listed Non-Convertible Securities, the Company has put in place a procedural framework for handling unclaimed interest and principal amounts lying with it. The Company has also adopted the "Policy on transfer of Unclaimed Amounts to Escrow Accounts and claim thereof by Investors", which outlines the process for investors to claim such amounts. The policy is available on the Company's website at https://storage.googleapis.com/iifl-finance-storage/files/2024-03/IEPF_Policy.pdf.

6. KEY INITIATIVES/DEVELOPMENTS

a. Public Issue of Non-Convertible Debentures

During the year under review, your Company had filed a Shelf Prospectus on March 29, 2025, with the Registrar of Companies and SEBI, to raise through Public Issue of Secured, Rated, Listed, Redeemable NCDs an amount aggregating up to ₹2,500 Crore and Tranche I Prospectus on March 29, 2025 to be read with the Corrigendum to the Tranche I Prospectus dated April 02, 2025 to raise through Public Issue of Secured, Rated, Listed, Redeemable NCDs an amount aggregating up to ₹100 Crore with an option to retain oversubscription of ₹400 Crore. The issue was fully subscribed and these were allotted on April 21, 2025, and are listed and traded on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

Your Company had also filed a Shelf Prospectus on February 12, 2026, with the Registrar of Companies and SEBI, to raise through Public Issue of Secured, Rated, Listed, Redeemable NCDs an amount aggregating up to ₹2,000 Crore and Tranche I Prospectus on February 12, 2026 to raise through Public Issue of Secured, Rated, Listed, Redeemable NCDs an amount aggregating up to ₹500 Crore with an option to retain oversubscription of ₹1,500 Crore. The said NCDs were allotted on March 06, 2026, and are listed and traded on NSE and BSE.

b. Issuance of Non-Convertible Debentures on a Private Placement basis including Perpetual Debt Instrument

During the year under review, your Company raised an aggregate amount of ₹2,415 crore through the private placement of NCDs.

The aforesaid amount includes Perpetual Debt Instruments ("PDIs") aggregating to ₹600 crore. During the year, there was no unpaid interest on your Company's PDIs. Detailed disclosures relating to the PDIs are provided in Note No. 21.2 and 48(i) to the standalone financial statements forming part of this Annual Report.

These NCDs are listed and traded on the National Stock Exchange of India Limited ("NSE").

Additionally, during the year under review, HFC raised ₹200 Crore through Private Placement of Redeemable NCDs, and Samasta raised ₹1,465 Crore through Private Placement of Redeemable NCDs. The said Privately Placed NCDs issued by HFC and by Samasta are listed and traded on NSE.

c. Bank Refinance

During the year under review, HFC had availed ₹500 Crore of refinance facility from National Bank For Agriculture And Rural Development ("NABARD") under its refinance schemes.

d. Funds raised by way of other Borrowings

During the year under review, your Company raised ₹7,918 Crore through term loans from various banks.

HFC raised ₹2,760 Crore through term loans from various banks and financial institutions. HFC has also raised ₹150 Crore by way of issuance of Commercial Paper. Additionally, HFC raised USD 345 Mn through ECBs amounting to ₹3060.68 Crore from various Development Financial Institutions and Banks.

Samasta raised ₹2,936.24 Crore, ₹2,326.23 Crore, ₹1,526.69 Crore and ₹130 Crore through Term Loans, Direct Assignment, Securitisation and Commercial Paper respectively from various banks and financial institutions.

e. Revision in International credit rating

During the year under review, the international credit ratings from S&P Global Ratings and Fitch Ratings have been revised from B+/stable to B+/Positive.

7. UTILIZATION OF FUNDS

During the year under review, your Company successfully raised additional capital through issuance of NCDs on a private placement basis. These funds were raised to support the Company's growth plans, strengthen its balance sheet, and ensure adequate liquidity to meet operational and regulatory requirements.

The utilization of proceeds has been in line with the objects stated in the offer documents and the Board periodically reviews their deployment to ensure compliance and effective use of capital.

8. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Corporate Social Responsibility ("CSR") Committee of the Board has formulated and recommended to the Board a CSR Policy indicating the CSR activities which can be undertaken by the Company. The Board approved the CSR Policy which is available on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2023-07/CSR%20policy_IIFL%20Finance.pdf

IIFL group has set-up India Infoline Foundation ("IIFL Foundation"), a Section 8 Company incorporated under the Act which acts as the principal arm to undertake CSR initiatives on behalf of your Company and its subsidiary. IIFL Foundation through its CSR initiatives addresses 5 thematic areas – Health, Education and Environment, Livelihood & Poverty Alleviation, collectively – HELP.

As per Rule 4(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, IIFL Foundation has registered itself with the Central Government by filing the e-Form CSR-1 with the Registrar of Companies.

IIFL Foundation has identified focus areas for CSR initiatives which includes:

- Sakhiyon ki Baadi – A program to promote Foundational Literacy and Numeracy Skill (FLN) among females in Rajasthan. Educating girls from the marginalized communities (Scheduled Tribes/ Scheduled Castes) who are out of school or never been to school. The program has an overall reach with 259 learning centres;
- Supported 'Hospitality Training Program (Chef Trade)' for 120 Kashmiri youth in Kupwara, Jammu & Kashmir, aimed at enhancing employability through vocational skills. The program included both theoretical and practical training sessions, along with placement opportunities and market guidance;
- Supported 'Homestay Host Training' for youth in Tezu, Lohit district, Arunachal Pradesh, in collaboration with the National Cadet Corps (NCC) and the Ministry of Defence, Government of India. 120 youth from Arunachal Pradesh benefited from this project;
- Supported 'Manav Shelter Home' in Panvel, Maharashtra which delivers a holistic care program for vulnerable and underprivileged children living in urban slum. 28 children directly benefit from the initiative, receiving essential support including food, shelter, clothing, medical care, and overall well-being assistance;
- Supported Banking Financial Services and Insurance (BFSI) Course that prepares students with the skills and knowledge needed to work in the financial sector. 30 Students from marginalizes background directly benefited from this project;
- Supported an Annual Medical Camp at Barsana, Mathura, Uttar Pradesh, providing free-of-cost eye check-ups, spectacles, cataract surgeries, and dental treatments (including root canal, extractions, and dentures). The initiative conducted 1,480 eye check-ups and 400 dental check-ups, and also provided meals to 1,400 people;
- Free Mega Medical Camp at Pandharpur, Solapur, Maharashtra. Medical aid and food support provided for pilgrims coming during Ashadi Ekadashi (July 2025). 11,100 people directly received help from this initiative;
- Provided primary health care services to the devotees attending Ganpati Festival at LalBaug (Mumbai), offering 24×7 Doctors services. Free health check-ups included basic diagnostics and first-aid to 1,000 individuals;
- Supported the primary section of Mathrubhoomi High School, Kandivali, Mumbai, enabling access to education for children from marginalized communities living in nearby slum settlements. The initiative directly helps 120 primary students, helping them continue their education and successful transition to upper primary grades;
- Supporting 5 teacher volunteers in 2 Government Secondary Schools in Udaipur, Rajasthan;
- Donated 16 Slice C T Scan Machine to the Radio-diagnosis department of Maharana Bhupal Hospital, Udaipur, Rajasthan. In the time period of October 2025- March 2026 the machine has benefited 7147 patients;
- Donated Fully Automatic Bio Chemistry Analyzer, Dental X-ray machin and Laptop to the Community Healthcare Centre, Khamnore, Rajsamand district, Rajasthan. In the time period of April 2025- March 2026 the Bio Chemistry Analyzer benefited 52 & the Dental Xray Machine benefited 35 patients;
- Donated High Resolution Manometry & PH-

metry Systems Machine to Department of Gastroenterology to Lokmanya Tilak Municipal General Hospital, Sion Mumbai. The donation enabled the hospital to set up a state-of-the-art G I Mobility Lab, which will benefit more than 100 people/month to avail the service in a reduced cost;

- Supported livelihood project for the underprivileged, that converted ocean and land plastic waste into ISO Certified helmets, which were donated to police and civilians in Rajsamand & Udaipur in Rajasthan and Mumbai, Maharashtra. 1250 Helmets were donated to Rajasthan Police and 100 to Maharashtra Traffic Police;
- Supported education (Tuition fees) of 3 students from lower income families in Maharashtra & Rajasthan;
- Supported the mid- year capacity building camp of SEWA International Fellowship. The Camp played a crucial role in strengthening the leadership and program management capacities of 22 Sewa Fellows;
- Organized Cardiopulmonary Resuscitation (CPR) training sessions in Pune, Maharashtra, and Chennai, Tamil Nadu, to equip professionals with essential life-saving skills. The sessions focused on immediate response during cardiac arrest and correct CPR techniques. A total of 121 individuals directly benefited from this initiative;
- Supported the upgradation of community hall and public space in Rural Police Campus - Chhatrapati Sambhaji Nagar (Aurangabad), Maharashtra;
- Support provided to setup Tattva University, a value-based, multidisciplinary, research-oriented, deemed-to-be-university (Distinct Category) in Maharashtra. 4000+ students and 200+ faculty will benefit from the institute;
- Donated Barricades (Fixed metal), Shutter Barricades and Traffic Cones to the Rajasthan Police Department to strengthen traffic management and public safety in Udaipur, Rajasthan;
- Supported awareness Drive on Thalassemia in Mumbai (Maharashtra), aiming to educate communities about thalassemia, available treatment options, prompt medical care and counseling. More than 2450 people benefited from this initiative;
- Provided infrastructure support to Utraj U.P. School in a remote village in Sirohi district, Rajasthan, which is completely cut off from road connectivity. The initiative included provision of furniture, establishment of a computer lab and installation of solar panels. A total of 35 students benefited, as the school serves as the only access point for education in the entire village;
- Provided support for treatment of a patient from an economically disadvantaged background, Rajsamand, Rajasthan;
- Supported the establishment of a computer lab at Government Senior Secondary School, Vati, Udaipur, Rajasthan. A total of 257 students benefited, most of whom are from predominantly rural and economically weaker communities;
- Supported the construction of a conference hall at Army Goodwill School, Trehgam, Kupwara, Jammu & Kashmir, for students and staff. A total of 314 students and teachers will benefit, enabling participation in virtual sessions and access to special classes conducted by educationists and experts from across the country;
- Supported the installation of Solar Panels and a Smart Board at Alakh Ved Gurukul residential school, Chittorgarh, Rajasthan. The initiative helped 100 residential students in the institute; and
- Gyan Shaala – Education Support Organization provided support to Develop curriculum for Sakhiyon Ki Baadi project which aims to promote Foundational Literacy and numeracy, Udaipur, Rajasthan.

During the year under review, your Company allocated 2% of its average net profits of the preceding three financial years (computed as per the relevant provisions of the Act) on CSR projects. The details thereof are mentioned in the CSR Annual Report, attached as "**Annexure II**" to this report. Refer Page No. 152 of this Report.

Further, during the year under review, impact assessment was not applicable to the Company. However, an impact assessment of the Sakhiyon ki Baadi programme was conducted by IIFL Foundation through an independent agency using the OECD-DAC Methodology.

9. SHARE CAPITAL

During the year under review, the total paid up equity share capital of the Company increased from ₹84,90,33,140 to ₹85,05,79,150 pursuant to allotment of 7,73,005 equity shares of ₹2 each under Employee Stock Option Scheme(s) of the Company to eligible employees and the said equity shares rank pari-passu with the existing equity shares.

The movement of share capital is as under:

Particulars	No. of equity shares allotted	Cumulative outstanding share capital (₹)
Share Capital at the beginning of the year	-	84,90,33,140
Allotment of shares to employees on April 04, 2025 pursuant to exercise of options granted under IIFL Finance Employee Stock Option Plan 2008 and IIFL Finance Employee Stock Option Plan 2020 - Merger Scheme	3,43,214	84,97,19,568
Allotment of shares to employees on June 13, 2025 pursuant to exercise of options granted under IIFL Finance Employee Stock Option Plan 2008 and IIFL Finance Employee Stock Option Plan 2020 - Merger Scheme	70,683	84,98,60,934
Allotment of shares to employees on August 11, 2025 pursuant to exercise of options granted under IIFL Finance Employee Stock Option Plan 2008 and IIFL Finance Employee Stock Option Plan 2020 - Merger Scheme	60,211	84,99,81,356
Allotment of shares to employees on October 10, 2025 pursuant to exercise of options granted under IIFL Finance Employee Stock Option Plan 2008 and IIFL Finance Employee Stock Option Plan 2020 - Merger Scheme	1,11,433	85,02,04,222
Allotment of shares to employees on December 05, 2025 pursuant to exercise of options granted under IIFL Finance Employee Stock Option Plan 2008 and IIFL Finance Employee Stock Option Plan 2020 – Merger Scheme	1,25,816	85,04,55,854
Allotment of shares to employees on February 06, 2026 pursuant to exercise of options granted under IIFL Finance Employee Stock Option Plan 2008 and IIFL Finance Employee Stock Option Plan 2020 - Merger Scheme	57,291	85,05,70,436
Allotment of shares to employees on March 18, 2026 pursuant to exercise of options granted under IIFL Finance Employee Stock Option Plan 2008	4,357	85,05,79,150

10. SECURITISATION/ASSIGNMENT OF LOAN PORTFOLIO

During the year under review, your Company has undertaken securitisation transactions of total book value of loan assets amounting to ₹6,890.39 Crore and Direct Assignment transactions of total book value of loan assets amounting to ₹24,201.89 Crore.

11. FINANCIAL LIQUIDITY

From a liquidity standpoint, the Company continues to maintain a strong and resilient position. The Company's principal sources of liquidity include cash and cash equivalents, along with cash flows generated from our lending and investment activities. During the year under review, the Company took proactive steps to ensure that its liquidity position remained robust and aligned with the operational and regulatory expectations applicable to NBFCs.

The Company successfully raised capital through the issuance of NCDs, thereby strengthening its liquidity profile. These funds enhanced the Company's financial flexibility, enabling it to respond swiftly to evolving business needs and pursue strategic opportunities as they arise.

The Consolidated cash and cash equivalent of your Company as on March 31, 2026, stood at ₹3,328.23 Crores as against ₹2,066.63 Crores in the previous year. The Company continues to maintain a prudent balance between liquidity and return on assets, recognizing the importance of ensuring sufficient liquidity to meet all foreseeable financial and business obligations, while also seeking optimal deployment of funds for revenue generation.

12. INTERNAL CONTROL SYSTEMS

Internal audit and its adequacy:

The scope and authority of the internal audit function is well defined and to maintain independence and objectivity in its functions, the internal audit function reports directly to the Audit Committee of the Board. At the beginning of each financial year, an annual Risk-Based Internal Audit ("RBIA") plan is rolled out post approval by the Audit Committee of the Board. The audit plan aims to evaluate the efficacy and adequacy of the internal control system(s) and compliance(s) thereof, robustness of internal processes, policies and accounting procedures, compliance with laws and regulations. The internal audit function, consisting of professionally qualified accountants, engineers, fraud risk and information technology specialists,

is adequately skilled and resourced to deliver audit assurances at highest levels. Based on the reports of the internal audit function, process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Internal Controls over Financial Reporting:

Your Board is of the opinion that internal financial controls with reference to the financial statements were tested and reported adequately and operating effectively. The internal financial controls are commensurate with the size, scale and complexity of operations. The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed. Your Company has put in place robust policies and procedures, which inter alia, ensure integrity in conducting its business, safeguarding of its assets, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records, prevention and detection of frauds and errors.

13. EMPLOYEES STOCK OPTION SCHEMES

Your Company has in force the following Schemes:

a. IIFL Finance Employee Stock Option Plan 2008 ("ESOP Scheme 2008")

b. IIFL Finance Employee Stock Option Plan 2020 – Merger Scheme ("ESOP Scheme 2020")

During the year under review, your Company granted 44,000 stock options to the identified employees under the ESOP Scheme 2008. Further, 2,66,508 stock options got lapsed and the same were added back to the pool, which can be used for further grant, and 5,84,285 stock options granted under ESOP Scheme 2020 got lapsed and the same are not available for further grant.

The aggregate number of stock options outstanding as on March 31, 2026, stands at 31,80,604 stock options under ESOP Scheme 2008.

Further, there are no stock options outstanding under ESOP Scheme 2020.

A certificate from the Secretarial Auditor of your Company confirming that the ESOP Scheme 2008 and ESOP Scheme 2020 has been implemented in accordance with the applicable Regulations. The same will be available for inspection by Members through electronic means. Members can request the same by sending an email to shareholders@iifl.com till the date of the Annual General Meeting ("AGM").

The relevant disclosures pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are uploaded on the website of the Company i.e. www.iifl.com and the same would be available for inspection by Members through electronic means.

The relevant disclosures in terms of Ind AS 102, relating to share based payment, forms part of note no. 40 of the Standalone Financial Statements and note no. 40 of the Consolidated Financial Statements of the Company.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company, being a NBFC registered with the RBI and engaged in the business of giving loans in the ordinary course of its business, is exempt from complying with the provisions of section 186, except its sub-section (1) of the Act. Accordingly, the Company is exempted from complying with the requirements to disclose in the financial statement the full particulars of the loans given, investment made, guarantee given or security provided.

During the year under review, the Company strategically invested its surplus funds in various securities, as part of its normal business operations. These investments were made to optimize returns while ensuring liquidity and managing risks in accordance with the Company's investment policy.

For detailed information on the Company's investments, please refer to note no. 9 of the financial statements.

15. SUBSIDIARY COMPANIES

As on March 31, 2026, the Company has two (2) Subsidiaries, one (1) Wholly-Owned Subsidiary and one (1) Step- Down Subsidiary as below.

- IIFL Home Finance Limited, Subsidiary Company
- IIFL Samasta Finance Limited, Subsidiary Company
- IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited), Wholly-Owned Subsidiary Company
- IIHFL Sales Limited, Step-Down Subsidiary Company

The Company does not have any Associate(s)/Joint Venture(s) as on March 31, 2026.

Pursuant to Regulation 16 of the Listing Regulations, HFC and Samasta are the Material Subsidiaries of the Company for FY 2025-26 and shall continue to be the

Material Subsidiaries of the Company during Financial Year 2026-27 for compliance with Listing Regulations. In accordance with the terms of Regulation 24(1) of the Listing Regulations, Mr. Ramakrishnan Subramanian, an Independent Director on the Board of the Company, also serves as an Independent Director on the Board of HFC w.e.f. April 1, 2024. Mr. Nihar Niranjan Jambusaria, an Independent Director on the Board of the Company, also serves as an Independent Director on the Board of Samasta w.e.f. April 24, 2024.

The Policy on Determining Material Subsidiary is available on the Company's website at https://storage.googleapis.com/iifl-finance-storage/files/2025-03/Policy_on_determining_Material_Subsidiaries_04032025.pdf.

During the year, the Board reviewed the affairs of the Subsidiaries. In accordance with Section 129(3) of the Act, the Company prepared the Consolidated Financial Statements of the Company and all its Subsidiaries, which forms part of this Annual Report. Further, a statement containing the salient features of the Financial statements of the Company's Subsidiaries, in the prescribed Form AOC-1, is annexed to the Consolidated Financial Statements. The statement also provides the details of performance and financial positions of each of the Subsidiaries.

The Audited Financial Statements of the Subsidiaries of the Company for the financial year ended March 31, 2026, are available on the website of the Company at www.iifl.com. The Members may download the aforesaid documents from the Company's website and can also request the same by sending an email to shareholders@iifl.com till the AGM. Further, the aforesaid documents shall also be available for inspection by the Members at the registered office/corporate office of the Company, during business hours on working days and through electronic mode.

16. CAPITAL ADEQUACY

Your Company remains committed to maintaining a strong capital adequacy position in line with regulatory requirements and best practices within the financial services industry. As on March 31 2026, the Capital to Risk Assets Ratio ("CRAR") of the Company was 17.84% which is well above the minimum requirement of 15% CRAR prescribed by the RBI.

Out of the above, Tier I capital adequacy ratio stood at 12.24% and Tier II capital adequacy ratio stood at 5.60% respectively.

17. ANTI- BRIBERY AND ANTI-CORRUPTION POLICY

Your Company has an Anti-Bribery and Anti-Corruption Policy ("Policy") on combating bribery and corruption and to conduct Company's business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery, corruption and other forms of unlawful payment (including gifts, hospitality, etc.) and are committed to act professionally, fairly and with integrity in all it's dealings wherever it operates. The Company is also committed towards implementing and enforcing effective systems to counter bribery and corruption. The Policy prohibits offering, promising, giving or authorizing others to give anything in excess of a certain value, either directly or indirectly, to any person or entity, thereby setting out Company's standards on bribery and other forms of unlawful payments.

The policy provides information and guiding principles to prevent any activity or conduct relating to bribery, facilitation payments or corruption and to guide employees to act professionally, fairly and with utmost integrity in all their business dealings and relationships, wherever they operate.

The Policy requires that the Company do not engage in bribery or corruption in any form and explicitly mentions that the Company will not pay or procure payment of a bribe or unlawful fee to encourage the performance of a task or one which is intended or likely to compromise the integrity of another. The Company will not accept any payment, gift or inducement from a third party which is intended to compromise Company's integrity.

Ms. Preeti Kanan, Chief Human Resources Officer ("CHRO"), is also designated as the Chief Anti-Corruption Officer. Any individual may report instances of bribery or corruption by writing to anticorruption@iifl.com. The Anti-Bribery and Anti-Corruption Policy is also available on the Company's website at https://www.iifl.com/finance/anti-corruption-policy.

18. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report ("BRSR") forms a separate and integral part of this Annual Report and has been prepared in accordance with the regulatory requirements prescribed by SEBI, including the Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026. As mandated, BRSR disclosures are applicable to the top 1,000 listed entities by market capitalization and the

Company has ensured full alignment with the updated BRSR framework. The BRSR outlines the Company's key initiatives and performance across Environmental, Social, and Governance ("ESG") parameters. Further, assurance on BRSR Core disclosures is applicable to the Company and has been duly carried out for the FY 2025–26. However, the requirement for value chain reporting is not applicable to the Company for the said financial year, in line with the phased applicability prescribed under the aforementioned circulars.

19. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as specified under Regulation 34 read with Schedule V of the Listing Regulations and Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025, as amended from time to time, is included in a separate section forming part of this Annual Report.

20. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board and Committees

The Board is central to the Company's corporate governance practices, overseeing the Company's operations to ensure that Management acts in the best interests of all stakeholders. The Company believes that a well-informed, independent, and engaged Board is essential to maintaining the highest standards of governance. The Board provides strategic guidance, monitors performance, and ensures adherence to ethical business practices, while managing risks effectively. It continually evaluates and adapts governance practices to remain aligned with the evolving business environment, markets in which we operate and the Company's core values, ensuring that governance principles support long-term strategic objectives.

The Board is supported by its various Committees, each of which ensures that specific matters receive the appropriate attention and consideration. These Committees focus on key areas, make informed decisions within the framework set by the Board, and provide recommendations on issues within their respective purviews. Each Committee operates under clearly defined terms of reference, which outline the authority delegated by the Board.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise (including proficiency, as applicable) and hold highest standards of integrity.

Appointment and Cessation of Directors and Key Managerial Personnel

During the year under review, based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company took on record the appointments, re-appointments, cessations, and retirements of various Directors and Key Managerial Personnel ("KMP"), respectively, in accordance with the applicable provisions of the Act and the Listing Regulations.

I. Appointments / Re-appointments

A. Directors

Mr. Bibhu Prasad Kanungo (DIN: 07820090), was appointed as an Additional Independent Director w.e.f. June 16, 2025 and subsequently his appointment was approved by the Members of the Company at the Annual General Meeting of the Company held on July 18, 2025. Further, he has been designated as the Chairperson of the Board w.e.f. December 19, 2025.

Mr. R Venkataraman (DIN: 00011919), was re-appointed for a further term of five consecutive years with effect from April 23, 2025, which was approved by the Members at the 30th AGM of the Company held on July 18, 2025.

B. Key Managerial Personnel

During the Financial Year under review, there were no appointments of KMP in the Company.

II. Cessations

A. Directors

Mr. Arun Kumar Purwar (DIN: 00026383), was liable to retire by rotation at the 30th AGM of the Company held on July 18, 2025, where he did not wish to seek re-appointment as Director of the Company due to personal commitments & pre-occupations. Accordingly, he ceased to hold office as Chairperson & Non-Executive Director at the conclusion of the 30th AGM.

B. Key Managerial Personnel

During the financial year under review, there were no cessations of KMP in the Company.

III. Retirement by Rotation

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company:

Gopalakrishnan Soundarajan (DIN: 05242795), Non-Executive Director, is liable to retire by rotation

at the ensuing AGM and being eligible has offered himself for re-appointment. The Board, at its meeting held on April 29, 2026, approved and recommended his re-appointment for the approval of the Members at the ensuing AGM.

21. MEETING OF DIRECTORS & COMMITTEES AND BOARD EFFECTIVENESS

Board of Directors:

During the year under review, the Board of Directors met Eight (8) times to discuss and approve various matters including financials, appointment of auditor, review of audit reports and other Board matters. For further details, please refer to the report on Corporate Governance forming part of this Annual Report.

Committees of the Board:

In accordance with the applicable provisions of the Act, Listing Regulations and Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 dated November 28, 2025 and the Directions referred therein, Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 dated November 28, 2025 and Master Directions on Fraud Risk Management in Non-Banking Financial Companies ("NBFCs") (including Housing Finance Companies) dated July 15, 2024, the Company has the following Committees:

Statutory Board Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Asset Liability Management Committee
- IT Strategy Committee
- Review Committee for Treatment of Wilful and Large Defaulters
- Special Committee of the Board for Monitoring and Follow-up of cases of Fraud
- Customer Service Committee
- Environmental, Social and Governance Committee

The Chairperson of respective Committees report to the Chairperson of the Board who is a Non-Executive Independent Director. The Chairperson of respective Committees apprises the Board about the key highlights and decisions taken by the Committees.

The Board of Directors have set up various Committees, delegated powers and assigned roles and responsibilities with well-documented terms of reference for each Committee.

The details inter alia including the composition, and terms of reference of the aforesaid Committees are provided on the website of the Company at www.iifl.com.

Besides the aforesaid Committees, the Board of the Company have constituted Committees comprising of Senior Management Personnel for day-to-day operations of the Company viz. Finance Committee, Group Credit Committee, Environmental, Social and Governance Committee, etc.

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which forms part of this Annual Report. All the recommendations made by the Audit Committee were accepted by the Board.

Board Effectiveness

Familiarization Program for the Independent Directors

Details of the Familiarization Program are provided in the Corporate Governance Report forming part of this Annual Report and are also available on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2026-04/Familiarization_Programme_of_ID_2025-26.pdf

Evaluation of Board, its Committees and Directors

The evaluation process, manner and performance criteria as carried out for Board, its Committees and Directors is explained in the Corporate Governance Report forming part of this Annual Report.

Declaration by Independent Directors

Your Company has received necessary declarations from each Independent Director of the Company, pursuant to the provisions of section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, stating that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

The above-mentioned declarations were placed before the Board and in the opinion of the Board, all the Independent Directors fulfil the conditions specified under the Act and the Listing Regulations and are Independent to the Management and that there has

been no change in the circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact the ability to discharge their duties with an objective of independent judgment and without any external influence.

All the Independent Directors of the Company have registered themselves on the Independent Directors' Databank mandated by the Indian Institute of Corporate Affairs as per the requirements of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Fit and Proper Criteria & Code of Conduct

Your Company has received undertaking and declaration from each Director on fit and proper criteria in terms of the provisions of Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions 2025. The Board have confirmed that all existing Directors are fit and proper to continue to hold the appointment as Directors on the Board, as reviewed and recommended by the Nomination and Remuneration Committee on fit and proper criteria under Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions 2025.

All the Directors of the Company have affirmed compliance with the Code of Conduct of the Company. The Declaration of the same is provided in the Corporate Governance Report which forms part of this Annual Report.

Board Diversity and Inclusion

Your Company recognizes and embraces the importance of a diverse Board in its success. The Company believes that a truly diverse Board will leverage difference in thought, perspective, knowledge, skills, regional and industry experience, cultural and geographical backgrounds, age, ethnicity, race, gender that will help us retain our competitive advantage. The Policy adopted by the Board sets out its approach to diversity. The Policy is available on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2022-07/Board_Diversity_Policy_27072022.pdf

Remuneration Policy and criteria for selection of candidates for appointment of Directors

Your Company has in place policy for remuneration of Directors and Key Managerial Personnel along with a well-defined criteria for the selection of candidates for appointment on the said positions, duly approved by the Board of Directors.

The Nomination and Remuneration Policy is also available on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2024-04/Nomination_and_Remuneration_Policy_26042024.pdf.

Succession Planning

Your Company has in place a succession planning framework for Directors and KMP to address anticipated, as well as unscheduled changes in leadership for continuity and smooth functioning of the Company.

22. CORPORATE GOVERNANCE

Your Company is committed to creating longterm value for all stakeholders while upholding the highest standards of integrity, social responsibility, environmental stewardship and regulatory compliance. The Company's actions are driven by core values and guiding principles that are deeply embedded across every level of the organization. These principles have consistently shaped the Company's journey and will continue to guide the Company into the future.

The report on Corporate Governance for FY 2025-26, as stipulated under the Listing Regulations and Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, forms an integral part of this Annual Report.

23. RISK MANAGEMENT

Your Company has a well-defined comprehensive Enterprise Risk Management ("ERM") Framework in place and a robust organizational structure to identify, assess, measure and monitor risks and strengthen controls to mitigate risks. The Company has established procedures to periodically place before the Risk Management Committee and the Board, the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks. ERM has been adopted by the Company which uses defined Key Risk Indicators based on quantitative and qualitative factors. A two-dimensional quantitative heat map has been implemented, which enables the Management to have a comprehensive view of various identified risk areas based on their probability and impact. The Company have initiated adequate Risk training and awareness program to ensure preparedness.

The composition, terms of reference and powers of the Risk Management Committee are in conformity with the requirements of Regulation 21 of the Listing Regulations and Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 dated November 28, 2025 and the same has been

provided in the Corporate Governance Report. The Risk Management Committee is authorized to monitor and review overall risk management plan including liquidity risk and is also empowered, inter alia, to review and recommend to the Board the modifications to the Risk Management Policy. The ERM Policy is approved by the Board of Directors and inter alia, includes identification of risks, including strategic, financial, credit, market, liquidity, security, compliance, fraud, reputation, technology, cyber, outsourcing, people/conduct, collection, ESG, business which in the opinion of the Board may threaten the existence of the Company.

24. RELATED PARTY TRANSACTIONS

Your Company has in place a Policy on Related Party Transactions ("RPTs") ("RPT Policy"), as amended from time to time. The Policy provides for identification of RPT, necessary approvals from the Audit Committee/ Board/ Members, reporting and disclosure requirements in compliance with the provisions of the Act and Listing Regulations. The said Policy can be accessed on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2025-04/Policy_on_Related_Party_Transactions_23042025.pdf.

All contracts or arrangements executed by the Company during the year under review with related parties were on arm's length basis and in the ordinary course of business. Hence, the disclosure of RPTs as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company.

All such RPTs were placed before the Audit Committee/ Board/Members for their approval, wherever applicable. A certificate from an Independent Chartered Accountant is placed before the Audit Committee on a quarterly basis, certifying that all related party transactions entered into by the Company during the quarter were conducted at arm's length and in the ordinary course of business.

You may refer to note no. 44 of the Standalone Financial Statements and note no. 42 of the Consolidated Financial Statements respectively, which contain related party disclosures.

Your Company has obtained the Member's approval on Material RPTs in the last AGM held on July 18, 2025 for Financial Year 2025-26.

Considering that the Company is a NBFC-ML and given the nature of its business and operations, it will continue to enter into various RPTs in the ordinary course of business. Accordingly, the Company has sought approval from the Members for material RPTs, the details of which are available in the Notice convening the AGM of the Company.

25. ANNUAL RETURN

In terms of provisions of Section 92(3), 134(3)(a) of the Act and the Rule 12 of Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the financial year ended March 31, 2026 is placed on the website of the Company and can be accessed at https://www.iifl.com/finance/investor-relations/financials

26. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this Report, except as mentioned in point no. 6 of this Report.

27. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on energy conservation, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, are provided in **"Annexure III"** to this Report. Refer Page No. 157 of this Report.

28. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations, the Company has adopted a Whistle Blower Policy/Vigil Mechanism and has established the necessary vigil mechanism for Directors and Employees of the Company to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Company has disclosed the policy on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2025-08/WhistleBlower_Vigilance_Policy.pdf

29. CREDIT RATING

Your Company's financial discipline and prudence is reflected in the strong credit ratings prescribed by credit rating agencies. The following credit ratings were assigned to the Company as on March 31, 2026.

Credit Rating Agency	Product	Rating as on March 31, 2026
ICRA Limited	Non-Convertible Debentures	[ICRA] AA (Negative)
	Commercial Paper	[ICRA]A1+
	Subordinate Debt	[ICRA] AA (Negative)
	Long Term Bank Lines	[ICRA] AA (Negative)
Crisil Ratings Limited	Non-Convertible Debentures	Crisil AA/Stable
	Subordinate Debt	Crisil AA/Stable
	Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AA/Stable
	Commercial Paper (IPO financing)	CRISIL A1+
	Commercial Paper	CRISIL A1+
	Total Bank Loan Facilities Rated (Long Term Rating)	CRISIL AA/Stable
Brickwork Ratings India Pvt. Ltd.	Non-Convertible Debentures (Public Issue)	BWR AA+ Stable
	Non-Convertible Debentures	BWR AA+ Stable
	Secured Non-Convertible Debentures	BWR AA+ Stable
Fitch Ratings	Long-Term Issuer Default Rating (IDR)	B+/Positive
	Senior Secured notes issued under USD 1 Billion Global Medium-Term Note (MTN) Program	B+/Positive
India Ratings and Research Private Limited	Non-convertible Debentures (NCDs)	IND AA/Stable
	Perpetual Debt (Tier 1 instrument)	IND AA-/Stable
S&P Global Ratings	Long-Term Issuer Default Rating (IDR)	B+/Positive
	Short-Term Issuer Default Rating (IDR)	B
	Senior Secured notes issued under USD 1 Billion Global Medium-Term Note (MTN) Program	B+/Positive
Infomerics Valuation and Rating Limited	Perpetual Debt Instrument (PDI)	IVR AA/Stable
	Proposed Commercial Paper Issue	IVR A1+

30. PREVENTION OF SEXUAL HARASSMENT

Your Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination. In Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a Policy on prevention of Sexual Harassment of Women at workplace and has duly constituted an Internal Complaints Committee under the same.

Your Company also provides for mandatory online training on prevention of sexual harassment for every new joinee, as well as for all the employees on an annual basis.

The details of complaints received during the year 2025-26 pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as follows:

Particulars	Cases
Number of complaints of sexual harassment received during the year	13
Number of complaints disposed off during the year	11
Number of cases pending for more than 90 days	0
Number of Cases pending at the end of the year	2

31. COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961:

In compliance with the provisions of the Maternity Benefit Act, 1961 and the Rules framed thereunder, the Company has implemented a comprehensive Maternity Benefit Policy. This policy outlines employee entitlements related to maternity leave, salary, benefits and other associated provisions and the Company has duly complied with the same during the period under review. The Company confirms that all eligible women employees received the required benefits, including paid leave, continued salary and service and post-maternity support like nursing breaks and flexible work options.

32. PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **"Annexure IV"** to this Report. Refer Page No. 160 of this Report.

Further, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits as set out in the Rule 5(2) and other details as mentioned in Rule 5(3) of the aforesaid Rules, forms part of this Report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid information.

The said information is available for inspection by the Members and any Member interested in obtaining a copy thereof, may write to the Company at shareholders@iifl.com.

The Managing Director and Joint Managing Director of the Company as per the terms of their appointments, do not draw any commission or remuneration from any Subsidiary Company. Hence, no disclosure as required under Section 197(14) of the Act has been made.

33. STATUTORY AUDITORS

Pursuant to the RBI Circular No. RBI/2021-22/25 Ref. No. DoS. CO. ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ("RBI Guidelines"), the statutory audit of the entities with asset size of ₹15,000 Crore and above, as at the end of previous year, should be conducted under joint audit of a minimum of two audit firms. Accordingly, the current Joint Statutory Auditors M/s. Sharp & Tannan Associates, Chartered Accountants, Mumbai (Firm Registration Number 109983W) and M/s. G. M. Kapadia, Chartered Accountants, Mumbai (Firm Registration Number 104767W) who were appointed at the 28th Annual General Meeting ("AGM") held on July 31, 2023 and 29th AGM held on September 30, 2024, respectively, to hold office for a term of three consecutive years till the conclusion of 31st AGM and 32nd AGM, respectively.

M/s. Sharp & Tannan Associates and M/s. G.M. Kapadia & Co. have also confirmed that they hold a valid peer review certificate as prescribed under Listing Regulations. The Joint Statutory Auditors have confirmed that they continue to satisfy the eligibility norms and independence criteria as prescribed by RBI guidelines and the Act.

The Audit for FY 2025-26 was conducted by M/s. Sharp & Tannan Associates and M/s. G.M. Kapadia & Co, Joint Statutory Auditors of the Company and that there are no qualifications, reservations, adverse remarks or disclaimers made by the Joint Statutory Auditors in their Audit Report. The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Act. The Joint Statutory Auditors' Report is enclosed with the financial statements in this Annual Report.

The tenure of M/s. Sharp & Tannan Associates, Chartered Accountants will end at the conclusion of the ensuing AGM. In light of the same, the Board has recommended the appointment of M/s. Shah Gupta & Co., Chartered Accountants, (ICAI Registration No. 109574W) as the Joint Statutory Auditors of the Company from the conclusion of the forthcoming AGM i.e. 31st AGM till the conclusion of the 34th AGM for a continuous period of three financial years beginning from April 01, 2026 and ending on March 31, 2029, in accordance with the guidelines stipulated by RBI, subject to the approval of the Members at the ensuing AGM. M/s Shah Gupta & Co., Chartered Accountants, have confirmed that their appointment, if made, will comply with the eligibility criteria in terms of Section 141(3) of the Act and RBI regulations. Further, they have confirmed that they have subjected themselves to Peer Review process by the Institute of Chartered Accountants of India ("ICAI") and hold valid certificate issued by the Peer Review Board of ICAI. Appropriate resolution seeking Members' approval for the appointment of M/s. Shah Gupta & Co., Chartered Accountant as the Joint Statutory Auditor of the Company is appearing in the Notice convening the ensuing AGM of the Company.

34. SECRETARIAL AUDIT

Pursuant to Section 204 of the Act and the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Nilesh Shah & Associates, Practicing Company Secretaries, Mumbai (Peer Review No. 7810/2026) as the Secretarial Auditor of the Company to conduct Secretarial Audit for FY 2025-26.

As required under the said provisions of the Act, the report in respect of the Secretarial Audit carried out by the Secretarial Auditor in Form MR-3 for the FY 2025-26 is annexed hereto marked as **"Annexure V"** and forms part of this Report.

Pursuant to Regulation 24A of the Listing Regulations, a listed company is required to annex the Secretarial Audit Report of its material unlisted subsidiary to its Directors Report. The Secretarial Audit Reports of the material subsidiaries of the Company i.e. HFC and Samasta for FY 2025-26 are annexed herewith as **"Annexure VI"** & **"Annexure VII"** respectively. Refer Page Nos. 165 & 169, respectively, of this Report.

Further, in line with the recent amendments to Regulation 24A of the Listing Regulations, mandating the appointment of a Secretarial Auditor for a continuous term of five years, the Board at its meeting held on May 8, 2025, has appointed M/s. Nilesh Shah & Associates, Practising Company Secretary, Mumbai, as the Secretarial Auditor of the Company for a term of five (5) consecutive financial years commencing from FY 2025-26 to FY 2029-30.

35. REPORTING OF FRAUDS BY AUDITORS

During the year under review, there was no fraud reported by auditors of the Company requiring a disclosure in the Board's report as given under Section 143 (12) of the Act read with Companies (Audit and Auditors) Rules, 2014.

36. RBI DIRECTIONS

As per Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, the Company has been classified as NBFCs-Middle Layer (ML).The Company continues to comply with all the applicable directions, circulars, notifications and guidelines etc. issued by the RBI applicable to NBFCs –ML from time to time.

37. OBSERVANCE OF THE SECRETARIAL STANDARDS

The Board affirms that a proper system have been devised to ensure compliance with the applicable laws.

Pursuant to the provisions of Section 118 of the Act, during the FY 2025-26, the Company has adhered with the applicable provisions of the Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

38. DEPOSITS

During the year under review, the Company did not accept/renew any deposits within the meaning of Section 73 of the Act and the Rules made thereunder and Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 and the Directions referred to therein.

39. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

Reserve Bank of India ("RBI"), in exercise of powers conferred under section 58G(1)(b) read with section 58B(5)(aa) of the RBI Act, 1934, had vide an Order dated February 06, 2026 imposed a monetary penalty of ₹5.30 Lakh (Rupees Five Lakh Thirty Thousand only) for failure to classify certain accounts as 'non-performing asset', on restructuring. This was with reference to the Company's financial position as on March 31, 2024. RBI's action is based on the aforementioned deficiencies in regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the Company with its customers.

Except for the above, no other significant or material orders have been passed by any Regulator, Court or Tribunal that could impact the going concern status or the Company's future operations.

40. DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134(5) of the Act, the Directors subscribe to the "Directors' Responsibility Statement" and to the best of their knowledge and ability, hereby confirm that:

i. in the preparation of the annual accounts, the applicable Indian Accounting Standards had been followed and there were no material departures;

ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that year;

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

iv. the annual accounts have been prepared on a going concern basis;

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

vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

41. GENERAL

Your Directors state that during FY 2025-26:

(i) the Company has not issued equity shares with differential rights as to dividend, voting or otherwise;

(ii) the Company has not issued any sweat equity shares during the year;

(iii) the Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the Rules framed there under;

(iv) there is no change in nature of business of the Company during the year;

(v) the Company has not defaulted in repayment of loans from banks and financial institutions;

(vi) there were no delays or defaults in payment of interest/principal of any of its debt securities;

(vii) the Company had not made any application under the Insolvency and Bankruptcy Code, 2016 (the "Code"). As at March 31, 2026, no applications have been filed or are pending under the Code. No proceeding is pending against the Company under the Code;

(viii) there was no instance of one-time settlement with any bank or financial institution;

(ix) the details of Debenture Trustees of the Company are as follows:

Particulars	Catalyst Trusteeship Limited	Vardhman Trusteeship Private Limited	The Hongkong and Shanghai Banking Corporation Limited
Address	GDA House, First Floor, Plot No. 85 S. No. 94 & 95, Bhusari Colony (right), Kothrud, Pune– 411038	The Capital, 412A, Bandra Kurla Complex, Bandra East, Mumbai 400051	Level 26, HSBC Main Building 1 Queen's Road Central Hong Kong S.A.R.
Contact Details	+91 22 49220555	+91 22 40140832	+852 28224472
Email	complianceCTL-Mumbai@ctltrustee.com	compliance@vardhmantrustee.com	amy.g.y.zhao@hsbc.com.hk
Website	www.catalysttrustee.com	www.vardhmantrustee.com	https://www.hsbc.com.hk/

42. AWARDS AND RECOGNITIONS

During the year under review, the Company, one of its affiliated entities engaged in social impact initiatives, and a member of the Board of Directors of the affiliated entity were conferred with various awards and accolades in recognition of their contributions across financial services, social responsibility, and leadership. The awards received are as below:

i. IIFL Finance ranked 77 among India's Top 100 Best Workplaces by Great Place to Work India® (June 2025)

ii. IIFL Finance was recognized among 'ET Now Best Organizations to Work 2025' (July 2025)

iii. IIFL Finance was recognized among ET Now Iconic Brands of India for the year 2025

iv. IIFL Finance received Ambition Box Employee Choice Awards 2025 as Top rated Financial Services Company and Top rated large company (May 2025)

v. IIFL Finance was recognized among the Best Companies to Work for 2025 in the NBFC sector at the Global Energy & Environment Foundation (GEEF) Global HR Excellence Awards 2025 (April 2025)

vi. IIFL Finance received the 'Best DevOps Team in Automated Incident Response (Financial Services) at the 7th Edition of India DevOps Show 2025

vii. IIFL Finance received award for 'Excellence in Corporate Governance' at the Audit and Risk Summit and Awards

viii. IIFL Finance received award for 'Excellence in Cybersecurity at the Audit and Risk Summit and Awards

ix. IIFL Finance received award for 'Digital Audit Trailblazer Award' at the Audit and Risk Summit and Awards

x. IIFL Finance received the 'Best Co-Lending Partnership' award at Bharat NBFC and Fintech Awards

xi. IIFL Finance received the 'Best Customer Centric NBFC' award at the Bharat NBFC and Fintech Awards

xii. Best Gen AI Innovation Award 2025 for IIFL Finance

xiii. Best Gen AI Use Case of the Year for IIFL Finance Gold Loan Business

xiv. Best Gen AI Initiative of the Year – Utilization of AI for Content – IIFL Finance

xv. IIFL Finance received the "Changemakers 2026" Award at the Palo Alto Networks Cybersecurity Leadership Summit in February 2026

xvi. Best Skill Development Program Initiative of the Year - IIFL Foundation's Manipur Skill Development Program at 16th CSR Summit & Awards

xvii. Best CSR Project of the Year - Holistic Development of 102 Schools in Rajasthan 16th CSR Summit & Awards

xviii. CSR Leadership Award - Mrs Madhu Jain, Founder-Director, IIFL Foundation 16th CSR Summit & Awards

43. APPRECIATION

At IIFL Finance Limited, every business is adeptly managed by a distinguished team of leaders with extensive and diverse experience in the financial sector, dedicated to our mission of establishing the Company as a leading financial services provider. This professionally equipped and technically sound management has set progressive policies and objectives, adhering to global best practices, with a clear vision to elevate the Company to new heights.

Having consistently received external reassurance in our commitments over the years, your Directors place on record their sincere appreciation for the assistance and guidance provided by the Reserve Bank of India, the Ministry of Corporate Affairs, the Securities and Exchange Board of India, the Government and other regulatory authorities, Stock Exchanges, Depositories, Registrar and Share Transfer Agent and other statutory bodies. Their continued support, cooperation and encouragement have been instrumental in the Company's journey.

We also express our heartfelt gratitude to our employees for their unwavering dedication and valuable contributions, which have been pivotal in navigating challenges and achieving strategic goals.

Your Directors gratefully acknowledge the valuable support extended by all stakeholders of the Company, including customers, members, investors, dealers, vendors, bankers, and other business partners, during the year. Our employees continue to play a key role in helping the Company scale new heights year after year, and their commitment is deeply appreciated. The involvement of Members is also greatly valued, and your Directors look forward to your continued support.

For and on behalf of the Board

Bibhu Prasad Kanungo
Chairperson & Non-Executive
Independent Director
(DIN: 07820090)

Date: April 29, 2026
Place: Mumbai

ANNEXURE I TO DIRECTORS' REPORT

Dividend Distribution Policy

Purpose & Scope

IIFL Finance Limited ("the Company") has in place a Board approved Dividend Distribution Policy covering the Company and the Subsidiaries as adopted on March 01, 2011. Further, pursuant to Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated that the top 1000 Companies (in terms of market capitalization) need to have a Dividend Distribution Policy in place.

Accordingly, this policy is to put into place the norms for the determination and declaration of dividend on equity capital by the Company and its subsidiaries. While considering distribution and payment of dividend, the Company will ensure compliance with all the applicable provisions of the law including provisions of the Companies Act, SEBI, RBI, NHB and Income Tax Rules and Regulations etc. related thereto.

A. Factors/ parameters that would be considered while declaring Dividend

I. The financial parameters that shall be considered while declaring dividend:

- While considering the total dividend at Holding Company and at each of the Subsidiaries the following will be taken into account:
  - a. The business plan and actual performance, the capital requirements, free cash flow, debt equity ratio (considering new capital, ESOPs, retained earnings, minimum net worth requirements as per respective regulatory requirements etc.);
  - b. Adequacy of profits including the accumulated balance in Profit & Loss account; and
  - c. Taxes on dividend.
- The Board may consider a higher distribution with adequate justification or on special occasions.

II. The circumstances under which the shareholders:

i. May expect dividend:

- a. Surplus in Profit & loss (P&L) Statement
- b. Profits in any Financial Year are more than 10% of the equity capital of the Company

ii. May not expect dividend:

- a. If there are losses as per P&L Statement (including accumulated balance in P&L account)
- b. Profit in the any Financial Year is less than 10% of the equity capital.
- c. If the total income from business/PAT from its ordinary activities in any Financial Year declines by more than 75% from the previous year.
- d. If the business is seriously affected and visibility is uncertain.

III. Internal and external factors that shall be considered for declaration of dividend:

i. Internal Factors:

- a. Projected investment in business/new business
- b. Projected investments in Subsidiaries/Associates in the year and next year.
- c. Net worth/Capital adequacy as required under respective Regulatory requirements.

ii. External Factors:

- a. State of Economy/ Industry/ Business
- b. Statutory Taxes/ levies – Changes in income tax rates, DDT etc.

IV. Utilisation of Retained Earnings:

The Company would utilise the retained earnings in a manner which is beneficial to the interest of the company and its stakeholders, including, but not limited to:

- i. Proposed Capital expenditure
- ii. Investments/acquisitions

ANNEXURE I TO DIRECTORS' REPORT

Dividend Distribution Policy

iii. General corporate purposes including contingencies

iv. Capital restructuring

V. Parameters that shall be adopted with regard to various classes of shares: In the absence of any other class of shares and/or shares with differential voting rights, the entire distributable profit for the purpose of declaration of dividend is considered for the equity shareholders.

Periodicity of distribution:

On a yearly basis, the Holding and Subsidiary Companies may distribute by way of Interim Dividend/s a substantial portion of the total dividend of the Company. The balance portion will be declared by way of final dividend considering the full year's accounts and will be paid after the approval of shareholders at the Annual General Meeting of the Company.

Disclosures:

a. This policy will be made available on the Company's website.

b. The policy will also be disclosed in the Company's annual report.

B. In addition to above parameters, the Company will ensure the compliance with reference to criterias prescribed in the Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025

I. The Board of Directors of the Company shall, while considering the proposals for dividend, take into account each of the following aspects:

a. Supervisory findings of the Reserve Bank on divergence in classification and provisioning for Non-Performing Assets (NPAs).

b. Qualifications in the Auditors' Report to the financial statements; and

c. Long term growth plans of the NBFC.

II. The Company shall declare dividend if it meets the following minimum prudential requirements:

a. The Company shall have met the minimum capital requirements (refer Annexure 1) (including leverage ratio wherever applicable) prescribed under these Directions in each of the last three financial years including the financial year for which the dividend is proposed.

b. The net NPA ratio shall be less than six percent in each of the last three years, including as at the close of the financial year for which dividend is proposed to be declared.

c. The Company shall comply with the provisions of section 45-IC of the RBI Act, 1934.

d. The Company shall be compliant with the prevailing regulations/ guidelines issued by the Reserve Bank. The Reserve Bank shall not have placed any explicit restrictions on declaration of dividend.

III. If the Company meets the eligibility criteria specified in paragraph B.2 above can declare dividend up to a dividend payout ratio of 50 percent. There will be no ceiling on dividend payout ratio for eligible NBFCs that do not accept public funds and have no customer interface.

IV. If the Company does not meet the applicable capital ratio (including leverage ratio wherever applicable) requirements and/ or the net NPA ratio requirement as above, for each of the last three financial years, shall be eligible to declare dividend, subject to a cap of 10 percent on the dividend payout ratio, provided the NBFC complies with both the following conditions:

a. meets the applicable minimum capital requirement (including leverage ratio wherever applicable), as per Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025 as amended from time to time. in the financial year for which it proposes to pay dividend, and

b. has net NPA of less than four percent as at the close of the said financial year.

V. The Board shall ensure that the total dividend proposed for the financial year does not exceed the ceilings specified in these guidelines. The Reserve Bank shall not entertain any request for ad-hoc dispensation on declaration of dividend.

VI. The Company shall report details of dividend declared during the financial year as per the format prescribed in Annexure 2. The report shall be furnished within a fortnight after declaration of dividend to the Regional Office of the Department of Supervision of the Reserve Bank.

ANNEXURE I TO DIRECTORS' REPORT

Dividend Distribution Policy

Amendments to the Policy

The Board shall review and amend this Policy as and when required. Any subsequent amendment/ modification in the regulation and/or other applicable laws in this regard shall automatically apply to this policy.

Annexure 1

Capital Requirement pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025.

a. NBFCs shall maintain a minimum capital ratio consisting of Tier 1 and Tier 2 capital which 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 items.

b. Tier 1 capital in respect of NBFC (except NBFC-MFI and NBFC primarily engaged in lending against gold jewellery), at any point of time, shall not be less than 10 percent.

Annexure 2: Reporting format for an NBFC declaring dividend

(Refer paragraph B.VI of policy, to be furnished within a fortnight after declaration of dividend to the regional Office of the Department of Supervision of the Reserve Bank under whose jurisdiction the NBFC is registered.)

- Details of dividend declared during the financial year beginning on April 1, 20____
- Name of the NBFC – _____

Accounting period*	Net profit for the Accounting Period (in ₹ crore)	Rate of Dividend (in %)	Amount of Dividend (₹ crore)	Dividend Payout Ratio (in %)

* Quarter or half year or year ended as the case may be.

ANNEXURE II TO DIRECTORS' REPORT

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

IIFL Finance Limited (the "Company") ensures that its activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The Company strongly believes that Corporate Social Responsibility ("CSR") initiatives help to promote inclusive growth and equitable development.

The CSR Policy and activities of the Company are steered by the same values that guide the business of the Company. It can be summarized in one acronym – FIT, which stands for:

- **Fairness** in all our transactions
- **Integrity** and Honesty in letter, in spirit and in all our dealings with people
- **Transparency** in all our dealings

By applying these values to the CSR activities, the Company undertakes initiatives that create sustainable growth and empower underprivileged sections of the society.

The focus areas prioritized by the Company in its CSR strategy are guided by the philosophy of **HELP** (Health, Education & Environment, Livelihood and Poverty Alleviation). The CSR activities of the Company are executed by India Infoline Foundation (generally referred as "IIFL Foundation"), the Implementing Agency. In line with its philosophy, the Company had undertaken the following activities during FY 2025-26:

- Sakhiyon ki Baadi – A program to promote Foundational Literacy and Numeracy Skill (FLN) among females in Rajasthan. Educating girls from the marginalized communities (Scheduled Tribes/Scheduled Castes) who are out of school or never been to school. The program has an overall reach with 259 learning centres;
- Supported 'Hospitality Training Program (Chef Trade)' for 120 Kashmiri youth in Kupwara, Jammu & Kashmir, aimed at enhancing employability through vocational skills. The program included both theoretical and practical training sessions, along with placement opportunities and market guidance;
- Supported 'Homestay Host Training' for youth in Tezu, Lohit district, Arunachal Pradesh, in collaboration with the National Cadet Corps (NCC) and the Ministry of Defence, Government of India. 120 youth from Arunachal Pradesh benefited from this project;
- Supported 'Manav Shelter Home' in Panvel, Maharashtra which delivers a holistic care program for vulnerable and underprivileged children living in urban slum. 28 children directly benefit from the initiative, receiving essential support including food, shelter, clothing, medical care, and overall well-being assistance;
- Supported Banking Financial Services and Insurance (BFSI) Course that prepares students with the skills and knowledge needed to work in the financial sector. 30 Students from marginalizes background directly benefited from this project;
- Supported an Annual Medical Camp at Barsana, Mathura, Uttar Pradesh, providing free-of-cost eye check-ups, spectacles, cataract surgeries, and dental treatments (including root canal, extractions, and dentures). The initiative conducted 1,480 eye check-ups and 400 dental check-ups, and also provided meals to 1,400 people;
- Free Mega Medical Camp at Pandharpur, Solapur, Maharashtra. Medical aid and food support provided for pilgrims coming during Ashadi Ekadashi (July 2025). 11,100 people directly received help from this initiative;
- Provided primary health care services to the devotees attending Ganpati Festival at LalBaug (Mumbai), offering 24×7 Doctors services. Free health check-ups included basic diagnostics and first-aid to 1,000 individuals;
- Supported the primary section of Mathrubhoomi High School, Kandivali, Mumbai, enabling access to education for children from marginalized communities living in nearby slum settlements. The initiative directly helps 120 primary students, helping them continue their education and successful transition to upper primary grades;
- Supporting 5 teacher volunteers in 2 Government Secondary Schools in Udaipur, Rajasthan;

ANNEXURE II TO DIRECTORS' REPORT

- Donated 16 Slice C T Scan Machine to the Radio-diagnosis department of Maharana Bhupal Hospital, Udaipur, Rajasthan. In the time period of October 2025- March 2026 the machine has benefited 7147 patients;
- Donated Fully Automatic Bio Chemistry Analyzer, Dental X-ray machin and Laptop to the Community Healthcare Centre, Khamnore, Rajsamand district, Rajasthan. In the time period of April 2025- March 2026 the Bio Chemistry Analyzer benefited 52 & the Dental X-Ray Machine benefited 35 patients;
- Donated High Resolution Manometry & PH-metry Systems Machine to Department of Gastroenterology to Lokmanya Tilak Municipal General Hospital, Sion Mumbai. The donation enabled the hospital to set up a state-of-the-art G I Mobility Lab, which will benefit more than 100 people/month to avail the service in a reduced cost;
- Supported livelihood project for the underprivileged, that converted ocean and land plastic waste into ISO Certified helmets, which were donated to police and civilians in Rajsamand & Udaipur in Rajasthan and Mumbai, Maharashtra. 1250 Helmets were donated to Rajasthan Police and 100 to Maharashtra Traffic Police;
- Supported education (Tuition fees) of 3 students from lower income families in Maharashtra & Rajasthan;
- Supported the mid- year capacity building camp of SEWA International Fellowship. The Camp played a crucial role in strengthening the leadership and program management capacities of 22 Sewa Fellows;
- Organized Cardiopulmonary Resuscitation (CPR) training sessions in Pune, Maharashtra, and Chennai, Tamil Nadu, to equip professionals with essential life-saving skills. The sessions focused on immediate response during cardiac arrest and correct CPR techniques. A total of 121 individuals directly benefited from this initiative;
- Supported the upgradation of community hall and public space in Rural Police Campus - Chhatrapati Sambhaji Nagar (Aurangabad), Maharashtra;
- Support provided to setup Tattva University, a value-based, multidisciplinary, research-oriented, deemed-to-be-university (Distinct Category) in Maharashtra. 4000+ students and 200+ faculty will benefit from the institute;
- Donated Barricades (Fixed metal), Shutter Barricades and Traffic Cones to the Rajasthan Police Department to strengthen traffic management and public safety in Udaipur, Rajasthan;
- Supported awareness Drive on Thalassemia in Mumbai (Maharashtra), aiming to educate communities about thalassemia, available treatment options, prompt medical care and counseling. More than 2450 people benefited from this initiative;
- Provided infrastructure support to Utraj U.P. School in a remote village in Sirohi district, Rajasthan, which is completely cut off from road connectivity. The initiative included provision of furniture, establishment of a computer lab and installation of solar panels. A total of 35 students benefited, as the school serves as the only access point for education in the entire village;
- Provided support for treatment of a patient from an economically disadvantaged background, Rajsamand, Rajasthan;
- Supported the establishment of a computer lab at Government Senior Secondary School, Vati, Udaipur, Rajasthan. A total of 257 students benefited, most of whom are from predominantly rural and economically weaker communities;
- Supported the construction of a conference hall at Army Goodwill School, Trehgam, Kupwara, Jammu & Kashmir for students and staff. A total of 314 students and teachers will benefit, enabling participation in virtual sessions and access to special classes conducted by educationists and experts from across the country;
- Supported the installation of Solar Panels and a Smart Board at Alakh Ved Gurukul residential school, Chittorgarh, Rajasthan. The initiative helped 100 residential students in the institute; and
- Gyan Shaala – Education Support Organization provided support to Develop curriculum for Sakhiyon Ki Baadi project which aims to promote Foundational Literacy and numeracy, Udaipur, Rajasthan.

ANNEXURE II TO DIRECTORS' REPORT

2. COMPOSITION OF CSR COMMITTEE:

The Company has constituted a CSR Committee of the Board that fulfils all requirements of Section 135 of the Companies Act, 2013 (the "Act"). The members constituting the Committee as on March 31, 2026 have been listed below:

Name of Director	Designation / Nature of Directorship	Number of meetings held during the year	Number of meetings attended during the year
Mr. Bijou Kurien	Chairperson (Independent Director)	2	2
Mr. Nihar Niranjan Jambusaria	Member (Independent Director)	2	2
Mr. R Venkataraman	Member (Joint Managing Director)	2	1

3. WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY

For Composition of the CSR committee:

https://www.iifl.com/finance/investor-relations/corporate-governance?redirect=menu-bar

For CSR policy:

https://storage.googleapis.com/iifl-finance-storage/files/2023-07/CSR%20policy_IIFL%20Finance.pdf

For CSR projects:

https://www.iifl.com/finance/iifl-foundation

4. 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:

Not Applicable. However, IIFL Foundation engaged KPMG to conduct an impact assessment of the flagship programme "Sakhiyon ki Baadi" in Rajasthan. The report found the programme effective in reaching underserved communities, fostering children's interest in attending school, reducing dropout rates and enhancing their social skills. It also empowered women by upskilling female educators (Dakshas) and providing them with stable incomes. The report is available on the IIFL Foundation's website at www.iiflfoundation.com.

5.

Sl. No.	Particulars	Amount (in ₹)
a.	Average net profit of the Company as per sub-section (5) of section 135	5,37,71,13,552
b.	Two percent of average net profit of the Company as per sub-section (5) of section 135	10,75,42,271
c.	Surplus arising out of the CSR Projects or program or activities of the previous financial years	Nil
d.	Amount required to be set-off for the financial year, if any	Nil
e.	Total CSR obligation for the financial year [(b)+(c)-(d)]	10,75,42,271

6.

a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹8,43,12,815.00

b. Amount spent in Administrative overheads: Nil

c. Amount spent on Impact Assessment, if applicable: Nil

d. Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹8,43,12,815.00

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

Total Amount Spent for the Financial Year (in ₹)	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (in ₹)	Date of transfer	Name of the Fund	Amount (in ₹)	Date of transfer
8,43,12,815	2,32,29,456	28-04-2026	NA	-	-

ANNEXURE II TO DIRECTORS' REPORT

f. Excess amount for set-off, if any : Nil

Sl. No.	Particulars	Amount (in ₹)
i	Two percent of average net profit of the Company as per sub-section (5) of section 135	-
ii	Total amount spent for the Financial Year	-
iii	Excess amount spent for the Financial Year (ii-i)	-
iv	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	-
v	Amount available for set off in succeeding Financial Years (iii-iv)	-

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS

Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be sent in succeeding Financial Years (in ₹)	Deficiency, if any
				Amount (in ₹)	Date of Transfer		
2024-25	11,04,98,029	Nil	11,04,98,029	NA	-	-	-
2023-24	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-

8. DETAILS OF CAPITAL ASSETS CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR:

Number of Capital assets created/ acquired: 8

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	Sakhiyon Ki Baadi Training Center 16-A, Shikar Badi, Goverdhan Vilas, Udaipur, Rajasthan	313001	25-03-2026	5,72,17,000.00	CSR00002470	IIFL Foundation	IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai -400013, Maharashtra
2	CT (Computed Tomography) Scan Machine	313001	04-08-2025	1,65,00,000.00	NA	Rabindra Nath Tagore Medical College & Assoc. Gr. of Hospital	Rabindra Nath Tagore Medical College & Assoc. Gr. of Hospital, M.G. Rd., Udaipur-313001, Rajasthan
3	Bio Chemistry Analyser EM 200	313322	04-12-2025	5,35,000.00	NA	Community Health Centre (CHC) - Khamnor	Centre (CHC) Khamnor, Rajsamand, Rajasthan
4	Dental X-ray Machine and Laptop	313322	01-09-2025	2,03,500.00	NA	Community Health Centre (CHC) - Khamnor	Centre (CHC) Khamnor, Rajsamand, Rajasthan
5	Manometry & PH impedance Machine	400022	29-09-2025	39,88,600.00	NA	Department of Gastroenterology	Lokmanya Tilak Municipal General Hospital (LTMG), Sion East, Mumbai, Maharashtra

ANNEXURE II TO DIRECTORS' REPORT

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
6	Computer systems	313322	25-02-2026	5,80,560.00	NA	Government Senior Secondary School, Vati	Government Senior Secondary School, Vati, Udaipur District, Rajasthan
7	Furniture & Solar Panel	307501	24-01-2026	3,12,808.00	NA	Upper Primary School - Utraj	Upper Primary School - Utraj, Sirohi District, Rajasthan
8	Solar Panel & Smart Board (Interactive Flat Panel)	312203	10-09-2025	4,82,221.00	NA	Alakh Ved Pathshala Gurukul	Alakh Ved Pathshala Gurukul, Chittorgarh, Rajasthan

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUB-SECTION (5) OF SECTION 135:

The Company has identified certain long-term CSR initiatives, namely the Tattva Education Society project and the Skill Development programme on BFSI for Youths, as 'Ongoing Projects' under Section 135(6) of the Companies Act, 2013. While the Company remains committed to these initiatives, an amount of ₹2,32,29,456.00/- remained unspent as of March 31, 2026, due to the project implementation schedules and milestones extending beyond the end of the financial year.

In compliance with statutory requirements, this unspent amount has been/will be transferred to the 'Unspent CSR Account' within the prescribed 30-day timeline and shall be spent within the next three financial years.

For IIFL Finance Limited

Mr. Bijou Kurien
Chairperson CSR Committee
Independent Director
(DIN: 01802995)

Mr. R. Venkataraman
Member CSR Committee
Joint Managing Director
(DIN: 00011919)

Date: April 29, 2026
Place: Mumbai

ANNEXURE III TO DIRECTORS' REPORT

INFORMATION RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND INNOVATION AND FOREIGN EXCHANGE EARNINGS/OUTGO FORMING PART OF THE DIRECTORS' REPORT IN TERMS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013.

Conservation of Energy:

A. Conservation of energy: The Company is engaged in providing financial services and, as such, it's operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by the Company.

i. Steps taken / impact on conservation of energy:

- Installation of sensor-based lights in common areas.
- Installation of capacitors to save power.
- Installation of Light Emitting Diode ("LED") lights for all branches.

ii. Steps taken by the Company for utilising alternate sources of energy:

- Use of Green power in corporate office.
- Installation of Solar panel in one premise.
- Installation of rain harvesting system in 1 premise.

iii. Capital investment on energy conservation equipment:

- Installation of access-based network printers to control printing, thereby saving paper.
- Installation of IOT based devices to maintain AC temperature across office, thereby saving energy.

iv. Other measures

- Creating environmental awareness by way of distributing the information in electronic/digital form.
- Shutting off all lights, when not in use.
- Use of bamboo-based housekeeping products.

The Management frequently puts circulars on the corporate intranet, workplace for its employees, educating them on ways and means to conserve electricity and other natural resources and ensures strict compliance of the same

Technology Absorption and Innovation

At IIFL Finance Limited, technology is pivotal to driving our growth, enhancing customer experiences, and strengthening risk management. Leveraging robust digital infrastructure, advanced cybersecurity and innovative solutions such as cloud platforms and AI-driven processes, we remain agile and resilient. Our technological imperatives align strategically, enabling us to deliver secure and seamless financial services in a dynamic digital landscape.

Highlights of the current year (Technology):

- Migrated to a unified Flutter-based platform and enhanced cloud infrastructure on Azure with a dedicated subscription for seamless scalability.
- Implementation of Zero Trust Network Access (ZTNA), enhanced 24/7 Security Operations Centre (SOC) and conducted regular cybersecurity drills to strengthen cyber response and resilience.
- Consolidated chatbot functionalities and streamlined APIs to deliver a consistent and efficient omnichannel experience.
- Piloted Generative AI in service delivery and internal operations to drive efficiency, responsiveness, and future-readiness.
- Rolled out targeted training programs focused on cybersecurity, emerging technologies and application use to build a digitally capable workforce.

IIFL Loans App:

- Delivering a seamless and intuitive account management experience.
- Enabling end-to-end digital completion of loan applications.
- Minimizing documentation through paperless processing.

- Providing an easy-to-navigate platform for real-time account access.
- Offering convenient features like online top-ups, gold loan renewals and instant personal loan options.
- Supporting quick and hassle-free loan payments.

Partnerships / Collaborations with Tech Ecosystem

Recognizing the value of collaborative innovation, the Company has forged strategic alliances with leading technology providers, cloud enablers and fintech partners. These partnerships have supported co-lending integrations, real-time API connectivity, cloud scalability and AI-driven automation—strengthening the Company's position as a digitally empowered NBFC. Notably, the collaboration with Azure and specialized vendors has helped scale digital infrastructure and security resilience.

Gen AI Adoption aligned to Business Strategy

In line with our innovation-led roadmap, the Company has piloted Generative AI applications and internal operations. The use of Gen AI supports and improves employee efficiency—delivering tangible impact across service quality and cost optimization. These pilots are being progressively aligned with business processes to institutionalize automation and strengthen competitive agility.

Leveraging Technology for Branch Security

To ensure safe and compliant operations across our vast branch network, the Company leverages advanced surveillance systems, access control solutions and digitally monitored vault security for its gold loan operations. Integration of tech-driven security protocols within the core infrastructure reinforces customer confidence and enhances regulatory adherence, particularly in high-risk geographies.

Stable and Secure Tech Setup

Built on a robust Azure-based cloud foundation, the Company's technology infrastructure is designed for resilience, agility and scalability. With ISO27001 and ISO22301 certifications in place, the Company ensures business continuity, information security, and real-time performance monitoring across systems. Regular audits, vulnerability assessments and a 24x7 automated SOC further reinforce our commitment to a secure digital environment.

Overview of the Information & Cyber Security practices:

Your Company remains committed to leveraging advanced technology and ensuring vigorous cybersecurity measures to drive innovation, safeguard operations and maintain the trust of our customers and stakeholders. As the Company continues to grow and evolve in an increasingly digital landscape, the Company has developed a comprehensive Technology and Cybersecurity Strategy that aligns with the organization's business goals and strengthens its operational resilience.

In line with our commitment to securing sensitive information and mitigating risk, the Company's cybersecurity framework is built on global standards, industry best practices and applicable regulatory guidelines. The Company adopts a multi-layered approach to protect our systems, data and networks from potential threats, with a focus on continuous monitoring, swift response and proactive risk management. The foundation of our cybersecurity strategy includes advanced threat prevention & detection tools, continuous monitoring and incident response framework, ensuring the Company can quickly identify, assess and address any security incidents.

Our data governance measures are designed to secure customer and financial data at all stages—from collection and processing to storage and transmission. The Company adheres to stringent encryption standards to prevent unauthorized access.

Furthermore, business continuity and disaster recovery are integral components of our technology strategy. The Company maintains a disaster recovery plan to ensure minimal disruption in case of system failures, cyberattacks or other unforeseen events. Our infrastructure is designed to provide maximum uptime, with failover capabilities and regular testing to ensure preparedness.

As part of our strategy to foster a culture of cybersecurity awareness, the Company's prioritizes employee training and awareness programs across the organization. Employees are equipped with the knowledge needed to recognize potential threats such as phishing, social engineering and other cyber risks, creating a first line of Defense against human error.

The Company regularly assesses emerging technologies and trends, ensuring that our IT strategy remains forward-looking and capable of adapting to the changing business environment.

ANNEXURE III TO DIRECTORS' REPORT

The Company is committed to continuously enhancing our technological capabilities and cybersecurity resilience to deliver secure, innovative and customer-centric solutions.

Highlights of the current year (Information & Cyber Security):

- Sustained ISO27001 Certification and initiated journey towards version migration from v2013 to v2022.
- Initiation of Zero Trust Network Access (ZTNA) implementation for enhanced security by continuous verification, minimizing risks from unauthorized users and devices.
- Enhancement and automation of 24/7 Security Operations Center (SOC) services to enable rapid security incident detection and immediate response.
- Strategic partnership with Data Security Council of India (DSCI) for Cyber Security and Data Privacy Initiatives.
- Implementation of Database Activity Monitoring solution.
- Automation of tabletop cybersecurity drills to enhance security awareness and improve incident response readiness.
- Sustained ISO22301 Certification for Business Continuity Management System (BCMS).
- Implemented a **Cyber Risk Quantification tool**, translating cyber risks into measurable business impact.
- Advanced measures such as deception technology, automated moving target defence against ransomware and zero day threats and virtual patching have been deployed to reduce exposure during vulnerability windows.
- Improve asset visibility, configuration control, and operational governance, **IT Asset Management (ITAM) and IT Service Management (ITSM)** solutions have been implemented.
- Beyond regular VAPT and secure development practices, adopted **Continuous Automated Red Teaming (CART)** to maintain ongoing visibility of the attack surface and proactively identify exploitable attack paths across applications and infrastructure.
- An **AI driven Governance, Risk and Compliance (GRC)** platform has been implemented to enhance policy management, enterprise risk oversight, regulatory compliance, and assurance processes.
- Advanced the **DPDP compliance program** through a structured execution model to align the organisation with the requirements of the DPDP Act.

Foreign Exchange Earnings/Outgo of the Standalone Company:

a) The foreign exchange earnings: Nil

b) The foreign exchange expenditure: ₹544.99 Crore

Research and Development (R&D):

The Company is engaged in finance and financial services; therefore, there were no activities of a research and development nature involved in its business.

Amount of expenditure incurred on R&D:

Particulars	March 31, 2026	March 31, 2025
Capital	Nil	Nil
Revenue	Nil	Nil

For IIFL Finance Limited

Date: April 29, 2026
Place: Mumbai

Bibhu Prasad Kanungo
Chairperson & Non-Executive Independent Director
(DIN: 07820090)

ANNEXURE IV TO DIRECTORS' REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY 2025-26 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2025-26 are as under:

Sr. No.	Name of Director / KMP	Category	Ratio of Remuneration of each Director / to median remuneration of employees	% increase in Remuneration for the FY 2025-26
1	Mr. Nirmal Bhanwarlal Jain	Managing Director	355.79	0%
2	Mr. R Venkataraman*	Joint Managing Director	Nil	-
3	Mr. Bibhu Prasad Kanungo^#	Chairperson & Non-Executive Independent Director	-	-
4	Mr. Arun Kumar Purwar#@	Chairperson & Non-Executive Director	-	-
5	Mr. Ramakrishnan Subramanian#	Independent Director	-	-
6	Mr. T S Ramakrishnan#	Non-Executive Nominee Director	-	-
7	Mr. Nihar Niranjan Jambusaria	Independent Director	-	-
8	Mr. Bijou Kurien#	Independent Director	-	-
9	Mr. Gopalakrishnan Soundaranjan#	Non-Executive Non-Independent Director	-	-
10	Ms. Nirma Anil Bhandari#	Independent Director	-	-
11	Mr. Kapish Jain	Chief Financial Officer	N.A.	6.0%
12	Mr. Samrat Sanyal	Company Secretary & Compliance Officer	N.A.	5.7%

*Mr. R Venkataraman is appointed as the Managing Director of IIFL Capital Services Limited (formerly known as IIFL Securities Limited), w.e.f. March 22, 2025 and is drawing his entire remuneration from IIFL Capital Services Limited (formerly known as IIFL Securities Limited). Previously, he was Managing Director of IIFL Facilities Services Limited and was drawing his entire remuneration from IIFL Facilities Services Limited.

^Mr. Bibhu Prasad Kanungo was appointed as an Additional Independent Director w.e.f. June 16, 2025 and subsequently his appointment was approved by the Members of the Company at the Annual General Meeting of the Company held on July 18, 2025, further, pursuant to the resolution dated December 19, 2025, he has been designated as the Chairperson of the Board.

@Mr. Arun Kumar Purwar ceased to be Chairperson & Non-Executive Director of the Company w.e.f. July 18, 2025.

#The details with regard to Non-Executive Directors are not applicable as they have not received any fixed salary except commission and sitting fees for attending Board & its Committee meetings. Further, sitting fees and commission are paid as per the statutory provisions and within the limits approved by the Members. The details of remuneration paid to Non-Executive Directors during the year under review are provided in the Report on Corporate Governance.

ii. In the Financial Year, there was an increase by 15.5 % in the median remuneration of Employees. The calculation of percentage of increase in Median Remuneration is done based on comparable employees. For this, the employees who were not eligible for any increment have been excluded.

iii. There were 16,341 permanent employees on the pay rolls of Company as on March 31, 2026.

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not Applicable to the Company as all the employees are under Managerial Role.

v. It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

For IIFL Finance Limited

Date: April 29, 2026
Place: Mumbai

Bibhu Prasad Kanungo
Chairperson & Non-Executive Independent Director
(DIN: 07820090)

ANNEXURE V TO DIRECTORS' REPORT

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,

IIFL Finance Limited

IIFL House, Sun Infotech Park,
Road No. 16V, Plot No. B-23,
Thane Industrial Area,
Wagle Estate, Thane – 400 604

Dear Sir / Madam,

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

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities 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 financial year ended 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2026 according to the provisions of:

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

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed 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 the same was applicable to the Company;

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

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

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

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (to the extent applicable);

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

  (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025, regarding the Companies Act and dealing with client;

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

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

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

(vi) Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as updated from time to time the provisions of Reserve Bank of India Act, 1934 and the Regulations, Directions, Guidelines, Notifications and Circulars issued by Reserve Bank of India from time to time and as applicable to the Company.

We have verified systems and mechanism which is in place and followed by the Company to ensure Compliance of these specifically applicable Laws mentioned at serial no. v and vi (in addition to the above mentioned Laws (i to iv) and applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of:

(a) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

(b) Uniform Listing Agreement(s) entered with stock exchanges.

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines:

(a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

(b) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has substantially complied with the provisions of the above-mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have no material observation of instances of non-compliance in respect of the same.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013.

We also report that adequate notice was given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and shorter notice in case of urgency and a system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its Officers, we herewith report that majority decisions are carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review, following event / action have taken place having major bearing on the Company's affairs:

I. Private Placement of Secured / Unsecured, Redeemable / Subordinated Non-Convertible Debentures / Non-Convertible Market Linked Debentures:

1. The Company has allotted (i) 25,000 (Twenty Five Thousand) Unsecured Subordinated Listed Rated Redeemable Non-Convertible Debentures of Face Value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating to INR 2,50,00,00,000 (Indian Rupees Two Hundred and Fifty Crore), (ii) 25,000 (Twenty Five Thousand) Unsecured Subordinated Listed Rated

ANNEXURE V TO DIRECTORS' REPORT

Redeemable Non-Convertible Debentures of Face Value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating to INR 2,50,00,00,000 (Indian Rupees Two Hundred and Fifty Crore) under Series D33 Option A and Option B respectively on June 24, 2025.

2. The Company has allotted 5,000 (Five Thousand) Secured Redeemable Non-Convertible Debentures of Face Value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating to INR 50,00,00,000 (Indian Rupees Fifty Crore) under Series D32 on July 07, 2025.
3. The Company has allotted 500 (Five Hundred) Perpetual Unsecured Listed Rated Debentures in the nature of Non-Convertible Debentures of Face Value of INR 1,00,00,000 (Indian Rupees One Crore) each aggregating to INR 5,00,00,00,000 (Indian Rupees Five Hundred Crore) under Series PDI-1 FY 2026 on September 30, 2025.
4. The Company has allotted 6,500 (Six Thousand Five Hundred) Senior Unsecured Listed Rated Redeemable Non-Convertible Debentures of Face Value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating to 65,00,00,000 (Indian Rupees Sixty-Five Crore) under Series D34 on December 16, 2025.
5. The Company has allotted (i) 30,000 (Thirty Thousand) Subordinated Unsecured Listed Rated Redeemable Non-Convertible Debentures of Face Value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating to INR 3,00,00,00,000 (Indian Rupees Three Hundred Crore), (ii) 40,000 (Forty Thousand) Subordinated Unsecured Listed Rated Redeemable Non-Convertible Debentures of Face Value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating to INR 4,00,00,00,000 (Indian Rupees Four Hundred Crore) and (iii) 100 (One Hundred) Perpetual Unsecured Listed Rated Redeemable Non-Convertible Debentures of Face Value of INR 1,00,00,000 (Indian Rupees One Crore) each aggregating to INR 100,00,00,000 (Indian Rupees One Hundred Crore) under Series D35 Option A-I and Option A-II and Series PDI-2 Option B respectively on December 30, 2025.
6. The Company has allotted 50,000 (Fifty Thousand) Senior Secured Listed Rated Redeemable Non-Convertible Debentures of Face Value of INR 1,00,000 (Indian Rupees One Lakh) each aggregating to INR 5,00,00,00,000 (Indian Rupees Five Hundred Crore) under Series D36 on March 10, 2026.

II. Public Issue of Secured, Redeemable, Non-Convertible Debentures:

1. The Company allotted 50,00,000 (Fifty Lakh) Secured Rated Listed Redeemable Non-Convertible Debentures of Face Value of INR 1,000 (One Thousand) each, aggregating to INR 500,00,00,000 (Five Hundred Crore) on April 21, 2025.
2. The Company allotted 1,02,16,391 (One Crore Two Lakh Sixteen Thousand Three Hundred and Ninety-One) Secured Rated Listed Redeemable Non-Convertible Debentures of Face Value of INR 1,000 (One Thousand) each, aggregating to INR 1021,63,91,000 (One Thousand Twenty-One Crore Sixty-Three Lakh and Ninety-One Thousand) on March 06, 2026.

Note: This Report is to be read along with attached Letter provided as **"Annexure - A"**.

Signature:
Name: Rakesh Achhpal (Partner)
For Nilesh Shah & Associates
Company Secretaries
ACS: 54525
C.P.: 20438
Peer Review No. 7810/2026

Date: April 29, 2026
Place: Mumbai
UDIN: A054525H000234056

ANNEXURE A

To
The Members,
IIFL Finance Limited
IIFL House, Sun Infotech Park,
Road No. 16V, Plot No. B-23,
Thane Industrial Area,
Wagle Estate, Thane – 400 604

Dear Sir / Madam,

Sub: Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and we rely on Auditors Independent Assessment on the same.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of process followed by the Company to ensure adequate Compliance.
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.

Signature:
Name: Rakesh Achhpal (Partner)
For Nilesh Shah & Associates
Company Secretaries
ACS: 54525
C.P.: 20438
Peer Review No. 7810/2026

Date: April 29, 2026
Place: Mumbai
UDIN: A054525H000234056

ANNEXURE VI TO DIRECTORS' REPORT

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

IIFL Home Finance Limited

(CIN: U65993MH2006PLC166475)

IIFL House, Sun Infotech Park, Road No. 16V,

Plot No. B-23, MIDC, Thane Industrial Area,

Wagle Estate, Thane, Maharashtra - 400604

We have conducted the secretarial audit of the compliances of applicable statutory provisions and in adherence with good corporate practices by **IIFL Home Finance Limited** (hereinafter referred to as **"the Company"**), having its Registered Office at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B -23, MIDC, Thane Industrial Area, Wagle Estate Thane, Maharashtra – 400 604 and Corporate Office at Plot No. 98, Udyog Vihar, Phase IV, Gurgaon, Haryana-122015. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification, of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information/explanation 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 financial year ended **March 31, 2026**, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records as maintained by the Company for the Audit Period, 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 compliances relating to Foreign Direct Investment. However, during the period under review, there were no transactions for Overseas Direct Investment and External Commercial Borrowings.

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-

   (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; [**Not applicable since the shares of the Company are not listed on any stock exchange during the period under review**];

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

   (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [**Not applicable since the shares of the Company are not listed on any stock exchange during the period under review**];

   (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; [**The Company has introduced Employee Stock Option Plan. However, being a Debt listed Company, the regulations are not applicable since the shares of the Company are not listed on any stock exchange**];

   (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **("SEBI NCS Regulations").**

   (f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding

the Companies Act and dealing with client to the extent of the securities issued;

(g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; [**Not applicable since the shares of the Company are not listed on any stock exchange during the period under review**];

(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; [**Not applicable since the shares of the Company are not listed on any stock exchange during the period under review**].

VI. The Company is Housing Finance Company registered with National Housing Bank (NHB). Further, the Company is also registered with Insurance Regulatory and Development Authority of India (IRDAI) as Corporate Agent. The Company ensures compliance with all applicable regulations, circulars and directions issued from time to time by the NHB, Reserve Bank of India (RBI) and IRDAI.

For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable Labour Laws & other General Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in our audit since the same have been subject to review by the Statutory Auditor and other designated professionals.

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

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") to the extent applicable.
3. General Circular no. 14/2020 dated April 08, 2020, General Circular no. 17/2020 dated April 13, 2020, General Circular no. 20/2020 dated May 05, 2020, General Circular no. 02/2021 dated January 13, 2021, General Circular no. 2/2022 dated May 05, 2022, General Circular no. 10/2022 dated December 28, 2022, General Circular no. 09/2023 dated September 25, 2023 and General Circular no. 09/2024 dated September 19, 2024 and General Circular no. 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs to hold Annual General Meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).
4. Provisions of Regulation 3(5) and 3(6) of SEBI PIT Regulations, with respect to maintenance of Structural Digital Database (SDD).

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, circulars, notifications, requirement for disclosures etc. mentioned above.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors during the period which were carried out in compliance with the provisions of the Act.
- Adequate notices were given to all directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent generally seven days in advance to all the directors except where the meetings were held at a shorter notice. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meetings of the Board and Committees of the Board, all the decisions of the Board were adequately passed and no dissenting views have been recorded.
- As per the records, the Company has generally filed forms, returns, disclosures, documents and resolutions as required to be filed with the Registrar of Companies and other authorities.
- During the period under review, the Company has replied to the clarifications sought by the regulator, wherever required.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations

ANNEXURE VI TO DIRECTORS' REPORT

of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has undertaken following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:-

1. The Board of Directors in their meeting held on May 06, 2025 had approved public issue of listed, rated, secured, redeemable, non-convertible debentures aggregating up to Rs. 2,000 Crore (Rupees Two Thousand Crore only).
2. Ms. Bhanumathi Viswanathan Melattur (DIN:10172983) has been appointed as an Additional Non-Executive Independent Director on the Board of the Company with effect from May 28, 2025. Further, her appointment was confirmed by the Shareholders in the Annual General Meeting (AGM) held on July 31, 2025.
3. Mr. Ajay Jaiswal (CS Membership No. F6327) stepped down from the position of Company Secretary and Compliance Officer of the Company and Ms. Geeta Girdher (CS Membership No. A16681) was appointed as the Company Secretary and Compliance Officer of the Company both with effect from June 18, 2025.
4. Mr. Monu Ratra (DIN: 07406284) resigned from the position of Whole-time Director and Chief Executive Officer of the Company with effect from October 06, 2025.
5. Mr. Sumit Jhunjhunwala stepped down from the position of Chief Financial Officer and Mr. Tushar Hasmukh Kotecha was appointed as the Chief Financial Officer of the Company both with effect from October 08, 2025.
6. Mr. Kousgi Sreenivasa Murthy Girish (DIN:08524205) was appointed as Additional Director in the capacity of Managing Director and Chief Executive Officer (CEO) of the Company with effect from October 30, 2025.
7. The Finance Committee has allotted 10,000 (Ten Thousand) Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCDs) of Rs. 1,00,000/- each (Rupees One Lakh each) for cash at par aggregating to Rs. 100,00,00,000/- (Rupees One Hundred Crore only) and 10,000 (Ten Thousand) Secured, Rated, Listed, Redeemable Non-Convertible Debentures having face value Rs, 1,00,000/- (Rupees One Lakh only) each, for cash at par, aggregating to Rs. 100,00,00,000/- (Rupees One Hundred Crore only) on private placement basis in its meeting dated August 4, 2025 and November 28, 2025.
8. During the period under review, the Board has declared interim dividend of Rs. 55 per equity share (having face value of Rs. 10/- each) aggregating to Rs. 1,44,89,55,090/- to those equity shareholders whose names appear in the Register of Members of the Company as on January 16, 2026.
9. The Board of Directors, at their meeting held on January 20, 2026, have accorded their approval to issue and allot:
   a) secured/unsecured, listed/unlisted, rated/unrated, non-convertible, market-linked, subordinated debt, perpetual debentures and/or fixed maturity debentures, aggregating up to Rs. 4,000 Crore (Rupees Four Thousand Crores), on a private placement basis in one or more tranches;
   b) commercial paper(s) on a private placement basis, in one or more tranches, for an aggregate amount of Rs. 3,000 Crore (Rupees Three Thousand Crore only), outstanding at any point of time; and
   c) listed, rated, secured, redeemable, non-convertible debentures ("NCDs"), aggregating up to Rs. 2,000 Crore (Rupees Two Thousand Crore only), under a Prospectus/Shelf and Tranche Prospectus structure, in one or more tranches, including a green shoe option, if any, through public issue.
10. The Shareholders in their meeting held on March 25, 2026, approved the amendment of the Articles of Association of the Company to incorporate and take effect of the amended Shareholders Agreement.

For RMG & Associates
Company Secretaries
Peer Review No. 6403/2025
Firm Registration No. P2001DE016100

CS Sachin Khurana
Partner
FCS: 10098; C.P. No.: 13212

Place: New Delhi
Date: 27-04-2026
UDIN: F010098H000211013

Note: This report is to be read with **'Annexure'** attached herewith and forms an integral part of this report.

ANNEXURE

To,
The Members
IIFL Home Finance Limited
(CIN: U65993MH2006PLC166475)
IIFL House, Sun Infotech Park, Road No. 16V,
Plot No. B-23, MIDC, Thane Industrial Area,
Wagle Estate, Thane, Maharashtra - 400604

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2026 is to be read along with this letter:

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operating effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances as produced before us.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. 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.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. We have conducted online verification & examination of records, as facilitated by the Company, for the purpose of issuing this Report.

For RMG & Associates
Company Secretaries
Peer Review No. 6403/2025
Firm Registration No. P2001DE016100

CS Sachin Khurana
Partner
FCS: 10098; C.P. No.: 13212

Place: New Delhi
Date: 27-04-2026
UDIN: F010098H000211013

Annexure VII TO DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,

IIFL SAMASTA FINANCE LIMITED

110/3, Lalbagh Main Road, Krishnappa Layout,

Bangalore- 560027, Karnataka, India, 560027

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. IIFL SAMASTA FINANCE LIMITED (hereinafter called "the Company") bearing CIN: U65191KA1995PLC057884. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2026 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, to the extent its applicable;

(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- **(Not applicable to the Company during the Audit Period)**

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

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **(Not Applicable to the Company during the Audit Period)**

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

  (c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

  (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **(Not Applicable to the Company during the Audit Period)**

  (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. - **(Not Applicable to the Company during the Audit Period)**

  (f) Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008.

  (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. - **(Not Applicable to the Company during the Audit Period)**

  (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period).**

(i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period).**

(j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **(Not Applicable to the Company during the Audit Period).**

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

(l) The management has identified and confirmed the following laws as specifically applicable to the Company;

(m) I also verified the Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 issued by the Reserve Bank of India along with other Notifications, Guidelines, Circulars, Directions.

(n) Insurance Regulatory and Development Authority Act, 1999 and rules and regulations made thereunder.

(o) The Listing Agreements entered into by the Company with Bombay Stock Exchanges(s) and National Stock Exchanges w.r.t Debt listing.

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

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

(a) Secretarial Standards issued by The Institute of Company Secretaries of India.

(b) The Listing Regulations as per the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015

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

I further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

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

Further, during the period under review, the following changes took place in the Composition of the Board of Directors of the Company:

1. Change in designation of Mr. Shivaprakash Deviah (DIN: 02216802) from Whole-Time Director to a "Non-Executive Non-Independent Director by passing circular resolution by the Board of Directors on November 26, 2025.

Further, during the year under review, the Company appointed Mrs. Abhinaya Varadharajan (ICSI Membership No.: A56919) as the Company Secretary and Compliance Officer of the Company with effect from May 23, 2025, pursuant to the provisions of Section 203 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder and Regulation 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, by way of a resolution passed at the Board Meeting held on May 22, 2025.

Further, adequate notices have been given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and consent to shorter notice have been taken, wherever required.

All decisions at the Board Meetings and Committee Meetings are carried out with the requisite majority of the Directors of the Company.

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

I further report that during the audit period the company has the following events / actions having a major bearing on the company's affairs in pursuance of the above-mentioned laws, rules, regulations, guidelines, standards, etc. referred to above.

1. During the year under review, the Company issued and allotted Non-Convertible Debentures (NCDs) by way of private

Annexure VII TO DIRECTORS' REPORT

placement and consequently mobilized funds in compliance with the applicable provisions of the Companies Act 2013 and other applicable laws.

2. The Company at its Board Meeting held on 22.07.2025 has passed the requisite Board resolution for the issuance of Commercial Papers on Private placement basis for the Financial year 2025-26 upto an amount not exceeding Rs.500,00,00,000/- (Rupees Five Hundred Crores Only) in one or more tranches on such terms and conditions as may be determined by the Board from time to time, and subject to compliance with the applicable law, rules, directions issued by the government or any other regulatory authority.
3. The Company at its Board Meeting held on 12.03.2026 has passed the requisite Board resolution for the issuance of Non-Convertible Securities on Private placement basis for the Financial year 2026-27 upto an amount not exceeding Rs.4000,00,00,000/- (Rupees Four Thousand Crore only) on such terms and conditions at par, premium or discount, to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/ provident funds and individuals, as the case may be as the Board of Directors of the Company ("the Board", which term shall include any committee which the Board may constitute to exercise its powers including the powers conferred under this Resolution) may decide in its absolute discretion.
4. The Company at its Board Meeting held on 12.03.2026 has passed the requisite Board resolution for the issuance of Commercial Papers on Private placement basis for the Financial year 2026-27 for an aggregate amount not exceeding Rs.500,00,00,000/- (Rupees Five Hundred Crores Only), on such terms and conditions as may be determined by the Board or its duly authorized committee and subject to compliance with the applicable law, rules, directions issued by the government or any other regulatory authority.
5. The Company has passed the following significant resolutions at the 30th Annual General Meeting held on 25.06.2025:
    a. Approval for existing as well as new material related party transactions with IIFL Finance Limited (including its Subsidiaries and Associates).
    b. Approval for existing as well as new material related party transactions with IIFL Home Finance Limited (including its Subsidiaries and Associates).
    c. Approval for existing as well as new material related party transactions with IIFL Capital Services Limited (formerly known as including IIFL Securities Limited including its Subsidiaries and Associates).
    d. Approval for existing as well as new material related party transactions with 5paisa Capital Limited (including its Subsidiaries and Associates).
    e. Approve the ratification of the remuneration paid to Mr. Venkatesh N (DIN:01018821), Managing Director of the Company for the FY 2024-25.

Further following are the Observation;

During the review period, the Company had received notices from BSE Limited and National Stock Exchange of India Limited on account of levy of SOP fines pursuant to delayed compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to advance intimation of record dates and submission of intimations/ certificates pertaining to fulfillment of payment obligations in respect of Commercial Papers. The aggregate amount of fines levied by BSE Limited and National Stock Exchange of India Limited was INR 1,06,200/- and INR 94,400/- (inclusive of GST), respectively.

Name: Shreyas Dwaraki
Company Secretary in Practice
Membership Number: F11953; COP: 26529
Peer Review Certificate no. 5997/2024
ICSI UDIN: F011953H000182618
Place: Bengaluru
Date: 23.04.2026

Note: This report is to be read with **"Annexure A"** which forms an integral part of this report.

ANNEXURE A

To,

The Members,

IIFL SAMASTA FINANCE LIMITED

110/3, Lalbagh Main Road, Krishnappa Layout,

Bangalore- 560027, Karnataka, India, 560027

My Secretarial Audit Report of report date, for the Financial Year 2025-26 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliance based on my audit.
3. I believe that audit evidence and information obtained from the company's management is adequate and appropriate for me to provide a basis for my opinion.
4. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices I have followed provide a reasonable basis for my opinion.
5. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
6. I have relied on the Information and documents provided by the Company and the audit is carried out based on the same.

Disclaimer

7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
8. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Name: Shreyas Dwaraki
Company Secretary in Practice
Membership Number: F11953; COP: 26529
Peer Review Certificate no. 5997/2024
UDIN: F011953H000182618
Place: Bengaluru
Date: 23.04.2026

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report for the financial year ended March 31, 2026, has been prepared in compliance with Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and amendments thereof ("Listing Regulations"). The report sets out the details of Corporate Governance at IIFL Finance Limited (the "Company").

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company adheres to the highest standards of governance, demonstrating a strong commitment to ethical conduct in all its interactions with all its stakeholders. Over the years, the Company has continuously strengthened its corporate governance philosophy, establishing a robust framework that enshrines responsible business practices aimed at creating long-term stakeholder value. This framework is deeply rooted in ethics, professionalism, and a culture of integrity, ensuring that the Company's business operations reflect the highest levels of responsibility and accountability.

Your Company's governance principles are guided by three core values: fairness, transparency, and accountability. These principles serve as the foundation of the Company's corporate conduct and drive the Company's commitment to adhering to best practices in corporate governance.

Fairness

Your Company prioritizes fairness and integrity in all its business dealings, both within the organization and with external stakeholders. By consistently applying these principles, it ensures that the transactions are conducted in an equitable and just manner.

Transparency

Your Company believes transparency is vital for fostering sustainable growth and establishing trust among its stakeholders. It is integral to the way the Company operates, as it enables effective checks and balances and promotes an open flow of information. Beyond meeting statutory requirements, the Company strives to uphold the highest standards of transparency through prompt and accurate disclosures.

Accountability

Accountability is central to our approach. The Company holds itself fully responsible for upholding its values and fulfilling its commitments. This is reflected in the culture of ownership that the Company fosters within the organization, ensuring that each team member contributes to the Company's success. Through openness and transparency, the Company remains accountable to all its stakeholders, including employees, shareholders, vendors, business partners, government agencies, and society at large.

Your Company is deeply committed to ensuring that ethical business practices and strong corporate governance are at the heart of everything it does. This commitment is instrumental in the Company's goal of becoming the most respected and trusted financial services company in India. From the very beginning, the Company's Promoters have set high standards for governance and integrity, leading by example and reinforcing our corporate values.

Your Company consistently complies with all regulatory requirements, including the provisions of the Companies Act, 2013 (the "Act"), the Listing Regulations, and the Corporate Governance and Disclosure norms for Non-Banking Financial Companies issued by the Reserve Bank of India (RBI). The Company's adherence to the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, and Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions 2025 ("RBI NBFC Governance Directions"), as amended from time to time, that it maintains the highest levels of corporate governance.

Your Company's commitment to governance is further demonstrated through policies such as the Code of Conduct for Board of Directors and the Senior Management Personnel, Whistleblower/Vigilance Policy, and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Policy for determination of Materiality of Information or events, Policy on Related Party Transactions. These measures, along with the internal guidelines on trading by insiders, reinforces the dedication to transparency, fairness, and accountability in all aspects of our business operations.

The Board of Directors (the "Board") has ultimate responsibility for the development of strategy, material acquisitions and divestments, material capital expenditure, the Company's capital structure and other financial matters, oversight policies, procedures and internal controls, and setting and monitoring the Group's culture and promoting ethical behaviour. The Board discharges some of its responsibilities directly and others through its committees, like Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Asset Liability Management Committee and IT Strategy Committee. A summary of the meetings of each Committee is provided in this report.

The Board is composed of Independent Directors who are renowned for their exemplary professional integrity, alongside their extensive expertise in finance, banking and various other industries. Serving as the cornerstone of the Company's governance structure, the Board acts as a guardian of trust, with employees forming the foundation and the broader interests of our stakeholders at its core. The Board is unwavering in its commitment upholding the highest standards of governance, ensuring strict compliance with all applicable laws and regulations in both letter and spirit.

Your Company's Corporate Governance framework is built upon the foundation of a strong, independent Board, ensuring a clear distinction between the Board's oversight responsibilities and the day-to-day operations managed by the Senior Management team. This separation, alongside the constitution and effective functioning of Board Committees as mandated by law, strengthens the governance model, enabling the Company to consistently safeguard the best interests of its stakeholders.

Key pillars of Company's Corporate Governance philosophy:

- Effective and clear governance structure with a diverse Board, its Committees and Senior Management
- Fairness, Integrity and Transparency
- Clear demarcated roles of Chairperson and Managing Director
- Separate Board-level Environment, Social and Governance Committee to sharpen focus on Environmental, Social and Governance (ESG) matters
- Public disclosure of Sustainability Report
- A blend of Independent and Non-Executive Directors in Audit and Nomination and Remuneration Committee
- Executive compensation is subject to Malus/ Clawback arrangements
- Separate charter and strategy to promote diversity and inclusion across our workforce.
- Annual Investor and Analyst Day
- Compliance with all relevant laws in both form and substance
- Complete and timely disclosure of relevant financial and operational information to enable the Board to play an effective role in guiding strategies
- Board governance through specialized sub-committees in the areas of Audit, Risk Management, IT Strategy, Nomination and Remuneration, Environment, Social and Governance, Corporate Social Responsibility, Stakeholders Relationship, etc
- Well-defined corporate structure that establishes checks and balances and delegates decision making to appropriate levels in the organization
- Transparent procedures, practices and decisions based on adequate information
- Accurate, uniform and timely dissemination of disclosures of corporate, financial and operational information to all stakeholders
- Oversight of the Company's business strategy, major developments and key activities
- Communicate externally, in a truthful manner, about how the Company runs internally

CORPORATE GOVERNANCE FRAMEWORK

BOARD OF DIRECTORS

Ensures that long-term interests of stakeholders are being served.
Provides strategic direction, evaluates overall performance and maintains oversight.

Audit Committee	Nomination and Remuneration Committee ("NRC")	Stakeholders Relationship Committee ("SRC")	Corporate Social Responsibility Committee ("CSR")	Risk Management Committee ("RMC")	Asset Liability Management Committee ("ALCO")	Environmental, Social and Governance Committee ("ESG")	IT Strategy Committee ("ITSC")	Customer Service Committee ("CSC")	Review Committee for Treatment of Wilful and Large Defaulters	Special Committee of the Board for Monitoring & Follow-up of Cases of Fraud ("SCBMF")

CORE MANAGEMENT TEAM

Ensures effective implementation of decisions taken by the Board across all functions and teams.
Provides progress updates to Board and respective Committees regularly.

2. BOARD OF DIRECTORS

(a) Board Composition

Your Company recognises and values the crucial role of a diverse Board in driving its success. The Company believes that a diverse Board will capitalize on a wide range of perspectives, including regional and industry experience, cultural and geographical backgrounds, as well as diversity in age, ethnicity, race, and gender. Additionally, the Board will benefit from a variety of expertise across areas such as finance, global business, leadership, information technology, governance, sales and marketing, Environmental, Social, and Governance (ESG), risk management, cybersecurity, and more.

Board is the apex body constituted by its members, for overseeing the Company's overall functioning. It provides strategic direction, leadership and guidance to the Company's management and also monitors the performance of the Company with the objective of creating long-term value for the Company's stakeholders.

Board Composition as on March 31, 2026		
55.56% Independent Directors	22.22% Non-Executive Non-Independent Directors	22.22% Executive Directors

The Board of the Company has an optimum combination of Executive Directors, Non-Executive Non-Independent Directors and Independent Directors. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read together with Sections 149 and 152 of the Companies Act, 2013 and rules framed thereunder.

As on March 31, 2026, the Board of the Company consisted of nine (9) Directors. The Chairperson of the Board is a Non-Executive Independent Director and more than half of the Board comprises of Non-Executive Directors. Further, there is also representation of a Women Independent Director. None of the Directors of the Company are related to each other. The composition of the Board as on March 31, 2026 is as follows:

Category	Name of the Director(s)
Chairperson & Independent Director	Mr. Bibhu Prasad Kanungo*
Executive Director - Managing Director & Promoter	Mr. Nirmal Bhanwarlal Jain
Executive Director - Joint Managing Director & Promoter	Mr. R Venkataraman
Independent Directors	Mr. Ramakrishnan Subramanian
	Mr. Bijou Kurien
	Mr. Nihar Niranjan Jambusaria
	Ms. Nirma Anil Bhandari
Non - Executive Director	Mr. Gopalakrishnan Soundarajan
Non - Executive Nominee Director	Mr. Tritala Subramanian Ramakrishnan

*Bibhu Prasad Kanungo was appointed as an Additional Independent Director w.e.f. June 16, 2025 and his appointment was approved by the shareholders of the Company at the 30th Annual General Meeting of the Company held on July 18, 2025. Further, pursuant to the resolution dated December 19, 2025, he has been designated as the Chairperson of the Board.

The brief profile of the present Directors on the Board of the Company is available on the website of the Company at https://www.iifl.com/finance/corporate-governance.

(b) Matrix chart of core skills/expertise/competencies of the Board:

The Board has adopted a policy on Board Diversity. The Board represents a confluence of diverse backgrounds with skills, experience and expertise. For the purpose of Board composition, diversity includes, but is not limited to, educational and functional background, industry experience, geography, age, insider status, gender and ethnicity. The skills and backgrounds collectively represented on the Board reflects the diverse nature of the business environment in which the Company operates. The Board reviews its composition, skills and diversity from time to time to ensure that it remains aligned with the statutory as well as business requirements.

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, a matrix chart setting out the core skills/ expertise/competence of the Board is as follows:

Skills/Expertise/Competence	Mr. Bibhu Prasad Kanungo	Mr. Nirmal Bhanwarlal Jain	Mr. R Venkataraman	Mr. Ramakrishnan Subramanian	Mr. Bijou Kurien	Mr. Nihar Niranjan Jambusaria	Ms. Nirma Anil Bhandari	Mr. Gopalakrishnan Soundarajan	Mr. Tritala Subramanian Ramakrishnan
Knowledge of sector	√	√	√	√	√	√	√	√	√
Accounting and Finance	√	√	√	√	√	√	√	√	√
Corporate Governance & Compliances	√	√	√	√	√	√	√	√	√
Marketing experience	√	√	√	√	√	√	√	√	√
Strategy development and implementation	√	√	√	√	√	√	√	√	√
Information Technology	√	√	√	√	√	√	√	√	√
Stakeholders relationship	√	√	√	√	√	√	√	√	√
Risk Management system	√	√	√	√	√	√	√	√	√
Senior Management Experience/Leadership	√	√	√	√	√	√	√	√	√

(c) Board Meetings and Directorships/Committee Membership(s) of Directors:

There were eight (8) scheduled Board meetings in the financial year 2025-26. The Meetings were held on the following dates:

May 08, 2025	June 19, 2025	July 30, 2025	October 30, 2025
November 26, 2025	December 19, 2025	January 22, 2026	February 25, 2026

In terms of the provisions of Regulation 26(1) of the Listing Regulations, no Director on the Board of the Company is a Member of more than ten (10) specified Committees and Chairperson in more than five (5) specified Committees of the Company in which they are Directors, across all the Public Limited Companies, except Private Limited Companies, Foreign Companies and Companies incorporated under Section 8 of the Act.

In compliance with Section 165(1) of the Act, none of the Directors hold directorship in more than 20 Companies with not more than 10 Public Limited Companies. In terms of the provisions of Regulation 17A of the Listing Regulations, none of the Independent Directors of the Company serves as an Independent Director in more than seven (7) listed entities. None of the Whole Time Director/Managing Director serve as an Independent Director in more than three (3) listed entities. Further, none of the Independent Directors serve as a Non-Independent Director of any Company on the Board of which any Non-Independent Director is an Independent Director.

The Policy on Determining Fit and Proper Person for appointment as Director is in place for ascertaining the fit and proper criteria of the Directors at the time of appointment and on a continuing basis by the Nomination and Remuneration Committee to ensure 'fit and proper' status of proposed/ existing Directors. The policy on the fit and proper criteria is in line with RBI NBFC Governance Directions, as amended from time to time.

The Company has received necessary disclosures from all the Directors regarding Committee positions held by them in other Companies. The below mentioned table gives the details of the names of the members of the Board, their category, their attendance at the Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), their Directorship, Committee Membership and Chairpersonship in Companies as on March 31, 2026:

Name of the Director and DIN	Date of Appointment	Category	Number of Board Meetings entitled to attend during their tenure	Number of Board Meetings attended	Attendance at last AGM	Directorship in Companies (including this Company)*	Membership of Committees (including this Company)**	
							Member	Chairperson
Mr. Bibhu Prasad Kanungo (DIN: 07820090)	June 16, 2025	Chairperson & Independent Director	7	7	Yes	3	2	-
Mr. Nirmal Bhanwarlal Jain (DIN: 00010535)	October 18, 1995	Executive Director - Managing Director & Promoter	8	8	Yes	3	-	-
Mr. R Venkataraman (DIN: 00011919)	July 5, 1999	Executive Director - Joint Managing Director & Promoter	8	8	Yes	5	3	-
Mr. Ramakrishnan Subramanian (DIN: 02192747)	September 6, 2021	Independent Director	8	8	Yes	4	2	-
Mr. Bijou Kurien (DIN: 01802995)	March 13, 2024	Independent Director	8	7	Yes	16	10	5
Mr. Nihar Niranjan Jambusaria (DIN: 01808733)	March 13, 2024	Independent Director	8	8	Yes	7	6	3
Ms. Nirma Anil Bhandari (DIN: 02212973)	September 16, 2024	Independent Director	8	7	Yes	6	3	-
Mr. Gopalakrishnan Soundarajan (DIN: 05242795)	May 11, 2024	Non-Executive Director	8	6	No	11	3	-
Mr. Tritala Subramanian Ramakrishnan (DIN: 09515616)	October 26, 2023	Non-Executive Nominee Director	8	7	Yes	2	1	-

* Excludes directorship in section 8 companies.

** The Committees considered above are those prescribed under Regulation 26 of the Listing Regulations viz. Audit Committee and Stakeholders Relationship Committee.

(d) Details of changes in composition of the Board during FY 2025-26:

Details of changes in composition of the Board during the financial year 2025-26 are as follows:

Sr No.	Name of the Director	Category of Directorship	Nature of change	Effective date
1	Mr. Arun Kumar Purwar	Chairperson & Non-Executive Director	Cessation	July 18, 2025
2	Mr. Bibhu Prasad Kanungo	Chairperson & Non-Executive Independent Director	Appointment	June 16, 2025

The below table provides details of the name of the Directors, the names of the other listed entities where they are Directors as on March 31, 2026:

Name of the Director	Name of the Listed Entity	Category of Directorship
Mr. Bibhu Prasad Kanugo	Nil	Nil
Mr. Nirmal Bhanwarlal Jain	IIFL Home Finance Limited*	Non- Executive Director
Mr. R Venkataraman	IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	Managing Director
	IIFL Home Finance Limited*	Non- Executive Director
	IIFL Samasta Finance Limited*	Non- Executive Director
Mr. Ramakrishnan Subramanian	IIFL Home Finance Limited*	Independent Director
	Neogrowth Credit Private Limited*	Nominee Director
Mr. Bijou Kurien	Renaissance Global Limited	Independent Director
	Brigade Hotel Ventures Limited	Independent Director
	Lenskart Solutions Limited	Independent Director
	Healthcare Global Enterprises Limited	Independent Director
	LTM Limited	Independent Director
	Shadowfax Technologies Limited	Independent Director
Mr. Nihar Niranjan Jambusaria	IIFL Samasta Finance Limited*	Independent Director
Ms. Nirma Anil Bhandari	Navneet Education Limited	Independent Director
Mr. Gopalakrishnan Soundarajan	Bluspring Enterprises Limited	Non- Executive Director
	Thomas Cook (India) Limited	Non- Executive Director
	Go Digit General Insurance Limited	Non- Executive Director
	Digitide Solutions Limited	Non- Executive Director
	Quess Corp Limited	Non- Executive Director
Mr. Tritala Subramanian Ramakrishnan	Nil	Nil

* Debt listed entity

The matters generally placed before the Board, *inter alia*, includes:

Finance Matters

- Quarterly/Annual consolidated and standalone results and financial statements of the Company;
- Recommendation of Dividend;
- Quarterly details of foreign exchange exposures and hedging;
- Quarterly details on Loans/Inter- Corporate Deposits given, Investments made, Guarantees given or securities provided;
- Half-yearly details of Internal Financial Controls.

Statutory and Governance Matters

- Materially important show cause, demand, prosecution notices and penalty notices, if any;
- Any issue which involves possible public or product liability claims of substantial nature;
- Corporate Social Responsibility related matters;
- Appointment and remuneration to Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel ("SMP");
- Quarterly compliance certificate with exceptions, if any, of regulatory or statutory compliances;
- Overseeing risk management framework of the Company;
- Appointment of Joint Statutory Auditors;
- Minutes of meetings of the Board and its Committees along with the minutes of its subsidiaries and resolutions passed by circulation;
- Approval of policies as statutorily required and recommended by the Board Committees;
- Approval for re-constitution of Committees of Board and amendment to the terms of reference;
- Significant transactions or arrangements by subsidiary companies;
- Statutory disclosures received from the Directors and Senior Management;
- Performance evaluation of the Board, its Committees and each Director;
- Quarterly review of related party transactions and other related matters;

- Quarterly review of Complaints, if any, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- Quarterly details on frauds monitoring system;
- Noting of various returns/reports filed with the Regulatory Authorities/Stock Exchanges;
- Annual review of the Internal Audit Report/Action Taken Report provided by the Registrar and Share Transfer Agent.

Strategic Matters

- Reviewing and guiding the corporate strategy;
- Details of any acquisition or collaboration agreement;
- Sale of investment, subsidiaries or assets which are material in nature;
- Business Partnerships;
- New Products and Policies.

Operational Matters

- Business performance along with performance of subsidiaries;
- Annual operating plans and capital budgets;
- Regular business/function updates;
- Noting of RBI Inspection Report under Section 45N of the RBI Act, 1934;
- Change in signatories for various operational matters;
- Noting of quarterly report on customer grievance redressal;
- Quarterly update on Material Legal cases;
- Annual review/adoption/modification of Company Policies.

(e) Board Performance Evaluation:

In compliance with the provisions of the Act, the Listing Regulations, guidance note issued by SEBI on Board Evaluation and global best practices, the Company has a structured framework – process and questionnaires for the performance evaluation of the Board as a whole, its Committees and individual Directors including the Chairperson, Managing Director and Joint Managing Director, keeping in view the Board priorities and best practices. This performance evaluation is carried out annually on the basis of a structured questionnaire on performance criteria. During the year, the Directors participated in the evaluation process which included evaluation of the Board as a whole, Board Committees and individual Directors including the Chairperson, Managing Director and Joint Managing Director. The results of evaluation were discussed at the Independent Directors' meeting held on March 13, 2026, and the Board expressed its satisfaction with the evaluation process. The observations made during the evaluation process were noted and based on the outcome of the evaluation and feedback of the Directors, the Board and the Management agreed on various action points to be implemented in subsequent meetings.

The criteria for performance evaluation are as under:

For Chairperson:

The criteria for evaluation of Chairperson, *inter alia*, includes his leadership, his ability to conduct meetings, ability to elicit inputs from all the members, ability to table and openly discuss challenging matters, attendance at meetings, assistance to Board in formulating policies and setting standards, accessibility, ability to analyze strategic situations, ability to project positive image of the Company, compliance with regulatory requirements, impartiality in conducting discussions, sufficiently committed to the Board, ability to keep shareholders' interest in mind during discussions and decisions.

For Executive Directors:

The criteria for evaluation of Executive Directors, *inter alia,* includes their ability to elicit inputs from all members, ability to table and openly discuss challenging matters, attendance and participation at meetings, integrate quality and re- engineering, capitalize on opportunities created by economic and technological changes, provide assistance to the Board in formulating policies and setting standards and following them, accessibility, ability to analyze strategic situations, ability to project positive image of the Company, compliance with regulatory requirements, handling critical situations concerning the Company.

For Non-Executive Directors (including Independent Directors):

The criteria for evaluation of Non-Executive Directors, *inter alia*, includes attendance at the meetings, study of agenda, active and constructive participation and contribution in discussions on strategy in Committees of the Board, exercise of skills and diligence with due and reasonable care to bring independent judgment to the Board, ability to bring in best practices from experience and adherence to the Code of Conduct.

For Board as a whole:

The criteria for evaluation of the Board, *inter alia*, includes composition and diversity, induction program, teamwork, performance culture, risk management and financial controls, integrity, credibility, trustworthiness, active and effective participation by members of the Board, proper mix of competencies and enough experience to conduct affairs effectively.

Committees of the Board:

The criteria for evaluation of the Committees of the Board, *inter alia*, includes effectiveness in fulfilling functions assigned by the Board, appropriateness of structure of various Committees, level of frequency and adequacy of meetings, meaningful and comprehensive discussion and effectiveness of the recommendations of Committees and contribution thereof to the decisions of the Board.

(f) Meeting of the Independent Directors:

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out its own annual performance evaluation, the Directors individually including Independent Directors based on the criteria and framework adopted by the Board. The Board approved the evaluation results as collated by the NRC.

In compliance with the provisions of section 149(8) read with Schedule IV of the Act and Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors of the Company was held on March 13, 2026, *inter alia*, to discuss and review:

- the performance of Non- Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company, taking into views of executive and non-executive directors;
- quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(g) Familiarization Programme for Independent Directors:

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has put in place a Familiarization Program for Independent Directors to familiarize them with the working of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates, its business model, etc. The same may be accessed on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2026-04/Familiarization_Programme_of_ID_2025-26.pdf

Further, there are detailed discussions and presentations on the review of operations of the Company and the regulatory updates impacting the business which helps the Directors familiarize themselves with the Company, its business, and the regulatory framework in which the Company operates.

(h) Meetings of the Board/Committee:

Frequency: The Board meets at least once a quarter to review the quarterly financial results and other agenda items. A minimum of four meetings of the Board are held in a calendar year with a maximum gap of 120 days between two consecutive meetings.

The Audit Committee meets at least four times a year with a maximum gap of 120 days between two consecutive meetings, the NRC meets at least once in a financial year, the SRC meets at least once in a financial year and the RMC meets at least twice in a financial year. In case of business exigencies or matter of urgency, resolutions are passed by circulation, as permitted by law, which are noted at the subsequent Board/Committee Meeting.

Board/Committee Meeting Location: The location of the Board/Committee Meetings is informed well in advance to all the Directors. Each Director is expected to attend the Board/Committee Meetings. In accordance with the statutory provisions, exemptions and relaxations provided by Ministry of Corporate Affairs, the Board and Committee meetings are held in physical mode and through video conferencing.

Notice and Agenda distributed in advance: The Board/ Committee Members are presented with detailed notes along with the agenda papers which are circulated well in advance of the Meeting. The Company has implemented an app- based e-meeting system accessible through secured iPads provided to the Directors. The agenda, presentation, notes, and minutes are made available to the Board and Committee Members well in advance of the meetings to enable informed discussions and effective decision-making. All material information is incorporated in the Agenda for facilitating meaningful and focused discussions at the Meeting. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.

Presentations by Management: Presentations are made in the Board/ Committees, wherever practicable, covering finance, sales, marketing, major business segments and operations of the Company, business opportunities, business strategy, risk management practices and operating performance of the Company while taking on record the financial results of the Company.

Access to officers and employees: The Directors are provided free access to officers and employees of the Company. Whenever any need arises, the Board/ Committee Members are at liberty to summon the personnel whose presence and expertise would help the Board/Committee to have a full understanding of the issues being considered.

(i) Information Supplied to the Board/Committees:

Among others, information supplied to the Board/ Committees in terms of Part A of Schedule II of the Listing Regulations includes:

- Annual Budget and updates thereof;
- Quarterly, half yearly and annual results of the Company as per the format prescribed in the Listing Regulations;
- Minutes of the Meetings of the Board and all other Committees of the Board;
- The information on recruitment and remuneration of senior management below the Board level, including the appointment or removal, if any, of Chief Financial Officer and Company Secretary & Compliance Officer;
- Status of important/material litigations;
- Show cause, demand, prosecution and penalty notices, if any, which are materially important;
- Any material default in financial obligations to and by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards royalty, goodwill, brand equity or intellectual property;
- Any significant development in Human Resources/ Industrial Relations front, as and when it occurs;
- Sale of investments, subsidiaries, assets which are material in nature and not in the normal course of business;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders' service, such as non-payment of dividends, delay in share transfer, if any, and other steps taken by the Company to rectify instances of non-compliances, if any.

(j) Minutes of the Meetings:

The draft minutes of the proceedings of the Board/ Committee Meetings are circulated to the members of the Board/ Committees. Comments and suggestions, if any, received from the Board/ Committee members are incorporated in the minutes, in consultation with the Chairperson of the Board/Committee. The minutes are confirmed by the Directors/ members and signed by the Chairperson of such meeting at any time before the next meeting is held or by the Chairperson of the next Board/ Committee Meeting.

(k) Post meeting follow-up mechanism:

The Company has an effective post meeting follow-up review and reporting process for the decisions taken/ suggestions provided by the Board and Committee(s) thereof. The important decisions taken/suggestions provided at the Board/ Committee Meetings, which call for actions to be taken, are promptly initiated and wherever required, communicated to the concerned departments/divisions for their further action. The Action Taken Report is placed at the quarterly meeting of the Board/Committee for information and review by the Board/Committee.

(l) Confirmation of Independence:

The maximum tenure of the Independent Directors is in compliance with the Act and the Listing Regulations. All the Independent Directors have confirmed that they meet the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and have submitted the declaration under Section 149(7) of the Act. Based on the disclosures received from the Independent Directors, it is hereby confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act and Listing Regulations and are independent of the management and are also in compliance with the limit on Independent Directorship of listed companies as prescribed under Regulation 17A of the Listing Regulations.

3. BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and are being set out to deal with specific areas / activities which concern the Company and need a closer review. They are set up under the formal approval of the Board to carry out their clearly defined roles. The Board supervises the execution of its responsibilities by the Committees and is responsible for their actions.

Keeping in view the requirements of the Act as well as the Listing Regulations, the Board has approved the terms of reference of the various committees which set forth the purposes, goals and responsibilities of the Committees. All observations, recommendations and decisions of the Committees are placed before the Board for it's information and / or for approval.

The composition of the Committees along with their terms of reference as on March 31, 2026, are as under:

a) Audit Committee:

The Audit Committee is constituted in accordance with the Act, Listing Regulations and RBI NBFC Governance Directions. It comprises of four (4) members, all of whom are Independent Directors. The Composition of Committee as on March 31, 2026, as follows:

Name of the Member	Category of Member	Designation
Mr. Nihar Niranjan Jambusaria	Independent Director	Chairperson
Mr. Bibhu Prasad Kanungo	Independent Director	Member
Mr. Ramakrishnan Subramanian	Independent Director	Member
Ms. Nirma Anil Bhandari	Independent Director	Member

All the Members of the Audit Committee are financially literate and possess thorough knowledge of the financial service industry.

During the year under review, the Committee was re-constituted effective July 14, 2025, by the Board. The composition of the Audit Committee is in conformity with the applicable provisions of the Act and Listing Regulations.

The scope of the Audit Committee includes the references made under Regulation 18 read with Part C of Schedule II of the Listing Regulations as well as Section 177 and other applicable provisions of the Act and RBI NBFC Governance Directions. The broad terms of reference of the Audit Committee are:

(i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) 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 Directors' Responsibility Statement to be included in the Boards' 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 with reasons for the same;

c) Major accounting entries involving estimates based on the exercise of judgment by the 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.

(v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(vi) 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(vii) Review and monitor the auditor's independence and performance, and effectiveness of the audit process;

(viii) Approval or any subsequent modification of transactions of the Company with related parties;

(ix) Scrutiny of inter-corporate loans and investments;

(x) Valuation of undertakings or assets of the Company, wherever it is necessary;

(xi) Evaluation of internal financial controls and risk management systems;

(xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xiii) 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;

(xiv) Discussion with internal auditors of any significant findings and follow up thereon;

(xv) 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 or a material nature and reporting the matter to the board;

(xvi) 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;

(xvii) To look 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;

(xviii) To review the functioning of the Whistle Blower Mechanism;

(xix) Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

(xxi) Reviewing the utilization of loans and/or advances from/investment by the Company in its subsidiaries exceeding 100 Crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/ advances/investments;

(xxii) Reviewing the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Management letters/letters of internal control weaknesses issued by the statutory auditors;

c) Internal audit reports relating to internal control weaknesses;

d) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

e) Statement of deviations:

i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1).

ii. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

(xxiii) Consider and comment on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

(xxiv) Responsibility under Risk Based Internal Audit pursuant to RBI Circular dated February 03, 2021:

a) Primarily responsible for overseeing the IA function

b) Approve RBIA Policy defining purpose, authority & responsibility with demarcating roles & responsibilities for IA & Risk Management function

c) Approve RBIA plan ensuring coverage of all risks with defined timelines

d) Review of audit function at least annually

e) Promote use of new audit technologies /tools

f) Periodic review of the RBIA policy

g) Developing an effective audit function for providing quality assurance on the internal control mechanism

h) Understanding the risk assessment methodology and approving the audit plan

i) Ensuring the adequate audit coverage to monitor compliance with policies and procedures

j) Approving the audit charter

k) Receiving the audit reports and deliberating on action plans to enhance the internal control environment

l) Discussing status of (key) open issues from the previous audits and remediation action steps taken by the management

m) Assessing the performance of IAF. The AC should also periodically assess the performance of risk-based internal audits for their reliability, accuracy and objectivity

n) Review the findings identified in the RBI Inspection report and other regulatory inspections (SEBI/ Audit/Exchange Audit) and follow up on corrective actions

o) Review the key findings in the monthly Concurrent Audit Reports

p) Review the key audit findings with the entity Audit Committees; analyze potential impact and remediation plans

q) To formulate and maintain a quality assurance and improvement program that covers all aspects of the internal audit function

During the year under review, the Audit Committee met Five (5) times, as below:

May 7, 2025[1]	July 29, 2025[2]	October 29, 2025[3]
January 21, 2026[4]	February 9, 2026	

[1]This meeting was adjourned to May 8, 2025

[2]This meeting was adjourned to July 30, 2025

[3]This meeting was adjourned to October 30, 2025

[4]This meeting was adjourned to January 22, 2026.

The requisite quorum was present at all the meetings. The gap between two consecutive Audit Committee meetings was not more than 120 days.

The constitution of the Audit Committee and details of attendance of each member of the Committee at the aforesaid meeting(s) of the Committee are as follows:

Name of the Member	Member of Committee since	Designation	Category	No. of Committee Meetings entitled to attend	No. of Committee Meetings attended
Mr. Nihar Niranjan Jambusaria	April 1, 2024	Chairperson	Independent Director	5	5
Mr. Bibhu Prasad Kanungo	July 14, 2025	Member	Independent Director	4	4
Mr. Ramakrishnan Subramanian	April 28, 2022	Member	Independent Director	5	5
Ms. Nirma Anil Bhandari	October 23, 2024	Member	Independent Director	5	4
Mr. Arun Kumar Purwar*	April 1, 2024	Member	Non-Executive Director	1	1

*Mr. Arun Kumar Purwar ceased to be a Director of the Company w.e.f. July 18, 2025 and consequently ceased to be a member of the Committee.

Audit Committee meetings are attended by the Chief Financial Officer of the Company and representatives of Statutory Auditors and Internal Auditors, if required. The Company Secretary acts as the Secretary to the Audit Committee.

The Chairperson of the Audit Committee was present at the last AGM of the Company held on July 18, 2025.

During the year under review, the Audit Committee reviewed the internal controls put in place to ensure that the accounts of the Company are properly maintained and are in accordance with the prevailing Laws and Regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the Internal Control system of the Company.

The Company has an Internal Audit Department co-sourced with professional firms of Chartered Accountants. The Internal Auditor reports directly to the Audit Committee of the Board.

During the year under review, the Committee met and discussed various matters including financials, internal and statutory audit report. The Board of the Company accepted all the recommendations of the Audit Committee.

b) Nomination and Remuneration Committee (NRC):

The NRC is constituted in accordance with the Act, Listing Regulations and RBI NBFC Governance Directions. It comprises of three (3) Members, all of whom are Independent Directors as on March 31, 2026, as follows:

Name of the Member	Category of Member	Designation
Mr. Nihar Niranjan Jambusaria	Independent Director	Chairperson
Mr. Bijou Kurien	Independent Director	Member
Mr. Bibhu Prasad Kanungo	Independent Director	Member

During the year under review, the Committee was re-constituted effective July 14, 2025, by the Board. The composition of the NRC is in conformity with the applicable provisions of the Act, Listing Regulations and RBI NBFC Governance Directions.

The scope of the NRC includes the references made under Regulation 19 read with Part D of Schedule II of the Listing Regulations as well as Section 178 and other applicable provisions of the Act besides other terms that may be referred by the Board and RBI NBFC Governance Directions. The broad terms of reference of NRC, as amended from time to time, are:

i. Succession planning of the Board of Directors and Senior Management Employees;

ii. Identifying and selection of candidates for appointment as Directors/ Independent Directors based on certain laid down criteria;

iii. Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;

iv. Formulate, review and implement from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;

v. Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, it also ensures that the relationship of remuneration to performance is clear, that the performance meets the appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay, reflecting the short- term and long- term objectives of the Company;

vi. Devising a policy on diversity of board of directors;

vii. Administer, monitor and formulate detailed terms and conditions of the employees' stock option scheme;

viii. Recommend to the Board, all remuneration, in whatever form, payable to senior management;

ix. Ensure 'fit and proper' status of proposed/ existing directors as per RBI guidelines and there is no conflict of interest in appointment of Directors on Board of the Company, KMPs and Senior Management;

x. 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, at the time of every appointment of independent director. For the purpose of identifying suitable candidates:

   a) may use the services of an external agencies, if required;

   b) may consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c) may consider the time commitments of the candidates.

xi. Ensure that the compensation levels of Key Managerial Personnel and Senior Management are supported by the need to retain earnings of the Company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process;

xii. Grant, vest and allot equity shares pursuant to the Employee Stock Option Plan(s) and to do all such acts, deeds, matters and things as may be incidental or ancillary thereto, including execution of documents and filings.

xiii. Such other matters as may be delegated to the Committee by the Board of Directors or mandated by applicable regulatory authorities and statutory regulations from time to time.

During the year under review, NRC met Five (5) times, as below:

May 8, 2025	June 19, 2025	July 30, 2025
October 30, 2025	December 19, 2025	

The requisite quorum was present at all the meetings.The constitution of the NRC and details of attendance of each Member of the Committee at the aforesaid Meeting(s) of the Committee are as follows:

Name of the Member	Member of Committee since	Designation	Category	No. of Committee Meetings entitled to attend	No. of Committee Meetings attended
Mr. Nihar Niranjan Jambusaria	May 21, 2024	Chairperson	Independent Director	5	5
Mr. Bibhu Prasad Kanungo	July 14, 2025	Member	Independent Director	3	3
Mr. Bijou Kurien	April 1, 2024	Member	Independent Director	5	5
Mr. Arun Kumar Purwar*	April 1, 2024	Member	Non-Executive Director	2	2

* Mr. Arun Kumar Purwar ceased to be a Director of the Company w.e.f. July 18, 2025 and consequently ceased to be a member of the Committee.

During the year under review, the NRC also approved matters relating to allotment of stock option(s), through circular resolutions. The Company Secretary acts as the Secretary to the NRC.

The Chairperson of the NRC was present at the last AGM of the Company held on July 18, 2025.

The Board has approved the Nomination and Remuneration Policy of the Company, which sets out the guiding principles for the appointment & remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The same may be accessed on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2024-04/Nomination_and_Remuneration_Policy_26042024.pdf.

(i) Details of remuneration paid to Directors during FY 2025-26 and details of shares and convertible instruments held by Directors as on March 31, 2026 are as follows:

Name of the Director	Category of Director	Salary and perquisites (in ₹)	Commission (in ₹) 2025-26	Sitting Fees (in ₹)	Contribution to PF and other funds, Gratuity (in ₹)	Stock options	No. of Equity Shares held in the Company
Mr. Nirmal Bhanwarlal Jain	Managing Director	14,69,05,200**	-	-	-	-	5,34,40,570
Mr. R Venkataraman	Joint Managing Director	-	-	-	-	-	1,23,01,441
Mr. Bibhu Prasad Kanungo	Chairperson & Independent Director	-	60,00,000	18,50,000	-	-	-
Mr. Ramakrishnan Subramanian	Independent Director	-	20,00,000	24,30,000	-	-	-
Mr. Bijou Kurien	Independent Director	-	20,00,000	18,70,000	-	-	-
Mr. Nihar Niranjan Jambusaria	Independent Director	-	20,00,000	24,20,000	-	-	-
Ms. Nirma Anil Bhandari	Independent Director	-	20,00,000	19,30,000	-	-	-
Mr. Gopalakrishnan Soundarajan	Non-Executive Director	-	-	-	-	-	-
Mr. Tritala Subramanian Ramakrishnan	Non- Executive Nominee Director	-	-	7,00,000	-	-	-
Mr. Arun Kumar Purwar*	Chairperson & Non-Executive Director	-	60,00,000	4,30,000	-	-	1,06,390

*Mr. Arun Kumar Purwar ceased to be a Director of the Company w.e.f. July 18, 2025.

**Except Actuarial Value and Notional Gain as per Income Tax Act.

The term of office of the Managing Director and Joint Managing Director is for five (5) years from the date of their respective appointments. This employment shall be deemed to be terminated on the occurrence of death, expiration of tenure, permanent disability or resignation, the notice period of which is as per the Company's policy.

In the event of termination for any reasons specified above, except expiration of tenure and resignation, the nominee of the Managing Director shall be entitled to receive a lump sum severance payment, a sum equal to five (5) times of the annual salary.

Mr. R Venkataraman, Joint Managing Director of the Company, was appointed as the Managing Director of IIFL Capital Services Limited (formerly known as IIFL Securities Limited), an IIFL group Company, w.e.f. March 22, 2025, and draws entire remuneration from IIFL Capital Services Limited (formerly known as IIFL Securities Limited) and not drawing any remuneration from the Company.

(ii) Remuneration to Non-Executive Directors including Independent Directors and criteria thereof:

The Non-Executive Directors including Independent Directors are paid remuneration by way of sitting fees, commission and other expenses (travelling, boarding and lodging incurred for attending the Board/Committee meetings), as determined by the Board.

During the year under review, the Non-Executive Directors including Independent Directors were paid sitting fees of ₹1,00,000 per meeting for attending Board and Audit Committee Meetings and ₹50,000 per meeting for other Committee Meetings except Corporate Social Responsibility Committee, plus reimbursement directly related to the actual travel and out-of-pocket expenses, if any, incurred by them.

Apart from the above, Non-Executive Directors including Independent Directors of the Company (i.e., Directors other than the Managing Director and/or Whole Time Directors) are eligible for a commission as approved by the Members of the Company at the AGM held on June 30, 2021. The amount of the commission is based on the overall financial performance of the Company and the Board.

Pursuant to the provisions of Section 149(9) of the Act and Regulation 17(6)(d) of the Listing Regulations, an Independent

Director shall not be entitled to any stock option. In compliance with the above provisions, the Company has not granted any employee stock options to any of the Directors. There are no pecuniary relationships or transactions of the Non-Executive Directors with the Company apart from sitting fees and commission as mentioned above.

In terms of provisions of Regulation 25(10) of the Listing Regulations, the Listed Entity shall undertake Directors and Officers insurance for all their Independent Directors. In compliance with the above provision, the Company has obtained a Directors and Officers Liabilities Insurance Policy covering all Directors and Officers of the Company in respect of any legal action that might be initiated against any of them. The Policy on the same is available on Company's website at https://storage.googleapis.com/iifl-finance-storage/files/2024-04/Nomination_and_Remuneration_Policy_26042024.pdf

c) Stakeholders Relationship Committee (SRC):

The SRC is constituted in accordance with the Act and Listing Regulations. It comprises of three (3) Members, out of which two (2) are Independent Directors and one (1) is Executive Director as on March 31, 2026, as follows:

Name of the Member	Category of Member	Designation
Mr. Bijou Kurien	Independent Director	Chairperson
Mr. Bibhu Prasad Kanungo	Independent Director	Member
Mr. R Venkataraman	Executive Director	Member

During the year under review, the Committee was re-constituted effective July 14, 2025, by the Board. The composition of the SRC is in conformity with the applicable provisions of the Act and Listing Regulations.

The scope of the SRC includes the references made under Regulation 20 read with Part D of Schedule II of the Listing Regulations as well as Section 178 and other applicable provisions of the Act besides the other terms that may be referred to by the Board. The broad terms of reference of the SRC are as follows:

i. Approval of transfer/transmission of shares/ debentures and such other securities as may be issued by the Company from time to time;

ii. Approval to issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;

iii. Approval to issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates/ certificates relating to other securities;

iv. Approval to issue and allot Rights Shares/ Bonus Shares pursuant to a Rights shares/ Bonus shares made by the Company, subject to such approvals as may be required;

v. To approve and monitor the dematerialization of shares/ debentures/other securities and all matters incidental or related thereto;

vi. Monitoring expeditious redressal of investors/ stakeholders grievances;

vii. Review of measures taken for effective exercise of voting rights by shareholders;

viii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

ix. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/ warrants/annual reports/statutory notices by the shareholders of the Company;

x. All other matters incidental or related to shares, debentures, and other securities of the Company.

In compliance with the SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, the Company has registered itself under Online Dispute Resolution Portal. During the year under review, twenty-five (25) complaints were received by the Company from equity holders as well as holders of non - convertible debentures ("Investors") including complaints received through SEBI's SCORES portal. Complaints were redressed to the satisfaction of the investors. The details of the Complaints are as follows:

Sr. No.	Particulars	No. of Complaints
1.	Investor complaints pending at the beginning of the year	0
2.	Investor complaints received during the year	25
3.	Investor complaints disposed off during the year	20
4.	Investor complaints remaining unresolved at the end of the year	5

No pledge has been created over the equity shares held by the Promoters as on March 31, 2026, and a declaration under Regulation 31(4) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 was provided by the Promoter & Promoter Group along with their Persons Acting in Concert ("PAC") to the Audit Committee and Stock Exchanges.

The Chairperson of the SRC was present at the last AGM of the Company held on July 18, 2025.

During the year under review, the SRC met once (1) on October 29, 2025. The requisite quorum was present at the meeting.

The constitution of the SRC and details of attendance of each member of the Committee at the aforesaid Meeting(s) of the Committee are as follows:

Name of the Member	Member of Committee since	Designation	Category	No. of Committee Meetings entitled to attend	No. of Committee Meetings attended
Mr. Bijou Kurien	May 21, 2024	Chairperson	Independent Director	1	1
Mr. R Venkataraman	January 27, 2005	Member	Executive Director	1	1
Mr. Bibhu Prasad Kanungo	July 14, 2025	Member	Independent Director	1	1
Mr. Arun Kumar Purwar*	April 1, 2024	Member	Non-Executive Director	0	0

*Mr. Arun Kumar Purwar ceased to be a Director of the Company w.e.f. July 18, 2025 and consequently ceased to be a member of the Committee.

The Company Secretary acts as Secretary to the SRC.

The name, designation, address and contact details of the Company Secretary & Compliance Officer of the Company are as under:

Name and Designation	Mr. Samrat Sanyal, Company Secretary & Compliance Officer
Corporate Office Address	802, 8th Floor, Hubtown Solaris, N. S. Phadke Marg, Vijay Nagar, Andheri East, Mumbai – 400069
Contact Details	Tel: +91 22 6788 1000; Fax: +91 22 6788 1010 E-mail: csteam@iifl.com

Complaints or queries relating to the shares and/or debentures can be forwarded to the Company's Registrar and Share Transfer Agent – MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) at https://web.in.mpms.mufg.com/helpdesk/Service_Request.html

d) Corporate Social Responsibility (CSR) Committee:

The CSR Committee is constituted in accordance with provisions of Section 135 of the Act. It comprises of three (3) Members out of which two (2) are Independent Directors and one (1) is Executive Director as on March 31, 2026 as follows:

Name of the Member	Category of Member	Designation
Mr. Bijou Kurien	Independent Director	Chairperson
Mr. Nihar Niranjan Jambusaria	Independent Director	Member
Mr. R Venkataraman	Executive Director	Member

The composition of CSR Committee is in conformity with the applicable provisions of the Act.

The broad terms of reference of CSR Committee are as follows:

i. To operate the Corporate Social Responsibility Committee constituted by the Board of Directors in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, including compliance with applicable composition, quorum and meeting requirements, and to ensure, to the extent practicable, appropriate expertise within the Committee in areas relating to corporate social responsibility or social sector governance.

ii. To formulate and recommend the Corporate Social Responsibility Policy to the Board of Directors in alignment with Schedule VII to the Companies Act, 2013.

iii. To recommend to the Board of Directors the annual expenditure to be incurred on CSR activities in accordance with the provisions of the Companies Act, 2013.

iv. To formulate and recommend to the Board of Directors the Annual Action Plan for CSR activities for the Board's approval.

v. To monitor the implementation of the Corporate Social Responsibility Policy, the Annual Action Plan and approved CSR projects, including progress of activities, utilisation of funds and compliance with applicable statutory requirements.

vi. To review the eligibility and compliance status of implementing agencies in accordance with applicable law and to recommend eligible implementing agencies to the Board of Directors.

vii. To recommend and review impact assessments for eligible CSR projects, wherever applicable, and to place the same before the Board of Directors.

viii. To monitor unspent CSR amounts, ongoing projects and statutory transfers in accordance with applicable law.

ix. To ensure that all CSR disclosures, reports and website disclosures required under applicable law are compiled and placed before the Board of Directors for approval and disclosure.

x. To ensure that CSR funds are utilised only for permissible CSR activities and are not applied towards excluded activities.

xi. To recommend CSR related matters to the Board of Directors, noting that the Board of Directors retains final authority for approval, oversight and statutory compliance.

xii. To record that the Committee shall discharge its responsibilities based on information and reports placed before it by the management and implementing agencies, and that the execution and operational management of CSR projects shall remain the responsibility of the management.

xiii. To perform such other CSR related functions as may be required under the Companies Act, 2013, the CSR Rules or as may be delegated by the Board of Directors, in accordance with applicable law.

During the year under review, CSR met two (2) times, as below:

April 24, 2025	March 23, 2026

The requisite quorum was present at both the meetings.

The constitution of the CSR Committee and details of attendance of each Member of the Committee at the aforesaid Meeting(s) of Committee are given below:

Name of the Member	Member of Committee since	Designation	Category	No. of Committee Meetings entitled to attend	No. of Committee Meetings attended
Mr. Bijou Kurien	May 21, 2024	Chairperson	Independent Director	2	2
Mr. Nihar Niranjan Jambusaria	April 1, 2024	Member	Independent Director	2	2
Mr. R Venkataraman	March 29, 2014	Member	Executive Director	2	1

The Company Secretary acts as the Secretary to the CSR Committee.

e) Risk Management Committee (RMC):

The RMC is constituted in accordance with Listing Regulations and RBI NBFC Governance Directions. It comprises of Six (6) Members out of which four (4) are Independent Directors, one (1) is Executive Director and one (1) is Chief Risk Officer as on March 31, 2026 as follows:

Name of the Member	Category of Member	Designation
Mr. Nihar Niranjan Jambusaria	Independent Director	Chairperson
Mr. R Venkataraman	Executive Director	Member
Mr. Bibhu Prasad Kanungo	Independent Director	Member
Mr. Ramakrishnan Subramanian	Independent Director	Member

Name of the Member	Category of Member	Designation
Ms. Nirma Anil Bhandari	Independent Director	Member
Mr. Rahul Sanklecha	Chief Risk Officer	Member

During the year under review, the Committee was re-constituted effective July 14, 2025 and November 1, 2025 by the Board. The composition of RMC is in conformity with the applicable provisions of the Act.

The scope of the RMC includes the references made under Regulation 21 read with Part D of Schedule II of the Listing Regulations besides the other terms that may be referred by the Board and RBI NBFC Governance Directions. The broad terms of reference of the RMC are as follows:

i. Reviewing risks including cyber security and evaluating the treatment including initiating mitigation actions;

ii. To monitor and review the overall risk management plan of the Company including liquidity risk;

iii. To ensure there is an embedded, robust process in place throughout the Company to identify, assess, mitigate and report business risks with clear lines of ownership;

iv. To drive and co-ordinate risk management process covering all areas of risk (including operational, strategic, financial, commercial, regulatory, reputational etc.);

v. To ensure that the business risk strategy and management processes comply with applicable regulatory requirements and corporate governance principles;

vi. To ensure that the business risk management principles and processes are widely understood across the Company through adequate induction, training and awareness programs;

vii. To periodically monitor and review the Company's key business risks and risk mitigation plans, and advise the Board of business risks which could materially impact the Company's delivery of its business plans, strategy, and reputation, if left untreated;

viii. To monitor external developments in the business environment which may have an adverse impact on Company's risk profile, and make recommendations, as appropriate;

ix. To sponsor specialist reviews of key risk areas as appropriate;

x. To report to the Board on key risks, risk management performance and the effectiveness of internal controls;

xi. To constitute operating risk management committee and delegate such powers to it as may be deemed necessary;

xii. To formulate a detailed risk management policy which shall include:

   a) A framework for identification of internal and external risks specifically faced by the company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

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

   c) Business continuity plan.

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

xiv. To monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of risk management systems;

xv. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

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

xvii. To review the appointment, removal and terms of remuneration of the Chief Risk Officer, if any.

xviii. To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it required.

xix. Any other matter as may be mandated/ referred by the Authority/Board.

During the year under review, the RMC met four (4) times, as below:

June 27, 2025	September 24, 2025
October 30, 2025	December 15, 2025

The requisite quorum was present at the meetings.

The Company Secretary acts as the Secretary to the RMC.

The constitution of the RMC and details of attendance of each Member of the Committee at the aforesaid Meeting(s) of the Committee are given below:

Name of the Member	Member of Committee since	Designation	Category	No. of Committee Meetings entitled to attend	No. of Committee Meetings attended
Mr. Nihar Niranjan Jambusaria	April 1, 2024	Chairperson	Independent Director	4	4
Mr. Ramakrishnan Subramanian	April 28, 2022	Member	Independent Director	4	4
Ms. Nirma Anil Bhandari	October 23, 2024	Member	Independent Director	4	3
Mr. R Venkataraman	June 19, 2020	Member	Executive Director	4	3
Mr. Bibhu Prasad Kanungo	July 14, 2025	Member	Independent Director	3	3
Mr. Pranav Dholakia*	July 27, 2023	Member	Chief Risk Officer	3	3
Mr. Rahul Sanklecha	November 01, 2025	Member	Chief Risk Officer	1	1

* Mr. Pranav Dholakia ceased to be a Member of the Committee w.e.f. November 01, 2025.

f) Asset Liability Management Committee (ALCO):

The ALCO is constituted in accordance with RBI NBFC Governance Directions. It comprises of six (6) Members out of which two (2) are Independent Directors, one (1) is an Executive Director, one (1) is Chief Financial Officer, one (1) is Chief Risk Officer and one (1) is Head - Treasury, respectively as on March 31, 2026, as follows:

Name of the Member	Category of Member	Designation
Mr. R Venkataraman	Executive Director	Chairperson
Mr. Bibhu Prasad Kanungo	Independent Director	Member
Mr. Ramakrishnan Subramanian	Independent Director	Member
Mr. Kapish Jain	Chief Financial Officer	Member
Mr. Rahul Sanklecha	Chief Risk Officer	Member
Mr. Govind Modani	Head – Treasury	Member

During the year under review, the ALCO was re-constituted effective July 14, 2025, and November 1, 2025 by the Board.

The composition of ALCO is in conformity with the RBI NBFC Governance Directions.

The scope of the ALCO includes the references made under RBI NBFC Governance Directions. The broad terms of reference of the ALCO are as follows:

i. Ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and decided risk management objectives;

ii. Prepare forecasts (simulations) showing the effects of various possible changes in market conditions related to the balance sheet and recommend the action needed to adhere to Company's internal limits;

iii. Ensure that the Company operates within the limits/ parameters set by the Board;

iv. ALCO would also articulate the current interest rate view of the Company and base its decisions for future business strategy on this view;

v. Measuring and managing liquidity needs and ensuring the Company's ability to meet its liabilities as they become due, liquidity management can reduce the probability of an adverse situation developing;

vi. Present to the Board statement of assets and liabilities;

vii. Update Board on various assets and securitization of mortgage loans, and gold loans;

viii. Recommending the Board about the viable source of finance to cater to the fund requirements of the Company;

ix. Such other matters as may be delegated to the Committee by the Board of Directors or mandated by applicable regulatory authorities and statutory regulations from time to time.

During the year under review, the ALCO met four (4) times, as below:

June 06, 2025	September 15, 2025
December 19, 2025	March 17, 2026

The requisite quorum was present at the meetings.

The constitution of the ALCO and details of attendance of each Member of the Committee at the aforesaid Meeting(s) of Committee are given below:

Name of the Member	Member of Committee since	Designation	Category	No. of Committee Meetings entitled to attend	No. of Committee Meetings attended
Mr. R Venkataraman	March 12, 2020	Chairperson	Executive Director	4	3
Mr. Bibhu Prasad Kanungo	July 14, 2025	Member	Independent Director	3	3
Mr. Arun Kumar Purwar*	April 28, 2022	Member	Independent Director	1	1
Mr. Ramakrishnan Subramanian	April 28, 2022	Member	Independent Director	4	4
Mr. Kapish Jain	October 26, 2022	Member	Chief Financial Officer	4	4
Mr. Pranav Dholakia**	July 27, 2023	Member	Chief Risk Officer	2	2
Mr. Rahul Sanklecha	November 01, 2025	Member	Chief Risk Officer	2	2
Mr. Govind Modani	January 29, 2021	Member	Head – Treasury	4	4

*Mr. Arun Kumar Purwar ceased to be a Director of the Company w.e.f. July 18, 2025 and consequently ceased to be a member of the Committee.

** Mr. Pranav Dholakia ceased to be a Member of the Committee w.e.f. November 01, 2025.

The Company Secretary acts as the Secretary to the ALCO.

g) IT Strategy Committee (ITSC):

The ITSC is constituted in accordance with the RBI Master Direction on Information Technology Governance, Risk, Controls, and Assurance Practices. As of March 31, 2026, the Committee comprises of five (5) members, including three (3) Independent Directors, the Chief Technology Officer, and the Chief Risk Officer. The Committee also have one (1) permanent invitee.

Name of the Member	Category of Member	Designation
Ms. Nirma Anil Bhandari	Independent Director	Chairperson
Mr. Bijou Kurien	Independent Director	Member
Mr. Ramakrishnan Subramanian	Independent Director	Member
Mr. Rahul Sanklecha	Chief Risk Officer	Member
Mr. Gaurav Sharma	Chief Technology Officer	Member
Mr. Kailash Gaonkar	Chief Information Security Officer	Permanent Invitee

During the year under review, the ITSC was re-constituted effective May 8, 2025, November 1, 2025, December 19, 2025, and January 23, 2026 by the Board. The composition of ITSC is in conformity with RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices.

The scope of the ITSC includes the references made under RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices. The broad terms of reference of the ITSC are as follows:

i. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;

ii. Ascertaining that management has implemented processes and practices that ensure the IT delivers value to the business;

iii. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;

iv. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;

v. Ensuring proper balance of IT investments for sustaining the NBFC's growth and becoming aware about exposure towards IT risks and controls;

vi. Instituting an appropriate governance mechanism for outsourced processes, comprising of risk based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end-to-end manner;

vii. Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;

viii. Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements;

ix. Undertaking a periodic review of outsourcing strategies and all existing material outsourcing arrangements;

x. Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;

xi. Periodically reviewing the effectiveness of policies and procedures;

xii. Communicating significant risks in outsourcing to the the NBFC's Board on a periodic basis;

xiii. Ensuring an independent review and audit in accordance with approved policies and procedures;

xiv. Ensuring that contingency plans have been developed and tested adequately;

xv. Ensuring that the business continuity preparedness is not adversely compromised on account of outsourcing;

xvi. To work in partnership with other Board committees and Senior Management to provide inputs to them. It will also carry out review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance;

xvii. Any other matter as may be mandated/referred by the Authority/Board.

During the year under review, the ITSC met four (4) times, as below:

June 27, 2025	September 26, 2025
December 18, 2025	March 20, 2026

The requisite quorum was present at the meetings.

The constitution of the ITSC and details of attendance of each Member of the Committee at the aforesaid Meeting(s) of Committee are given below:

Name of the Members	Member of Committee since	Designation	Category	No. of Committee Meetings entitled to attend	No. of Committee Meetings attended
Ms. Nirma Anil Bhandari	September 18, 2024	Chairperson	Independent Director	4	3
Mr. Bijou Kurien	April 01, 2024	Member	Independent Director	4	4
Mr. Ramakrishnan Subramanian	April 28, 2022	Member	Independent Director	4	4
Mr. Pranav Dholakia*	July 27, 2023	Member	Chief Risk Officer	2	2
Mr. Rahul Sanklecha	November 01, 2025	Member	Chief Risk Officer	2	1
Mr. Gaurav Sharma	July 27, 2022	Member	Chief Technology Officer	4	4
Mr. Sameer Gadve**	May 1, 2024	Permanent Invitee	Chief Information Security Officer	3	2
Mr. Kailash Gaonkar	January 22, 2026	Permanent Invitee	Chief Information Security Officer	1	1

* Mr. Pranav Dholakia ceased to be a Member w.e.f. November 01, 2025.

** Mr. Sameer Gadve ceased to be a Member w.e.f. January 23, 2026.

The Company Secretary acts as the Secretary to the ITSC.

4. SENIOR MANAGEMENT

a. Particulars of Senior Management Personnel as on March 31, 2026:

Sr. No.	Name	Designation
1.	Mr. Kapish Jain	Chief Financial Officer
2.	Mr. Rahul Sanklecha	Chief Risk Officer
3.	Mr. Shivalingam A. Pillai	Chief Compliance Officer
4.	Mr. Samrat Sanyal	Company Secretary & Compliance Officer
5.	Mr. Mayank Sharma	Chief AI & Innovation Officer
6.	Ms. Preeti Kannan	Chief Human Resources Officer
7.	Mr. Gaurav Sharma	Chief Technology Officer
8.	Mr. Manav Verma	Chief Marketing Officer
9.	Mr. Manish Mayank	Business Head - Gold Loans
10.	Mr. Mahesh Mimani	Head Resolutions
11.	Ms. Kirti Timmanagoudar	Senior Vice President- Strategic Alliances
12.	Mr. Amlan Narendra Singh	Head of Operations & Customer Service
13.	Mr. Sourav Mishra	Head Corporate Communication
14.	Mr. Kailash Gaonkar	Chief Information Security Officer
15.	Mr. Binay Kumar Mishra	Head Legal
16.	Mr. Amit Sharma	Business Head - Unsecured Lending
17.	Mr. K S Praveen	Head – Internal Audit
18.	Mr. Sudhanshu Pareek	Head – Construction & Real Estate

b. Changes in Senior Management since the close of previous financial year:

Sr. No.	Name	Designation	Nature of change	Effective date
1.	Mr. Manish Mayank	Business Head- Gold Loans	Appointment	June 19, 2025
2.	Mr. Abhiram Bhattacharjee	Chief Operating Officer	Resignation	July 4, 2025
3.	Mr. Rupesh Samani	Head – Legal	Resignation	July 4, 2025
4.	Mr. Mayank Sharma	Chief AI & Innovation Officer	Re-designation	July 30, 2025
5.	Mr. K S Praveen	Head – Internal Audit	Appointment	July 30, 2025
6.	Mr. Binay Kumar Mishra	Head – Legal	Appointment	July 30, 2025
7.	Mr. Pranav Dholakia	Head – Construction & Real Estate	Re–designation	November 01, 2025
8.	Mr. Rahul Sanklecha	Chief Risk Officer	Appointment	November 01, 2025
9.	Mr. Sameer Gadve	Chief Information Security Officer	Resignation	January 22, 2026
10.	Mr. Kailash Gaonkar	Chief Information Security Officer	Appointment	January 23, 2026
11.	Mr. Pranav Dholakia	Head – Construction & Real Estate	Resignation	January 31, 2026
12.	Mr. Sudhanshu Pareek	Head – Construction & Real Estate	Appointment	February 01, 2026

5. PERIODIC REVIEW OF COMPLIANCES OF ALL APPLICABLE LAWS

The Company follows a system whereby all the Acts, Rules and Regulations applicable to the Company are identified and compliance with such Acts, Rules and Regulations are monitored by dedicated teams on a regular basis. Verification of the compliance with the major Acts, Rules and Regulations is carried out by external auditors/ lawyers/ consultants and their reports and implementation of their observations are reported to the Board/Audit Committee. In addition, the audit and verification plan and actual status thereof is reviewed by the Board/Audit Committee periodically. A consolidated compliance certificate based on the compliance status received from the Company and its respective subsidiaries/ associates in respect of various Acts, Laws, Rules, and Regulations applicable to the Company is placed before the Board on a regular basis for review. Necessary reports are also submitted to the various regulatory authorities as per the requirements, from time to time.

6. GENERAL BODY MEETINGS

a) AGM

The following table gives the details of the last three (3) AGMs of the Company:

Date of AGM	Mode/Venue	Time	Special Resolutions passed
July 18, 2025	Through Video Conferencing **Deemed Venue:** Registered office	11:30 a.m.	1. Approval of remuneration paid to Mr. Nirmal Jain (DIN: 00010535), Managing Director of the Company, for the Financial Year 2024–25, in terms of Section 197 read with Schedule V of the Companies Act, 2013. 2. Approval of appointment of Mr. Bibhu Prasad Kanungo (DIN: 07820090) as a Non-Executive Independent Director of the Company. 3. Approval of the issuance of Non-Convertible Securities on a private placement basis.
September 30, 2024	Through Video Conferencing **Deemed Venue:** Registered office	11:30 a.m.	1. To approve an offer or invitation to subscribe to non-convertible debentures to be issued on a private placement basis.
July 31, 2023	Through Video Conferencing **Deemed Venue:** Registered office	11:00 a.m.	1. To approve an offer or invitation to subscribe to non-convertible debentures on private placement basis. 2. To amend the Employee Stock Option Plan - 2008.

b) POSTAL BALLOT

During the year under review, One (1) Postal Ballot was conducted during the year, details of which are as follows:

The Special Resolutions mentioned below were passed through Postal Ballot on February 05, 2026.

Sr. No.	Resolution passed	Particulars	Voting percentage of shareholders participated	
			Favour (%)	Against (%)
1.	To consider and approve the enhancement of borrowing limits of the Company under section 180(1)(c) of the Companies Act, 2013.	Promoter and Promoter Group	100.00	0.00
		Public Institutions	96.78	3.22
		Public Non-Institutions	100.00	0.00
2.	To consider and approve the enhancement of limits under Section 180(1)(a) of the Companies Act, 2013.	Promoter and Promoter Group	100.00	0.00
		Public Institutions	96.78	3.22
		Public Non-Institutions	100.00	0.00

Scrutinizer for Postal Ballot:

Mr. Nilesh Shah, Partner, Nilesh Shah & Associates (Membership No. FCS 4554; CP No. 2631)

Date of Scrutinizer's Report: February 5, 2026

Date of passing the resolution: February 5, 2026

The scrutinizer's report for the above postal ballot has been placed on the Company's website and can be accessed at https://storage.googleapis.com/iifl-finance-storage/files/investor/newsroom/SE_Intimation_Reg_44%283%29_05022026.pdf and is also placed at the Registered Office of the Company. The resolution mentioned above was passed by the shareholders with the requisite majority in favour of the Company.

Procedure for Postal Ballot:

The postal ballot was carried out as per the provisions of Section 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and applicable circulars issued by the Ministry of Corporate Affairs from time to time.

Details of special resolution proposed to be transacted through Postal Ballot:

As on the date of this report, no special resolution is proposed to be conducted through postal ballot.

c) EXTRA ORDINARY GENERAL MEETING

During the year under review, an Extra Ordinary General Meeting of the Company was held on March 20, 2026, to conduct a special business through ordinary resolution. The details of resolution passed is as follows:

Date of EGM	Mode/Venue	Time	Resolutions passed
March 20, 2026	Through Video Conferencing **Deemed Venue:** Registered office	11:00 a.m.	Approval of Material Modification to the existing Material Related Party Transaction(s) with IIFL Home Finance Limited

7. DISCLOSURES

(i) Disclosure on significant Related Party Transactions that may have potential conflict with the interest of the Company at large:

The Company has put in place a Policy for Related Party Transactions ("RPTs") which has been approved by the Board. The Policy provides for the identification of RPTs, necessary approvals by the Audit Committee/Board/ Shareholders, reporting and disclosure requirements in compliance with the Act and Listing Regulations.

All transactions executed by the Company during the Financial Year with related parties were on arm's length basis and in the ordinary course of business. All such RPTs were placed before the Audit Committee for its approval, wherever applicable.

During the year under review, except the transactions approved by the shareholders, the Company has not entered into any material contract(s)/ arrangement(s)/ transaction(s) with related parties, which could be considered material in accordance with the Listing Regulations, sub- section (1) of Section 188 of the Act and the Policy of the Company on materiality of RPTs.

The Policy on the materiality of RPTs and dealing with RPTs as approved by the Board may be accessed on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2025-04/Policy_on_Related_Party_Transactions_23042025.pdf . Refer Note no. 44 of the Standalone Financial Statements which contains related party disclosures.

(ii) Details of non-compliance:

Strictures /penalties were imposed on the Company by the RBI, Stock Exchanges, SEBI or any other statutory/ regulatory authority on any matter related to the Securities markets during the last three Financial Years as mentioned below:

Reserve Bank of India:

Reserve Bank of India ('RBI'), in exercise of powers conferred under section 58G(1)(b) read with section 58B(5)(aa) of the RBI Act, 1934, had vide an Order dated February 06, 2026 imposed a monetary penalty of ₹5.30 lakh (Rupees Five Lakh Thirty Thousand only) for failure to classify certain accounts as 'non-performing asset', on restructuring. This was with reference to the Company's financial position as on March 31, 2024. RBI's action is based on the aforementioned deficiencies in regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the Company with its customers.

The Reserve Bank of India (RBI), through a press release and order dated March 4, 2024, directed the Company to immediately cease and desist from sanctioning or disbursing gold loans, as well as from assigning, securitising, or selling any of its gold loans. However, the Company was permitted to continue servicing its existing gold loan portfolio through regular collection and recovery processes. These supervisory restrictions were imposed pending the completion of a special audit initiated by the RBI. Following the completion of the audit and RBI's inspection, the ban was lifted. The Special Audit commenced on April 23, 2024, and subsequently concluded, the RBI, after examining the submissions made and the remedial actions undertaken by the Company, vide its communication dated September 19, 2024, lifted the restrictions imposed on the gold loan business. The aforesaid directions were specific to the gold loan portfolio and did not affect the Company's other business activities.

Stock Exchanges:

Pursuant to Regulation 30 and 51 of the Listing Regulations (as amended from time to time) read with Para A of Part A of Schedule III of the Listing Regulations, the Company had received an email dated June 28, 2024, imposing penalty of ₹ 94,400 (Rupees Ninety Four Thousand Four Hundred Only) each, from the Stock Exchanges on which the Company is listed, i.e. BSE and NSE, regarding penal action for non-compliance as

per SEBI Circular w.r.t. non-submission of the financial results within stipulated timelines prescribed under Listing Regulations. The Company paid the said penalty on June 29, 2024, and reported that there is no material impact on the financials, operations, or other activities of the Company.

(iii) Vigil Mechanism/Whistle Blower Policy:

In compliance with the provisions of Section 177(9) of the Act and Regulation 22 of the Listing Regulations, the Company has adopted a Vigil Mechanism/Whistle Blower Policy and has established the necessary vigil mechanism for employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguard against victimization of Whistle Blowers who avails such a mechanism and provides access to the Chairperson of Audit Committee. None of the Whistle Blowers have been denied access to the Audit Committee. The said Policy as approved by the Board may be accessed on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2025-08/WhistleBlower_Vigilance_Policy.pdf

(iv) Prevention of Insider Trading:

Pursuant to the provisions of Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has formulated and adopted Code of Conduct under PIT Regulations incorporating the requirements in accordance with the PIT Regulations, clarifications and circulars and the same are updated as and when required.

All Designated Persons of the Company are covered under the Code, which provides, *inter alia*, for periodical disclosures and obtaining pre-clearance for trading in the securities of the Company. The Company has in place, a tracking mechanism for monitoring trade in the securities of the Company by Designated Persons identified under the Code of Conduct under PIT Regulations. Further, a Structured Digital Database is maintained, which contains the names and other particulars as prescribed, of the persons covered under the Code of Conduct under PIT Regulations.

Your Company periodically circulates e-mails, enables screen savers along with the FAQs on Insider Trading Code, Do's and Don'ts etc. to the employees (including new employees) to familiarize them with the provisions of the Code. The Company also conducts frequent workshops/training sessions to educate and sensitize the employees/ Designated Persons. In terms of the provisions of Regulation 8 of the PIT Regulations, the Board has also adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI") which also includes details of the Company's policy for determination on 'legitimate purposes' as per the requirements of the PIT Regulations and is available on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2025-10/Code_of_Practices_and_Procedures_for_Fair_Disclosure_of_Unpublished_Price_Sensitive_Information_30102025.pdf

Mr. Samrat Sanyal, Company Secretary of the Company is designated as the "Compliance Officer" under the Code of Conduct as prescribed by PIT Regulations.

(v) Compliance with Mandatory and Non-Mandatory Provisions:

The Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed under Regulation 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V of the Listing Regulations to the extent applicable to the Company.

The status on the compliance with the non-mandatory recommendations under Part E of Schedule II of the Listing Regulations are as under:

- Chairperson of the Board is Non-Executive Independent Director and not related to the Managing Director of the Company.
- A clear distinction exists between the roles and duties of the Chairperson and those of the Managing Director.
- The Internal Auditor has direct access to the Audit Committee;
- Unmodified audit opinions/reports;
- The Company follows a robust process of communicating with the stakeholders, which has been explained under "Means of Communication to the stakeholders".

(vi) Disclosure of accounting treatment:

There was no deviation in following the treatments prescribed in any of the Indian Accounting Standards ("Ind AS") in the preparation of the financial statements of the Company.

8. MEANS OF COMMUNICATION TO THE STAKEHOLDERS

Your Company, as and when required, communicates with its stakeholders through multiple channels of communication including the following:

- Dissemination of information on the Stock Exchanges
- Investor presentations
- Press/Media releases
- Annual reports
- Investor/analysts calls, conferences and meets
- Uploading relevant information on the Company's website

Financial Results:

The quarterly and annual financial results of the Company are published in widely circulated English newspapers viz. "The Financial Express", "The Free Press Journal", "Business Standard" in English and vernacular newspaper "Navshakti". The Company also regularly makes presentations to investment analysts in Analysts meets and Institutional Investors meets held from time to time, transcripts of which are uploaded on the website of the Company at www.iifl.com. The schedule of Analyst meets/Institutional Investors meets are also informed to the public through the Stock Exchanges.

Annual Report:

Pursuant to the Ministry of Corporate Affairs and SEBI Circulars, the Annual Report containing the Notice of AGM was sent through email to all the stakeholders.

Press/Media Release & Investor/Analyst Call:

The Company organizes earnings call with analysts and investors on the next day of the announcement of results. The audio clips and transcript of these earnings call are uploaded on the website of the Company. Presentations made to institutional investors and financial analysts on the financial results are submitted to the stock exchanges and uploaded on the website of the Company.

Disclosures:

The Company informs BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") about all price sensitive matters or such other matters which are material and of relevance to the stakeholders of the Company and the same are also displayed on the website of the Company.

The Board has approved a policy for determining the materiality of events for the purpose of making disclosures to the Stock Exchanges. The Managing Director, Joint Managing Director, Chief Financial Officer and the Company Secretary of the Company are empowered to determine the materiality of the information for the purpose of making a disclosure to the Stock Exchanges.

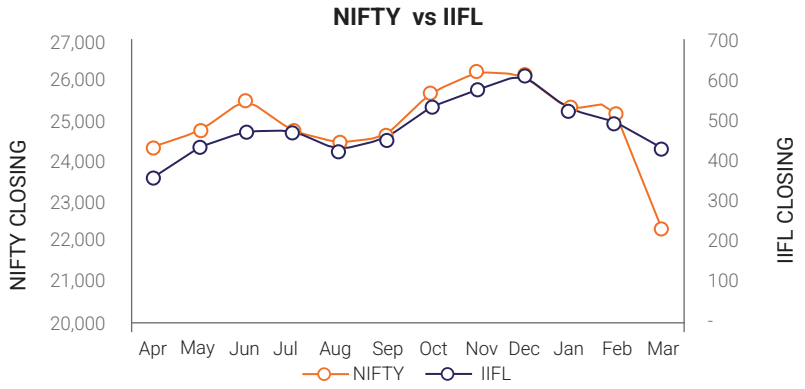
All the disclosures made to the Stock Exchanges are also available on the website of the Company at https://www.iifl.com/finance/investor-relations/newsroom

The Company's website contains a separate section namely "Investor Relations" at https://www.iifl.com/finance/overview where stakeholder related information is available, and stakeholders can access the information as required to be disseminated on the website of the Company pursuant to Regulation 46 & 62 of the Listing Regulations.

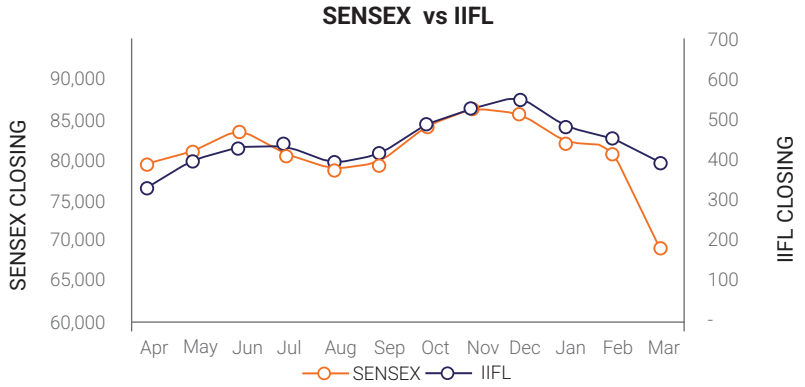
9. GENERAL SHAREHOLDERS INFORMATION

1.	**AGM**	Friday, July 24, 2026 at 11.30 a.m. The Company is conducting the AGM through Video Conferencing/Other Audio-Visual means.
2.	**Financial Year**	The Financial Year of the Company comprises of period of 12 months from April 1 to March 31.
3.	**Interim dividend**	During FY 2025-26, the Company has declared interim dividend of ₹4/- per Equity Share on January 22, 2026, and the same was paid on February 13, 2026, after deducting tax at source at applicable rates.
4.	**Listing of equity shares on Stock Exchanges**	**1. NSE** Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai-400 051 **2. BSE** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 **3. India International Exchange (IFSC) Limited** 1st Floor, Unit No. 101, The Signature, Building No. 13B, Road 1C, Zone 1, GIFT SEZ, GIFT City, Gandhinagar, Gujarat - 382050 Note - The NCDs issued to Public are listed on BSE and NSE and the privately placed NCDs are listed on NSE and/or BSE. The company has issued Global Medium Term Notes which are listed on India International Exchange (IFSC) Limited The Company has paid the annual listing fees for the financial year 2025-26 to the Stock Exchanges. None of the securities of the Company have been suspended for trading at any point of time during the year.
5.	**Stock code**	**NSE** – IIFL **BSE** – 532636
6.	**Stock market data**	Table below gives the monthly high and low price of shares traded at BSE and NSE for the financial year 2025-26. **Stock Performance v/s BSE Sensex and NSE Nifty** The chart below plots the monthly closing price of the Company versus the BSE - Sensex and NSE - Nifty for the year ended March 31, 2026.

	BSE			NSE		
	High	Low	Volume	High	Low	Volume
April 2025	383.00	305.55	88,83,09,142	383.20	306.00	4,69,22,078
May 2025	439.50	336.85	82,33,53,894	439.60	337.00	4,16,54,136
June 2025	495.45	422.55	1,27,98,78,697	495.50	422.30	5,43,98,125
July 2025	538.15	454.80	85,97,31,589	538.15	458.10	5,16,49,036
August 2025	475.35	419.60	59,66,58,391	475.50	418.10	3,19,05,924
September 2025	458.50	418.40	45,85,93,319	458.70	417.95	2,04,12,247
October 2025	551.70	442.50	1,14,84,53,920	551.95	442.15	4,13,87,950
November 2025	581.00	516.15	69,02,57,472	581.10	516.25	3,09,97,631
December 2025	613.45	546.45	79,84,63,596	613.90	546.35	2,55,45,120
January 2026	674.95	508.65	3,05,88,30,356	675.00	508.00	8,24,84,859
February 2026	531.25	471.55	1,10,44,18,549	533.30	471.20	3,51,80,271
March 2026	505.00	427.00	53,42,27,157	505.00	426.00	2,34,74,675



Year 2025-26



Year 2025-2026

7.	**Demat ISIN numbers in National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") for equity shares**	ISIN - INE530B01024
8.	**Registrar & Share Transfer Agent**	**MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)** C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai- 400083 Tel: 022-49186000 Email: investor.helpdesk@in.mpms.mufg.com
9.	**Share transfer system**	The Company's shares are compulsorily traded including transfer in dematerialized form and are available for trading with both the depositories i.e. NSDL and CDSL. The Board has delegated the authority for approval of transmission, transposition and issue of duplicate share certificate etc., to the SRC. The SRC meets as and when required to consider & approve the above matters.
10.	**Dematerialization of shares**	As on March 31, 2026, 99.94% of the paid-up share capital of the Company was in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form through CDSL and NSDL as per notifications issued by SEBI from time to time.

11.	**Address for correspondence**	**MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)** Contact Person: Mr. Rajiv Ranjan - Sr. Assistant Vice President Tel: (+91) 8108116767 C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai- 400083 To raise an email query following is the link: https://web.in.mpms.mufg.com/helpdesk/Service_Request.html **Company Secretary & Compliance Officer** Mr. Samrat Sanyal, Company Secretary and Compliance Officer 802, 8th Floor, Hubtown Solaris, N. S. Phadke Marg, Vijay Nagar, Andheri East, Mumbai – 400069. Tel: (91-22) 6788 1000 Email: shareholders@iifl.com
12.	**Outstanding Global Depository Receipts ("GDRs")/ American Depository Receipts ("ADRs")/ Warrants or any convertible instruments, conversion date and likely impact on equity**	Your Company does not have any outstanding GDRs/ADRs/Warrants as on date. The Company has outstanding ESOPs (vested or not vested) of 31,80,604 stock options as on March 31, 2026 under its various ESOP plans which may be exercised by the grantees as per the vesting period. Each option granted is convertible into one equity share of the Company. Upon exercise of options by grantees, the paid- up share capital of the Company will increase accordingly.
13.	**Credit Rating**	The list of all the credit ratings issued by the credit rating agencies for all instruments has been provided in the Directors' Report.
14.	**Plant Location**	Not Applicable
15.	**Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**	Your Company actively monitors the foreign exchange movements and takes forward/ options covers as appropriate to reduce the risks associated with transactions in foreign currencies. Your Company has not taken any exposure in commodity hedging activities.

10. SHAREHOLDING PATTERN

The shareholding pattern and Categories of Equity Shareholders as on March 31, 2026, are as below:

Category	Number of equity shares held	Percentage of holding
Clearing Members	4,46,012	0.10
Other Bodies Corporate	1,09,95,437	2.59
Directors	-	-
Foreign Company	6,45,52,521	15.18
Hindu Undivided Family	20,33,132	0.48
Mutual Funds	1,79,39,689	4.22
Banks	307	0.00
Foreign Nationals	-	-
Non-Resident Indians	2,51,60,702	5.92
Persons Acting in Concert	50,76,559	1.19
Public	6,13,55,702	14.42
Promoters	10,05,98,108	23.65

Category	Number of equity shares held	Percentage of holding
Trusts	76,204	0.02
Insurance Companies	16,30,227	0.38
Body Corporate – Limited Liability Partnership	17,68,537	0.42
Foreign Portfolio Investors (Corporate) – Category I	9,67,92,002	22.76
Foreign Portfolio Investors (Corporate & Individual) – Category II	2,29,62,268	5.40
Foreign Portfolio Investors – Category III	-	-
Alternate Investment Funds	1,05,79,500	2.49
NBFCs registered with RBI	1,080	0.00
Investor Education and Protection Fund	65,175	0.02
Directors and their relatives (excluding independent Directors and nominee Directors)	32,45,290	0.76
Central Government	11,018	0.00
Escrow Account	105	0.00
Key Managerial Personnel	-	-
Grand Total	**42,52,89,575**	**100**

11. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2026

The distribution of shareholders as on March 31, 2026, is as follows:

Sr. No.	Number of Shares Held	No. of Shareholders	Percentage of Total Shareholders	Total Shares	Percentage of Total Shares
1.	1 to 1000	1,09,667	86.11	77,81,228	1.83
2.	1001 to 2,000	10,370	8.14	71,17,158	1.67
3.	2,001 to 4,000	3,520	2.76	49,37,611	1.16
4.	4,001 to 6,000	1,137	0.89	28,16,427	0.66
5.	6,001 to 8,000	517	0.41	18,04,913	0.42
6.	8,001 to 10,000	393	0.31	17,96,613	0.42
7.	10,001 to 20,000	717	0.56	51,39,584	1.21
8.	20,001 to 425289575	1,032	0.81	39,38,96,041	92.62
	Total		**100**	**42,52,89,575**	**100**

12. PROCEEDS FROM PUBLIC ISSUES, PREFERENTIAL ISSUE AND QUALIFIED INSTITUTIONAL PLACEMENT

Money raised through the Public Issue of NCDs has been utilized for the purposes, as disclosed in the Prospectus, for which it was raised and there has been no deviation as on date in the utilization of the money so raised. The Company has not raised funds by issue of equity shares either on preferential basis or through qualified institutional placement during financial year 2025-26. Therefore, there are no details to be disclosed as per Regulation 32(7A) of Listing Regulations.

13. DETAILS OF MATERIAL SUBSIDIARIES OF THE COMPANY

Name of Material Subsidiary	Date of incorporation	Place of incorporation	Name and date of appointment of the Statutory Auditors
IIFL Home Finance Limited	December 26, 2006	Mumbai	1. M/s. S.R. Batliboi & Associates LLP, Chartered Accountants Date of Appointment: June 29, 2023, Appointment w.e.f. April 1, 2023 2. M/s. Sundaram & Srinivasan, Chartered Accountants Date of Appointment: June 20, 2024 Appointment w.e.f. April 1, 2024
IIFL Samasta Finance Limited	August 09, 1995	Bangalore	1. M/s. Suri & Co, Chartered Accountants Date of Appointment: June 29, 2024

The Audit Committee reviews the financial statements including particulars of investments made by all the unlisted subsidiary companies.

Your Company has a system of placing the minutes of the Board/Audit Committee and statements of all the significant transactions/developments of all the unlisted subsidiary companies at the meeting of Board of Directors of the Company.

The policy for determining 'material' subsidiaries as approved by the Board can be accessed on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2025-03/Policy_on_determining_Material_Subsidiaries_04032025.pdf

14. CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER CERTIFICATE

The Certificate required under provisions of Regulation 17(8) of the Listing Regulations duly signed by the Managing Director, and Chief Financial Officer was submitted to the Board and the same is annexed to this Report. Refer Page No. 207 of the Report.

15. PREVENTION OF SEXUAL HARASSMENT

Your Company recognizes its responsibility and is committed towards creating a respectful and safe working environment for women, free from sexual harassment and discrimination. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has put in place a comprehensive policy on prevention of Sexual Harassment of Women at Workplace. The Company has 'zero-tolerance' approach towards any act of sexual harassment. In compliance with Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the Internal Complaints Committee has been constituted. All complaints are investigated and conducted in an impartial manner and the investigation reports and recommendations are forwarded to the Chief Human Resources Officer for action. A quarterly summary report is also placed before the Audit Committee as well as the Board. The details of Internal Complaints Committee members have been prominently displayed across all offices in publicly accessible areas. Further, awareness and training sessions about the Prevention of Sexual Harassment at workplace are conducted for all employees, including our associates.

The following complaints were reported pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 for the FY 2025-26:

a) Number of complaints received during the year: 13
b) Number of complaints disposed of during the year: 11
c) Number of cases pending as at end of the year: 2
d) Number of workshops or awareness program against sexual harassment carried out: 5 awareness drives carried out
e) Nature of action taken by the employer or district officer: 1 (Black Mark)

16. TOTAL FEES TO STATUTORY AUDITORS

Total fees for all the services paid by the Company and its subsidiaries for the financial year 2025-26, on a consolidated basis, to the Joint Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors is a part, are as follows

Particulars	Amount (₹ In Crore)
Audit Fees	0.82
Certification/other services*	0.01
Out of Pocket Expenses	0.10
Total	**0.93**

* During the year under review the Company has paid ₹1.52 Crores to the Auditors towards certification pertaining to Public Issue of Non- Convertible Debentures & Secured medium term notes programme and the same has been amortized over the tenure of the borrowings.

17. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Your Company has obtained the certificate from Nilesh Shah & Associates, Practicing Company Secretary required under the Listing Regulations confirming that none of the Directors on Board of the Company as on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/MCA or any such other statutory authority and is annexed as **Annexure I** to this Report in terms of the provisions of Part C of Schedule V of the Listing Regulations. Refer Page No. 205 of the Report.

18. CERTIFICATE ON CORPORATE GOVERNANCE

Your Company has received a certificate from the Secretarial Auditor of the Company, Nilesh Shah & Associates, Practicing Company Secretary, certifying compliance with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations is annexed as **Annexure II** to this Report in terms of the provisions of Part E of Schedule V of the Listing Regulations. Refer Page No. 206 of the Report.

19. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

As on March 31, 2026, equity shares of the Company held in Demat Suspense Account are as follows:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	0	0
Number of shareholders who approached the Company for transfer of shares from suspense account during the year;	0	0
Number of shareholders to whom shares were transferred from suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	6	105*

*Voting rights on the shares shall remain frozen till the rightful owner of such shares claims the shares

20. LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS / COMPANIES IN WHICH DIRECTORS ARE INTERESTED

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

21. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

There are no agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity.

22. DISCLOSURE OF COMPLIANCE

Your Company has complied with all the disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) of the Listing Regulations.

23. CODE OF CONDUCT

In compliance with Regulations 17(5) and 26(3) of the Listing Regulations, the Company has adopted a Code of Conduct for the Board Members and Senior Management of the Company. The Code of Conduct is available on the website of the Company at https://storage.googleapis.com/iifl-finance-storage/files/2023-02/Code_of_Conduct_2023.pdf. The Senior Management of the Company has made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large. All the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct during the financial year under review and a declaration to that effect signed by the Chairperson of the Company forms a part of this Report and is annexed as **Annexure III** to this report. Refer Page No. 207 of the Report.

For IIFL Finance Limited

Bibhu Prasad Kanungo
Chairperson & Non-Executive Independent Director
(DIN: 07820090)

Place: Mumbai
Date: April 29, 2026

ANNEXURE I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
IIFL Finance Limited
IIFL House, Sun Infotech Park,
Road No. 16V, Plot No. B-23,
Thane Industrial Area,
Wagle Estate, Thane – 400 604

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **IIFL Finance Limited**, having CIN: **L67100MH1995PLC093797** and having registered office situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No.B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Designation	Date of Appointment in Company
1.	Nirmal Jain	00010535	Managing Director	18/10/1995
2.	Venkataraman Rajamani	00011919	Joint Managing Director	05/07/1999
3.	Ramakrishnan Subramanian	02192747	Independent Director	06/09/2021
4.	Tritala Subramanian Ramakrishnan	09515616	Non-Executive Nominee Director	26/10/2023
5.	Bijou Kurien	01802995	Independent Director	13/03/2024
6.	Nihar Jambusaria	01808733	Independent Director	13/03/2024
7.	Gopalakrishnan Soundarajan	05242795	Non-Executive Director	11/05/2024
8.	Nirma Bhandari	02212973	Independent Director	16/09/2024
9.	Bibhu Prasad Kanungo	07820090	Independent Director	16/06/2025

Ensuring the eligibility of 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 Nilesh Shah & Associates
Company Secretaries

Mahesh Darji
Partner
FCS - 7175
C.P.No: 7809
Peer Review No. 7810/2026

Place: Mumbai
Date: 29.04.2026
UDIN: F007175H000237011

ANNEXURE II

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
IIFL Finance Limited
IIFL House, Sun Infotech Park,
Road No. 16V, Plot No. B-23,
Thane Industrial Area,
Wagle Estate, Thane – 400 604

We have examined the compliance of conditions of Corporate Governance by **IIFL Finance Limited** ('the Company'), for the financial year ended on March 31, 2026, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

The compliance with 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 the compliance of the conditions of the 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 and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

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

For Nilesh Shah & Associates
Company Secretaries

Mahesh Darji
Partner
FCS - 7175
C.P.No: 7809
Peer Review No. 7810/2026

Place: Mumbai
Date: 29.04.2026
UDIN: F007175H000236965

ANNEXURE III

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors,
IIFL Finance Limited

Dear Sir(s)/Madam,

Subject: Certificate in Pursuance to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as specified in Part B of Schedule II.

In compliance with Regulation 17 (8) read with Schedule II Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Listing Agreement with the Stock Exchange, we hereby certify that:

A. We have reviewed, audited financial statements and the cash flow statement for the year and that to the best of our knowledge and belief;
   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transaction entered into by the listed entities during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control system of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, the deficiencies in the design or operation of such internal controls, if any, of which they are aware and steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:
   (i) that there are no significant changes in internal control over financial reporting during the year;
   (ii) that there are no significant changes in accounting policies during the quarter; and that the same have been disclosed in the notes to the financial results; and
   (iii) that no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Nirmal Jain
Managing Director

Kapish Jain
Chief Financial Officer

Date: April 29, 2026
Place: Mumbai

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and the Senior Management and the same is available on the Company's website. I confirm that the Company has in respect of Financial Year ended March 31, 2026, received from the Board Members and Senior Management of the Company, declaration of compliance with the Code of Conduct as applicable to them.

For IIFL Finance Limited

Bibhu Prasad Kanungo
Chairperson & Non-Executive Independent Director
DIN: 07820090

Place: Mumbai
Date: April 29, 2026

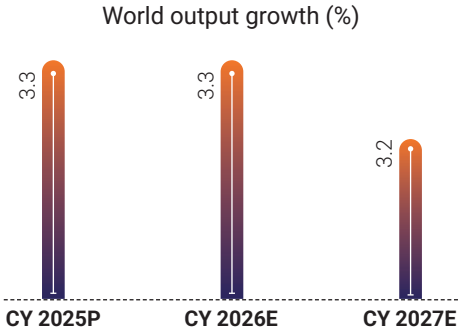
MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY

The global economy maintained steady growth in CY 2025, demonstrating notable resilience despite navigating a complex and evolving macroeconomic landscape marked by geopolitical tensions, shifting trade policies, geo-economic fragmentation, elevated public debt levels, volatile commodity markets and divergent monetary policy trajectories across major economies.

Amid these headwinds, the global growth trajectory was underpinned by increasingly adaptive supply chains, sustained private sector investments and an accommodative monetary stance by major central banks, which collectively enabled economies to absorb external shocks and maintain stability. Reflecting this resilience, the International Monetary Fund (IMF) estimates global growth at 3.3% for CY 2025, even as momentum remained uneven across regions.

GLOBAL GDP GROWTH OUTLOOK



Sources: *P: Projected*

Sources: *E: Estimated*

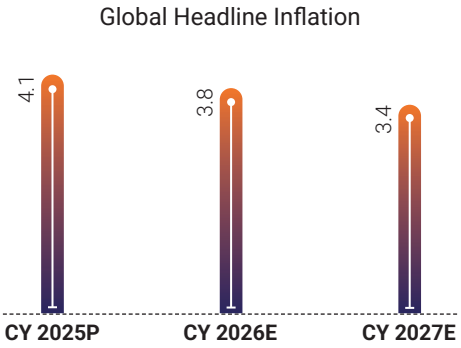
INFLATION TRAJECTORY AND MONETARY POLICY

A sustained disinflationary trend has been among the defining macroeconomic developments of the current period. Global headline inflation is estimated at 4.1% in CY 2025 and is projected to moderate to 3.8% in CY 2026 and further to 3.4% in CY 2027. These projections remain broadly consistent with the forecasts published by IMF in October 2025, reflecting a gradual convergence towards central bank targets across major economies, albeit at varying speeds across geographies.

In the United States, inflationary pressures have demonstrated greater persistence relative to other advanced economies. As the pass-through impact of higher tariffs gradually unfolds, US core inflation is expected to ease back toward the Federal Reserve's 2% target by 2027. Across other advanced economies, inflation is progressing more steadily towards target levels, supported by easing energy prices and moderating demand conditions.

Major central banks have responded with differentiated policy stances calibrated to their respective inflation and growth dynamics. This divergence in monetary policy trajectories carries implications for capital flows, currency valuations and broader global financial conditions, necessitating continued vigilance from policymakers and market participants alike.

GLOBAL INFLATION OUTLOOK (%)



Sources: *P: Projected*

Sources: *E: Estimated*

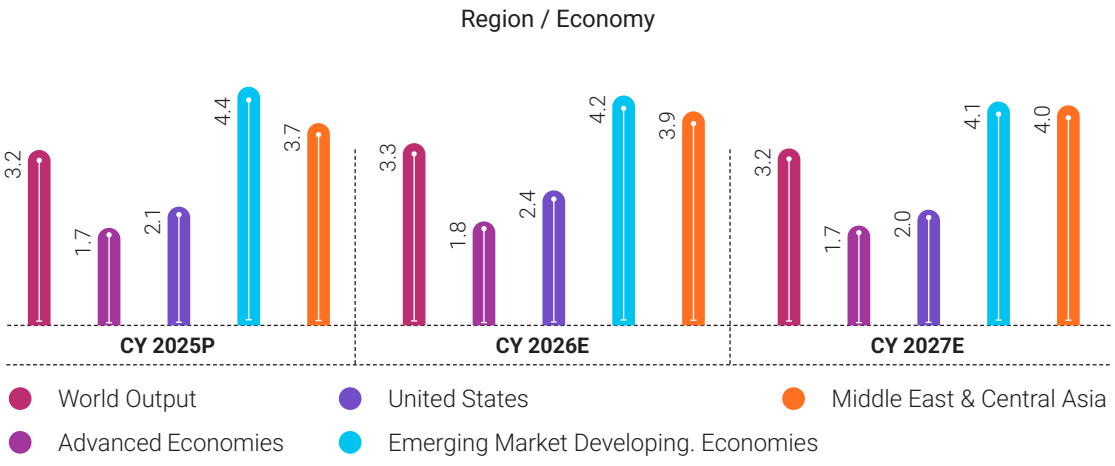
REGIONAL GROWTH DYNAMICS

Growth trend across the global economy from CY 2025 till 2027 is going to witness a notable regional divergence, shaped by the interplay of fiscal policy capacity, structural conditions and external demand dynamics. Advanced economies are projected to expand at 1.8% in CY 2026 and 1.7% in CY 2027 — a measured trajectory reflecting fiscal support offset by structural headwinds and demographic constraints in several major markets.

The United States is forecast to grow at 2.4% in CY 2026, supported by fiscal stimulus measures and a favorable policy rate environment, with growth moderating to 2.0% in CY 2027 as near-term tailwinds dissipate. Other advanced economies are expected to record comparatively subdued growth, constrained by energy price legacies, manufacturing sector pressures and unresolved structural challenges.

Emerging market and developing economies (EMDEs) are likely to sustain comparatively stronger aggregate growth, with output expanding at 4.2% in CY 2026 and 4.1% in CY 2027. Regional growth in the Middle East and Central Asia is estimated to accelerate from 3.7% in CY 2025 to 4.0% in CY 2027, supported by higher hydrocarbon output and ongoing economic diversification. The overall EMDE outlook remains constructive, albeit subject to global trade developments, commodity price movements and prevailing financial market conditions.

REGION-WISE REAL GDP GROWTH (%)



Sources: *P: Projected*

Sources: *E: Estimated*

KEY RISKS AND UNCERTAINTIES

The overall risk balance for the global economy remains tilted to the downside. A confluence of interconnected structural and policy-driven risk factors has the potential to disrupt the current trajectory of measured global stability.

- **Trade policy volatility:** Ongoing disputes around export controls, critical supply chains and trade framework realignments continue to create uncertainty, with potential escalations posing risks of supply disruptions and inflationary pressures
- **Fiscal and financial stability risks:** Elevated sovereign debt, widening fiscal deficits and increasing participation of price-sensitive investors in debt markets raise the risk of abrupt yield movements and potential macro financial instability
- **Geopolitical tensions:** Persistent conflicts and emerging geopolitical fault lines could disrupt trade routes, trigger commodity price volatility and destabilize global supply chains
- **AI-driven investment and valuation risk:** If anticipated productivity gains from AI prove overstated, it could dampen investor sentiment, leading to a decline in capital allocation towards the high-tech sector and reduced enterprise spending on AI adoption. This may also trigger a prolonged correction in equity markets, particularly given the concentration of recent valuation gains in a limited set of technology firms

OUTLOOK

Looking ahead, the IMF projects global growth at 3.3% in CY 2026 and 3.2% in CY 2027, indicating a broadly stable yet cautious outlook amid ongoing structural and policy uncertainties. Sustaining this trajectory will require credible fiscal consolidation, preservation of central bank independence, continued structural reforms and constructive resolution of trade tensions, alongside investments that enhance productivity, labour market adaptability and long-term economic resilience. Further, AI-led investments could provide an incremental uplift to economic activity and, if supported by faster adoption translating into tangible productivity gains and stronger business dynamism, may help anchor a more sustainable growth trajectory over the medium term.

INDIAN ECONOMY OVERVIEW

India has cemented its position as the world's fastest-growing major economy for the fourth consecutive year, even as the global environment has remained fragile with elevated geopolitical tensions, trade fragmentation and financial market vulnerabilities. The country's macroeconomic fundamentals — a healthy banking system, robust credit intermediation, ample foreign exchange reserves and a comfortable current account balance — have provided the resilience required to navigate external headwinds effectively. The First Advance Estimates project real GDP growth and GVA growth for FY 2025-26 at 7.4% and 7.3%, respectively, underscoring the sustained momentum of the economy.

On the demand side, Private Final Consumption Expenditure (PFCE) grew 7.0% in FY 2025-26, accounting for 61.5% of GDP, the highest since FY 2011-12, supported by low inflation, stable employment and improving purchasing power. Gross

Fixed Capital Formation (GFCF) expanded 7.8%, with its share steady at 30% of GDP, driven by continued public capex and a revival in private investment. The services sector remained the key growth driver, with GVA rising 9.3% in H1 FY 2025-26 and an estimated 9.1% for the full year.

4th

Largest economy

7.0%

PFCE growth in FY 2025-26

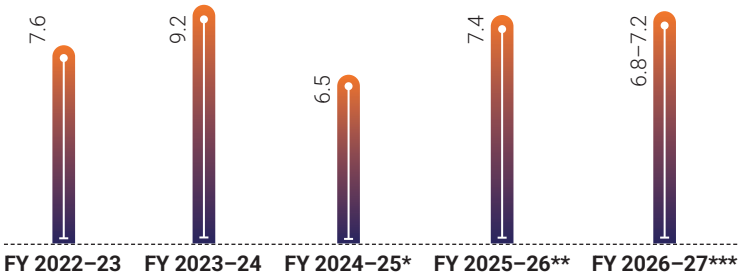
Fastest

Growing major economy

7.4%

GDP growth estimation for FY 2025-26

INDIA: GDP GROWTH TRENDS AT CONSTANT PRICES (%)



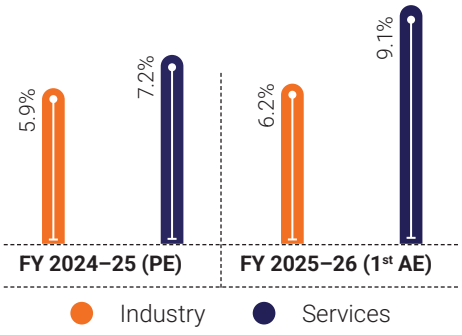
Sources: ** Provisional Estimates ** First Advance Estimates *** Projection (Economic Survey 2025–26)*

Sources: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219907

SECTORAL GROWTH AND INFRASTRUCTURE MOMENTUM

India's sectoral growth momentum strengthened in FY 2025–26, supported by steady industrial expansion and robust services sector performance. Industry GVA growth improved from 5.9% in FY 2024–25 to 6.2% in FY 2025–26, reflecting a recovery in manufacturing and construction activity. Notably, manufacturing GVA expanded by 7.72% in Q1 and further accelerated to 9.13% in Q2, indicating improving industrial capacity utilization and strengthening domestic demand.

The services sector continued to remain the primary engine of growth, with its growth rate rising from 7.2% in FY 2024–25 to 9.1% in FY 2025–26. Its share in Gross Value Added (GVA) reached a historic high of 56.4% in FY 2025–26 (First Advance Estimates) and accounted for 53.6% of GDP in H1 FY 2025–26. The strong performance was supported by resilient domestic demand and steady expansion in trade, transport, communication and other service activities, alongside stable services export growth.



Sources: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219907

EXTERNAL SECTOR AND TRADE RESILIENCE

India's trade sector navigated a challenging global environment marked by geopolitical tensions, rising protectionism, supply chain disruptions, and tariff measures, including the imposition of 50% tariffs by the United States on certain Indian goods. Despite these headwinds, India demonstrated resilience through proactive trade diplomacy, accelerating FTA negotiations with the European Union and the GCC bloc, and advancing discussions with the United States to enhance market access and supply chain integration.

US$ 790.86 Billion

Largest Cumulative export between April–February

5.79%

Y-o-Y cumulative growth

US$ 387.93 Billion

Services sector export between April– February

10.23%

YoY services sector export growth between April– February

Sources: Press Release: Press Information Bureau

Sources: Press Note Details: Press Information Bureau

INDIA'S MACROECONOMIC STRENGTH AND FINANCIAL STABILITY

Despite a challenging global environment marked by geopolitical tensions and trade protectionism, India continued to demonstrate strong economic resilience

supported by stable macroeconomic fundamentals and effective policy measures.

India's foreign exchange reserves reached US$ 701.4 Billion as of January 16, 2026, providing around 11 months of import cover, while the current account deficit remained moderate at about 1.3% of GDP in Q2 FY 2025-26. Strong services exports and remittance inflows supported external stability, with India remaining the world's largest recipient of remittances, recording inflows of US$ 135.4 Billion in FY 2024-25.

A significant improvement has been observed in the asset quality of scheduled commercial banks (SCBs) with Gross NPAs declining to 2.2% and Net NPAs to 0.5% in September 2025, having reached a multi-decadal low level and record low level, respectively. As of December 31, 2025 the year-on-year growth in outstanding credit by SCBs increased to 14.5% compared to 11.2% in December 2024.

Financial inclusion also advanced significantly, with PMJDY enabling 55.02 Crores bank accounts by March 2025, while the number of unique equity investors crossed 12 Crores in September 2025, reflecting deeper participation in India's financial ecosystem. Meanwhile, PLI schemes across 14 sectors have attracted over ₹2 Lakhs Crores in investments, generating incremental production exceeding ₹18.7 Lakhs Crores and over 12.6 Lakhs jobs as of September 2025.

US$ 701.4 Billion

India's foreign exchange reserves as of January 2026

2.2% & 0.5%

Gross NPAs & Net NNPA of scheduled commercial banks

14.5%

Growth in gross bank credit

Sources: *Economy Watch: India's Economic Trends & Outlook | EY - India*

INFLATION AND MONETARY POLICY

India's macroeconomic environment remained exceptionally supportive during FY 2025–26, as inflationary pressures eased materially. The country recorded its lowest average headline inflation since the inception of the CPI series, with average headline Consumer Price Index (CPI) inflation standing at 1.7% during April–December 2025. This marked decline was primarily attributable to broad-based disinflation in food and fuel prices, which collectively account for 52.7% of the CPI basket. Among major Emerging Market and Developing Economies (EMDEs), India registered one of the most significant reductions in headline inflation between 2024 and 2025 — a decline of approximately 1.8 percentage points — thereby enhancing real household purchasing power, supporting consumption demand and providing policy flexibility to monetary authorities.

Monetary policy in FY 2025–26 was characterized by a decisive yet calibrated easing cycle, as the Reserve Bank of India's Monetary Policy Committee responded to declining inflationary pressures by progressively reducing the policy repo rate to approximately 5.25% — creating expanded headroom for credit growth and improved transmission across the financial system. Complementing this rate action, the Cash Reserve Ratio (CRR) was reduced to 3%, injecting durable liquidity into the banking system and reinforcing the conditions necessary for sustained lending activity and broader economic momentum.

1.7%

Average headline CPI inflation during April–December 2025

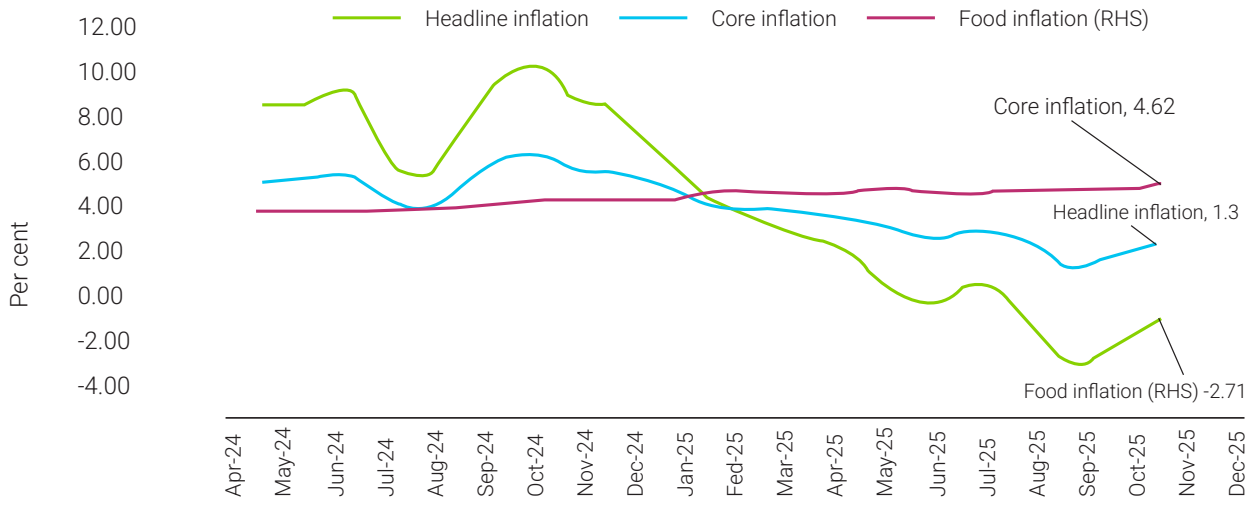
5.25%

Repo rate (February 2026)

3%

Cash Reserve Ratio (CRR)

Chart V.7: Monthly CPI (Headline, Core and Food) Inflation



Sources: *Calculated using data from MOSPI*
Sources: *https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219907*

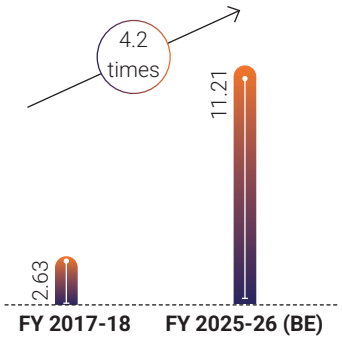
CAPITAL EXPENDITURE

Public capital expenditure has emerged as a key pillar of India's growth strategy, supporting infrastructure expansion, industrial capacity creation and long-term productivity gains. The Government of India has significantly increased its capital outlay over the past few years, rising nearly 4.2 times from ₹2.63 Lakhs Crores in FY 2017-18 to ₹11.21 Lakhs Crores in FY 2025-26 (Budget Estimates), reflecting a strong commitment towards infrastructure-led development.

The effective capital expenditure of the Central Government has also strengthened, increasing from an average of 2.7% of GDP in the pre-pandemic period to about 3.9% post-pandemic and further to around 4% of GDP in FY 2024-25, reinforcing the role of public investment in driving economic momentum. In addition, initiatives such as the Special Assistance to States for Capital Expenditure (SASCI) have encouraged states to sustain capital spending at around 2.4% of GDP, thereby strengthening overall public investment across the economy.

Looking ahead, the Union Budget FY 2026–27 proposes to increase public capital expenditure further to ₹12.2 Lakhs Crores, highlighting the Government's continued emphasis on infrastructure development, crowding-in private investment and enhancing productive capacity across sectors.

CAPITAL EXPENDITURE (₹ LAKHS CRORES)



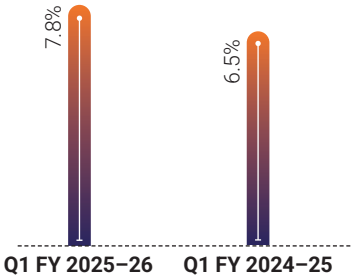
Sources: *Press Release: Press Information Bureau*

FIRST QUARTER PERFORMANCE (APRIL–JUNE 2025)

In Q1 FY 2025–26, India's economic activity maintained strong momentum, with real GDP estimated to grow by 7.8%, compared with 6.5% in Q1 FY 2024–25. Real GDP at constant prices rose to ₹47.89 Lakhs Crores, up from ₹44.42 Lakhs Crores in the corresponding period of the previous year. Real GDP measures the economy's output after removing the effects of inflation.

Manufacturing activity rose by 7.7%, while the construction sector grew by 7.6%, reflecting continued strength in industrial and infrastructure-led activity. The services sector continued to anchor India's economic expansion, registering a 9.3% growth, supported by strong performance in financial services, trade, transport and public administration. On the demand side, private consumption remained stable with 7% growth, while gross fixed capital formation expanded by 7.8%, reflecting improving investment sentiment. Government expenditure also rebounded, rising 7.4%, marking a recovery from the contraction witnessed in the previous year.

REAL GDP GROWTH



Sources: *Press Note Details: Press Information Bureau*

Sources: *India clocks robust 7.8% growth, beating expectations | DD News*

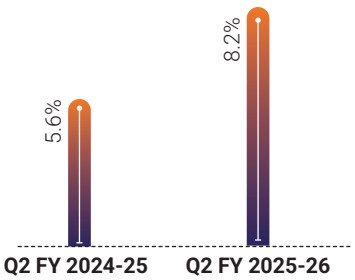
SECOND QUARTER PERFORMANCE (JULY–SEPTEMBER 2025)

India's economic momentum accelerated in Q2 FY 2025–26, with real GDP growth estimated at 8.2%, surpassing the RBI's projections and significantly higher than the 5.6% growth recorded in Q2 FY 2024–25, reflecting a strong rebound in economic activity. Combined with 7.8% growth in Q1, this resulted in 8.0% expansion in H1 FY 2025–26. Inflation eased sharply, with CPI declining to 0.25% in October 2025, the lowest year-on-year inflation in the current CPI series. Industrial output also remained robust, with the Index of Industrial Production (IIP) growing 4.0% in September 2025, supported by 4.8% growth in manufacturing.

India's external sector remained resilient during April–October 2025, with cumulative exports (merchandise and services) rising 4.84% to US$ 491.80 Billion, compared with US$ 469.11 Billion a year earlier. Services exports continued to drive growth; expanding 9.75% to US$ 237.55 Billion, highlighting India's strengthening global competitiveness in computer and business services.

Sources: *Press Release: Press Information Bureau*

REAL GDP GROWTH (%)



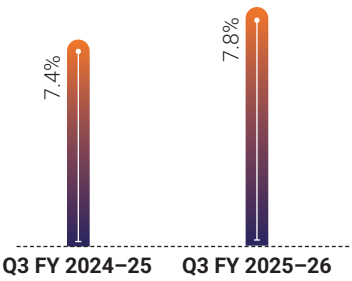
THIRD QUARTER PERFORMANCE (OCTOBER–DECEMBER 2025)

India's economic growth remained robust in Q3 FY 2025–26 (October–December), reflecting sustained momentum in domestic economic activity. Real GDP at constant prices is estimated at ₹84.54 Lakhs Crores, registering a growth of 7.8% during the quarter. This marks a continued strengthening of economic performance compared with 7.4% growth in Q3 FY 2024–25 and 7.1% in Q3 FY 2023–24, highlighting the resilience of the Indian economy amid global uncertainties.

Industrial activity emerged as a key driver during the quarter, with manufacturing output expanding at a double-digit pace of over 13%, supported by improving demand conditions and strengthening production activity.

Sources: https://www.pib.gov.in/PressNoteDetailsaspx?NoteId=157581&ModuleId=3&reg=3&lang=2

REAL GDP GROWTH (%)



Sources: *Press Release: Press Information Bureau*

Sources: *https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219907*

Sources: *Viksit India*

OUTLOOK

India's medium- to long-term economic outlook remains robust, supported by strong macroeconomic fundamentals, sustained policy support and the Viksit Bharat 2047 vision, which targets a GDP of US$ 30–40 trillion by 2047 through sustained growth, productivity enhancement and structural transformation. In the near term, growth momentum is expected to remain resilient, driven by strong domestic demand, rising investment activity, continued public capital expenditure and improving private sector participation, with real GDP projected at 6.8–7.2% in FY 2026–27.

Structural drivers such as rapid digitalization, expanding infrastructure, financial inclusion and a favorable demographic profile are expected to support long-term growth. While the outlook remains exposed to global risks including geopolitical tensions, trade uncertainties and financial market volatility, India's strong domestic fundamentals, prudent macroeconomic management and reform-oriented policy framework position it well to sustain growth momentum and advance towards its long-term development aspirations.

US$ 30–40 Trillion

India's GDP target by 2047

6.8–7.2%

Projected GDP growth for FY 2026–27

INDUSTRY OVERVIEW

THE NBFC INDUSTRY

OVERVIEW

Non-Banking Financial Companies (NBFCs) continue to serve as critical enablers within India's financial ecosystem, expanding access to formal credit across a wide spectrum of borrowers—particularly Micro, Small and Medium Enterprises (MSMEs), self-employed individuals, women entrepreneurs, marginalized and vulnerable populace and first-time home buyers. By deepening credit penetration in underserved and underbanked regions, NBFCs play a transformative role in advancing financial inclusion and economic participation.

Over time, the sector has evolved into a diversified and resilient financial intermediary, with a strong presence across key segments such as housing finance, gold loans, MSME lending, and microfinance. Its competitive advantage lies in its granular understanding of customer segments, agile underwriting frameworks, and ability to deliver faster credit decisions, enabling NBFCs to effectively cater to diverse borrower profiles across urban and rural India.

PERFORMANCE

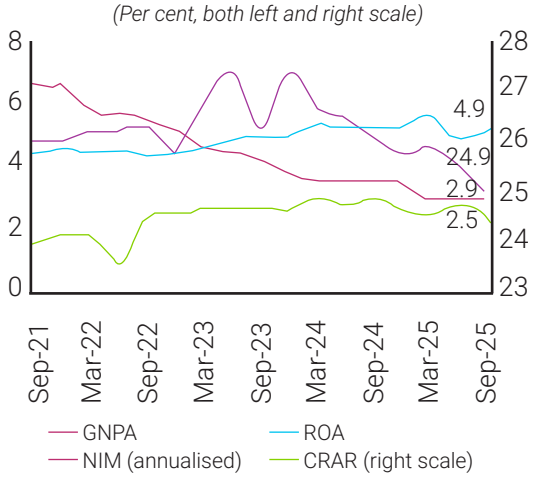
The NBFC sector remained resilient during FY 2025–26, supported by strong capital buffers, stable profitability and improving asset quality. As of September 2025, capital adequacy (CRAR) stood at ~24.9%, while net interest margins (NIM) remained robust at ~4.9%. Profitability indicators were healthy, with return on assets (RoA) at ~2.5%, alongside a moderation in GNPA levels to ~2.9%, reflecting improving portfolio quality. Credit growth remained steady, supported by improving funding conditions and rising retail lending, while credit costs continued to trend downward.

Gold loans have emerged as the most buoyant category, supported by elevated gold prices and strong demand for secured credit. Meanwhile, vehicle finance (VF) and personal/consumer lending (PL/CL) segments have witnessed improved traction, aided by policy-driven consumption triggers such as GST rate rationalization, which has accelerated discretionary spending. On the other hand, wholesale and infrastructure lending segments have maintained relatively stable growth of ~10–12%, reflecting a cautious approach amid evolving credit dynamics.

Funding dynamics also showed notable improvement, with bank lending to NBFCs regaining strong momentum. Outstanding bank credit reached ₹19.0 Lakhs Crores in January 2026, with accelerated growth of ~17.8% YoY, compared to 8.2% in the previous year. This rebound reflects renewed lender confidence and opportunistic borrowings by corporates following earlier regulatory headwinds, further strengthening liquidity conditions for the sector.

Chart 1.73: NBFC Sector Remains Robust

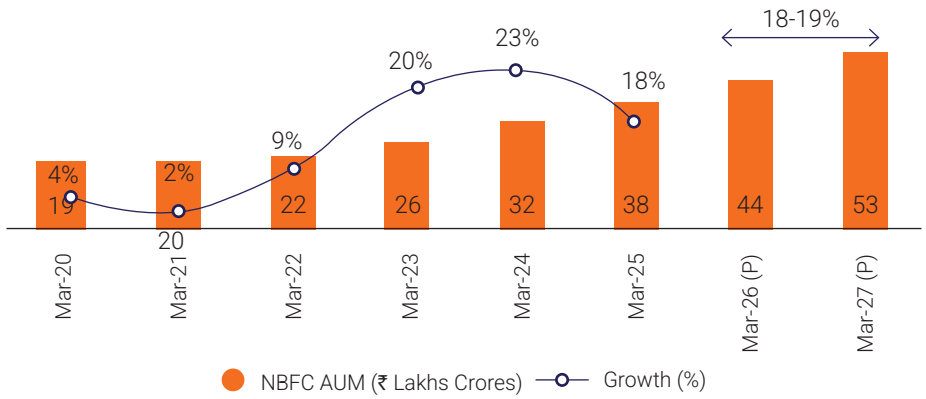
(Per cent, both left and right scale)



Source: Financial Stability Report, Reserve Bank of India, December 2025

As per CRISIL, the assets under management (AUM) of NBFCs could grow a steady 18-19% in FY 2026-27, driven by whetted consumption demand, and cross the ₹50 Lakhs Crores mark by March 2027.

Growth in NBFC AUM to remain steady



Sources: *Company data; Crisil Ratings estimates*

Supportive policy actions—especially the rationalization and reduction of GST rates—along with a benign inflation environment, are expected to keep retail credit demand resilient across asset classes. That said, variations in risk assessment approaches and access to funding would lead to differing growth trajectories across companies and asset segments.

Gold loans are set to outperform other segments. This growth will be driven by continued formalization of the market, migration from unorganized players, elevated gold prices, and increasing interest from NBFCs entering the space. While underlying end-user demand for housing remains structurally strong, heightened competition—especially from public sector banks in the prime segment—is likely to weigh on growth. Additionally, a potential slowdown in residential real estate sales (by value) across the top seven cities could temper fresh disbursements. The loan against property (LAP) or secured MSME segment is expected to normalize yet remain robust. However, lenders are likely to remain cautious in the smaller-ticket segment due to an uptick in early-stage delinquencies. Vehicle finance is projected to maintain stable growth over FY 2025-26 and FY 2026-27. GST rate reductions have boosted vehicle sales, particularly in the passenger car segment, and this traction is likely to persist. A growing consumer tilt toward premium vehicles, along with rising momentum in used-vehicle financing, will further support AUM expansion, even as competition from banks remains intense in the new vehicle space.

18–19%

NBFC AUM growth in FY 2025–26

Gold loans could outperform

Other asset classes

From a funding standpoint, NBFCs are increasingly adopting diversified and capital-efficient funding strategies, including securitization and co-lending structures. This shift is particularly significant in the context of incremental funding requirements of ₹4.1–4.3 trillion expected in FY 2026–27 (over and above refinancing needs), to support sustained credit growth.

Sources: Financial Stability Report, Reserve Bank of India, December 2025

Sources: ICRA an Affiliate of Moody's

Sources: AUM to tick up steadily for NBFCs, cross Rs 50 Lakhs Crores next fiscal

Sources: Bank lending to NBFCs climbs to record high - Banking & Finance News | The Financial Express

Sources: 1772619479_Credit Offtake Accelerates in Jan 2026.pdf

ASSET QUALITY

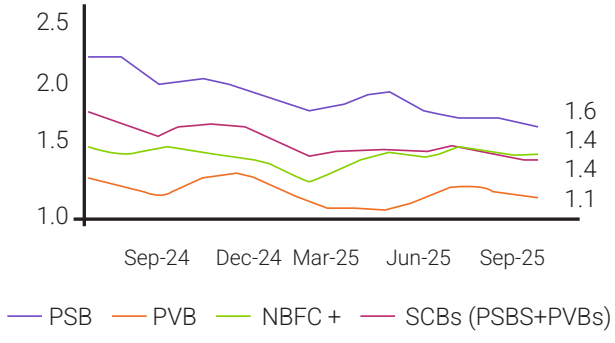
The asset quality of NBFCs remained stable and resilient during FY 2025–26, supported by strong capital buffers, prudent underwriting practices and improving operating performance. Capital adequacy continued to remain robust, providing a comfortable cushion against potential credit stress.

Asset quality trends showed gradual improvement, with the GNPA ratio declining to ~2.9%, reflecting better portfolio performance. However, the Reserve Bank of India has flagged a rise in fresh slippages and write-offs, indicating emerging stress in certain segments.

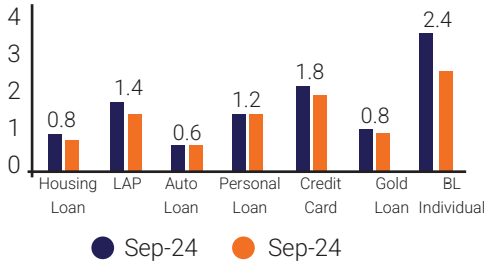
Early stress indicators present a mixed but improving trend. Movement in SMA-2 accounts moderated, with the roll-forward rate declining to ~13.4%, indicating a lower transition of stressed accounts into NPAs. At the same time, the rollback and cure rate remained healthy at ~21.3%, reflecting improved collection efficiencies and borrower repayment behavior. This is further supported by declining delinquency levels (31–180 dpd) over successive periods, signaling normalization in early-stage stress.

Overall, the sector is demonstrating improving asset quality dynamics, while maintaining a cautious and risk-calibrated approach, supported by a strategic shift toward secured lending and strengthened risk management frameworks.

a. GNPA by Lender Type
(Per cent)



b. GNPA by Product Type (Per cent)



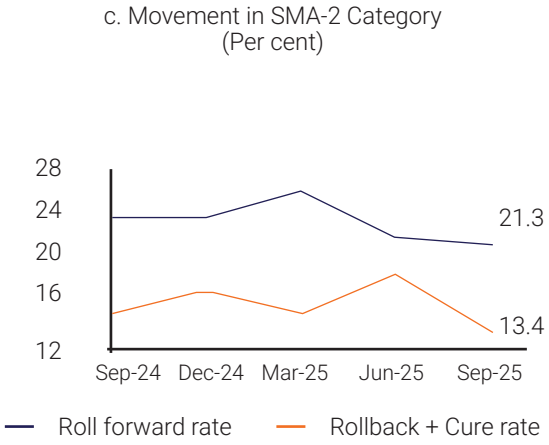
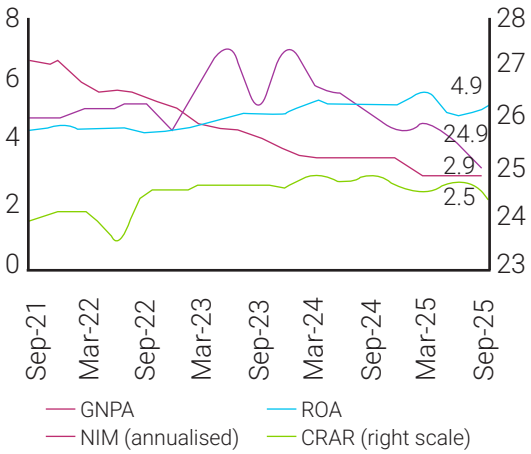


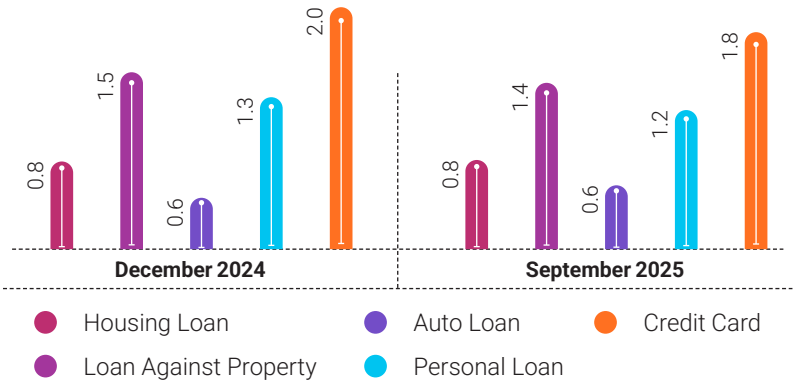
Chart 1.73: NBFC Sector Remains Robust

(Per cent, both left and right scale)



Sources: *Financial Stability Report, Reserve Bank of India, December 2025*

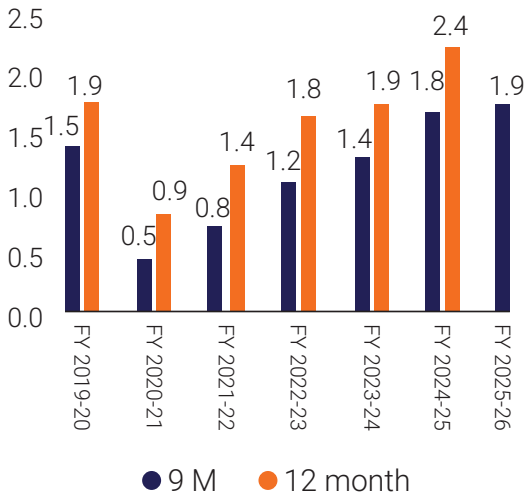
CONSUMER CREDIT – DELINQUENCY LEVEL (%)



Sources: *Financial Stability Report, Reserve Bank of India, December 2025*

LIQUIDITY AND BORROWING UPDATES

Chart 1: Overall Securitisation volume (₹ Lakhs Crores)
Securitisation volumes



Sources: *CRISIL*

NBFCs maintained comfortable liquidity buffers in FY 2025–26, supported by strong balance sheets, diversified funding sources and prudent asset-liability management. As per the Reserve Bank of India Financial Stability Report (December 2025), liquidity coverage remains adequate, with most large NBFCs maintaining buffers well above regulatory thresholds.

Total borrowings accounted for ~68.7% of the funding mix, while equity stood at ~22.4% as of September 2025. Bank borrowings, though dominant, moderated to ~28.3%, while debentures increased to ~22.2%, indicating a gradual shift toward market-based funding. Commercial paper remained limited at ~2.0%, reflecting a cautious approach to short-term borrowings.

Asset-liability profiles remained stable, with short-term liabilities at ~25% and long-term assets at ~60%, indicating manageable maturity mismatches. RBI stress tests further highlight sector resilience, with only a small proportion of NBFCs facing liquidity pressures even under severe scenarios.

Overall, NBFCs demonstrated strong liquidity resilience and improved funding diversification, positioning the sector well to support sustained credit growth while effectively managing liquidity risks.

The securitization market maintained steady momentum in FY 2025–26, with volumes rising ~5% year-on-year to ~₹1.87 Lakhs Crores in the first nine months, compared to ~₹1.78 Lakhs Crores in the corresponding period last year, largely driven by sustained originations by NBFCs despite limited activity from banks.

In the third quarter, volumes stood at ~₹63,000 Crores, broadly in line with the previous year. However, the composition shifted significantly, with negligible participation from banks—unlike last year—offset by increased NBFC activity.

NBFC originations grew strongly by ~35% year-on-year in Q3, supported by robust volumes in gold and vehicle loan pools. Consequently, NBFCs accounted for ~97% of total retail securitization volumes during the quarter, compared to ~71% in the same period last year.

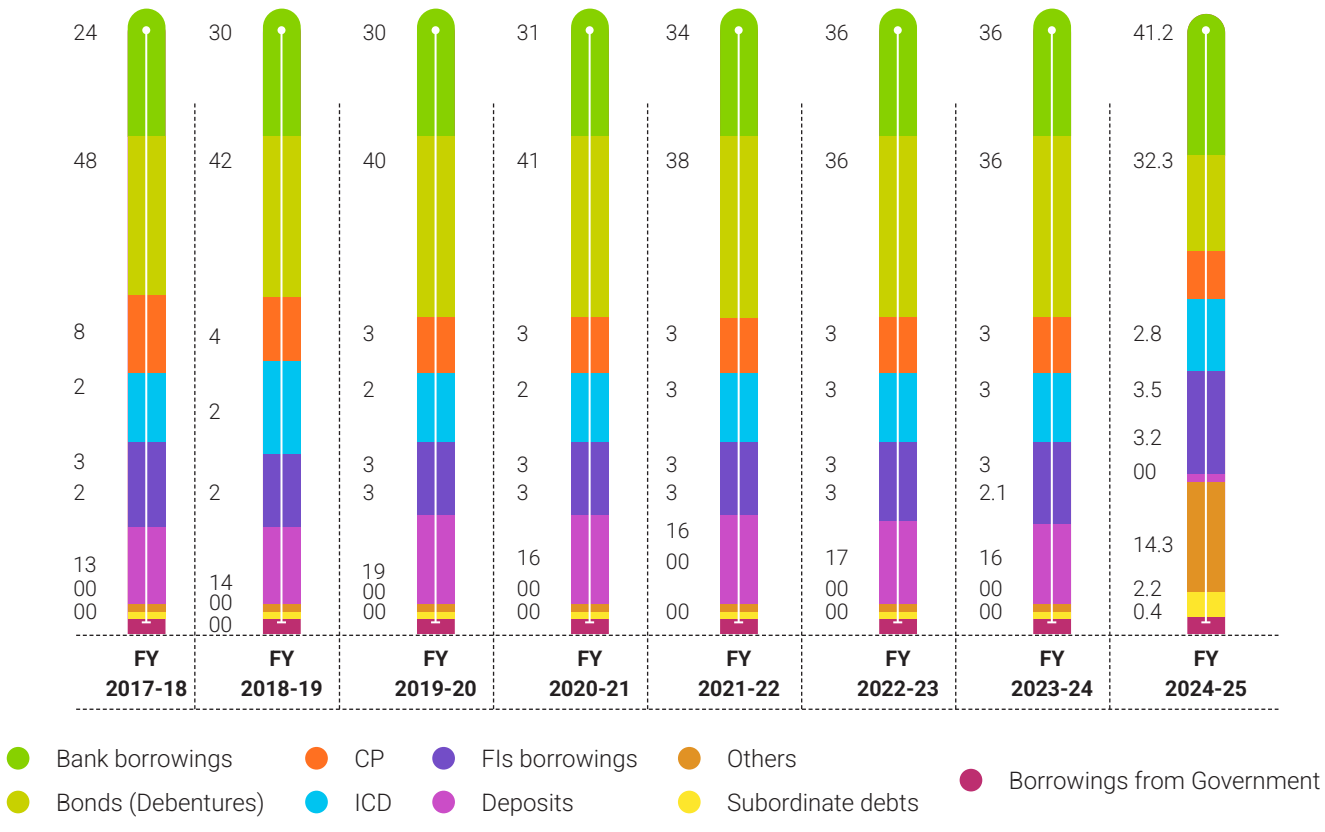
The market also saw a broadening of the originator base, with ~200 originators in the first nine months of FY 2025–26 versus ~150 in the previous year, predominantly led by NBFCs. Overall, securitization continues to serve as a key funding and liquidity management tool for NBFCs

~₹1.87 Lakhs Crores

Securitization market volume

~5%

Securitization market volume growth



Sources: *Financial Stability Report, Reserve Bank of India, December 2025*

OUTLOOK

The outlook for the NBFC sector remains strong and structurally positive, supported by robust credit demand, increasing financialization and favorable macroeconomic conditions. Growth is expected to transition toward sustainable, quality-led expansion. The NBFC-Retail segment is expected to maintain healthy momentum, growing at 17–19% in FY 2025–26 and 16–18% in FY 2026–27, with overall AUM projected to expand at ~18–19%, crossing ₹50 Lakhs Crores by March 2027, driven by sustained consumption demand and policy support.

Supportive factors such as GST rationalization and benign inflation are expected to further strengthen retail credit demand. At the same time, improving funding diversification and enhanced risk frameworks position NBFCs to capitalize on emerging opportunities across segments.

Profitability is expected to remain robust, with RoA at ~2.3–2.5%, supported by a favorable shift toward secured lending, stable margins and improved operating efficiencies.

Overall, the sector is well-positioned for resilient and sustainable growth, backed by stronger balance sheets, disciplined risk management and a diversified funding profile, enabling NBFCs to effectively capture India's long-term credit opportunity.

~₹1.87 Lakhs Crores

Projected growth rate of NBFCs in FY 2026–27

AUM crossing
₹50 Lakhs Crores
by March 2027

Sources: *NBFC growth may moderate as gold loan boom untenable: ICRA - Banking & Finance News | The Financial Express*

Sources: *AUM to tick up steadily for NBFCs, cross ₹ 50 Lakhs Crores next fiscal*

Sources: *https://www.icra.in/Research/ViewResearchReport/6759*

PESTEL ANALYSIS FOR NBFC SECTOR IN INDIA

POLITICAL

POLICY-LED FINANCIAL INCLUSION AND CREDIT DEEPENING

The NBFC sector continues to benefit from a supportive policy ecosystem that is accelerating financial inclusion and expanding credit access.

- Expansion of priority sector lending norms continues to channel credit towards underserved segments
- Targeted MSME support programs are enhancing access to formal financing for small businesses
- Digital public infrastructure—including Aadhaar, UPI and the Account Aggregator framework—has strengthened credit delivery, efficiency and reach

ENABLING POLICY FRAMEWORK STRENGTHENING LAST-MILE CREDIT DELIVERY

Public policy initiatives focused on broadening financial access—most notably the Pradhan Mantri Jan Dhan Yojana (PMJDY) which is one of the world's largest financial inclusion initiatives and the Pradhan Mantri Mudra Yojana—have created a favorable operating environment for NBFCs. Complementary programs such as the Pradhan Mantri Awas Yojana (PMAY) and the Stand-Up India Scheme have further strengthened credit penetration by supporting affordable housing and promoting entrepreneurship among underserved segments, including women and SC/ST borrowers.

By significantly expanding the formal banking network and enabling credit flow to previously underserved segments, these programs have positioned NBFCs as critical enablers in last-mile credit delivery.

PMJDY

One of the world's largest financial inclusion initiatives

57.91 Crores

beneficiaries banked under PMJDY (till December 2025)

REFINED RISK-WEIGHT NORMS TO ENHANCE CAPITAL EFFICIENCY

The Reserve Bank of India has proposed revised risk-weight guidelines for NBFCs' infrastructure exposures, aimed at aligning capital requirements more closely with actual credit risk. Under the draft framework, lower risk weights may be assigned to well-performing, operational projects with strong repayment track records. This calibrated approach is expected to optimize capital allocation, reduce funding costs for established infrastructure assets, and encourage prudent credit deployment within the sector.

ECONOMIC

STABLE GROWTH MOMENTUM WITH ANCHORED INFLATION

India's macroeconomic environment remains supportive, with real GDP growth estimated at 7.4% in FY 2025-26 and inflation remaining well within the RBI's tolerance band. Retail inflation averaged a low 1.7% during April–December 2025, supported by easing food and fuel prices and improved supply-side dynamics. These trends, alongside stable consumption growth, reflect a balanced macroeconomic backdrop conducive to sustained credit expansion.

STABLE AND CALIBRATED MONETARY POLICY

The RBI has maintained a balanced policy stance, holding the repo rate at 5.25%, thereby anchoring inflation within the target range while ensuring adequate liquidity to support credit growth and overall economic stability.

5.25%

Current repo rate

STRONG CREDIT GROWTH MOMENTUM SUPPORTED BY GST REFORMS

The NBFC sector is poised to sustain healthy expansion, supported by improved liquidity conditions and the positive impact of GST rationalization. These GST rate cuts are expected to further stimulate credit demand across segments, reinforcing growth prospects for both NBFCs and the broader financial system.

Sources: *NBFC loans to grow 15-17% in FY 2025-26 on GST reforms, liquidity boost: Icra | Finance News - Business Standard*

SOCIAL

RISING RETAIL CREDIT DEMAND DRIVING INCLUSIVE GROWTH

A growing middle class and rapid urbanization are fueling demand for retail credit across housing, consumption and small business segments. In this evolving landscape, NBFCs play a pivotal role by extending credit access to emerging entrepreneurs, women and youth, thereby fostering financial inclusion and supporting broad-based, inclusive economic development.

STRENGTHENING CO-LENDING TO BRIDGE MSME CREDIT GAP

A parliamentary standing committee has recommended expanding bank–NBFC co-lending arrangements to address the formal credit gap faced by MSMEs. This move is expected to improve credit accessibility; lower borrowing costs, and strengthen financial inclusion across the small business ecosystem.

EXPANDING CONSUMER CREDIT LANDSCAPE DRIVEN BY INCOME GROWTH

Rising income levels and shifting consumption preferences are reshaping India's credit ecosystem, particularly across urban and semi-urban markets. As households increasingly seek financing for discretionary spending and asset creation, NBFCs have emerged as key enablers by delivering customized lending solutions across personal finance, mobility and consumer purchases. This evolving demand is not only supporting consumption-led growth but also enabling greater financial mobility across emerging income segments.

TECHNOLOGY

DIGITAL TECHNOLOGIES ENHANCING CREDIT DECISIONING AND OPERATIONAL EFFICIENCY

The adoption of advanced technologies such as Artificial Intelligence (AI) and Robotic Process Automation (RPA) is transforming credit assessment within NBFCs. These capabilities enable real-time, data-driven decision-making, replacing traditional manual and judgement-intensive underwriting processes with faster and more consistent evaluations. As a result, technologically enabled NBFCs are better positioned to deliver instant approvals, enhance customer experience, ensure uniform application of credit policies, and achieve meaningful cost efficiencies—strengthening their competitive differentiation against peers and traditional banking institutions.

CYBERSECURITY AND DATA PROTECTION TECHNOLOGIES

With increasing digital adoption, NBFCs are strengthening cybersecurity frameworks to protect customer data and ensure secure operations. Institutions are leveraging AI-based fraud detection systems to identify risks in real time, while implementing encryption and multi-factor authentication to safeguard sensitive information.

At the same time, NBFCs are aligning with evolving data privacy regulations and digital lending guidelines, enhancing compliance, operational resilience and customer trust in a technology-driven ecosystem.

DIGITAL LENDING PLATFORMS (END-TO-END AUTOMATION)

NBFCs are increasingly adopting end-to-end digital lending platforms, including advanced loan origination systems (LOS) and loan management systems (LMS), to streamline operations and enhance customer experience. These platforms enable paperless onboarding and faster loan approvals, significantly improving turnaround times.

By reducing operational costs and enabling scalable customer acquisition, digital lending is also expanding NBFCs' reach into Tier II, Tier III and rural markets, strengthening financial inclusion and supporting sustainable growth.

ENVIRONMENTAL

INDIA'S GREEN FINANCE MARKET

Green finance refers to funding directed toward environmentally sustainable projects, including renewable energy, clean mobility and climate-resilient infrastructure. India's green finance market is gaining strong momentum, supported by policy initiatives and rising ESG adoption. Market data indicate US$ 55.9 Billion in sustainable debt, along with US$ 800 Billion in corporate climate commitments through 2034, reflecting long-term investment intent. The market is expected to grow further supported by capacity additions of renewable energy, reinforcing India's transition toward a low-carbon economy.

US$ 55.9 Billion

Sustainable Debt Issuances in H1 2025

US$ 800 Billion

Corporate Climate Commitments (till 2034)

Green Investment and the Evolving Investor Landscape in India: A Bibliometric Analysis up to July 2025 | GSB Insight: Journal of Business and Research

GREEN LOAN PRODUCTS

Green loans are credit facilities designed to finance environmentally sustainable activities, including energy-efficient housing, electric vehicles and renewable energy projects. NBFCs are increasingly expanding green lending portfolios, supported by rising ESG awareness and regulatory encouragement.

The Reserve Bank of India estimates that ₹85.6 trillion of investment will be required by 2030 to enable industries to meet climate-related commitments, highlighting a significant opportunity for green financing. These products are thus emerging as a key enabler of sustainable growth and climate transition.

₹85.6 trillion

Cumulative total expenditure for adapting to climate change in India by the year 2030

ENERGY EFFICIENCY AND SUSTAINABILITY FOCUS FOR NBFC INDUSTRY

Energy efficiency and sustainability in NBFCs involve integrating ESG principles into lending and operations, while promoting financing for eco-friendly projects. NBFCs are increasingly focusing on green portfolios, digital processes to reduce carbon footprint, and responsible lending practices. This shift not only aligns with regulatory and investor expectations but also supports long-term value creation and sustainable growth.

LEGAL

STRENGTHENING REGULATORY OVERSIGHT THROUGH SBR FRAMEWORK

The regulatory landscape for NBFCs has evolved significantly, with the Reserve Bank of India introducing measures to enhance risk management, governance and financial stability. The implementation of the Scale-Based Regulation (SBR) framework has enabled differentiated supervision based on size and systemic importance, thereby strengthening oversight of larger and systemically important NBFCs.

TIGHTENING NORMS FOR UNSECURED AND DIGITAL LENDING

During FY 2025–26, regulatory actions focused on tightening norms for unsecured lending, including higher risk weights, to address concerns around borrower overleveraging and asset quality. In addition, the RBI strengthened digital lending guidelines, emphasizing transparency, data privacy, fair practices and enhanced customer protection in an increasingly digital lending environment.

ENHANCING TRANSPARENCY AND MANAGING SYSTEMIC RISKS

The regulator also introduced measures to limit NBFC exposure to Alternative Investment Funds (AIFs) and strengthened disclosure requirements to improve transparency. These initiatives are aimed at reducing systemic risks and ensuring prudent capital allocation, thereby fostering a more resilient, disciplined and well-regulated NBFC ecosystem.

HOUSING FINANCE

The housing industry in India has witnessed steady growth and deepening financialization, underscoring its increasing significance within the broader economic landscape. The expansion of housing finance has played a pivotal role in driving sectoral growth, with the aggregate loan portfolio of Housing Finance Companies (HFCs) rising at a CAGR of ~5% to ₹ 9.6 Lakhs Crores as of 31 March, 2025, compared to ₹ 7.9 Lakhs Crores in March 2021.

Access to housing finance has improved markedly, reflected in the increase in housing loans to GDP to ~11% in FY 2024–25 from 8% in FY 2014–15, as per the Economic Survey 2025–26. This has been complemented by a significant rise in outstanding individual housing loans, which have more than tripled to ₹37 Lakhs Crores over from ₹ 10 Lakhs Crores the past decade, indicating stronger credit penetration and formalization of the housing market.

Overall, the industry continues to benefit from increasing affordability, policy support and rising demand for home ownership, positioning it as a key driver of economic growth and urban development in India.

₹9.6 Lakhs Crores

HFC loan portfolio till FY 2024-25

~5% CAGR growth

in HFC portfolio between FY2020-21 till–FY2027-25)

₹37 Lakhs Crores

Outstanding individual housing loans

3.7x growth

in housing loans over the past decade

KEY GOVERNMENT INITIATIVES

Government initiatives have played a pivotal role in strengthening India's housing finance ecosystem, enabling wider access to affordable housing and accelerating sectoral growth. Flagship programs such as the Pradhan Mantri Awas Yojana (PMAY), including its urban and rural components, along with schemes like the Credit Linked

Subsidy Scheme (CLSS) and the Affordable Rental Housing Complexes (ARHC) initiative, have significantly improved housing affordability and credit access.

PRADHAN MANTRI AWAS YOJANA – URBAN 2.0 (PMAY-U 2.0)

Approved by the Union Cabinet in June 2024 and launched on September 1, 2024, Pradhan Mantri Awas Yojana–Urban (PMAY-U) 2.0 marks a significant step forward in India's urban housing agenda. The scheme aims to address the housing needs of 1 Crores urban economically weaker and middle-income families over a five-year period, with a total investment outlay of ₹10 Lakhs Crores. The government has committed central assistance of ₹2.30 Lakhs Crores, underscoring its continued focus on improving housing affordability and accelerating urban development.

KEY DEVELOPMENTS:

125.15 Lakhs
Houses Sanctioned

97.3 Lakhs
in HFC portfolio between FY2020-21 till–FY2027-25)

₹ 8.74 Lakhs Crores
in housing loans over the past decade

Sources: *PMAY (U)*

SWAMIH FUND (SPECIAL WINDOW FOR AFFORDABLE AND MID-INCOME HOUSING)

Launched in November 2019, the SWAMIH Investment Fund is a Government-backed initiative aimed at providing last-mile financing to stalled housing projects, with support from the Department of Economic Affairs, Ministry of Finance. As of December 15, 2025, the fund has enabled the delivery of approximately 61,000 homes across 110 projects, including over 7,000 units in the rehabilitation and Economically Weaker Sections (EWS) category. It has unlocked over ₹37,400 Crores of capital across 127 projects nationwide, covering more than 90 Million sq. ft. of development area, with 44% focused on LIG and MIG housing. Building on this progress, the Union Budget 2025–26 announced SWAMIH Fund-2, a ₹15,000 Crores blended finance facility involving government, banks and private investors, aimed at expediting the completion of an additional 1 Lakhs housing units.

SWAMIH | Impact at a glance

Sustainable Investment and Patient Capital

37,400+ Crores
Capital unlocked across 127 projects

14,150+ Crores
Cost incurred post SWAMIH

10,470+
Customer collections

14,800+
Capital sanctioned

Workforce Revival

36,160+
Skilled / Unskilled jobs created

3,520+
Permanent jobs created

15%
Women workforce

5.33 lacs
Lives impacted

Access to social amenities

Welfare Infrastructure - labor hutments with basic needs and Childcare support

Safety and Emergency Preparedness Mandatory Safety Officer, On site Healthcare facilities and EHS plan

Mass Impact

6,890+ Crores
GST contribution, govt. dues and stamp duties

20+ Lakhs ton
Cement demand generated

5.5+ Lakhs MT
Steel demand generated

1.06+ Lakhs trees
Green Cover added

Inclusive Housing

90.9+ Million sq. ft.*
Area under development

985,030+ Units*
Under development across India

54,300+ Units*
Delivered

7,050+ Units*
Rehab / EWS units

44%+
LIG and MIG housing

61,000+
Homes delivered, across 110 projects

₹37,400+
in Crores capital unlocked across 127 projects

₹15,000 Crores
Allocated under SWAMIH Fund-2

INTEREST SUBSIDY SCHEME

Under the Interest Subsidy Scheme (ISS) vertical of PMAY-U 2.0, subsidy is provided on home loans sanctioned and disbursed on 01.09.2024 or after to eligible beneficiaries of EWS/LIG/MIG segments for purchase/repurchase/ construction of houses. Households belonging to EWS, LIG and MIG categories, with an annual income of up to ₹3 Lakhs, ₹6 Lakhs and ₹9 Lakhs, respectively will be eligible to avail the benefit of the Scheme.

NATIONAL HOUSING BANK (NHB)

NHB is the apex financial institution for housing finance in India, operating under the Ministry of Finance. It was set up to promote a sound, sustainable and inclusive housing finance system, while strengthening the institutional framework for housing finance across the country.

NHB plays a pivotal role in developing the housing finance ecosystem by providing refinance support to banks and housing finance companies, thereby improving credit availability and lowering borrowing costs for homebuyers. It also undertakes supervision of housing finance institutions, promotes affordable housing initiatives, and facilitates securitization and long-term funding mechanisms, enabling deeper credit penetration and overall sectoral growth.

HOUSING AND URBAN DEVELOPMENT CORPORATION (HUDCO)

HUDCO is a government-owned financial institution that provides long-term finance for housing and urban infrastructure development. With a focus on social and economic infrastructure, HUDCO supports state governments, housing boards and urban development agencies by funding affordable housing projects, urban amenities and large-scale infrastructure, thereby strengthening the supply side of the housing ecosystem.

OUTLOOK

The outlook for India's housing finance sector remains strong and growth-oriented, underpinned by favorable demographics, rising urbanization and increasing home ownership aspirations. The individual housing finance market, currently valued at ₹33 Lakhs Crores, is expected to grow at a CAGR of 15–16% between FY 2025–30, reaching ₹77–81 Lakhs Crores, as per CareEdge Ratings.

Growth will be supported by structural drivers such as government incentives, improved affordability, and continued expansion of residential real estate activity. The sustained momentum in housing demand, particularly across mid-income and affordable segments, is expected to drive credit uptake.

The sector is well positioned to benefit from deepening financialization, stable policy support and robust end-user demand, reinforcing its role as a key contributor to India's long-term economic growth.

Sources: *India's housing finance market poised to more than double in next 6 years: Report, ETBFSI*

Sources: *1773306493_Affordable Housing Finance, projecting steady growth.pdf*

Sources: *Housing finance market to grow at 15-16% CAGR through 2029-30: CareEdge - The Economic Times*

GOLD LOANS

The gold loan industry in India is a key pillar of the retail-lending ecosystem, anchored in the country's strong cultural affinity for gold as a store of value. Historically dominated by unorganized lenders, the market has undergone rapid formalization and institutionalization, with banks and NBFCs expanding their footprint through competitive offerings, faster turnaround times and deeper geographic reach.

In recent years, the industry has witnessed accelerated growth and is driven by rising gold prices, growing credit demand and increasing preference for secured lending products. Gold loans have emerged as a convenient and reliable financing solution, particularly for MSMEs and underserved segments, due to their collateral-backed nature, minimal documentation and quick disbursal.

PERFORMANCE HIGHLIGHTS

The gold loan industry delivered strong and broad-based growth in FY 2025–26, supported by favorable gold prices, rising credit demand and increased participation from banks and NBFCs. Gold loans continued to grow by far the fastest among all major sectors followed by the priority-housing sector, the Reserve Bank of India's report on sectoral deployment of bank credit showed.

The organized gold loan market is expected to reach ~₹15 Lakhs Crores by FY 2026, ahead of earlier estimates, reflecting sustained momentum (ICRA estimates). During the year under review, Disbursement activity remained exceptionally strong. Gold loan disbursements surged 94% YoY to ₹8.16 Lakhs Crores between October to December 2025, compared to ₹4.23 Lakhs Crores in the corresponding period last year (Equifax Retail Insights report). This surge was driven by borrowers increasingly preferring gold-backed loans over other credit options, particularly for business and working capital needs.

As per the report, across lender categories, public sector banks recorded a 71.24% YoY growth in disbursements to ₹3.75 Lakhs Crores, while private sector banks grew by 65.75% YoY to ₹1.21 Lakhs Crores. NBFCs witnessed the sharpest growth, with disbursements surging 189% YoY to ₹2.5 Lakhs Crores, nearly tripling during the 3rd quarter of FY 2025-26. Public sector banks remained the largest contributors, accounting for ~46% of total disbursements.

₹ 8.16 Lakhs Crores

Gold loan disbursements in Q3 FY 2025-26 registering 94% YoY growth

~₹15 Lakhs Crores

Estimated market size of organized gold loan Gold loan in FY 2025-26

189% YoY surge

NBFCs' disbursement growth in Q3 FY 2025-26

94%

Gold loan disbursements growth in Q3 FY 2025-26

KEY GROWTH DRIVERS

- **Favorable gold prices**

  Rising gold prices enhance collateral value, enabling higher loan eligibility and driving increased borrower demand.

- **Strong MSME demand**

  Gold loans have become a preferred financing option for MSMEs due to ease of access, minimal documentation and quick disbursal.

- **Supportive regulatory environment**

  Policy measures such as LTV relaxations and favorable interest rate regimes have supported growth and improved accessibility.

- **Low penetration and market expansion**

  Despite large gold reserves, the organized gold loan market remains underpenetrated, with expansion into rural and semi-urban markets unlocking new growth avenues.

RBI GOLD LOAN DIRECTIONS 2025

The RBI's 2025 Directions introduce a calibrated and borrower-centric framework for gold loans, strengthening transparency, compliance and risk management across the sector. Under the revised norms, consumption gold loans up to ₹2.5 Lakhs can have an LTV of up to 85% (earlier 75%), loans between ₹2.5–5 Lakhs are capped at 80%, and loans above ₹5 Lakhs at 75%. This tiered approach enhances credit access for small-ticket borrowers, particularly in rural and semi-urban areas, while maintaining tighter controls on higher-value loans.

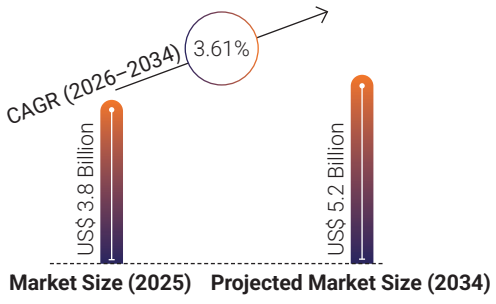
The Directions also tighten bullet repayment structures, mandating closure within 12 months (consumption loans) and requiring LTV calculation based on the total repayment due at maturity rather than the disbursed amount, thereby addressing monitoring gaps and preventing LTV breaches. To enhance operational transparency, borrowers must be present during gold valuation, and any surplus from auctions must be returned within seven working days. Similarly, pledged gold must be released within seven days of loan closure, with penalties of ₹5,000 per day for delays.

The reforms are expected to significantly influence lending strategies. While higher LTVs will support growth in small-ticket loans, large-ticket loans—especially under bullet repayment—may face constraints. For loans above ₹5 Lakhs, lenders may need to limit initial LTV to ~63%–64% under stable gold prices and interest rates of 17%–18%. This could prompt borrowers to pledge additional gold or opt for shorter tenures, while lenders may increasingly shift towards EMI-based structures, albeit with some yield compression.

Overall, the framework balances growth with prudential lending, while strengthening borrower protection through clear rules on LTV tiers, repayment structures, auctions and collateral release.

OUTLOOK

The gold loan market, valued at US$ 3.8 Billion in 2025, is anticipated to expand to US$ 5.2 Billion by 2034, registering a CAGR of 3.61%, reflecting a steady growth trajectory supported by strong structural drivers. The outlook for the sector remains structurally positive, supported by multiple long-term growth drivers. Foremost, rising gold prices continue to enhance the collateral value of pledged assets, enabling borrowers to access higher loan amounts and driving portfolio expansion for lenders. Additionally, a structural shift towards secured lending, particularly amid tighter conditions in unsecured credit segments, is encouraging both retail borrowers and small businesses to increasingly opt for gold-backed financing.



Sources: Gold loans grow fastest among all major bank credit segments: RBI - The Economic Times

Sources: ICRA an Affiliate of Moody's

Sources: Gold loan disbursements surge 94% in Q3FY26: Equifax Retail Insights | Finance News - Business Standard

Sources: India Gold Loan Market Size, Share, Demand, Forecast 2034

Sources: RBI Gold Loan Guidelines 2025: Key changes and impact | EY - India

MICRO, SMALL, AND MEDIUM ENTERPRISES (MSME)

Micro, Small and Medium Enterprises (MSMEs), often termed the "engine of growth"; continue to play a pivotal role in India's economic development through employment generation, manufacturing expansion, regional balance and wealth distribution. The sector contributes ~31.1% to GDP, ~35.4% to manufacturing output and ~48.58% to exports (Union Budget 2026-27).

With over 7.47 Crores enterprises employing over 32.82 Crores persons, the MSME sector holds its position as the second-largest employer after agriculture. Formalization has accelerated, with 7.30 Crores+ enterprises registered between July 2020 and December 2025, reflecting increasing integration into the formal economy.

~31.1%
MSME contribution to GDP

~48.58%
in MSME contribution to exports

7.30 Crores+
Enterprises registered between July 2020 and December 2025

ANNOUNCEMENTS UNDER UNION BUDGET 2026

The Union Budget 2026–27 places strong emphasis on strengthening the MSME ecosystem through the vision of "Building Champion MSMEs for a Global India" aligned with three key Kartavyas:

- Accelerate and sustain economic growth
- Fulfill aspirations and build capacity
- Ensure equitable access to resources and opportunities

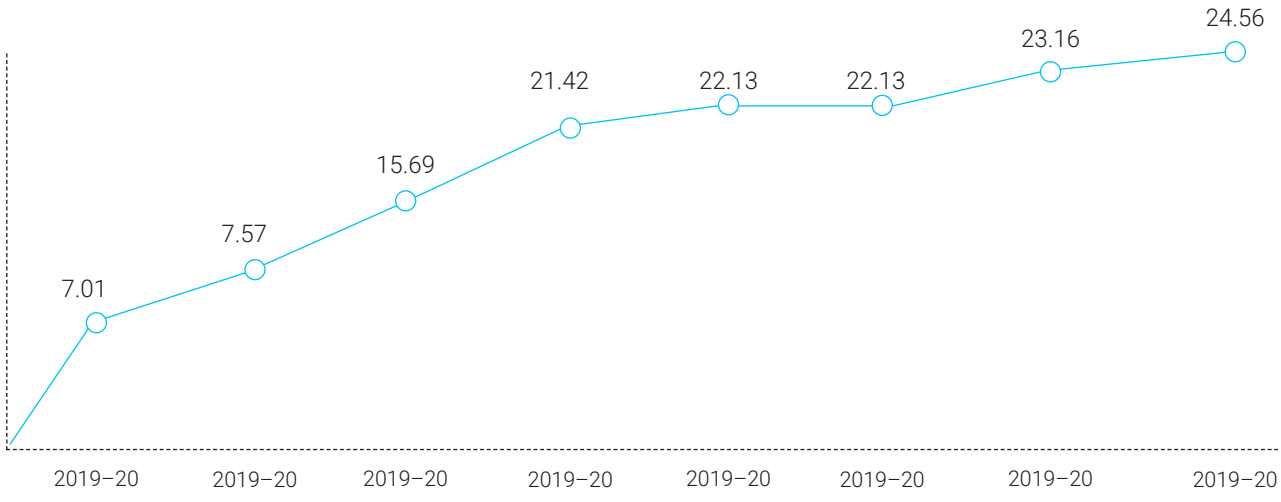
In line with this vision, the Government has introduced a comprehensive three-pronged strategy aimed at improving access to capital, enhancing liquidity and strengthening access to professional and managerial expertise within the MSME sector:

- Equity Support: A dedicated ₹10,000 Crores SME Growth Fund has been proposed to nurture high-potential enterprises and create future global champions. Additionally, the Self-Reliant India (SRI) Fund will be augmented with a ₹2,000 Crores top-up. Since inception till November 30, 2025, the SRI Fund has supported 682 MSMEs with investments amounting to ₹15,442 Crores, strengthening access to risk capital.
- Liquidity Support: To address working capital constraints, more than ₹7 Lakhs Crores of funding has been enabled through the TReDS platform, facilitating faster receivables financing and improving cash flow cycles for MSMEs.
- Professional Support: The introduction of the 'Corporate Mitras' initiative aims to develop a support ecosystem in Tier-II and Tier-III cities, providing MSMEs with access to affordable professional and compliance-related services, thereby enhancing operational efficiency and governance standards.

Further, the budget has undertaken a structural revision of MSME classification norms, with increase in investment limits and turnover thresholds across micro, small and medium enterprises. This reclassification is expected to enable business scalability while allowing enterprises to retain MSME benefits for a longer growth cycle.

Reflecting the Government's sustained focus, budgetary allocation for the MSME sector has witnessed a steady increase, rising from ₹7.01 Thousand Crores in FY 2019-20 to ₹24.56 Thousand Crores in FY 2026-27, underscoring continued policy support towards fostering a resilient and globally competitive MSME landscape.

Budgetary Outlay (₹ Thousand Crores)



GOVERNMENT SCHEMES DRIVING MSME GROWTH

PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAM (PMEGP)

PMEGP continues to support micro-entrepreneurs through margin money subsidies on bank loans, with an expanded scope and higher project cost limits. Since inception (FY 2008–09) till December 2025, the scheme has assisted 10.71 Lakhs+ enterprises with subsidy disbursement of ₹29,249.43 Crores, generating employment for over 87 Lakhs individuals, thereby strengthening grassroots entrepreneurship.

10.71 Lakhs+ enterprises
Benefited from the scheme

87 Lakhs individuals
Employment generated

MSME CHAMPIONS SCHEME

The MSME Champions Scheme is designed to enhance competitiveness and foster excellence through its three key components—ZED (Zero Defect Zero Effect), LEAN (productivity improvement) and Innovative (incubation, design and IPR support). The scheme has witnessed strong adoption, with a total of 2,71,373 MSMEs registered under the MSME Sustainable (ZED) Certification Scheme, of which 1,92,689 enterprises have been certified, along with 32,077 MSMEs enrolled under the Lean Scheme, collectively driving improvements in efficiency, quality and innovation.

2,71,373
MSMEs registered under MSME Sustainable (ZED)

32,077
MSMEs enrolled under the Lean Scheme

CREDIT GUARANTEE SCHEME FOR MSES (CGTMSE)

The CGTMSE has significantly improved credit accessibility by providing collateral-free loans to MSMEs. Celebrating 25 years in 2025, the scheme has crossed 1 Crores guarantees since inception, with 29.03 Lakhs guarantees worth ₹3.77 Lakhs Crores approved from 1 January till 30 November, 2025. The guaranteed cover has been enhanced to ₹10 Crores from ₹5 Crores, with additional benefits extended to enterprises promoted by transgender entrepreneurs.

29.03 Lakhs
Guarantees approved from 1 January till November 30, 2025

1 Crores guarantees
Crossed since inception (August 2000)

PM VISHWAKARMA SCHEME

Launched in September 2023, the PM Vishwakarma Scheme provides holistic support to artisans and craftspeople across 18 trades who work with their hands and tools. Under the scheme, 20 Lakhs+ artisans are being imparted training and banking support and 7.7 Lakhs beneficiaries completed basic skill training in 2025. As of December 1, 2025, 30 Lakhs beneficiaries have been registered, with 23.09 Lakhs trained, while ₹2,257 Crores has been sanctioned to 2.62 Lakhs beneficiaries and 6.7 Lakhs individuals digitally enabled, promoting traditional skills and financial inclusion.

30 Lakhs+
Beneficiaries registered

₹2,257 Crores
Sanctioned under this scheme

ONDC AND TEAM INITIATIVE

The **Open Network for Digital Commerce (ONDC)**, along with the **TEAM (Trade Enablement and Marketing)** Initiative, is enabling MSMEs to integrate into formal digital commerce ecosystems. With a target of onboarding **5 Lakhs MSMEs**, these initiatives are enhancing market access, improving supply chain participation and significantly reducing transaction costs.

OUTLOOK

The MSME sector outlook remains strong supported by increasing formalization, digital adoption and sustained policy support. With over 7 Crores enterprises integrated into formal platforms, access to credit, markets and government schemes is improving. Initiatives such as ONDC, TReDS and credit guarantee schemes are expected to enhance liquidity and strengthen market linkages, while growing participation in global value chains will support export growth.

Going forward, targeted measures under Union Budget 2026–27, including enhanced funding support and revised classification norms, are expected to drive scalability and competitiveness. Despite challenges such as cost pressures and compliance requirements, ongoing reforms and digitalization efforts position the sector for steady growth, reinforcing its role in employment generation and economic expansion.

Sources: *Press Release: Press Information Bureau*
Sources: *Press Release: Press Information Bureau*

MICRO FINANCE SECTOR

The microfinance sector in India has emerged as a cornerstone of financial inclusion, enabling access to credit and essential financial services for underserved populations, particularly women, small farmers and micro-entrepreneurs across rural and semi-urban regions. It continues to play a pivotal role in driving socio-economic development by empowering low-income households, rural enterprises and women-led businesses. As of June 30, 2025 the sector has

established a widespread footprint across over 36 States/ UTs and 721 districts, serving approximately 7.5 Crores unique clients and reinforcing its significance in bridging the formal credit gap.

https://mfinindia.org/assets/upload_image/news/pdf/Micrometer%20Q1%20FY%2025-26%20Press%20Release.pdf

PERFORMANCE DURING 2025-26

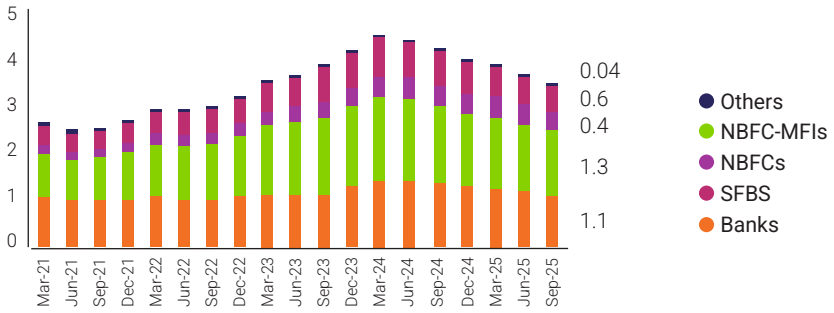
Following a phase of strong expansion through FY 2023-24, the microfinance sector witnessed a sustained moderation during FY 2025-26 reflecting a shift towards prudent lending and portfolio recalibration. Industry data indicate that the Gross Loan Portfolio (GLP) declined from approximately ₹3.53 Lakhs Crores as of June 2025 to around ₹3.39 Lakhs Crores by September 2025, and further to ₹3.14 Lakhs Crores by December 2025, marking an overall year-on-year contraction of about 18.3%. This decline was primarily driven by tighter underwriting norms, cautious disbursement strategies and the gradual run-down of legacy portfolios amid evolving risk dynamics.

The microfinance sector witnessed a calibrated moderation in credit during H1 FY 2025-26 with overall credit declining by 9.3%, marking the sixth consecutive quarter of portfolio rationalization. This phase reflects a conscious shift towards strengthening asset quality and enhancing portfolio resilience. The sector also saw a reduction of 78 Lakhs in active borrowers, indicative of a more selective and disciplined customer acquisition approach.

Bank credit, which accounts for 47.7% of the total credit outstanding to the sector, moderated by 10.6% during the same period, aligning with a broader industry-wide focus on prudent lending, risk recalibration and sustainable growth.

Sources: *India Microfinance: India's Microfinance Sector Experiences 18.3% Decline; NBFC-MFIs Dominate Market Share, ETBFSI*

Chart 1.64: Credit to the Microfinance Sector Declining (₹ in Lakhs Crores)

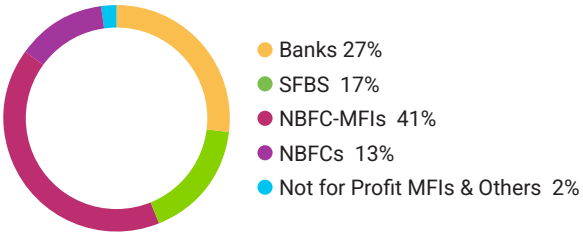


Note: Lender category as reported by financial institutions to the credit information company.

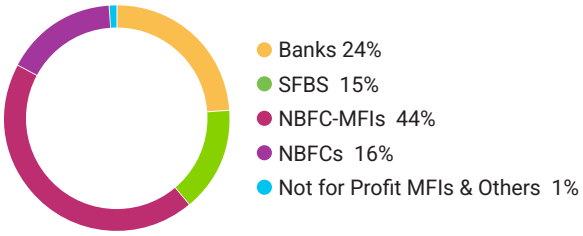
Sources: *CRIF High Mark*

Despite this contraction, NBFC-MFIs continued to retain their leadership position within the microfinance ecosystem, accounting for a 42.1% market share with an outstanding portfolio of ₹1,32,418 Crores. Banks emerged as the second-largest segment with a 26.7% share, while Small Finance Banks (SFBs) and NBFCs contributed 17.5% and 12.5%, respectively, underscoring a diversified institutional presence in the sector.

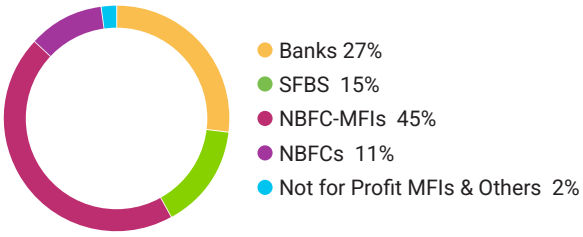
Active Live Borrowers



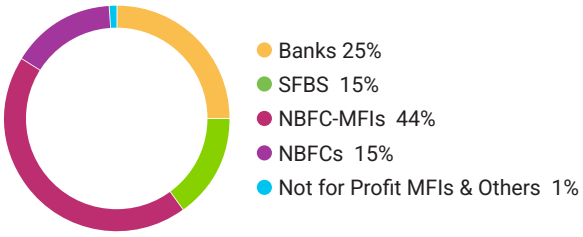
Portfolio Outstanding

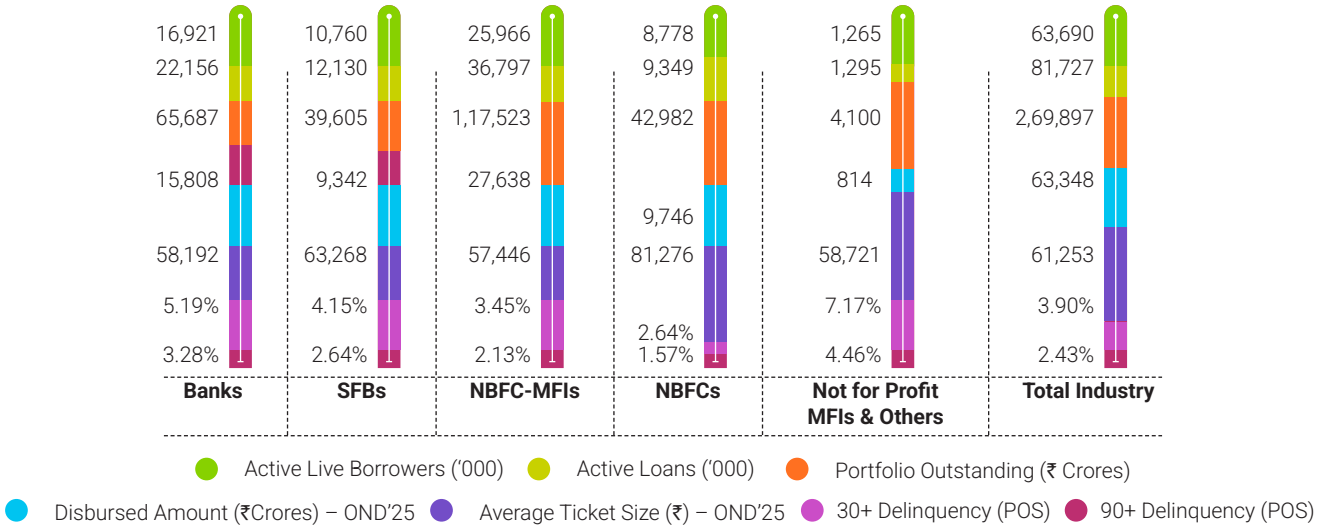


Active Loans



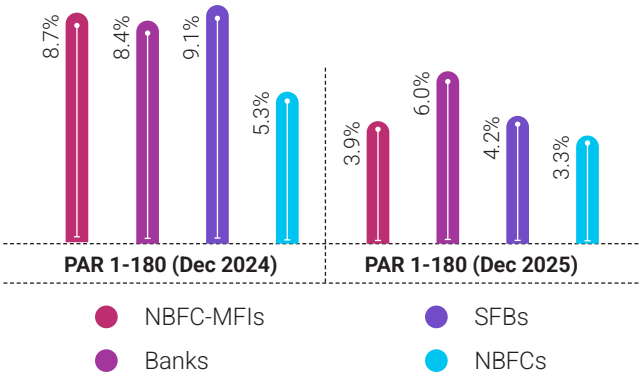
Disbursed Amount - OND'24





ASSET QUALITY AND PORTFOLIO AT RISK (PAR)

A key highlight of the sector during the year has been the broad-based improvement in portfolio quality. For NBFC-MFIs, the PAR (1–180 days) declined sharply to 3.9% as of December 2025, compared to 8.7% in the corresponding period of the previous year, reflecting enhanced underwriting standards, tighter credit discipline and improved collection efficiencies across the industry.



DISBURSEMENT TREND AND FUNDING

The financial performance of NBFC-MFIs during Q3 FY 2025–26 demonstrated underlying resilience, characterized by robust growth in loan disbursements and a meaningful uptick in debt funding, predominantly sourced from banks. This performance was delivered notwithstanding a contraction in the industry's aggregate loan portfolio, underscoring the sector's ability to sustain credit momentum and funding access amid a challenging operating environment.

- NBFC-MFIs disbursed ₹27,537 Crores during the quarter, registering a 23.8% year-on-year growth, supported by an increase in the average loan ticket size to ₹57,576
- The sector received ₹21,020 Crores in debt funding, marking a robust 55.3% year-on-year growth
- Banks accounted for 73.2% of the total debt funding received by the sector, underscoring their dominant role in supporting NBFC-MFIs' funding requirements

Sources: *India Microfinance: India's Microfinance Sector Experiences 18.3% Decline; NBFC-MFIs Dominate Market Share, ETBFSI*

REGULATORY & SRO MEASURES

The microfinance industry continues under a tightened regulatory regime. In early 2025, the RBI reduced risk-weights on bank loans to micro-borrowers by 25 percentage points (to 100%). Moreover, the Microfinance Industry Network (MFIN) pressed ahead with self-regulatory "guardrails": from April 2025 it deferred a cap of 3 MFIs per borrower, but has set loan caps (₹2 Lakhs per borrower) and lender-count limits (3 per borrower) to curb over-indebtedness

Sources: *Mint 26-2-25*

Sources: *MFIN defers capping lenders to each borrower by three months, other covenants come into effect*

DIGITAL AND FINTECH PUSH

Digital finance is transforming micro lending. MFIs and banks are rapidly adopting mobile disbursements and UPI-based collections (often via biometric smartcards) to improve efficiency. For instance, MFIN reports most member MFIs now achieve 100% cashless disbursement in villages.

In May 2025 RBI introduced new Digital Lending Directions requiring up-front disclosure of APR and instituting a "cooling off" period, which will apply to digital microloans too, boosting transparency.

OUTLOOK

The outlook for the Indian microfinance sector remains positive, with the Gross Loan Portfolio (GLP) expected to reach ₹5 Lakhs Crores by FY 2026-27, driven by enhanced regulatory oversight, digital innovation and alignment with developmental priorities such as financial inclusion, rural entrepreneurship and women's economic empowerment.

The ongoing phase of portfolio rationalization is likely to support further asset quality normalization, while easing funding constraints for large players should improve liquidity and enable gradual credit expansion. Reflecting improving sector fundamentals, credit rating agencies have revised their outlook to stable, anticipating a recovery in loan growth once the current deleveraging cycle stabilizes.

Going forward continued government support and the increasing adoption of digital technologies, including digital payments and AI-based credit scoring, are expected to underpin the sector's recovery and long-term growth.

https://www.brickworkratings.com/Research/Microfinance_Sector_In_India_28May2025.pdf

KEY REGULATORY UPDATES FOR FY 2025-26

On February 13, 2026, the Reserve Bank of India issued the Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026, to strengthen the prudential treatment of Default Loss Guarantee (DLG) arrangements. The amendment aims to ensure consistency in the application of provisioning principles, particularly in the context of digital lending and co-lending structures where DLG arrangements have been permitted under specified conditions.

The revised framework allows NBFCs to consider DLG arrangements while determining provisions under the Expected Credit Loss (ECL) framework, subject to compliance with Indian Accounting Standards and the condition that such guarantees are integral to the loan contract. It also mandates enhanced disclosure requirements and requires NBFCs to dynamically recompute provisioning levels upon invocation of DLG, reflecting the reduction in guarantee cover. These measures are expected to improve transparency, ensure prudent provisioning and strengthen risk recognition across NBFC portfolio.

Sources: *https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NT210A019EC76862F41828FE709EB5E102922.PDF*

On January 14, 2026, the Reserve Bank of India introduced the Reserve Bank of India (Non-Banking Financial Companies – Internal Ombudsman) Directions, 2026, aimed at strengthening the internal grievance redressal framework within NBFCs. These Directions seek to ensure timely and impartial resolution of customer complaints by mandating an independent review mechanism through the Internal Ombudsman before complaints are rejected, thereby reinforcing fairness, transparency and accountability in customer service practices. The Directions require eligible NBFCs to appoint an Internal Ombudsman and, where necessary, a Deputy Internal Ombudsman, supported by a structured complaint management system with automated escalation of partially resolved or rejected complaints. The framework emphasises board-level oversight, root cause analysis of complaints, and adherence to defined timelines for resolution, while also integrating supervisory review by the RBI. Collectively, these measures are expected to enhance customer protection, improve grievance handling efficiency and strengthen trust in the NBFC ecosystem

On January 5, 2026, the Reserve Bank of India issued the Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Amendment Directions, 2026, introducing a strengthened regulatory framework for lending to related parties. The amendments seek to enhance governance, transparency and risk discipline by clearly defining related parties and establishing structured oversight mechanisms, including the constitution of Board-level or committee-driven approval processes for such exposures.

The revised Directions mandate NBFCs to incorporate detailed provisions within their credit policies, including exposure limits, materiality thresholds and safeguards such as recusal of interested parties in decision-making. They also require periodic monitoring, internal audit reviews and enhanced reporting of related party exposures, alongside strict enforcement provisions for non-compliance. By reinforcing controls around related party transactions, the framework aims to mitigate conflict of interest risks, strengthen credit governance and promote prudent lending practices across the NBFC sector.

Sources: *https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NT179E8A0C46758CC48778CD80D7D52D1463A.PDF*

RBI vide press release dated November 28, 2025 issued 244 Master Directions consolidating the instructions currently administered by the Department of Regulation (DoR) on an 'as-is' basis.

Under this consolidation effort, instructions contained in approximately 3,500 directions, circulars, and guidelines, were consolidated into 238 Master Directions, across 11

types of regulated entities. For this purpose, the 11 types of regulated entities identified are: (a) Commercial Banks; (b) Small Finance Banks; (c) Payments Banks; (d) Local Area Banks; (e) Regional Rural Banks; (f) Urban Co-operative Banks; (g) Rural Co-operative Banks; (h) All India Financial Institutions; (i) Non-Banking Financial Companies; (j) Asset Reconstruction Companies; and (k) Credit Information Companies. Instructions contained in remaining directions / circulars were identified as obsolete and marked for repeal.

Sources: https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12943

Sources: 353MD9A35481FC07E4D1199A62E5C2356B0C4.PDF

Sources: https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12954

Sources: https://rbidocs.rbi.org.in/rdocs/notification/PDFs/371MD93444E1CFB2749C6A9F8F0182794522B.PDF

Sources: https://rbidocs.rbi.org.in/rdocs/notification/PDFs/360MD1E07039E1DCA455B8CCB9D0C4BFD4BBE.PDF

SECTORAL OPPORTUNITIES AND THREATS

OPPORTUNITIES	THREATS
Deepening financial inclusion, with NBFCs continuing to serve underpenetrated segments such as MSMEs, rural borrowers and informal income groups	Liquidity and funding constraints, with high dependence on market borrowings and bank funding
Niche product innovation around EV financing, healthcare loans, supply-chain finance, among others	Asset quality pressures, given relatively riskier borrower segments
Digital transformation and AI-led underwriting, leading to improved turnaround time, lower costs and enhanced risk assessment capabilities	Enhanced RBI oversight and stricter compliance norms are increasing operational costs and constraining aggressive growth strategies
Co-lending and partnerships with banks, providing NBFCs with access to low-cost funding and banks with expanding reach in priority sectors	High exposure to specific sectors (e.g., infrastructure, MSMEs) and strong interlinkages with banks can amplify systemic vulnerabilities
Industry consolidation and scale benefits are creating stronger, well-capitalized players with improved governance and operational efficiencies	Increasing competition from banks, fintechs and well-capitalized NBFCs may pressurize margins and market shares

COMPANY OVERVIEW

ABOUT US

IIFL Finance Limited (hereinafter referred to as 'IIFL Finance' or 'the Company'), is a leading retail-focused non-banking financial company headquartered in Mumbai. Marking 30 years of its corporate journey, the Company has evolved into a diversified financial services platform, delivering comprehensive and customer-centric lending solutions to underserved and emerging segments across India.

Anchored in a secured, retail-led lending strategy, IIFL Finance has built a resilient and scalable business model, with gold loans and mortgages forming the core of its portfolio. Along with its subsidiaries—IIFL Home Finance Limited and IIFL Samasta Finance Limited—the Company offers a wide spectrum of products, focusing majorly on home loans, gold loans, business loans, supply chain finance and microfinance loans,. This calibrated shift towards collateral-backed lending has strengthened portfolio quality while ensuring consistent and sustainable growth.

As of March 31, 2026, the Company's consolidated Loan Assets Under Management stood at ₹1,08,180 Crores, reflecting robust growth momentum driven by its focused strategy and disciplined execution. The Company's operating model is further reinforced by a capital-efficient, asset-light framework, supported through strong co-lending partnerships, direct assignment, and securitisation structures, enabling optimal capital utilization and enhanced returns.

IIFL Finance's expansive phygital distribution network of 4,829 branches, complemented by advanced digital capabilities, enables last mile reach across geographies. Serving over 4.6 Million customers, the Company continues to bridge credit gaps and drive financial inclusion across all product segments.

Operational excellence is driven by an AI-led ecosystem, embedded across underwriting, fraud detection, collections, and customer engagement. This technology-driven approach, combined with strengthened governance and risk frameworks, has resulted in improved asset quality, with Gross NPA at 1.5% and Net NPA at 0.7%, supported by a robust provision coverage ratio of 93%.

The Company continues to maintain a strong financial profile, with Return on Assets at 2.4% and Return on Equity at 13.1%, alongside a well-capitalized balance sheet (Computed Consolidated CRAR of 25.3%) and healthy liquidity of ₹6,638 Crores. These indicators underscore its prudent capital management and focus on long-term value creation.

Founded by first-generation entrepreneurs Mr. Nirmal Jain and Mr. R. Venkataraman, IIFL Finance is backed by leading global institutional investors. Guided by the principles of integrity, transparency, and responsible lending, the Company remains committed to empowering individuals and small businesses—key drivers of India's economic progress.

With a strong leadership team, a technology-driven operating model, and a clear strategic roadmap centred on secured lending and capital efficiency, IIFL Finance is well-positioned to deliver sustainable growth, superior asset quality, and enduring stakeholder value.

₹ 1,08,180 Crores
Loan AUM ↑ 38%

93%
Provision Coverage ratio

25.3%
CRAR (Computed)

1.5%
Gross NPA ↓

2.4%
ROA

4,829
Branches

0.7%
Net NPA

13.1%
ROE

FINANCIAL PERFORMANCE AND OPERATIONAL REVIEW

Building on a strategic reset and renewed focus on core strengths, IIFL Finance Limited, translated its calibrated shift towards secured, retail-focused lending into improved financial and operational outcomes. Backed by disciplined execution, enhanced risk management, and a capital-efficient operating model, the Company delivered robust growth in AUM, profitability and asset quality.

Assets Under Management and portfolio composition

The consolidated Loan Assets Under Management (AUM) stood at ₹1,08,180 Crores as of March 31, 2026, registering a robust growth of 38% over the previous year. The portfolio mix underwent a significant transformation during the year, with secured lending segments emerging as the key growth drivers.

Gold loans became the largest contributor to the portfolio, with an AUM of ₹52,581 Crores, accounting for approximately 49% of the total Loan AUM, reflecting strong growth momentum and improved demand dynamics. Home loans followed with an AUM of ₹32,125 Crores, contributing around 30% of the total Loan AUM, maintaining stability and supported by prudent underwriting practices and continued focus on affordable housing. MSME loans stood at ₹10,349 Crores, contributing nearly 10% of the total Loan AUM, with a strategic shift towards secured lending improving the overall

risk profile of the portfolio. The microfinance segment stood at ₹9,143 Crores, accounting for approximately 8% of the total Loan AUM, with gradual stabilization observed during the year.

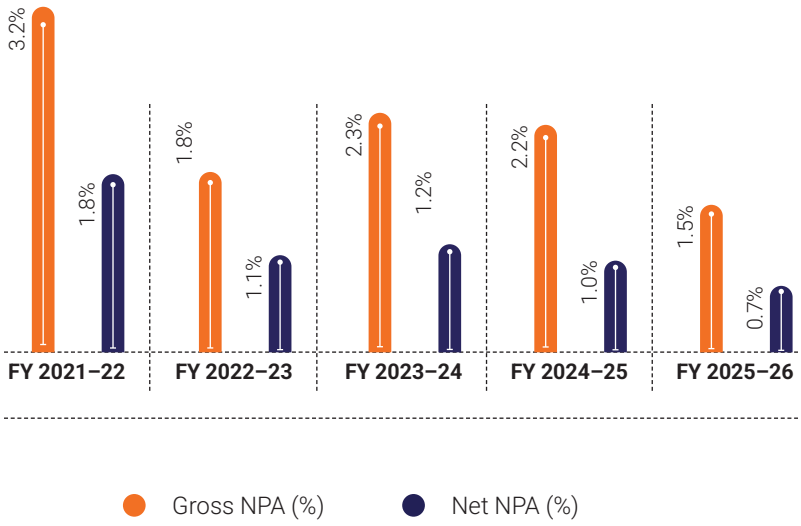
Overall, the core portfolio continued to be dominated by secured assets, reinforcing the Company's focus on lower-risk, collateral-backed lending and long-term portfolio resilience

Asset quality and risk management

The Company witnessed a meaningful improvement in asset quality during the year, driven by tighter underwriting standards, focused recovery efforts, and a strategic shift towards secured lending. Gross NPA (GNPA) improved to 1.5% from 2.2% in the previous year, while Net NPA (NNPA) declined to 0.7% from 1.0%, reflecting strengthened credit discipline and improved portfolio quality. This improvement was supported by stabilization in the microfinance segment and a calibrated reduction in higher-risk unsecured exposures.

The provision coverage ratio improved to 93%, providing a strong buffer against potential credit risks. The higher provisioning cushion, along with improved asset quality metrics, underscores the Company's conservative risk approach and strengthened balance sheet resilience.

Overall, the improvement in asset quality indicators reflects the effectiveness of the Company's enhanced risk management framework, prudent underwriting practices, and sustained recovery efforts, positioning the loan book for more stable and sustainable growth going forward.



Liquidity and capital position

IIFL Finance maintained a strong liquidity position during the year, with a liquidity buffer of ₹6,638 Crores as of March 31, 2026, indicating a strengthened liquidity profile and improved financial flexibility. This provides adequate cover for near-term liabilities while supporting future growth requirements.

The Company continued to maintain a positive Asset-Liability Management (ALM) profile across maturity buckets, ensuring financial stability and prudent balance sheet management.

Aligned with its capital-efficient growth strategy, the Company continued to scale its co-lending and off-book portfolio. As of March 31, 2026, off-book assets, including co-lending and direct assignment, accounted for approximately 35% of total AUM, compared to around 30% in FY 2024-25 reflecting a steady increase in capital-light growth initiatives. Cumulative co-lending originations have exceeded ₹50,000 Crores, with a strong track record of minimal losses in co-lent portfolios, underscoring the robustness of underwriting and partnership frameworks. This expansion highlights the Company's ability to optimize capital utilization while maintaining asset quality.

Capital adequacy remained robust, with computed consolidated CRAR (Computed) at 25.3%, The Company continues to have a conservative leverage approach, even as the balance sheet scaled meaningfully during the year, supported by increased off-book exposures and diversified funding sources.

Loan growth and portfolio trends

Loan growth witnessed a strong revival during the year, with consolidated Loan AUM increasing to ₹1,08,180 Crores, registering a 38% YoY growth, compared to ₹78,341 Crores in FY 2024-25. This recovery was driven by a strategic shift towards secured lending.

- **Gold loans** surged to ₹52,581 Crores, compared to ₹21,022 Crores in FY 2024–25, registering a ~150% YoY growth, and emerging as the primary growth driver
- **Home loans stood** at ₹32,125 Crores, up from ₹31,588 Crores in FY 2024–25, reflecting a ~2% YoY growth, indicating a phase of consolidation supported by sustained demand in affordable housing
- **MSME loans** AUM stands at ₹10,349 Crores (versus ₹9,294 Crores in FY 2024–25), reflecting a 11% YoY increase, reflecting a calibrated reduction in unsecured exposure and a strategic shift towards secured MSME lending
- **Microfinance portfolio** stood at ₹9,143 Crores, compared to ₹9,859 Crores in FY 2024–25, reflecting a ~7% YoY decline

Advancing AI-led operations

Scaled AI-led capabilities across core operations to enhance productivity, risk management, and customer engagement. The AI-driven lead generation engine is contributing a pipeline of approximately ₹1,000 Crores per month, improving sourcing efficiency and conversion rates. In collections, AI-enabled agentic calling systems have supported recoveries of ~₹450 Crores, accelerating resolution cycles.

AI tools have been embedded at the branch level, with ~48% branches taking decisions based on AI/analytics. In risk management, AI-powered image fraud detection systems flagged ~1,895 loans for field audit, strengthening controls and reducing fraud risk. Additionally, the Company has deployed multilingual AI-based customer interfaces across 22 languages, enhancing accessibility and customer experience across diverse geographies.

These initiatives reflect the Company's continued focus on leveraging advanced analytics and automation to drive operational efficiency, improve credit outcomes, and support scalable growth.

₹1,000 Crores+ Monthly Pipeline
Intelligent lead engine driving higher conversions

₹450 Crores Collections Enabled
Advanced calling systems improving recovery efficiency

1,895 Loans Flagged
Image analytics strengthening fraud detection

22 Languages Supported
Advanced calling systems improving recovery efficiency

48% Branches
taking decisions based on AI/analytics

DETAILS OF SIGNIFICANT CHANGES IN KEY RATIOS (CONSOLIDATED BUSINESS)

Ratios	March '26 (FY 2025–26)	March '25 (FY 2024-25)	Variance	Reason for change
Debt Equity Ratio	4.43	3.66	21.04%	Increase in debt equity ratio is mainly attributable to higher borrowings to support business growth.
Total Debts to Total Assets	0.78	0.75	4.00%	Marginal increase driven by higher leverage in the balance sheet, reflecting expanded lending operations funded through borrowings.
Operating Profit Margin (%)	31.06%	27.34%	13.61%	With the robust growth in AUM the profit margins showed improvement
Net Profit Margin (%)	13.58%	5.65%	140.35%	Net Profit margin increased in line with the AUM growth
GNPA (%)	1.50%	2.23%	(32.74%)	GNPA% improved significantly on account of improved recoveries and lower slippages in unsecured loans
NNPA (%)	0.70%	1.05%	(33.33%)	Same as above

Ratios	March '26 (FY 2025–26)	March '25 (FY 2024-25)	Variance	Reason for change
Provision Coverage Ratio (%)	93.0%	99.99%	(6.99%)	PCR has moderated as the portfolio mix has shifted from unsecured to secured assets, which attracts lower provision requirements.
CRAR (%) (Standalone)	17.84%	18.48%	(3.46%)	Marginal decrease is majorly due to growth in risk-weighted assets (loan book expansion).
LCR (%)(Standalone)(Q4)	207.17%	180.62%	14.70%	Improved liquidity
Return on Equity (RoE %)	13.1%	3.4%	285.29%.	Increase is attributable to higher profits during the year.

Disclosure of accounting treatment

The Company's financial statements were prepared without deviation from the treatments prescribed in any of the Indian Accounting Standards (Ind AS)

GOLD LOANS

Business Overview

IIFL Finance Limited's Gold Loan vertical offers short-tenor, secured loans against household gold jewellery, catering primarily to individuals, small traders, and self-employed customers for needs such as working capital, consumption, and emergency funding. The product is characterised by quick disbursement, minimal documentation, and flexible repayment options, making it an accessible and reliable source of credit, particularly for customers in semi-urban and rural markets.

The business is supported by a wide branch-led distribution network enabling deep market penetration and strong customer reach. Leveraging this extensive footprint, along with digital and AI-enabled valuation and underwriting processes, the Company ensures faster turnaround times, improved operational efficiency, and enhanced customer experience.

Key Highlights – Gold Loan Segment

- AUM at ₹52,581 Crores, ~49% of total AUM
- Recorded ~150% YoY growth, emerging as the largest business segment
- Strong recovery post regulatory restrictions, with rapid scale-up in disbursements
- High-yield, short-tenor portfolio, enabling faster asset turnover
- Maintained strong asset quality, supported by fully secured lending
- Extensive branch-led distribution network driving customer acquisition
- Leveraged digital and AI-led valuation tools for faster processing and improved efficiency
- Strong presence in semi-urban and rural markets, enhancing financial inclusion

AFFORDABLE HOME LOANS

Business overview

IIFL Finance Limited, through its subsidiary, IIFL Home Finance Limited, offers a comprehensive suite of housing finance solutions, including loans for home purchase, construction, and renovation. It also provides mortgage-backed loans to MSMEs against residential and commercial properties for purposes such as working capital, business expansion, and asset acquisition, along with financing for affordable housing projects.

The Company has built a strong pan-India distribution network across Tier 1 suburbs and Tier 2, 3, and 4 cities, enabling deep reach into underserved markets. It primarily caters to first-time homebuyers and customers from the EWS and LIG segments.

Aligned with the Government's 'Housing for All' initiative, the Company continues to support affordable housing through targeted financing solutions. Leveraging digital capabilities and streamlined processes, including faster approvals and minimal documentation, ensures efficient disbursement and enhanced customer experience.

Key Highlights – Affordable Home Loan Segment

- AUM stood at ₹32,125 Crores, reflecting stable performance and sustained demand in the affordable housing segment
- Continued focus on first-time homebuyers, primarily catering to EWS and LIG segments
- Strong presence across Tier 2, Tier 3, and Tier 4 cities, enabling deeper penetration into underserved markets
- Product suite includes home purchase, construction, renovation, and affordable housing project finance

- Supported self-employed and informal income segment customers, enhancing financial inclusion
- Continued alignment with the Government's 'Housing for All' initiative, including support under PMAY-linked schemes
- Leveraged digital onboarding and faster approval processes, improving turnaround time and customer experience
- Maintained prudent underwriting standards, ensuring portfolio stability and asset quality

MSME LOANS

Business Overview

During FY 2025-26, the Company consolidated its MSME franchise around Secured MSME lending, which now constitutes 78% of the total MSME portfolio and recorded healthy growth of 24% year-on-year. The Unsecured MSME and Supply Chain Finance books are being calibrated lower in a measured manner. Going forward, the Company will continue to deepen the Secured MSME franchise — leveraging branch-led distribution, co-lending partnerships with banks and AI-enabled credit and collection capabilities — to deliver capital-efficient, resilient and sustainable growth.

The Secured MSME franchise operates across three complementary channels: Emerging & Affordable LAP for self-employed borrowers in the Economically Weaker Section and Lower Income Group categories; mid-sized LAP for emerging-market MSMEs; and Small MSME LAP for graduating microfinance customers.

Asset quality in the Secured MSME portfolio remained stable throughout the year.

Key Highlights – MSME Loans

- Loan AUM at ₹10,349 Crores (versus ₹9,294 Crores in FY 2024– 25), reflecting a 11% YoY increase.
- Secured MSME became the dominant part of the MSME portfolio, rising to ₹8,093 Crores and contributing 78% of total MSME AUM as of March 31, 2026,
- The Company will strengthen its Secured MSME franchise through distribution, co-lending and AI-led capabilities to drive sustainable, capital-efficient growth.

MICROFINANCE

Business Overview

IIFL Finance Limited, through its subsidiary IIFL Samasta Finance Limited, offers microfinance solutions to low-income households, primarily women borrowers, to support income generation, livelihood enhancement, and financial inclusion. The Company provides group-based lending products, including income-generating loans, top-up loans, and other need-based credit solutions, designed to meet the working capital and consumption needs of underserved communities.

The business operates through a well-established branch-led distribution network across rural and semi-urban geographies, enabling last-mile connectivity and strong customer engagement. As of March 31, 2026, the microfinance portfolio stood at ₹9,143 Crores, compared to ₹9,859 Crores in the previous year, reflecting a ~7% YoY decline amid a cautious and calibrated lending approach following sectoral stress.

During the year, the segment witnessed stabilization and improvement in asset quality, supported by tighter underwriting, disciplined collections, and enhanced field-level monitoring.

With a continued focus on responsible lending, customer-centric product design, and operational discipline, the microfinance business remains aligned with the Company's objective of driving financial inclusion while maintaining portfolio quality and sustainability.

Key Highlights – Microfinance

- AUM at ₹9,143 Crores (versus ₹9,859 Crores in FY 2024-25), reflecting a ~7% YoY decline amid calibrated growth
- Focus on women borrowers and low-income households, supporting livelihood and income generation
- Operates through a strong rural and semi-urban branch network
- Stabilization in asset quality, supported by improved collections and underwriting
- Continued emphasis on financial inclusion and responsible lending practices

RISK MANAGEMENT AND GOVERNANCE

IIFL Finance Limited has embedded a robust and forward-looking risk management framework that underpins its strategic and operational decision-making. During FY 2025–26, the Company further strengthened its risk governance architecture through disciplined portfolio rebalancing, enhanced underwriting standards and technology-led monitoring systems. With a calibrated shift towards secured lending and a sharper focus on asset quality, the Company has reinforced its ability to manage risks proactively while sustaining stable and scalable growth.

KEY RISK MANAGEMENT AND GOVERNANCE INITIATIVES

- **Strategic Portfolio Rebalancing**

Reoriented the portfolio towards secured, collateral-backed lending segments such as gold loans, home finance, and secured MSME loans, while exiting higher-risk segments including digital unsecured MSME loans, micro-LAP, and select MFI geographies to enhance portfolio resilience.

- **Strengthened Asset Quality Framework**

  Improved asset quality with GNPA declining to 1.5% and NNPA below 1%, supported by tighter underwriting, focused collections, and disciplined credit monitoring across businesses.

- **Robust Provisioning Approach**

  Maintained a prudent provisioning strategy with provision coverage at 93%, ensuring adequate buffers against potential credit losses and aligning with a conservative risk philosophy.

- **AI-led Risk Monitoring Systems**

  Leveraged advanced analytics and AI-driven early warning systems to enable real-time risk identification, proactive intervention, and improved decision-making across the credit lifecycle.

- **Focused Management of Legacy and Unsecured Portfolios**

  Continued a cautious approach towards unsecured lending, with enhanced focus on recoveries, collections, and gradual run-down of discontinued portfolios to reduce credit costs and volatility.

- **Strong Capital and Liquidity Position**

  Maintained healthy capital adequacy and adequate liquidity buffers, ensuring resilience against macroeconomic uncertainties and supporting future growth.

- **Prudent Asset-Liability Management (ALM)**

  Ensured a well-matched ALM profile with surplus liquidity across maturity buckets, mitigating liquidity and interest rate risks effectively.

- **Enhanced Governance and Compliance Framework**

  Strengthened oversight through Board-level supervision and adherence to regulatory guidelines, with continuous improvements in internal controls, audit mechanisms, and compliance systems.

- **Phygital Risk Control Infrastructure**

  Combined extensive branch network with digital platforms to enhance customer-level monitoring, underwriting discipline, and operational risk management across geographies.

HUMAN RESOURCES

IIFL Finance Limited recognizes its employees as a cornerstone of its sustained growth and operational excellence. The Company continues to foster a performance-driven and inclusive work environment, supported by robust human capital practices spanning talent acquisition, capability building, and employee engagement. With a strong focus on aligning workforce capabilities to evolving business priorities—particularly in secured lending, digital transformation, and risk management—the organization has strengthened its people processes to drive productivity, accountability, and long-term value creation.

Read more on pages xx of this report.

INTERNAL CONTROLS

IIFL Finance has established a comprehensive internal control framework, supported by concurrent audits, internal audits, control testing, special reviews, and regular management oversight. A risk-based internal audit approach has been adopted to evaluate the effectiveness of controls in fraud prevention, detection, reporting, and remediation. Continuous emphasis is placed on strengthening process controls, risk monitoring, and fraud mitigation mechanisms. Adequate insurance coverage is maintained for pledged ornaments, complemented by both on-site and remote surveillance systems across branches. Operational risks are further mitigated through stringent transaction oversight, backup protocols, and well-defined contingency plans, thereby reducing exposure to fraud, theft, fire, and related incidents. In addition, periodic risk-based audits are conducted across all branches to assess adherence to internal controls, systems, and procedures.

To strengthen governance and oversight, the Company engages leading audit firms to support the Internal Audit function in evaluating controls across key business verticals and support functions, with specialized expertise across NBFC, HFC, and MFI segments. The Company follows the 'three lines of defense' model, wherein business operations constitute the first line, followed by risk management and compliance functions, and finally the independent internal audit function operating under the supervision of the Audit Committee. Close coordination between audit, risk, and compliance functions ensures effective implementation of controls and adherence to regulatory requirements. Audit planning is driven by annual risk assessments, ensuring focused coverage of areas with higher inherent and control risks.

Further strengthening its control environment, the Company continues to enhance monitoring and compliance systems through technology-driven interventions. A structured quarterly dashboard has been implemented to enable timely tracking and resolution of compliance issues. The

internal audit function has adopted a dynamic approach, leveraging data analytics and conducting targeted audits aligned with evolving regulatory expectations. Additionally, the Company has engaged external experts to update its Standard Operating Procedures (SOPs) and Risk Control Matrix, ensuring alignment with industry best practices. Its ISO/IEC 27001:2022 certification further reflects a strong commitment to maintaining secure, reliable, and resilient systems.

INTERNAL FINANCIAL CONTROLS

Strong internal financial controls continue to underpin the Company's financial discipline and operational efficiency, enabling reliable reporting and effective decision-making across functions. These controls are designed to ensure accuracy, completeness, and integrity of financial information.

During the year, the internal audit function carried out a detailed evaluation of the design and operating effectiveness of key controls and did not observe any material gaps. In parallel, the statutory auditors reviewed the underlying systems and processes, affirming their adequacy and confirming that the internal financial controls over financial reporting were functioning effectively.

CAUTIONARY STATEMENT

Certain statements contained in this Management Discussion & Analysis (MD&A), relating to the Company's objectives, outlook, projections, estimates, and expectations of industry trends, may be considered 'forward-looking statements' within the meaning of applicable laws and regulations. These statements are based on current assumptions and beliefs. However, actual outcomes may vary materially from those expressed or implied in such statements due to the impact of various risks, uncertainties, and other factors beyond the Company's control.

Business Responsibility and **Sustainability Report**

FY 2025-26

SECTION A: GENERAL DISCLOSURES

i. Details:

1	Corporate Identity Number (CIN) of the Listed Entity	L67100MH1995PLC093797
2	Name of the Listed Entity	IIFL Finance Limited ("IIFL / the Company")
3	Year of Incorporation	1995
4	Registered office address	IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane, Maharashtra - 400604.
5	Corporate address	802, 8th Floor, Hubtown Solaris, N. S. Phadke Marg, Vijay Nagar, Andheri East, Mumbai – 400069.
6	E-mail	shareholders@iifl.com
7	Telephone	(91-22) 6788 1000
8	Website	www.iifl.com
9	Financial year for which reporting is being done	April 01, 2025 - March 31, 2026
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited ("NSE") BSE Limited ("BSE")
11	Paid-up Capital	₹85.06 Crores (As of March 31, 2026)
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Samrat Sanyal Company Secretary and Compliance Officer Telephone No. (91-22) 6788 1000 Email: shareholders@iifl.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Disclosures made in this Report are on a standalone basis and pertain only to IIFL Finance Limited.
14	Name of assurance provider	TUV India Private Limited
15	Type of assurance obtained	Reasonable Assurance for BRSR Core requirements as per ISAE 3000(Revised), ISAE 3410

ii. Products/Services

16. Details of business activities (accounting for 90% of the entity's turnover)

Description of main activity	Description of business activity	% of turnover of the entity
Financial services	IIFL is a financial services Company offering financing through varied loan products through itself and its subsidiaries.	**99.74%**

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

Product/Service	NIC code	% of total turnover contributed
Other credit granting IIFL is a financial services Company offering financing through varied loan products via., Gold Loan, MSME Loan, Construction & Real Estate Finance and Capital Market Finance	64920	**99.74%**

ii. Products/Services

18. Number of locations where operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	0	2,930	2,930
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (States and Union Territories)	26 (21 states and 5 UTs)
International (No. of Countries)	Nil

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

Not Applicable.

Brief on types of customers

Individuals

Private individuals or consumers who require financial services for personal reasons.

Small and Medium-Sized Enterprises (SMEs)

SMEs who require funds for their operations, to purchase equipment, manage cash flow, expand their operations, or invest in new projects.

Startups and Entrepreneurs

Startups and Entrepreneurs who require capital to launch or grow their businesses.

Corporations

Large corporations requiring finance for mergers and acquisitions, capital expenditure projects, restructuring debt, or managing cash flow gaps.

Retailers and Merchants

Financing in partnership with retailers and merchants to provide consumer-financing options.

Real Estate Developers and Investors

Those who require funding for property acquisitions, construction projects, renovations, or real estate investments.

Healthcare and Medical Institutions

Medical practitioners, hospitals, clinics, and healthcare providers requiring finance for equipment purchases, facility expansions, technology upgrades, or to bridge cash flow gaps.

Government and Public Sector Entities

Government agencies, municipalities, and other public sector organizations requiring finance for infrastructure development, public projects, etc.

iv. Employees

20. Details as of March 31, 2026

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1	Permanent (D)	16,341	12,033	73.6%	4,308	26.36%
2	Other than permanent (E)	381	206	54.00%	175	45.90%
3	**Total employees (D + E)**	**16,722**	**12,239**	**73.19%**	**4,483**	**26.80%**

**The Company does not have any worker as defined in the guidance note of BRSR.*

b. Differently abled employees:

We, at IIFL Finance are committed to all employees regardless of their background, abilities or disabilities. We believe in fostering an inclusive and diverse work environment, which values the contribution from every employee. In line with The Company's commitment to treat all employees fairly, we do not track specific details related to an individual's disability - as we believe in the privacy of the employee and strive to avoid any biases or stigmatization. Our Company's goal is to remain an equal opportunity employer and ensure all employees are treated fair.

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of women	
		No. (B)	% (B/A)
Board of Directors	9	1	11.11
Key Management Personnel*	2	0	0.00%

**Mr. Nirmal Jain and Mr. R Venkataraman, though qualifying as both Key Managerial Personnel and Board members, have been classified only under the Board of Directors.*

22. Turnover rate for permanent employees

Particulars	FY 2025-26				FY 2024-25				FY 2023-24			
	Male	Female	Others	Total	Male	Female	Others	Total	Male	Female	Others	Total
Permanent employees	30.8%	36.7%	0.00%	**32.3%**	34.40%	39.50%	0.00%	**35.70%**	40.80%	46.10%	0.00%	**42.20%**
Permanent workers	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**The Company does not have any worker as defined in the guidance note of BRSR.*

v. Holding / Subsidiary / Associate companies / Joint ventures

23. As on March 31, 2026

Sl. No.	Name of the holding / subsidiary / associate company / joint ventures (A)	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A; participate in the business responsibility initiatives of the listed entity? (Yes/No)
1	IIFL Home Finance Limited (HFC)	Subsidiary	79.59%	No
2	IIFL Samasta Finance Limited	Subsidiary	99.56%	No
3	IIFL Fintech Private Limited (Formerly known as IIFL Open Fintech Private Limited)	Subsidiary	100%	No
4	IIHFL Sales Limited*	Step – down Subsidiary	79.59%	No

**Subsidiary company of IIFL Home Finance Limited.*

vi. CSR Details

24. As on 31st March 2026

CSR Details		
(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No)	Yes
(ii)	Turnover (in ₹ Crores)	7,447.94
(iii)	Net worth (in ₹ Crores)	3,728.63

vii. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web-link for grievance redress policy	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year$	Remarks
→ Communities	Yes https://storage.googleapis.com/iifl-finance-storage/files/2023-07/CSR%20policy_IIFL%20Finance.pdf	-	-	-	-	-	-
→ Shareholders*	Yes https://www.iifl.com/finance/investor-relations/contact-centre?redirect=menu-bar	25	5[$]	-	11	0	-
→ Employees[#]	Yes https://storage.googleapis.com/iifl-storage/files/2025-09/Vigilance%20Policy_v3.pdf	136	12	-	166	6	Complaints were received at the end of the FY
→ Customers	Yes https://www.iifl.com/finance/grievance-redressal-procedure	40,530	53	-	45,098	167	-
→ Value chain partners	Yes https://www.iifl.com/finance/grievance-redressal-procedure	168	1	-	184	4	-

**For reporting purposes, complaints received from debenture holders and shareholders have been included under shareholder complaints.*

[#]Complaints on sexual harassment are reported separately.

[$]Complaints pending as on March 31, 2026, were subsequently resolved.

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

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Corporate Governance and Ethics	Opportunity	Maintaining the highest standards of ethics and corporate governance is necessary to gain the trust of our Company's stakeholders. Our Company has instituted various policies and measures to constitute a strong corporate governance framework per regulatory guidelines. We have in place a fair, transparent and accountable corporate governance structure to safeguard the interests of all stakeholders. There is an effective mechanism, supported by strong policies to supervise the management and oversee the critical functions of the Company. An effective grievance redressal mechanism for stakeholders to address their concerns is also integrated into our Company's policies.		**Positives** • Strengthened reputation • Positive perception of the Company • Wider acceptability across all stakeholder groups • Ease in attracting high quality talent
Financial Inclusion and Literacy	Opportunity	It is our constant endeavor to expand access to our financial services to underserved people and groups in need of support such as small businesses or women. This an important objective of our business.		**Positives** • Enhanced goodwill among stakeholders • Market expansion • Enabling social impact-based borrowing
Employment practices	Opportunity	Our work culture is focused on providing fair and inclusive environment to all our employees, across their entire journey with the Company. We undertake efforts to build a congenial work environment through structured training and performance appraisal practices, thereby helping us in attracting and retaining superior talent.		**Positives** • Better employee retention • Improvement in employee productivity • Attracting high quality talent

	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Data and Customer Privacy	Risk	Security and protection of customer data is crucial to avoid data misuse. Our Company relies heavily on its technology infrastructure. As majority of transactions are processed digitally, it increases cyber/ information security risks.	Our Company has a strong Information and cyber security policy wherein cyber risk and its mitigation are monitored and updated. The IT Strategy Committee and Board of Directors review and approve any updates in data and customer privacy related matters. The Chief Technology Officer (CTO) and Chief Information Security Officer (CISO) are responsible for the Company's data and customer privacy and take decisions on any related issues. Plans for managing data privacy matters have been constituted, like Cyber Crisis Management Plan (CCMP), to adapt/mitigate any data and customer privacy related occurrences. We have increased efforts to update employees, customers and other stakeholders of any potential cyber frauds, data privacy etc. Informative materials on data and customer privacy are shared via mail, and on social media. We have adopted ISO 27001:2022 Risk Assessment methodology to identify and mitigate security risks.	**Negatives** • Reputational risk • Litigation risk • Regulatory risk • Financial risk • Business loss
	Customer satisfaction	Opportunity	Customer centricity is at the core of all our activities and helps serve them better. As we fulfill their needs and expectations, we build enduring relationships with them, based on their trust in our capabilities.		**Positives** • Increase in repeat customer business • Improvement in market share • Better asset quality • Better financial performance

	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
→	Regulatory compliance	Risk	Compliance with rules and regulations helps us gain confidence of stakeholders and grow responsibly. However, any deviations from the same can have significant adverse consequence for us.	We ensure that there are no delays or discrepancies in complying with regulations applicable to our Company. A dedicated team led by the Chief Compliance Officer, of qualified people has been set up to ensure efficient and timely compliance with all regulations we need to follow.	**Negatives** • Non-transparent and poorly governed organization • Regulatory sanctions
→	Digitalization	Opportunity	Our focus is on leveraging the full potential of digitalization to drive innovation across our offerings, as well as processes. Strategic partnerships with fintech companies, along with strong in-house digital capabilities have allowed us to expand our customer base significantly and serve niche segments efficiently.		**Positives** • Seamless business operation at lower cost • Improved turnaround time • Competitive edge
→	Responsible lending	Risk	While we serve the underbanked sections, any inadequate evaluation of ESG factors on our part prior to loan disbursement, may lead to rise in risk of default on the part of such borrowers.	Integrating ESG factors into our service/product offerings helps us expand market access and reach out to more marginalized / vulnerable groups. Greater disclosures on ESG aspects may help increase access to larger pools of green financing.	**Negatives** • Lower profits • Weaker asset quality
→	Community development	Opportunity	Our Company has a strong CSR practice in the areas of health, education & environment, livelihood and poverty alleviation. These programs are designed to care for women and youth, make healthcare accessible to the marginalized sections of the society, contribute to the fight against climate change and drive holistic development across our communities.	-	**Positives** • Long lasting positive impact across our communities • Enhanced reputation and brand image

	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Risk management	Risk	Our Company operates in a high-risk business involving large amounts of data and funds. Any error in compliance and ensuring business sustainability can adversely affect our business and performance.	Optimizing our risk-return equation is possible through responsible risk identification and management processes – of both financial and non-financial risks. Our Company places immense focus on constantly strengthening and improving its risk management and control systems.	**Negatives** • Unstable and unpredictable business • Value destruction • Affects business continuity
	Engagement with business partners	Risk	We work with several business partners in the regular course of our business. Any potential negative ESG impact through their operations could be a risk for us.	We are committed to imbibing ESG related factors while identifying and associating with our business partners. This approach will help us create sustained value in the long run.	**Negatives** • Reputation risk • Business losses
	Diversity and Inclusion	Opportunity	Fostering diversity and inclusion within our Company not only nurtures innovation, creativity and a positive work culture but also extends our Company's reach in terms of talent acquisition.	-	**Positives** • Strong employer branding • Ability to attract and retain superior talent
	Responsible marketing	Risk	In the NBFC sector, there may be concerns related to misleading sales tactics, inaccurate marketing, aggressive selling strategies, and making false promises to facilitate sales.	We ensure that all our marketing initiatives and communication complies with all applicable regulations. It is our constant endeavor to ensure high level of transparency and clarity in all our marketing campaigns and communication.	**Negatives** • Reputational damage • Loss of customer trust • Loss of business
	Customer financial protection	Opportunity	With the rise in digital banking services, consumer financial protection plays a key role in establishing trust, ensuring regulatory compliance, and fostering financial inclusion. Effective protection measures, including educating customers about financial products and risks, ensure customer loyalty.	-	**Positive** • Aid customer acquisition • Enhance customer trust and loyalty

	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
→	Human rights	Risk	Upholding human rights through the promotion of equal opportunities, anti-discrimination, and the eradication of child and forced labor is not just a moral imperative but also a legal necessity.	We ensure that we provide a culture of equal opportunities, anti-discrimination within our Company, and do not engage with child and/or forced labor. Compliance with labor laws is paramount, for us at IIFL.	**Negatives** • Reputational damage • Financial and non-financial penalties
→	Climate Change and GHG emissions	Opportunity	Mitigating climate risks provides opportunities for enhancing efficiency, innovation and growth. Our Company seeks to reduce carbon footprint in its everyday operations. Furthermore, being an NBFC, we can play an important role in the fight against climate change through our products. Our community initiatives also involve regular tree plantation drives, maintenance of public gardens and similar initiatives.	-	**Positives** • Drives better work environment • Widens sources of fund raising to include development finance institutions
→	Resource management	Risk	Failing to manage resources like energy, water and waste properly poses several risks for the Company, including legal penalties due to non-compliance with environmental regulations.	At IIFL, we are committed to reduce the environmental footprint of our operations. Our focus lies on achieving resource efficiency in terms of energy, water, paper and e-waste, since we do not have any other significant environmental impact.	**Negatives** • Reputational damage • Increased operational costs • Statements of business

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all their stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy/policies been approved by the Board? (Yes/No)	Yes								
c. Web Link of the policies, if available	https://www.iifl.com/finance/investor-relations/corporate-governance?redirect=menu-bar The above URL contains the general policies of the Company that apply to all employees and stakeholders. These policies cover various aspects of our Company's vision, mission, values, ethics, compliance and governance. In addition to these general policies, there are also specific policies related to different functions and roles within the Company. These policies are accessible to the relevant employees through our intranet portal.								
2. Whether the entity has translated the policy/policies into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
4. Name of the national and international codes/certifications/labels/ standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All policies of our Company have been finalized based on industry practices, as per the regulatory requirements and through appropriate consultation with relevant stakeholders.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	As part of its sustainability journey, the Company has prioritized the enhancement of its ESG performance year on year. IIFL has enhanced its ESG reporting every year by reporting as per different frameworks (GRI, IFRS, etc.), focusing on areas of sustainable finance, financial inclusion, diversity and inclusion, reporting on scope 3 emissions, etc.								
6. Performance of the entity against the specific commitments, goals and targets (Also, reasons in case they are not met) *	Since FY 2022-23, IIFL Finance has started capturing and reporting data pertaining to certain categories of Scope 3 emissions across all its branches and offices, including Purchased Goods and Services (Category 1), Capital Goods (Category 2), Fuel and Energy-Related Activities (Category 3), Waste Generated in Operations (Category 5), and Business Travel and Hotel Stay (Category 6). The Company has initiated the process of including its value chain partners into its ESG ambit. Additionally, it has strengthened its BRSR data collection and tracking mechanisms and has begun setting annual targets across key ESG focus areas, with a structured approach to monitor performance against these targets.								
Governance, leadership and oversight									
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Dear Stakeholders, Our vision reflects balanced growth—one that is responsible, inclusive, and aligned with the interests of all our stakeholders. We remain committed to expanding access to formal credit for segments that have traditionally been excluded from mainstream financial services. Our ESG agenda is embedded across the Company, responsible financing, community engagement, employee development, and efforts to minimize the environmental impact of our operations. In the year ahead, we will deepen our engagement with value chain partners to support and elevate their sustainability practices. We have defined clear ESG targets and are strengthening our monitoring mechanisms to ensure timely course correction wherever needed. During the year, our Board approved our first ever Social Financing Framework, which received a "Good" Second Party Opinion by Sustainable Fitch. We look forward to raise funds via social bonds and onboard reputed Development Finance Institutions. I would like to sincerely thank all our stakeholders for their continued trust and partnership as we move forward on this journey. Sincerely, Mr. R Venkataraman Joint Managing Director DIN: 00011919 IIFL Finance Limited								

Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. R Venkataraman Joint Managing Director DIN: 00011919								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Company has a Board-level ESG Committee consisting of Independent Directors and members of the senior management personnel to oversee, guide and monitor various aspects of ESG performance of the Company. The Board of Directors reviews our Company's sustainability performance and key initiatives thereof, regularly. The Company has an ESG Committee in place which comprises of the following members as on March 31, 2026:								

Sr. No.	Name	Designation
1.	Mr. R Venkataraman	Chairperson
2.	Mr. Nihar Niranjan Jambusaria	Member
3.	Ms. Nirma Bhandari	Member
4.	Ms. Madhu Jain	Member
5.	Mr. Rahul Sanklecha	Member
6.	Mr. Kapish Jain	Member

10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBCs) by the Company

Subject for review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
	P1, P2, P3, P4, P5, P6, P7, P8, P9	P1, P2, P3, P4, P5, P6, P7, P8, P9
(a) Performance against above policies and follow up action	Yes, the review was undertaken by the following Board-level committees/Directors: • Audit Committee • Nomination and Remuneration Committee • CSR Committee • Stakeholders' Relationship Committee • Asset Liability Management Committee • Risk Management Committee • IT Strategy Committee • ESG Committee • Customer Service Committee • Special Committee of the Board for Monitoring and Follow-up of cases of Fraud • Review Committee for Treatment of Wilful and Large Defaulters	Annually
(b) Description of other committee for performance against above policies and follow up action	• Audit Committee • Nomination and Remuneration Committee • CSR Committee • Stakeholders' Relationship Committee • Asset Liability Management Committee • Risk Management Committee • IT Strategy Committee • ESG Committee • Customer Service Committee • Special Committee of the Board for Monitoring and Follow-up of cases of Fraud • Review Committee for Treatment of Wilful and Large Defaulters	Annually

Subject for review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
	P1, P2, P3, P4, P5, P6, P7, P8, P9	P1, P2, P3, P4, P5, P6, P7, P8, P9
(c) Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, the review was undertaken by the following Board-level committees/Directors: • Audit Committee • Nomination and Remuneration Committee • CSR Committee • Stakeholders' Relationship Committee • Asset Liability Management Committee • Risk Management Committee • IT Strategy Committee • ESG Committee • Customer Service Committee • Special Committee of the Board for Monitoring and Follow-up of cases of Fraud • Review Committee for Treatment of Wilful and Large Defaulters	Annually
(d) Description of other committee for compliance with statutory requirements of relevance to the principles and rectification	• Audit Committee • Nomination and Remuneration Committee • CSR Committee • Stakeholders' Relationship Committee • Asset Liability Management Committee • Risk Management Committee • IT Strategy Committee • ESG Committee • Customer Service Committee • Special Committee of the Board for Monitoring and Follow-up of cases of Fraud • Review Committee for Treatment of Wilful and Large Defaulters	Annually

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1, P2, P3, P4, P5, P6, P7, P8, P9
	No
12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:	
Questions	P1, P2, P3, P4, P5, P6, P7, P8, P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable
The entity is not at a stage where it is able to formulate and implement the policies on specified principles (Yes/No)	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	
It is planned to be done in the next financial year (Yes/No)	
Any other reason (please specify)	

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1:

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year

Segment	Number of training and awareness programs held	Topic/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programs
Board of Directors (BoD)	1	• Board governance and engagement with KMPs • Data protection and privacy obligations (DPDP Act) • Technology governance (AI impact on financial services) • Legal and regulatory risks for Directors	77.78%
Key Managerial Personnel (KMP)	1	• Board governance and engagement with KMPs • Data protection and privacy obligations (DPDP Act) • Technology governance (AI impact on financial services) • Legal and regulatory risks for Directors	50%

Segment	Number of training and awareness programs held	Topic/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programs
Employees other than BoD and KMPs	14 training programs	Training programs: • Anti-Bribery Anti-Corruption • Anti-Money Laundering & KYC • Branch Operations and Security • BRSR • Data Privacy Awareness • ESG • Ethics Training for Fraud prevention & CMG Matrix • Fair Practices Code Guidelines for Collection Agents • Fraud Risk Management • E-Auction Process • BCMS Awareness • Information & Cyber Security • Insider Trading Awareness • Prevention of Sexual Harassment Awareness programs: Spot the Burnout signs Build a Life You Don't Need a Break From Mental Health Reset Calm your hyperactive brain Taking Leadership to New Heights Unconscious Bias June 2025 Yoga Day Monsoon Care Boosting belonging at work Unconscious Bias August 2025 Managing Sugar Cravings Mental health Awareness Building a culture of belonging Stress Escape Room Women's Wellness at Workplace Handling Sales Pressure Vision Board Activity Group Mediclaim Coverage Reducing Screen Time Inner Balance @ Work Command The Room	92.10%

#Includes data for employees inactive as on March 31, 2026

**Mr. Nirmal Jain and Mr. R. Venkataraman, though eligible under both Board of Directors and Key Managerial Personnel, have been considered only under the Board of Directors.*

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

Monetary

	NGRBC principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Reserve Bank of India	₹ 5.30 Lakhs	RBI, had vide an Order dated February 06, 2026 imposed a monetary penalty of ₹5.30 Lakhs (Rupees Five Lakhs Thirty Thousand only) for failure to classify certain accounts as 'non-performing asset', on restructuring. This was with reference to The Company's financial position as on March 31, 2024. RBI's action is based on the aforementioned deficiencies in regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by The Company with its customers.	No
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary

	NGRBC principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

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

Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. **Anti-corruption/ Anti-bribery**

Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.	Yes. https://www.iifl.com/finance/anti-corruption-policy Our Company has zero tolerance towards unethical business practices and prohibits bribery and corruption in any form in all of its business dealings through necessary policies and codes. The policy applies to all staff including Directors, officers, shareholders of the Company and all appointed third party representatives of the Company such as agents, consultants, others working on behalf of the Company, irrespective of their location, function or grade. We have mandatory training on anti-corruption and anti-bribery policies and procedures, covering 100% employees, undertaken annually.

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

Case details	FY 2025-26	FY 2024-25
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

6. **Details of complaints regarding conflict of interest**

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

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

Not Applicable.

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured)**

	FY 2025-26	FY 2024-25
Number of days of accounts payables	73	85

9. Open-ness of business

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

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	8.80%	0.45%
	b. Sales (Sales to related parties / Total Sales)	3.02%	2.09%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments	36.96%	39.58%

Leadership Indicators

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

Total number of awareness programs held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programs
2	ESG , 9 principles & BRSR	97.91%

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

   Yes.

   The Company promotes ethical behaviour and prevents conflicts of interest by regulating a Code of Conduct for Directors and Senior Management Personnel. All Board members and senior management personnel affirm their compliance annually. Further, the Company has in place a Related Party Transactions Policy and a Code of Conduct under the SEBI (Prohibition of Insider Trading) Regulations to govern related party dealings and prevent insider trading, respectively.

   The Directors and Key Managerial Personnel are required to disclose their interests in other entities and related parties in line with Sections 184 and 2(76) of the Companies Act, 2013. In the event of a conflict of interest, the Company complies with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

PRINCIPLE 2:

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

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

   We spent Rs. 1.78 Crore and Rs. 5.57 Crore during FY 2025-26 and 2024-25, respectively, towards capex which helped us enhance digitalization/automations. We continue to invest in improving our digital capabilities and platforms. This helps us in providing superior experience to our customers with enhanced convenience. At the same time, our digitalization initiatives help us achieve cost rationalization and reduce dependence on paper as well as on in-person meetings. This in turn helps us minimize the environmental footprint of our operations.

2. **Sustainable sourcing**

(a)	**Does the entity have procedures in place for sustainable sourcing? (Yes/No)**	Our Company, being a financial services Company, does not have any goods and raw material consumption as part of its products and services. Our Company's major material requirements are related to office infrastructure, administration and IT related equipment and services. Although, there is very limited procurement requirement, we take various initiatives to have responsible sourcing.
(b)	**If yes, what percentage of inputs were sourced sustainably?**	Not Applicable

   We are committed to minimizing the environmental impact of our operations, including our office infrastructure and IT-related equipment. We follow best practices for procuring such inputs, including seeking out environmentally friendly options, minimizing waste and promoting recycling and energy conservation. We remain dedicated to promoting sustainable practices in all aspects of our operations.

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

   Given the nature of our business, this disclosure is not material for our Company. However, we do follow the practice of responsible disposal of our wastes, as described below:

   a. Plastics (including packaging): There are no single-use plastics being used across any of our branches and offices. We use 100% bio degradable plastic garbage bags to collect and dispose dry and wet wastes in larger offices (>5,000 sq.ft.).

   b. E-waste: For the past 5 years, we have been working with reputed e-waste vendors to ensure safe disposal of e-wastes. Accordingly, all scrap electronic assets like Computers, Tablets, Printers, Scanners, Servers, Batteries, etc. are disposed through such registered e-waste vendors.

   c. Hazardous waste: Not applicable

   d. Other waste: Dry waste and wet waste is segregated and stored separately at 4 large offices. Same is picked by respective Municipal authorities.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

   Given the nature of our business, this disclosure is not relevant for the Company.

Leadership Indicators

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

   Not applicable since IIFL is not a manufacturing entity.

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

   Not applicable since IIFL is not a manufacturing entity.

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

   Not applicable since IIFL is not a manufacturing entity.

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

   Not applicable since IIFL is not a manufacturing entity.

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

   Not applicable since IIFL is not a manufacturing entity.

PRINCIPLE 3:

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. Details of measures for the well-being of employees and workers

a. Employees

Category	Total (A)	Percentage of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	12,033	12,033	100%	12,033	100%	NA	NA	12,033	100%	12,033	100%
Female	4,308	4,308	100%	4,308	100%	4,308	100%	NA	NA	4,308	100%
Total	**16,341**	**16,341**	**100%**	**16,341**	**100%**	**4,308**	**26%**	**12,033**	**74%**	**16,341**	**100%**
Other than permanent employees											
Male	206	NA	NA	NA	NA	NA	100%	NA	NA	NA	NA
Female	175	NA	NA	NA	NA	175	100%	NA	NA	NA	NA
Total	**381**	**NA**	**NA**	**NA**	**NA**	**175**	**46%**	**NA**	**NA**	**NA**	**NA**

**Maternity and Paternity benefits are extended to all permanent female and male employees however, 4.73% of women employees and 6.5% of male employees have taken the benefit in FY26. 13 employees (8 women, 5 men) availed the daycare facilities in FY26.*

b. Workers

The Company does not have any worker as defined in the guidance note of BRSR.

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

	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.38	0.46

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

Benefits	FY 2025-26		FY 2024-25	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	93%	Y	91%	Y
Gratuity	100%	Y	100%	Y
ESI	41%	Y	24%	Y
Others – please specify	0%	NA	0%	NA

All employees are covered under PF with monthly earnings less than ₹15,000, as per PF law, others can voluntarily opt for PF. Employees whose monthly earnings are less than ₹ 21,000/- are covered under ESI.

3. **Accessibility of workplaces:**

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

   Yes. Wheelchairs and wheelchair ramps for specially abled people are available at all commercial offices of the Company.

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

   Yes. The code of conduct document can be referred, as the existing policy covers equal opportunities rights. IIFL's code of conduct is available in the HR Handbook and can be accessed by all the employees through the intranet portal.

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

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	88.70%	28.86%
Female	42.60%	0.00%

**The Company does not have any worker as defined in the guidance note of BRSR.*

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent employees Other than permanent employees	Yes, there is a mechanism available to receive and redress grievances from the employees. Our Company has a robust Grievance Redressal Policy in place for addressing grievances. Management strongly enforces compliance with the approved code of conduct and ethics. Complaints related to fraud/unethical practices are appropriately investigated and relevant actions are undertaken. The reporting of misconducts can be done through the Whistle Blower email, FIT helpline, contacting the senior management/ IRA / HR. The same are well displayed and communicated to all employees at joining and is published on intranet. There are various means by which the grievances can be addressed: i) FIT helpline portal ii) E-mail to generic ID (whistleblower@iifl.com) iii) E-mail to IRA with a copy to local HR Central SPOC directs the grievance e-mail to the zonal head of HR. A formal meeting is arranged with the employee; IRA and Skip level manager address the issue and validate the facts. At every stage, the employee is kept informed and formal communication on the decision and the actions taken is sent to all the employees involved.

**The Company does not have any worker as defined in the guidance note of BRSR.*

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

The Company does not have any Employee Association. However, the Company recognizes the right to freedom of association and does not discourage collective bargaining.

8. Details of training given to employees:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	12,239	3,040	25%	11,982	97.90%	11,186	6,221	56%	11,117	99%
Female	4,483	1,064	24%	4,383	97.76%	4,057	2,193	54%	4,020	99%
Total	**16,722**	**4,104**	**25%**	**16,365**	**97.86%**	**15,243**	**8,414**	**55%**	**15,137**	**99%**

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D /C)
Employees						
Male	12,339	10,087	82%	11,186	8,065	72%
Female	4,483	3,609	81%	4,057	2,687	66%
Total	**16,722**	**13,696**	**82%**	**15,243**	**10,752**	**71%**

10. Health and safety management system

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

Yes. Our Company is responsible for providing its employees with a safe and healthy work environment. We have implemented the following steps to ensure the health and safety of our employees:

1. **Providing a safe work environment**

   Our Company's office premises are designed to promote safety and reduce the risk of accidents. This includes keeping the workspace clean, ensuring proper lighting and ventilation and addressing any potential safety hazards.

2. **Training employees**

   Our Company provides regular training on safety practices, response to emergencies like fire/earthquake emergency, etc. to our employees.

3. **Offering ergonomic support**

   Our Company provides ergonomic support to employees who sit for long periods, work on computers, or perform other repetitive tasks. This includes providing ergonomic chairs, desks, and other equipment that can help reduce the risks of musculoskeletal disorders.

4. **Encouraging healthy habits**

   Our Company encourages employees to adopt healthy habits such as taking breaks, staying hydrated, and practicing good posture to prevent fatigue and injury.

5. **Creating a culture of safety**

   Our Company has created a culture of safety by encouraging employees to report any safety concerns or incidents and by providing resources and support to address these concerns.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Given the nature of business, this is not directly applicable to our Company. However, regular safety inspections are conducted of our facilities and equipment to identify potential hazards. This includes inspecting electrical systems, machinery and emergency exits. Our Company also involves employees in the hazard identification and risk assessment process by encouraging them to report any safety concerns or hazards they identify.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	Given the nature of the business, this is not directly applicable to the Company.
d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes. All employees of our Company are covered under health insurance and personal accident policy.

11. Details of safety related incidents:

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.03	-
No. of fatalities	Employees	1	-

In FY 2025–26, we recorded one fatality resulting from an accident during the course of official work. IIFL Finance Limited has commenced reporting such travel-related incidents beginning in FY 2025–26 onward.

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

The following steps have been taken to ensure a healthy and safe workplace:

Providing a safe work environment

Our Company's office premises are designed to promote safety and reduce the risk of accidents. This includes keeping the workspace clean, ensuring proper lighting and ventilation and addressing any potential safety hazards.

Training employees

Our Company provides regular training on safety practices, response to emergencies like fire/earthquake emergency, etc. to our employees.

Offering ergonomic support

Our Company provides ergonomic support to employees who sit for long periods, work on computers, or perform other repetitive tasks. This includes providing ergonomic chairs, desks, and other equipment that can help reduce the risks of musculoskeletal disorders.

Encouraging healthy habits

Our Company encourages employees to adopt healthy habits such as taking breaks, staying hydrated, and practicing good posture to prevent fatigue and injury.

Creating a culture of safety

Our Company has created a culture of safety by encouraging employees to report any safety concerns or incidents and by providing resources and support to address these concerns.

13. Number of complaints on the following made by employees

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

14. Assessments for the year

Particulars	Percentage of your offices that were assessed (By entity or statutory authorities or third parties)
Health and safety practices Working conditions	All our offices are assessed internally periodically through internal audits for various aspects of health and safety measures and related working conditions. During these assessments, various aspects like emergency preparedness, workstation ergonomics, training on health and safety & documentation are evaluated. Our Company proactively identifies any gaps or improvement areas in health and safety practices and working conditions.

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

Nil.

Leadership Indicators

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

   (A) Yes, we provide financial assistance in the event of an employee's death during the course of employment, in accordance with our internal policies and guidelines.

   (B) Not Applicable. The Company does not have any worker as defined in the guidance note of BRSR.

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

   Our Company monitors remittance of statutory dues by value chain partners with periodic interactions. Various awareness programs and meetings are being arranged with value chain partners for the same.

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

   Not Applicable

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

   No.

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

	Percentage of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	While IIFL does not have standard operating procedures (SOPs) for this, the Company encourages its value chain partners to adopt the best practices in these areas. This is achieved through regular monitoring and evaluation of the partners' compliance with relevant regulations and guidelines. IIFL recognizes that the health and safety of its employees and partners are crucial, and it is committed to providing a safe and healthy working environment.
Working conditions	

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

   Not Applicable.

PRINCIPLE 4:

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL THEIR STAKEHOLDERS

Essential Indicators

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

Our Company looks at individuals and groups that make a fundamental impact on its operations and performance. If this impact results in value addition to the Company, then they are described as a key stakeholder. They play an important role in helping our Company determine its goals, aspirations and in helping gauge the Company's progress towards these goals. We also focus on strengthening our understanding about the impact we make on our various stakeholder groups.

Following are the steps we take while engaging with our stakeholders:

- Identify stakeholders
- Prioritize stakeholders
- Execute stakeholder engagement plans
- Understand stakeholder expectations and aspirations
- Disseminate insights gained through stakeholder conversations to update material matters as needed
- Monitor and report back to stakeholders regarding the progress made on their needs

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

Group	Whether identified as vulnerable & marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	Some of our customers are identified as vulnerable and marginalized.	• Emails • Calls • SMS • WhatsApp • Website • Social media • Marketing campaigns • Branch visits and relationship managers • Customer satisfaction surveys	Ongoing	• Business performance • Customized financial products and services • Competitive interest rates • Access to physical and digital channels • Seamless customer service • Secure transactions • Fair and responsive grievance redressal mechanism
Shareholders/ Investors	No	• Investor meets/calls • Investor presentations • Annual General Meeting • Investor grievance channels • SMS • Email • Website • Annual Report • Sustainability Report	• Ongoing • Quarterly • Annual	• Ethical business practices and good corporate governance • Regular dividends • Sustainable performance and value creation • ESG integration into strategy and operations • Transparent reporting and disclosure

Group	Whether identified as vulnerable & marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	• Town halls • Email • SMS • One-on-One meetings • Training and Development workshops • Engagement initiatives • Learning through online modules • Digital apps for employees • Performance appraisal	Quarterly and as and when required	• Training and development • Fair and timely remuneration • Reward, recognition, and appreciation for performance • Diverse, open, non-discriminatory, and safe working environment. • Work-life balance
Communities/ NGOs	Yes	• Regular CSR initiatives • Community meetings • Employee volunteering	Annually and as and when required	• Social upliftment • Enhancing financial literacy • Community welfare initiatives
Government/ Regulators	No	• Email • Meetings • One-on-One meetings • Written communications	• Mandatory regulatory filings. • Periodical submission of business performance	• Compliance with laws and regulations • Ethical business conduct • Active participation in industry and regulatory working groups
Business partners/ Suppliers	Some of our business partners/ suppliers are identified as vulnerable and marginalized.	• Email • SMS • Meetings • Seminars and workshops	Quarterly and as and when required	• Business performance • Fair & ethical procurement and engagement practices

Leadership Indicators

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

   Our Company firmly believes in consistent engagement with its key stakeholders to ensure better communication of its performance and strategy. The Board of Directors is periodically updated on diverse topics covering specific sector overviews, customer service-related updates, digital initiatives, community related projects/initiatives, financial performance, strategy, etc. The Directors are also given an overview of the regulatory regime including material regulatory developments, circulars, and amendments by Government and Regulatory bodies, the Ministry of Corporate Affairs, the Securities and Exchange Board of India, the Ministry of Finance, and the Reserve Bank of India.

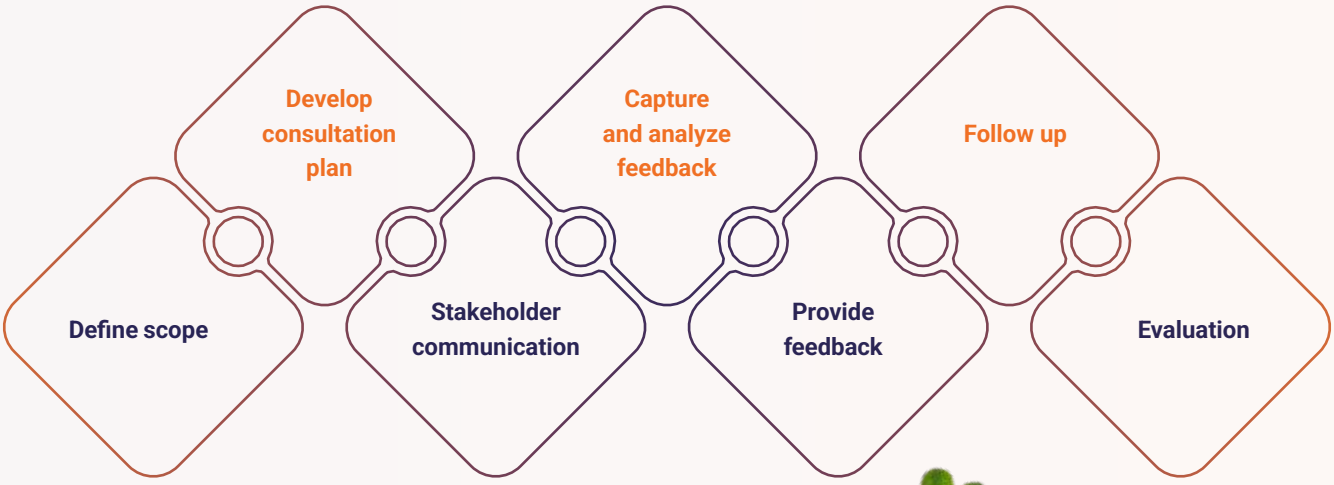
   The various Board-level committees provide regular updates on feedback received from stakeholders, these include, but are not limited to:

   • The Corporate Social Responsibility Committee of the Board

   • The Risk Management Committee of the Board

   • ESG Committee

The following process is followed for consultation between stakeholders and the board:



a) Defining the scope of consultation - The scope is clearly defined including the topics to be covered, the timeframe for the consultation, and the method that will be used to gather feedback.

b) Developing a consultation plan - A consultation plan is developed that outlines the methods that will be used to engage stakeholders, such as public meetings, online surveys, focus groups, or individual interviews.

c) Communication with stakeholders - It is ensured that the stakeholders are aware of the consultation process and have the opportunity to provide feedback. This includes developing an information package, hosting public meetings or webinars, and conducting one-on-one meetings with key stakeholders.

d) Feedback capturing and analysis - The feedback is gathered and analysed to identify common themes, concerns, and priorities, which are then used in the decision-making process.

e) Providing feedback to stakeholders - Feedback is also provided to stakeholders on how their inputs have been used in the decision-making process. This helps us to build trust and transparency and encourage future engagement.

f) Follow-up - After decisions are made, stakeholders are informed of the decision and any next steps.

g) Evaluation - The consultation process is reviewed and evaluated in a periodic manner to identify areas for improvement.

The objective is to ensure that the process is transparent, inclusive, and responsive to stakeholder inputs.

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

   Yes, through our materiality assessment process, we engage with various stakeholders to identify and prioritize key economic, environmental, and social issues. The Company's continual engagement with its stakeholders serves to ensure that it creates holistic and sustainable value for each stakeholder group. This approach has resulted in various initiatives being put in place towards responsible lending, economic growth, equal opportunity, diversity and inclusion policy, data privacy policy, among others.

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

   Our Company under its CSR Policy and through India Infoline Foundation undertakes following activities - literacy centers for out-of-school girls in the tribal hamlets of Rajasthan, skill development programs for the youth in aspirational districts, support to government schools for development of infrastructure and digital learning platform, medical camps for economically weaker section in Uttar Pradesh and Maharashtra along with other need-based initiatives as mentioned in this Report.

PRINCIPLE 5:

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees covered (B)	% (B / A)	Total (C)	No. of employees covered (D)	% (D/C)
			Employees			
Permanent	16,341	16,006	97.94%	14,782	14,689	99%
Other than permanent	381	359	94.22%	461	448	97%
Total employees	**16,722**	**16,365**	**98%**	**15,243**	**15,137**	**99%**

**The Company does not have any worker as defined in the guidance note of BRSR.*

2. Details of minimum wages paid to employees:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
					Employees					
Permanent										
Male	12,033	9,317	77%	2,716	23%	10,874	8,384	77.10%	2,490	22.90%
Female	4,308	3,843	89%	465	11%	3,908	3,469	88.77%	439	11.23%
Other than permanent										
Male	206	118	57%	88	43%	312	82	26.00%	230	74%
Female	175	146	83%	29	17%	149	118	79.00%	31	21%

**The Company does not have any worker as defined in the guidance note of BRSR.*

3. Details of remuneration/salary/wages:

a. Median remuneration / wages:

	Male#		Female#	
	Number	Median remuneration/ salary/ wages of respective category (In ₹)	Number	Median remuneration/ salary/ wages of respective category (In ₹)
Board of Directors (BoD)	1	1,39,680,000	-	-
Key Managerial Personnel (KMP)	2	1,51,47,994	-	-
Employees other than BoD and KMP	12,236	4,08,504	4,483	3,36,000

**The Company does not have any worker as defined in the guidance note of BRSR.*

 # Excluding other benefits.

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	21.00%	21.00%

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

Yes.

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

As an employee centric company, employees are encouraged to come forward and report their grievances or any other concerns affecting the entity (company values and culture) or them.

There are various means by which the grievances can be addressed:

i) E-mail to generic ID (employeegrievance@iifl.com)

ii) Raise grievance through HRMS portal

iii) E-mail to IRA with copy to local HR

6. Number of complaints on the following made by employees:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	13	0	-	8	1	1 case filed in February '25 was carried forward and closed in April within 90 days.
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child labor	Nil	Nil	NA	Nil	Nil	NA
Forced labor / Involuntary labor	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

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

	FY 2025-26	FY 2024-25
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	13	8
Complaints on POSH as a % of female employees / workers	0.003%	0.21%
Complaints on POSH upheld	1	2

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

Our Company has implemented policies like Employee Grievance Redressal Policy and POSH to prevent discrimination and harassment cases, which outline unacceptable behavior and the consequences for violating the policies. These are communicated to all the employees and regular training is provided to ensure everyone understands the policies and knows how to report any incidents. The Company encourages employees to report any incidents of discrimination or harassment without any fear of retaliation. Employees have been made aware of the reporting mechanisms available to them, such as the hotline and internal grievance redressal committee.

The organization promptly investigates all reported incidents of discrimination or harassment. The investigations are conducted in a fair and impartial manner, and all parties involved are given the opportunity to present their side of the story. If an incident of discrimination or harassment is found to have occurred, the Company takes appropriate action based on the severity of the incident and the policy violation. This includes disciplinary action such as suspension or termination of employment and providing support to the victim.

A whistleblower policy is in place where an employee can raise a complaint anonymously. Throughout the investigation, it is ensured that the complainant's ID is not disclosed. It is ensured that each complaint raised is proactively investigated and resolved quickly. Our Company has developed a work environment that is respectful, supportive, and inclusive, by providing regular training on diversity and inclusion, promoting a culture of respect and providing support to employees who may have experienced discrimination or harassment.

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

Yes, our Company ensures a clause is added in vendor documents stating that the vendors are in compliance of applicable laws. Service providers shall comply with all laws (including anti-corruption and anti-money laundering laws) applicable to parties.

10. Assessments for the year

	Percentage of your offices that were assessed (by entity or statutory authorities or third parties)
Child labor	The assessment of human rights at IIFL is a crucial component of the Company's operations. IIFL recognizes its responsibility to respect and protect human rights and is committed to promoting a workplace that is free from any form of human rights violations. The Company closely monitors and evaluates its operations to ensure compliance with relevant regulations and guidelines, particularly on issues such as child labor, forced labor, sexual harassment, discrimination, and wages. Although the Company does not have standard operating procedures (SOPs) specifically for these issues, IIFL ensures that it follows best practices and responds appropriately to address any violations that may arise. This includes providing training programs to its employees to promote awareness of human rights issues and ensure compliance with applicable laws and regulations. By prioritizing the protection of human rights, IIFL is creating a sustainable business that is committed to upholding ethical standards and promoting the well-being of its employees and stakeholders.
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – HR Policy, Working Conditions etc.	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No corrective action pertaining to Question 10 was necessitated by The Company during FY 2025-26.

Leadership Indicators

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

   The Company has not received any grievances/ complaints regarding human rights violations for FY 2025-26.

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

   Great Place to work surveys are conducted every year. In the survey, questions related to human rights are touched upon. Based on this, yearly reports are published.

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

   Yes. Wheelchairs and wheelchair ramps for specially abled people are available at all commercial offices of the Company.

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

	Percentage of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Our Company expects and strives to influence its value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings and services. No specific assessment in respect of value chain partners has been carried out, other than certain elements covered in annual review of value chain partners by the Company and its subsidiaries. All the value chain partners are mandated through declaration to adhere to the Code of Conduct principles of the Company. Contract is not renewed or terminated, in case of non- adherence to COC or Contract Terms & Conditions.
Discrimination at workplace	
Child labor	
Forced labor/ Involuntary labor	
Wages	
Others – please specify	

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

   No corrective action pertaining to question 4 was necessitated by the Company during FY 2025-26.

PRINCIPLE 6:

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. Details of total energy consumption (in GJ) and energy intensity:

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A)	2,155.99	3,194.68
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption from renewable sources (A+B+C)	**2,155.99**	**3,194.68**
From non-renewable sources		
Total electricity consumption (D)	67,300.17	61,206.26
Total fuel consumption (E)	334.59	310.98
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**67,634.76**	**61,517.25**
Total energy consumed (A+B+C+D+E+F)	**69,790.75**	**64,711.93**
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	0.0000009346	0.0000015860
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) **Energy intensity in terms of physical output**	0.0000190106	0.0000327676
Energy intensity in terms of physical output	4.2708983538	4.3777519957

***The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34.*

The physical output intensity has been calculated based on the Full-Time Equivalent (FTE) of employees, considering only permanent employees, however, we aim to enhance this disclosure in subsequent years by including employees beyond the permanent workforce.

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

Yes, TUV India Private Limited

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

Not Applicable.

3. Details of disclosures related to water:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	57,977.72	52,541
(iii) Third party water	43,904.56	42,280
(iv) Seawater / desalinated water	-	-
(v) Others (rain water harvesting)	657.6	85
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	**1,02,539.88**	**94,905**
Total volume of water consumption (in kiloliters)	**1,02,539.88**	**94,905**
Water intensity per rupee of turnover (Water consumed / Revenue from operations)	0.0000013732	0.0000023261
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.0000279313	0.0000480563
Water intensity in terms of physical output	6.2750067291	6.4203294547

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The physical output intensity has been calculated based on the Full-Time Equivalent (FTE) of employees, considering only permanent employees, however, we aim to enhance this disclosure in subsequent years by including employees beyond the permanent workforce.

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

Yes, TUV India Private Limited

4. Provide the following details related to water discharged

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kiloliters)		
(i) To surface water		
-No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To groundwater		
-No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To seawater		
-No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
-No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others		
-No treatment	1,02,539.88	94,905
With treatment – please specify level of treatment	-	-
Total water discharged (in kiloliters)	**1,02,539.88**	**94,905**

The water used in the Company-owned premises is discharged into the municipal sewage system, as our offices are located in buildings. Wastewater generation is equal to water withdrawal.

Any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, TUV India Private Limited

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

   No, being a financial services company, The Company does not consume or discharge huge amount of water/liquid products.

6. **Details of air emissions (other than GHG emissions) by the entity**

   Not Applicable. IIFL is a financial services company.

   Any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

   No.

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions	TCo2e	453.64	23.65
Total Scope 2 emissions	TCo2e	13,273.09	12,360.26
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.0000001838	0.0000003035
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.0000037391	0.0000062707
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.8400175000	0.8377695846

**EPA's GHG Emission Factors Hub, CEA's CDM - CO2 Baseline Database User Guide Version 21 has been used for the purpose of GHG Emissions calculations.*

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The physical output intensity has been calculated based on the Full-Time Equivalent (FTE) of employees, considering only permanent employees, however, we aim to enhance this disclosure in subsequent years by including employees beyond the permanent workforce.

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

Yes, TUV India Private Limited

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

We have obtained ISO 14001:2015 certification for 3 of our larger branches in Mumbai, Thane and Bangalore. ISO 14001:2015 is an international standard for environmental management systems (EMS). It provides a framework for organizations to develop, implement, and improve their EMS, focusing on environmental protection, resource management, and compliance.

In essence, ISO 14001:2015 helps organizations demonstrate their commitment to environmental responsibility and provides a structured approach to managing their environmental performance, fostering a culture of continuous improvement. We implemented water and energy optimization measures along with tree plantation activities, among other activities, as part of this certification.

During the year, we deployed an IoT-based energy monitoring system for real-time control of AC operations in one of our large offices, leading to measurable energy savings and improved efficiency.

During the year under review, we augmented our rainwater harvesting infrastructure at one of our large offices (Thane, Mumbai) enabling reuse of ~21 lakhs liters of rainwater during monsoon of 2025, significantly reducing our dependency on external water sources.

- Received Gold LEED Certificate for Gurugram office
- Adopted renewable energy in our Hubtown office, Mumbai through Tata Green Tariff scheme
- Treatment of e-waste in an environment friendly manner
- Drive digitalization and reduce paper consumption
- Started collecting data for scope 3 emissions (Business travel, capital goods purchased, paper/IT products procured, etc.)
- Rolled out bamboo based tissue papers (BECO) in our Hubtown office, Mumbai in March 2024 and put up banners in office for employee awareness

9. Details related to waste management by the entity:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in tonnes)		
Plastic waste (A)	0.25	1.07
E-waste (B)	3.86	5.31
Paper waste (C)	7.91	28.08
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any.	-	-
(Break-up by composition i.e., by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	**12.02**	**34.46**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0000000002	0.0000000008
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000033	0.0000000174
Waste intensity in terms of physical output	0.0007355731	0.0023312136

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	**FY 2025-26**	**FY 2024-25**
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	12.02	34.46
Total	**12.02**	**34.46**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	**-**	**-**
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**-**	**-**

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The physical output intensity has been calculated based on the Full-Time Equivalent (FTE) of employees, considering only permanent employees, however, we aim to enhance this disclosure in subsequent years by including employees beyond the permanent workforce.

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

Yes, TUV India Private Limited

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

Our Company takes a holistic approach to waste management. Waste from electronic and paper products is the major waste generated in the facilities owned by the Company. We have begun to cut down on paper usage as a result of digitalization of our operations/services. We have been recycling electronic waste through authorised vendors of e-waste. The Company has been taking conscious efforts to reduce usage of paper across its operations. Measures have been implemented to this effect, such as access based printing, default printing on both sides of the paper across all our offices. Employees are encouraged to adopt digital/online mediums to reduce paper consumption. 100% bio-degradable plastic garbage bags are used to collect dry and wet waste.

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

Not Applicable, all the offices are in commercial areas.

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

Not Applicable

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

Yes. The Company is compliant with all applicable laws, rules and regulations.

Leadership Indicators

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

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

(i) Name of the area

(ii) Nature of operations

(ii) Water withdrawal, consumption and discharged

Water usage in IIFL is largely limited to drinking purposes; hence, this topic is not considered material.

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

(Y/N) If yes, name of the external agency.

No.

2. Please provide details of total Scope 3 emissions & its intensity:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions	Metric tonnes of CO2 equivalent	13,728.98	21,818.79
Total Scope 3 emissions per rupee of turnover		0.0000001839	0.0000005348
Total Scope 3 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*		0.0000037397	0.0000110482

In the current reporting period, comprehensive disclosures have been made for categories 1, 2, 3, 5, and 6.

*The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34.

Any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

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

Not Applicable

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

The Company has not undertaken any of the above-mentioned initiatives in FY26.

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

   Yes. Our Company is ISO22301:2019 (BCMS) Certified that ensures a robust Business Continuity and Disaster Management Framework implemented for uninterrupted business operations and mitigation of potential disruptions.

   Business Impact Analysis (BIA) is performed to understand potential impact of disruptions on critical business functions, financial stability, and reputation by prioritizing key processes and resources.

   Risk assessments are carried out to identify potential threats like natural deluges, regulatory changes, and operational failures. Based on the inputs received from Recovery Strategy Risk Assessment (RSRA) and BIA, we tailor and develop BCDMP for NBFC viz – Critical department wise BC Plans and ITDR Entity (NBFC) Plan based on ISO 22301:2019.

   Awareness training is conducted semi-annually for employees and Crisis Management Training is given to leaders with a simulation exercise on an annual basis. Further, Call Tree, Tabletop, WFH and Alternative Site Testing is a part of BC Testing whereas ITDR Drills (basis RBI direction) and IT HA Testing is part of ITDR.

   https://storage.googleapis.com/iifl-storage/files/2024-05/Information%20and%20Cyber%20Security%20Policy_v7.1_Abridged.pdf

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

   Not Applicable, IIFL being a financial services entity.

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

   No such assessment was carried out in FY26.

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

   a. By the listed entity

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

      Nil

PRINCIPLE 7:

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. Affiliation with trade and industry chambers/ associations.

a. Number of affiliations with trade and industry chambers/ associations.

3

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Finance Industry Development Council (FIDC)	National
2	PHD Chamber of Commerce and Industry (PHDCCI)	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National

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

Name of authority	Brief of the case	Corrective action taken
Nil. No issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.		

Leadership Indicators

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

IIFL Finance's Founder and Managing Director Mr. Nirmal Jain is the Chair of the FICCI NBFC Committee. Under his leadership, FICCI NBFC Committee has conducted two meetings in physical and digital mode in October 2025 and March 2026. Multiple discussions have taken place around important events related to the NBFC sector with focus on credit delivery to unbanked and underbanked population, increased access to diversified funding sources, co-lending arrangement between banks and NBFCs etc. Mr. Jain and the committee members also contributed to various deliberations with regulators and government authorities for strengthening the NBFC sector.

PRINCIPLE 8:

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

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

   During the year 2025-26, IIFL Foundation engaged with a reputed external agency, i.e. KPMG for the impact assessment of our flagship program Sakhiyon Ki Baadi that provides foundational literacy and numeracy to girls who are out of school or have never been to school. The key finds are as below:

- **Program relevance and reach**
  - The Sakhiyon Ki Baadi (SKB) program directly responds to persistent educational inequities for girls in rural Rajasthan, particularly those who are out-of-school or never enrolled. By establishing community-based, non formal-learning centers within villages, the program successfully overcomes barriers related to distance, safety, poverty, and restrictive gender norms.
- **Learning outcomes and school readiness**
  - The assessment confirms that SKB has delivered **measurable and meaningful learning gains,** especially in foundational learning and readiness for formal schooling.
  - Teachers reported that SKB children actively engage in classroom activities and demonstrate stronger confidence in academic interactions
  - The Teaching Learning Materials (TLMs) helped children practice reading, writing, numeracy, and concept application regularly, which directly contributed to stronger foundational skills and improved academic readiness
  - **86% of Dakshas** reported that they now use a blended mix of offline and digital tools to enhance learning
  - Children showed strong improvements in **basic literacy, numeracy, communication skills, confidence, and participation.**
  - **100% of the sampled Dakshas** expressed that the training provided by IIFL was extremely helpful in learning new teaching techniques and skills.
- **Access to education**
  - SKB plays a critical role in enrolling children who were previously excluded from education.
  - **91% of children** reported they were not attending any school or learning center before joining SKB.
  - SKBs function as safe, accessible entry points for first-generation learners and act as a **bridge to formal schooling.**
- **Community and household-level impact**
  - Beyond learning outcomes, the program has driven notable social and behavioral change:
  - SKBs are widely trusted by families as safe community spaces, enhancing regular attendance and continuity of learning.
  - **100% of parents** reported a reduction in education-related household expenses due to free, local access to learning.
- **Gender and social norms**

  The program contributes to broader social change by challenging entrenched norms:
  - 82% of PRI members reported increased willingness among families to send girls to school, and stakeholders reported early indications of a reduction in child marriage practices where SKB is operational, as girls stay engaged in learning and parents recognize the value of continued education.
  - Improved confidence, mobility, and aspiration among girls were consistently noted across stakeholder groups.
- **Capacity building and implementation strengths**
  - Before joining SKB, **57% of Dakshas** were not working anywhere, due to the limited local livelihood opportunities available to women in remote villages.

- The community-embedded Daksha model is a core strength, enabling trust-building, counselling, and sustained engagement with families.

- **Overall conclusion**

  The impact assessment concluded that Sakhiyon Ki Baadi is a highly relevant, effective, and community-trusted intervention that significantly improves access to education, foundational learning outcomes, and parental attitudes toward girls' education. With targeted refinements, the program has strong potential to deepen long-term educational impact and systemic integration with formal schooling.

2. **Information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

   Not Applicable.

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

   Yes, the Company has in place grievances redressal mechanism the same can be accessed through https://storage.googleapis.com/iifl-finance-storage/files/2023-07/CSR%20policy_IIFL%20Finance.pdf.

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

Particular	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	45%	40%
Directly from within India	98%	99%

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

Location	FY 2025-26	FY 2024-25
Rural	10%	6%
Semi-urban	29%	23%
Urban	21%	25%
Metropolitan	40%	46%

(Places are categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 8(1) of Essential Indicators above):**

   Not Applicable

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

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Rajasthan	Sirohi, Jaisalmer	34,26,198
2	Jammu and Kashmir	Kupwara	38,10,000

Aligned with the Aspirational Districts Program notified by NITI Aayog, supporting targeted development in underserved regions.

3. **Information related to procurement**

a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

   Given the nature of business of the Company, the sourcing needs of our Company are limited. However, the Company aims to undertake preferential procurement of materials from suppliers identified under vulnerable and marginalized groups.

b. From which marginalised /vulnerable groups do you procure?

Vendors/suppliers that are categorized as MSMEs.

c. What percentage of total procurement (by value) does it constitute?

33% of total procurement.

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

Not Applicable.

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

Not Applicable.

6. Details of beneficiaries of CSR projects:

S. No.	CSR project	No. of persons benefitted from CSR projects	Percentage of beneficiaries from vulnerable and marginalized groups
	HEALTH		
1	Medical Camp- Barsana, Uttar Pradesh	3,280	90%
2	Medical Camp –Pandharpur, Maharashtra	1,100	90%
3	Primary Health Services during Ganesh Festival- Maharashtra	1,000	90%
4	Donation CT Scan Machine- RNT Medical College, Rajasthan	7,147	90%
5	Donation of Dental X ray Machine- Community Health Center, Khamnor, Rajasthan	35	90%
6	Donation of Manometry & PH Impedance Machine- LTMG Hospital Mumbai, Maharashtra	1,200	90%
7	Donation of Fully Automatic Biochemistry Analyzer- Gov. Hospital, Khamnore, Rajasthan	52	90%
8	CPR workshop for the community (Chennai & Pune)	121	30%
	EDUCATION		
9	Sakhiyon Ki Baadi- Rajasthan	7,891	90%
10	Administrative Support to Matrubhoomi School- Maharashtra	120	90%
11	Manav Shelter Home- Maharashtra	28	90%
12	Support to 5 Teaching Volunteers- Rajasthan	580	90%
13	Solar and Smart Board to Alakh Ved Gurukul- Rajasthan	100	90%
14	Support to set up Tattva University- Mumbai, Maharashtra	4,200	50%
15	Fellowship Support to SEWA International- New Delhi	22	50%
16	Computer Lab at Gov. School Vatti, Udaipur	257	90%
17	Infrastructural Development at U P School- Utraj, Rajasthan	35	90%
18	Construction of Conference Hall at Haji Pir Army Goodwill School Kupwara, J&K	314	90%

S. No.	CSR project	No. of persons benefitted from CSR projects	Percentage of beneficiaries from vulnerable and marginalized groups
	ENVIRONMENT		
19	Development of Tehsil Garden- Khamnore, Rajasthan	45,300	50%
20	Support to upgradation of Aurangabad Rural Police Campus- Maharashtra	1,00,000	50%
	LIVELIHOOD		
21	Hospitality Training Program- Kupwara, J&K	120	90%
22	Home Stay Host Training- Tezu, Arunachal Pradesh	120	90%
23	BFSI Course - Mumbai, Maharashtra	30	90%
24	Donation of Helmets to Udaipur Police-Rajasthan (NGO)	1,080	50%
25	Donation of Helmets to Udaipur Police-Rajasthan	250	50%
26	Donation of Helmets to Traffic Police- Maharashtra	180	50%
	POVERTY ALLEVIATION		
27	Scholarship to 3 Students- Maharashtra & Rajasthan	3	90%
28	Medical Support to needy patient- Maharashtra	1	90%
	OTHER ACTIVITIES		
29	Thalassemia Awareness Drive- Maharashtra	7,003	30%
30	Barricades to Police- Rajasthan	13,11,000	50%

PRINCIPLE 9:

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

IIFL's grievance redressal policy is aimed at receiving and responding to consumer complaints and feedback in a timely and effective manner. The mechanism for grievance redressal includes the following steps:

① **Receipt of complaint:**

IIFL provides various channels for receiving complaints from its customers, such as email, phone, and a dedicated customer grievance portal.

② **Complaint acknowledgement:**

Upon receipt of the complaint, IIFL acknowledges the complaint promptly, and provides the customer with a unique reference number for future reference.

③ **Investigation:**

IIFL investigates the complaint and gathers all the relevant information from its systems and employees. This includes checking if the complaint is genuine or not, and if there is any fault on IIFL's side.

④ **Resolution:**

IIFL resolves the complaint as soon as possible and informs the customer of the resolution. The resolution may include, but not limited to, an apology, refund, replacement, or compensation.

⑤ **Escalation:**

In case the complaint remains unresolved, or the customer is not satisfied with the resolution, the complaint can be escalated to the next level of management. IIFL provides a dedicated escalation matrix for this purpose

⑥ **Closure:**

Upon resolution of the complaint, IIFL closes the complaint and updates its records.

⑦ **Feedback:**

After the complaint is resolved, IIFL seeks feedback from the customer to understand their satisfaction level and identify areas for improvement.

The customer grievance redressal policy can be accessed through this link: https://www.iifl.com/finance/grievance-redressal-procedure.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	100%
Recycling and/or safe disposal	NA

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

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive trade practices	0	0	NA	0	0	NA
Unfair trade practices	0	0	NA	0	0	NA
Others	40,698	54	-	45,282	171	-

4. **Details of instances of product recalls on account of safety issues:**

   Not applicable since IIFL is a financial services company.

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

   Yes. Information & Cyber Security Policy is developed and implemented. Risks related to data privacy are part of the policy. Read more, here https://storage.googleapis.com/iifl-storage/files/2024-05/Information%20and%20Cyber%20Security%20Policy_v7.1_Abridged.pdf

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

   No incidents related to cyber security and data privacy occurred at IIFL Finance Limited in FY 2025-26.

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

   a. Number of instances of data breaches: NIL

   b. Percentage of data breaches involving personally identifiable information of customers: NIL

   c. Impact, if any, of the data breaches: Not applicable

Leadership Indicators

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

   Information relating to all the loan products and services provided by the entity are available on the Company's website. In addition, our Company actively uses various social media and digital platforms to disseminate information on its offerings. Link of website: http://www.iifl.com

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

   Terms and Conditions provides extensive information and ensures transparency on lending products. Policies related to Code of Conduct, Data security, Fair practices, etc. are available on the Company's website. All relevant information regarding the Company and its products is available to the public. Read policies, here https://www.iifl.com/finance/corporate-governance

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

   The Company has implemented Business Continuity Policy (BCP) wherein critical processes and other enablers have been identified and appropriate recovery plans have been put in place for such critical processes to ensure timely recovery of the Company's operations and services in the event of a crisis. BCP Framework ensures continuity of critical processes to extend essential services to the customers. Regular mock tests are conducted to ascertain BCP preparedness.

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

   We display information and brochures about our products in our branches. We comply with all local laws applicable to us and display this information on the bulletin board. Further, we conduct net promoter score (NPS) surveys periodically, to get an insight on customer sentiment.

INDEPENDENT ASSURANCE STATEMENT

To,
The Board of Directors,
IIFL House, Sun Infotech Park, Road No. 16V, Plot No.
B-23, Thane Industrial Area, Wagle Estate, Thane,
Maharashtra - 400604.

IIFL Finance Limited (hereinafter referred to as "IIFL" or the "Reporting Organization") engaged TUV India Private Limited ("TUVI") to perform an independent external assurance of its Business Responsibility and Sustainability Report ("BRSR") Core disclosures for the period 1 April 2025 to 31 March 2026. The Annual Report includes disclosures relating to the BRSR Core (the "nine attributes") as per Annexure I – Format of BRSR Core (collectively referred to as the "BRSR Core Information"). The assurance engagement, including onsite verification at IIFL's Corporate Office, Hubtown Solaris, Andheri East, Mumbai, on 2 March 2026, and at IIFL House, Thane, on 5 March 2026, was complemented by desk reviews and remote verification procedures across the remaining locations within the reporting boundary. The reporting boundary covers 2,930 branch offices; Branch-level verification was conducted using a risk-based sampling methodology in accordance with ISAE 3000 (Revised). Sample selection considered branch size, geographical distribution, operational significance, contribution to BRSR Core KPIs, and risk of material misstatement. Two branch offices were selected for detailed verification. As ESG data is centrally managed and consolidated, assurance procedures primarily focused on centralized controls, data aggregation processes, and analytical review of consolidated datasets. The sampling methodology and branch selection rationale are maintained in the assurance working papers.

For the BRSR Core assurance, TUVI confirms that, prior to acceptance of the engagement, the preconditions for the assurance engagement were formally assessed in accordance with ISAE 3000 (Revised), specifically Para 24. As part of this formal criteria assessment, TUVI evaluated and documented that the subject matter is supported by suitable criteria (SEBI BRSR Core framework and GHG Protocol), which were determined to be available, relevant, and appropriate for the purpose of this engagement. IIFL's management has acknowledged its responsibility for the preparation and presentation of the BRSR Core sustainability information and for providing access to relevant records, and that sufficient appropriate evidence was expected to be available to support the assurance conclusion. Accordingly, having satisfied all preconditions through this formal assessment, the BRSR Core assurance engagement was accepted and performed in accordance with ISAE 3000 (Revised).

The assurance process was conducted with reference to the following applicable frameworks and guidelines:

i. Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requiring disclosure of the Business Responsibility and Sustainability Report (BRSR);
ii. The Industry Standards on Reporting of BRSR Core, as per SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20 December 2024;
iii. SEBI circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10 May 2021;
iv. The SEBI notification SEBI/LAD-NRO/GN/2023/131, dated 14 June 2023, related to Annual Report / BRSR requirements;
v. The BRSR Core – Framework for Assurance and ESG Disclosures for the Value Chain, as stipulated by SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023;
vi. The Master Circular for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, by listed entities, HO/49/14/14(7)2025-CFD-POD2/I/3762/2026, dated 30/01/2026, which consolidates the operative BRSR and other LODR reporting requirements.
vii. World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standard).
viii. International Standard on Assurance Engagements ISAE 3000 (Revised).
ix. International Standard on Assurance Engagements ISAE 3410.

The assurance engagement comprised a reasonable assurance engagement over the quantitative BRSR Core KPIs within the nine attributes specified under Annexure I, performed in accordance with ISAE 3000 (Revised). Qualitative disclosures relating to stakeholder engagement, materiality determination, and the management approach for each indicator are reported as represented by management and were not subject to independent substantive verification under this engagement. However, Board-level governance oversight of ESG performance and BRSR Core KPIs was independently corroborated through review of Board meeting minutes and agenda records; accordingly, an independent conclusion is expressed on governance oversight, while other representation-based elements are identified in the relevant sections of this statement.

Management's Responsibility

IIFL developed its BRSR Core information, forming part of the Annual Report (based on the BRSR Core framework) and holds full responsibility for the collection, analysis, preparation, and disclosure of the information presented in the Annual Report, including its availability in both web-based and printed formats. This responsibility also extends to the maintenance and integrity of the website where the Annual Report is published. Management is responsible for ensuring the disclosed data is accurate, reliable, and free from material misstatements for BRSR Core requirements. Additionally, IIFL is responsible for the archiving and reproduction of the disclosed information and for ensuring that such data is made available to relevant stakeholders and regulatory authorities upon request. The Reporting Organization is responsible for complying with applicable laws. Any partial reproduction of this assurance statement could lead to misinterpretation of the assurance scope, procedures, and conclusions. The assurance conclusion is intended to be read in its entirety, together with the defined scope, methodology, limitations, and criteria described in this assurance statement. The primary intended user of this assurance statement is the Board of Directors, shareholders, regulators, and other stakeholders of IIFL; however, IIFL may use it at its own discretion in accordance with its specific requirements.

Scope and Boundary

The scope of work includes the assurance of the following *nine attributes as per Annexure I - Format of BRSR Core* disclosed in the Annual Report / BRSR. The BRSR core requirements encompass essential disclosures pertaining to organization's Environmental, Social and Governance (ESG) performance. In particular, the assurance engagement included the following:

1. Review of General Disclosures, Management and Process Disclosures, and IIFL's BRSR Core information;
2. Review and evaluation of the nine attributes specified under Annexure I – Format of BRSR Core, as disclosed in the BRSR;
3. Assessment of the quality, clarity, and completeness of the reported information; and
4. Verification of supporting evidence on a sample basis, involving reasonable assurance for the nine attributes as per the BRSR Core framework.
5. The assurance does not include assurance of value chain disclosures. Value chain disclosures are presently voluntary and deferred under SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/38 dated 28 March 2025, and are therefore excluded from the scope of this assurance engagement. No value-chain KPIs were assured under this engagement. (Reference: Measures to facilitate ease of doing business with respect to framework for assurance or assessment, ESG disclosures for value chain, and introduction of voluntary disclosure on green credits)

This approach ensured an assessment aligned with the principles of ISAE 3000 (Revised) for the BRSR Core disclosures, providing an independent and objective evaluation of the reliability and accuracy of IIFL's ESG information.

TUVI has verified the below *nine attributes as per Annexure I - Format of BRSR Core* disclosed in the BRSR with reference to the Industry Standards on Reporting of BRSR Core (SEBI circular dated 20 December 2024) as part of the applicable assurance criteria.

Attributes	KPI
Greenhouse gas (GHG) footprint	Total Scope 1 emissions (with breakup by type) - GHG (CO_2e) Emission in MT - Direct emissions from organization's owned- or controlled sources (Calculated)
	Total Scope 2 emissions in MT - Indirect emissions from the generation of energy that is purchased from a utility provider (Calculated)
	GHG Emission Intensity (Scope 1+2), Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP (Calculated)
Water footprint	Total water consumption (in kL) (Calculated)
	Water consumption intensity - kL / Total Revenue from Operations adjusted for PPP (Calculated)
	Water Discharge by destination and levels of Treatment (kL)- Not applicable
Energy footprint	Total energy consumed in GJ (Measured and Calculated)
	% of energy consumed from renewable sources - In % terms- calculated
	Energy intensity -GJ/ Rupee adjusted for PPP (Calculated)
Embracing circularity - details related to waste management by the entity	Plastic waste (A) (MT) (Measured)
	E-waste (B) battery, bulb, cable (MT) (Measured)
	Bio-medical waste (C) (MT)- (Measured)
	Battery waste (D) (MT) - Buy-back process (Measured)
	Expired products (E)- Not applicable
	Other non-hazardous waste. Paper and Carton waste, wood, metal, thermocol, EPS waste, empty barrels, STP waste, process waste residue, biomedical (F) (Measured)
	Total waste generated (A + B + C + D + E + F) (MT)
	Waste intensity • MT / Rupee adjusted for PPP (Calculated)
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (MT) (Calculated)
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (Intensity) ✓ kg of Waste Recycled Recovered /Total Waste generated
	For each category of waste generated, the total waste disposed by the nature of the disposal method (MT)
	For each category of waste generated, the total waste disposed of by the nature of the disposal method (Intensity) ✓ kg of Waste Disposed / Total Waste Generated

Attributes	KPI	
Enhancing Employee Wellbeing and Safety	Spending on measures towards the well-being of employees and workers – cost incurred as a % of total revenue of the company - In % terms- (Calculated)	
	Details of safety-related incidents for employees and workers (including contract-workforce, e.g. workers in the company's construction sites) 1) Number of Permanent Disabilities Reported (Reported NIL) 2) Lost Time Injury Frequency Rate (LTIFR) (per one million-person-hours worked) (Reported) 3) No. of fatalities (Reported NIL)	
Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid - In % terms - (Calculated)	
	Complaints on POSH	1) Total Complaints on Sexual Harassment (POSH) reported - (Measured)
		2) Complaints on POSH as a % of female employees/workers (Calculated)
		3) Complaints on POSH upheld (Measured)
Enabling Inclusive Development	Input material sourced from the following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India - In % terms – As % of total purchases by value- (Calculated)	
	Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost - In % terms – As % of total wage cost • Rural (Reported) • Semi-urban (Calculated) • Urban (Calculated) • Metropolitan (Calculated)	
Fairness in Engaging with Customers and Suppliers	Instances involving loss/breach of data of customers as a percentage of total data breaches or cybersecurity events - In % terms- (Reported NIL)	
	Number of days of accounts payable - (Accounts payable *365) / Cost of goods/services procured (Calculated)	
Openness of Business	Concentration of purchases & sales done with trading houses, dealers, and related parties. Loans and advances & investments with related parties	1) Purchases from trading houses as % of total purchases (Calculated)
		2) Number of trading houses where purchases are made from (Calculated)
		3) Purchases from top 10 trading houses as % of total purchases from trading houses (Calculated)
		1) Sales to dealers/distributors as % of total sales- (Calculated)
		2) Number of dealers/distributors to whom sales are made (Calculated)
		3) Sales to top 10 dealers/distributors as % of total sales to dealers/distributors (Calculated)
		Share of RPTs (as respective %age) in - (Calculated)
		• Purchases
		• Sales
		• Loans & advances
		• Investments

The reporting boundaries cover IIFL Finance Limited, including its Corporate Office and 2,930 branch offices, as well as the reporting boundary for BRSR Core disclosures.

ISF Compliance Declaration: TUVI confirms that this assurance engagement has been conducted in compliance with the Industry Standards on Reporting of BRSR Core as specified in SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20 December 2024 and the SEBI Master Circular for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities (Ref. No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026) dated 30 January 2026. The nine BRSR Core attributes (Annexure I KPIs) and the nine BRSR principles covering Essential and Leadership Indicators, scope of reasonable assurance, assurance methodology, and reporting format adopted in this engagement are fully aligned with the requirements of the said ISF circular and the Master Circular.

Boundary Reconciliation: The ESG reporting boundary is aligned with the operational control approach adopted by IIFL and encompasses all entities and locations over which the Company exercises operational control. As part of the assurance procedures, a reconciliation of the ESG/BRSR reporting boundary against the financial reporting boundary, as reflected in the audited financial statements for FY 2025–26, was performed. The review confirmed that the BRSR reporting boundary is consistent with the operational control approach and aligns with the entities and locations included in the audited financial statements, with no material differences identified. In addition, the branch network comprising 2,930 locations was reconciled against the latest branch master register and organizational records. Evidence supporting the reconciliation process has been retained within the assurance working papers.

Onsite Verification

An on-site verification was conducted at the Corporate Office as per below schedule:

1. 802, 8th Floor, Hubtown Solaris, N. S. Phadke Marg, Vijay Nagar, Andheri East, Mumbai – 400069: 2 March 2026.
2. IIFL House, Sun Infotech Park Road No. 16V, Plot No. B-23, MIDC Thane Industrial Area, Wagle Estate, Thane, Maharashtra 400604, India. 5 March 2026.

The assurance activities were carried out together with a desk review as per the reporting boundary.

Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the Annual Report / BRSR, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion on the prospective information. During the assurance process, TUVI did not come across any limitation to the agreed scope of the assurance engagement. TUVI verified nine attributes and corresponding KPIs independently, without reference to any ESG targets or goals set by IIFL. TUVI verified data on a sample basis; the responsibility for the authenticity of data entirely lies with IIFL. TUVI referenced the financial figures from the audited financial statements of IIFL Finance Limited for FY 2025-26. The denominator values used in BRSR Core intensity ratio calculations — specifically, Total Revenue from Operations adjusted for Purchasing Power Parity (PPP) were extracted from the audited financial statements and reconciled against the figures disclosed in IIFL's Annual Report prior to use in intensity ratio verification. The Purchasing Power Parity (PPP) conversion factor applied for intensity calculations was sourced from the World Bank International Comparison Program (ICP) database using the latest available PPP conversion factor for India (GDP, LCU per international dollar). The source reference, conversion factor applied, calculation methodology, and resulting PPP-adjusted denominator values were independently verified and retained in the assurance evidence files and working papers. Financial figures were not independently assured under this engagement; IIFL remains responsible for the appropriate application and disclosure of financial data. The application of this assurance statement is limited with respect to *SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated* 12 July 2023 *and Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated* 20 December 2024. This assurance statement does not endorse any environmental and social claims (related to the product, manufacturing process, packaging, disposal of product, etc.) as well as advertisements by the Reporting Organization and shall not be used to support misleading environmental or social claims, including greenwashing-related representations. The Reporting Organization is responsible for ensuring adherence to relevant laws. The assurance procedures are subject to inherent limitations, including the use of estimates, assumptions, sampling, and reliance on internal controls and data systems maintained by IIFL. Accordingly, there is an unavoidable risk that material misstatements or omissions may not be detected, particularly where information is subject to estimation uncertainty or dependent on management judgment.

Materiality for this engagement was established and documented prior to the commencement of assurance activities, in accordance with ISAE 3000 (Revised). For the purposes of this engagement, a material misstatement is defined as a misstatement, individually or in aggregate, that could reasonably be expected to influence the economic decisions of users made on the basis of the BRSR Core information. TUVI applied a KPI-specific materiality approach comprising two tiers: (i) a 5% quantitative materiality threshold relative to the applicable KPI base value (e.g., total emissions, total energy, total water consumption) was applied to volume-based and aggregated KPIs, supplemented by qualitative considerations including the nature and context of the disclosure and the risk of error; and (ii) Materiality was established and documented prior to commencement of assurance activities in accordance with ISAE 3000 (Revised). A quantitative materiality threshold of 5% was applied to volume-based and aggregated KPIs, while qualitative materiality considerations were applied to sensitive ESG disclosures including fatalities, permanent disabilities, customer data breaches, POSH complaints upheld, and regulatory non-compliance. The materiality assessment methodology and approval records are maintained in the engagement documentation. The responsibility for the authenticity of the data is confirmed by IIFL. Any reliance placed by any person or third party on disclosed KPIs is entirely at their own risk.
The following table provides the KPI-category-wise materiality thresholds applied in this engagement, elaborating the qualitative sensitivity considerations for each BRSR Core attribute:

I. Greenhouse Gas (GHG) footprint: 5% quantitative threshold applied to absolute Scope 1, Scope 2, and GHG intensity KPIs. A qualitative review was applied to confirm the completeness of emission source coverage within the defined boundary and the appropriateness of emission factors used.
II. Water footprint: The applicability assessment for water discharge was independently reviewed during the assurance engagement. IIFL operates office-based financial service facilities and does not undertake any manufacturing or industrial processes generating reportable wastewater streams. Water consumption is limited to domestic and sanitary purposes and discharged through municipal sewerage systems. Accordingly, water discharge by destination and treatment level is not applicable under the BRSR Core reporting framework. Supporting evidence and management declarations were reviewed and retained in the assurance records
III. Energy footprint: 5% quantitative threshold applied to total energy consumed, percentage of renewable energy, and energy intensity ratio. A qualitative review was applied to the completeness of energy sources included and the consistency of measurement methodology.
IV. Embracing circularity (waste management): A quantitative materiality threshold of 5% was applied to each waste category (A through F) as well as to total waste generated, recovered, and disposed of. A qualitative zero-tolerance threshold was applied to compliance with hazardous waste regulations and the completeness of submissions to the Pollution Control Board. The generation, collection, and disposal of biomedical waste were verified through a review of supporting vendor records, manifests, and disposal documentation. The applicability of this waste stream and the related disclosures were assessed as part of the assurance engagement. In addition, battery waste generated from IT assets, security systems, and power-backup equipment is managed through authorized buy-back and take-back arrangements upon replacement, and the corresponding management practices were reviewed during the assurance process.
V. Enhancing employee wellbeing and safety: Qualitative zero-tolerance threshold applied to fatalities, permanent disabilities, and LTIFR accuracy. 5% quantitative threshold applied to wellbeing spend as a percentage of total revenue.
VI. Enabling gender diversity in business: 5% quantitative threshold applied to gross wages paid to females and POSH percentage calculations. Qualitative zero-tolerance applied to POSH complaints upheld.

VII. Enabling inclusive development: 5% quantitative threshold applied to MSME sourcing percentage and wages paid to persons in smaller towns as a percentage of total wage cost.
VIII. Fairness in engaging with customers and suppliers: Qualitative zero-tolerance applied to customer data breach disclosures. 5% quantitative threshold applied to accounts payable days calculation.
IX. Openness of business: 5% quantitative threshold applied to concentration metrics for trading houses and dealers, and to related-party transaction percentages (purchases, sales, loans and advances, investments).

Our Responsibility

TUVI's responsibility in relation to this engagement is to perform a reasonable level of assurance for *nine attributes as per Annexure I - Format of BRSR Core* and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or the effectiveness of IIFL's strategy, management of ESG-related issues or the sufficiency of the Report against Annual Report/BRSR principles, other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference to the agreed scope of work, which includes assurance of non-financial quantitative and qualitative information disclosed by IIFL. The Reporting Organization is responsible for archiving the related data for a reasonable time period.

TUVI is responsible

i. For planning to obtain the reasonable assurance for BRSR attributes so that it is free from material misstatement,
ii. Forming an independent opinion, based on the sampled evidence,
iii. Reporting the opinion to the Directors of 'IIFL'.

This assurance statement is prepared by considering that the data and information presented by 'IIFL' are free from material misstatement. The data is verified on a sample basis; the responsibility for the authenticity of the data lies with the Reporting Organization.

Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing verification efforts on disclosures and issues of high material relevance to IIFL and its stakeholders. The objective was to assess the reliability and accuracy of the non-financial information disclosed, with emphasis on the robustness of data management systems, internal controls, and information flows.

TUVI's assurance activities included:

1. **Document and Data Review**:
   i. Examination of documents, datasets, and supporting evidence provided by IIFL for the nine attributes listed in Annexure I – Format of BRSR Core (non-financial disclosures).
   ii. Evaluation of disclosures related to Management Approach and performance indicators.
2. **Stakeholder Interviews**:
   i. Conducted interviews with key representatives, including data owners, process managers, and decision-makers across various departments. Board-level oversight of sustainability and ESG-related matters was independently corroborated through review of Board and Committee meeting minutes, agenda papers, governance records, and management presentations. Based on the evidence reviewed, TUVI confirmed the existence of governance oversight mechanisms relevant to BRSR Core disclosures. Supporting records and verification notes are maintained within the assurance working papers.
   ii. Reviewed management representations regarding IIFL's approach to stakeholder engagement and materiality determination; qualitative statements in the Annual Report are based on management representations and were not independently validated.
   iii. Interviews were conducted through both onsite visits and remote assessments, as applicable.
3. **Process and System Assessment**:
   i. Review of systems and processes for implementing ESG and sustainability-related policies as described in the BRSR and for collecting, managing, and reporting both quantitative data and qualitative information for the reporting period.
   ii. Assessment of internal controls supporting data accuracy, traceability, and consistency.
4. **Substantive and Control Testing:** TUVI performed walkthrough procedures to evaluate the design and implementation of internal controls over ESG data processes and substantive testing, including document verification, recalculation, analytical review, and data traceability checks for selected KPIs and disclosures. For intensity ratio KPIs — including GHG emission intensity (Scope 1+2 / Revenue from Operations adjusted for PPP), water consumption intensity (kL / Revenue from Operations adjusted for PPP), energy intensity (GJ / Revenue from Operations adjusted for PPP), and waste intensity (MT / Revenue from Operations adjusted for PPP) — TUVI independently recalculated each ratio using verified numerator values (absolute environmental data) and denominator values (financial figures sourced from audited financial statements), and cross-checked the results against IIFL's reported figures to confirm arithmetical accuracy and consistency of methodology. The combination of control testing and substantive procedures provided sufficient appropriate evidence in accordance with ISAE 3000 (Revised). For GHG emission calculations, Scope 2 emissions were computed using the location-based method, applying the CEA (Central Electricity Authority) grid emission factor for India (CO2 Baseline Database, Version 21 as the most recent published version at the time of reporting) applicable to the reporting period, in accordance with the WRI/WBCSD GHG Protocol Corporate Standard. Scope 1 emissions were calculated based

on standard fuel conversion factors consistent with IPCC guidelines. The emission factor sources and calculation methodology were reviewed and found appropriate for the engagement. Additional KPI-category procedures applied included: (a) Energy — cross-verification of meter readings against utility bills for plants and validation of renewable energy consumption mix; (b) Water — review of water intake records at plant level and traceability to municipal supply invoices and ground water extraction permits, as applicable; (c) Safety — verification of Lost Time Injury Frequency Rate (LTIFR) calculations against plant-level incident registers and HR records; and (d) Waste — reconciliation of hazardous and non-hazardous waste disposal records against Pollution Control Board returns and third-party disposal manifests, and review of applicable statutory authorisations and hazardous waste handling licences where applicable. The invoices, sale records and disposal records were assessed for the non-hazardous waste.

5. **Sampling Methodology**: TUVI applied a risk-based sampling methodology to select representative samples of ESG disclosures, considering materiality thresholds, risk of misstatement, data complexity, estimation uncertainty, nature and scale of operations, and geographical spread of facilities. Sample selection prioritised locations with significant operational impact and KPIs with higher inherent risk, including those relevant to BRSR Core indicators. A materiality threshold of 5%, determined for this engagement with reference to the inherent estimation risk in environmental KPIs, the materiality of BRSR Core indicators to stakeholder decision-making, and the reasonable assurance level required under ISAE 3000, was applied to the selected samples for the verification of sustainability disclosures as applicable. The determination and approval of this materiality threshold, together with the supporting rationale, the qualitative zero-tolerance criteria described below, and the engagement's sampling approach, were reviewed by TUVI's independent technical reviewer and are documented in the assurance technical review (TR) records maintained for this engagement. Sites were selected based on proportionate contribution to total reported values, with IIFL Ltd, a comprehensive desk review of BRSR Core data using risk-based sampling procedures was performed, comprising review of source records and supporting documents (including utility bills, meter readings, HR registers, hazardous and non-hazardous waste manifests, and internal MIS reports), recalculation of reported quantitative figures, year-on-year analytical review against prior-period data, reconciliation against the consolidated BRSR Core reporting templates, and remote interactions with site-level data owners and process managers to resolve queries. The same materiality threshold (5%), risk-based sampling criteria, and substantive procedures applied to the onsite locations were applied to the desk-review sites, providing comparable evidence to support the reasonable assurance conclusion across all sites within the reporting boundary. In addition to the two onsite-verified locations (Corporate Office, Hubtown Solaris, Andheri East, Mumbai, and IIFL House, Thane), the desk-based sample for branch-level KPI verification comprised 2 Branch Offices selected on a risk basis from IIFL's operating network, out of the total 2,930 Branch Offices; the selected branches and the supporting selection rationale are maintained in the assurance working papers. This limited physical sample size was considered appropriate because the substantial majority of BRSR Core KPIs — including energy, GHG, water, waste, and workforce data — are aggregated and reported through IIFL's centralized data management systems and internal reports rather than maintained independently at each Branch Office; accordingly, TUVI's substantive procedures focused on testing the design and operation of these centralized controls and on analytical review and recalculation of the aggregated branch-level data, supplemented by the two physical branch visits to corroborate source-level evidence.

   i. **Site Verification Coverage:** TUVI conducted onsite verification at the Corporate Office, complemented by a comprehensive desk review of BRSR Core data using risk-based sampling procedures across other locations within the boundary. The Corporate Office onsite verification covered all head-office-managed financial, HR, and governance KPIs for the full reporting entity.

6. **Reporting Framework Adherence:** Verified IIFL's adherence to SEBI's BRSR guidelines, the BRSR Core – Framework for Assurance and ESG Disclosures for Value Chain (SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122), Industry Standards on Reporting of BRSR Core (SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177), and the SEBI Master Circular for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities (Ref. No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30 January 2026). TUVI evaluated BRSR disclosures against the following reporting quality principles: Stakeholder Inclusiveness, Materiality, Responsiveness, Completeness, Neutrality, Relevance, Sustainability Context, Accuracy, Reliability, Comparability, Clarity, and Timeliness.

This methodology enabled TUVI to provide a balanced and evidence-based assurance on the information disclosed, while maintaining alignment with ISAE 3000 (Revised) standards for non-financial assurance.

Opportunities for Improvement

The following are the opportunities for improvement reported to IIFL. However, they are generally consistent with IIFL management's objectives and programs. IIFL has already identified the following topics, and the Assurance team endorses the same to achieve the sustainable goals of the organization.

i. **Strengthening Automated Environmental Data Management**

   IIFL Finance Limited may further enhance the reporting of its environmental performance by establishing an automated emissions accounting system to enable real-time tracking, monitoring and consolidation of key environmental parameters across its operations.

Conflict of Interest

TUVI confirms its independence and the absence of any conflict of interest in relation to this assurance engagement, in accordance with ISAE 3000 (Revised), SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023, and the Industry Standards on Reporting of BRSR Core (SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20 December 2024).

TUVI's independence framework is grounded in the IESBA Code of Ethics, adopting a threats-and-safeguards approach to identify and manage risks, including self-interest, self-review, advocacy, familiarity, and intimidation. Organisational safeguards include segregation of responsibilities, independent technical review, documented conflict-of-interest controls, and a quality management system consistent with ISQM 1 and ISO 17029:2019.

During the reporting period, TUVI confirms that:

- No consulting, advisory, system design, data preparation, or implementation services related to ESG or BRSR were provided to IIFL;
- TUVI was not involved in the preparation or drafting of BRSR Core disclosures, development of ESG strategy or targets, design or implementation of ESG data management systems, calculation of GHG emissions inventories, internal audit of ESG data, or consulting on materiality assessment; and
- No relationships, affiliations, or financial interests exist that could compromise the objectivity, independence, or impartiality of TUVI's findings, conclusions, or recommendations.

In the context of this engagement, TUVI solely provided verification and assurance services to IIFL and did not provide any non-audit or non-assurance services, and maintained professional impartiality towards all personnel interviewed throughout this engagement.

Rotation and Tenure Policy: In line with best practice and the Industry Standards on Reporting of BRSR Core for independence, TUVI maintains a documented engagement partner rotation policy. The lead assurance practitioner for this engagement has not exceeded the maximum tenure threshold prescribed under TUVI's internal quality and independence framework. TUVI confirms compliance with its engagement partner rotation policy. TUVI's independence and quality management procedures are reviewed periodically by the internal technical review function.

Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on BRSR Core KPIs described in the Annual Report / BRSR, along with the referenced information, have been prepared, in all material respects, in accordance with the applicable BRSR Core criteria for the nine BRSR Core attributes and meet the applicable content and quality requirements of the SEBI BRSR Core framework.

Disclosures: TUVI is of the opinion that the reported disclosures meet, in all material respects, the BRSR requirements. IIFL refers to general disclosure to report contextual information about IIFL, while the Management & Process disclosures refer to the management approach for each indicator *(nine attributes as per Annexure I - Format of BRSR Core)*.

Reasonable Assurance: This engagement was performed as a reasonable assurance engagement in accordance with ISAE 3000 (Revised) and SEBI's reasonable assurance requirements. The scope, methodology, materiality, sampling approach, evidence documentation, and conflict-of-interest controls applied are described in the preceding sections of this statement.

BRSR complies with the below requirements

a) **Governance, leadership and oversight:** The governance disclosures in the Annual Report / BRSR were reviewed using a combination of independently verified evidence and management representations. Board meeting minutes and agenda records were made available and reviewed; based on this, sufficient appropriate evidence, an independent conclusion is expressed on Board-level governance oversight of ESG performance, BRSR Core KPIs, and sustainability objectives during FY 2025-26. Messages from top management, business model disclosures, risk management approach, and environmental priorities were reviewed for consistency against available internal governance frameworks and management representations provided to TUVI. The disclosures relating to inclusive growth, equitable development, and environmental protection are reported as represented by management and were not independently verified.

b) **Connectivity of information:** IIFL discloses *nine attributes as per Annexure I - Format of BRSR Core* and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.

c) **Stakeholder engagement:** Based on management representations, the Report covers mechanisms of communication with key stakeholders to identify major concerns and to derive and prioritize short, medium and long-term strategies. The disclosures on stakeholder relationships and the organisation's responsiveness to stakeholder interests are reported as represented by management; independent validation of the stakeholder engagement process was not within the scope of this engagement.

d) **Materiality:** The material issues within the nine BRSR Core attributes and corresponding KPIs as per BRSR requirement are reported, based on management's materiality determination process and the representations provided to TUVI.

e) **Conciseness:** The Report reproduces the requisite information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to-the-point sentences, graphs, pictorial, and tabular representations are applied. At the same time, due care is taken to maintain continuity of information flow in the BRSR.

f) **Reliability and completeness:** IIFL has established internal data aggregation and evaluation systems to derive the performance. IIFL confirms that all data provided to TUVI has been passed through Internal checks. Risk-based

assurance procedures, including walkthroughs, document and data review, recalculation, and substantive testing on a sample basis as described in the Verification Methodology section, were performed over the BRSR Core data, providing sufficient appropriate evidence to support the reasonable assurance conclusion. All data is reported transparently and in a neutral tone and is, in all material respects, free from material misstatement.

g) **Consistency and comparability:** The information presented in the BRSR is on an annual basis and was found to be presented in a reliable and complete manner. Thus, the principle of consistency and comparability is established. **Year-on-Year Comparability:** TUVI reviewed the reported FY 2025-26 data in the context of prior-year (FY 2024-25) disclosures for the key BRSR Core KPIs (GHG emissions, energy consumption, water consumption, and safety indicators). No material inconsistencies in methodology, boundary, or reporting approach were identified that would impair comparability between the two reporting periods.

h) **Impact:** IIFL communicates its ESG performance through regular, transparent internal and external reporting throughout the year, aligned with BRSR, as part of its policy framework that includes POSH, ESG, Code of Conduct Policy, and Whistleblower Policy. IIFL reports on ESG performance to the Board level ESG Committee and the Board of Directors, who oversees and monitors the implementation and performance of objectives, as well as progress against goals and targets for addressing ESG-related issues and reports periodically to stakeholders on ESG progress. IIFL has completed the process of establishing contemporary goals and targets against which performance will be monitored and disclosed periodically.

Quality control: The assurance team complies with quality management standards, ensuring that the engagement partner possesses requisite expertise and the assigned team collectively has the necessary competence to perform engagements in reference with standards and regulations. The assurance team follows the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour. In accordance with the International Standard on Quality Management (ISQM 1), TUVI maintains a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. For this engagement, a mandatory independent technical and editorial quality review checklist was applied prior to the release of this assurance statement, covering technical accuracy of KPI verification, regulatory compliance with SEBI BRSR Core requirements, editorial consistency, and structural alignment with the approved reporting template.

Our Assurance Team and Independence

TUVI is an independent, neutral third party providing sustainability assurance services with qualified environmental and social specialists. The assurance team comprises lead verifiers holding Sustainability auditor qualifications, ISO 14064 verification competencies, as well as confirmed competence in conducting ISAE 3000 (Revised) assurance engagements. Lead verifier(s) possess ISO 14064 verification qualifications, ESG assurance experience, and sector expertise. The team's collective credentials encompass environmental data verification, social performance assessment, and sustainability reporting assurance aligned with GRI Standards and IIRC Integrated Reporting frameworks. TUVI's independence, impartiality, and conflict-of-interest position with respect to this engagement are confirmed in the Conflict-of-Interest section of this statement.

For and on the behalf of
TUV India Private Limited
Date: 24/06/2026

Project Reference No: 8124792899
Revision:01
Place: Mumbai, India

INDEPENDENT AUDITORS' REPORT

To,
The Members of
IIFL Finance Limited

Report on the Audit of the Standalone financial statements.

Opinion

We have audited the accompanying standalone financial statements of IIFL Finance Limited (the "Company"), which comprise Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to standalone financial statements, including a summary of material accounting policies 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), The relevant circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of standalone financial statements of the current period. These matters were addressed in the context of our audit of 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.

Sr. No.	Key Audit Matters	How our audit addressed the Key Audit Matters
1.	**Information technology (IT) systems used in financial accounting.** The Company's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily. The gaps in the IT general control environment could result in a misstatement of the financial accounting. Proper IT general and application controls are essential to ensure accurate, complete, and consistent data processing for reliable financial reporting. We therefore identified IT systems and controls with reference to standalone financial statements as a key audit matter for the Company.	We obtained an understanding of the Company's IT control environment relevant to the audit. We tested the design, implementation and operating effectiveness of the Company's General IT controls over the key IT systems which are critical to financial reporting. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations. In particular: 1. We tested the design, implementation, and operating effectiveness of the Company's general IT controls over the IT systems relevant to financial reporting. This included evaluation of Company's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit. 2. We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materiality impact the Financial Statements.

INDEPENDENT AUDITORS' REPORT

Sr. No.	Key Audit Matters	How our audit addressed the Key Audit Matters
2.	**Allowances for Expected credit loss on Loans ("ECL"):** As on March 31, 2026, the carrying value of the loan assets measured at amortised cost and fair value through other comprehensive income aggregated to ₹ 38,136 crores (net of allowance of expected credit loss of ₹ 429 crores) out of the total assets amounting to ₹ 49,634 crores. Since the loans and advances form a major portion of the Company's assets, and due to the significance of the judgments used in classifying loans and advances into various stages and identifying loans which are measured at fair value through other comprehensive income as stipulated in Ind AS 109 and the management estimation of the related impairment provisions, this is considered to be a key audit matter. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. The most significant areas are: - Segmentation of loan book - Identification of loans to be measured at fair value through other comprehensive income - Determination of exposure at default - Qualitative and quantitative factors used in staging criteria for loans - Basis of estimation and calculation of probability of default / Loss given default for each segment - Consideration of probability weighted scenarios and forward looking macro-economic factors The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. Refer Note No. 38A.3 to standalone financial statements for disclosures.	Our audit approach was a combination of test of internal controls and substantive procedures which included the following: 1. Evaluating the Company's accounting policies, as approved by the Board of Directors, for impairment of loans. 2. Obtained an understanding of the modelling techniques / models adopted by the Company including the key inputs and assumptions. 3. We assessed the design and implementation of key internal financial controls with respect to computation of provisioning requirements in terms of RBI guidelines 4. Tested the design and effectiveness of controls related to: ▪ The completeness and accuracy of Exposure at Default (EAD) and the classification of such exposure into stages, as per the Board-approved policy. ▪ The accuracy and relevance of information used in estimating Probability of Default (PD) and Loss Given Default (LGD). ▪ Tested the ECL model, including assumptions, underlying computation of ECL provision performed by the Company on sample basis to assess the arithmetical accuracy. ▪ Completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates were computed. ▪ We also made enquiries with the management in respect of justification and quantum of the management overlay.

Information Other than standalone financial statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual report but does not include standalone financial statements and our report thereon. Annual report is expected to be made available to us after the date of this report.

Our opinion on standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 "The Auditor's Responsibilities Relating to Other Information".

Responsibilities of Management and Those Charged with Governance for standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS and the relevant circulars, guidelines and directions issued by the RBI from time to time. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management and the Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of standalone financial statements

Our objectives are to obtain reasonable assurance about whether 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 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's

INDEPENDENT AUDITORS' REPORT

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 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 standalone financial statements, including the disclosures, and whether standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of standalone financial statements.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   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 or preparation of standalone financial statements.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   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 is disqualified as on March 31, 2026, from being appointed as a director in terms of section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), 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 financial statements- Refer Note No. 39 of standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has not been any delay in transferring amounts which requires to be transferred to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries-(Refer Note No.41(iv)(A))

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries- (Refer Note No.41(iv)(B)); and

(c) In our opinion and based on the audit procedures, we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividend declared and paid during the year by the Company is in accordance with the provision of section 123 of the Act.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2026, which has a feature of recording Audit Trail (edit log facility) and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tempered with and the audit trail (edit log) has been preserved by the Company as per the statutory requirements for record retention, except audit trail for direct changes at the database level, if any, for the certain software for the financial year 2023-24.

Signed by the Joint Statutory Auditors of the Company

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Reg. No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

Place: Mumbai
Date: April 29, 2026
UDIN: 26042624RGMIRG8308

For G. M. Kapadia & Co.
Chartered Accountants
ICAI Firm Reg. No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

Place: Mumbai
Date: April 29, 2026
UDIN: 26039569XKLEDZ6497

INDEPENDENT AUDITORS' REPORT

Annexure A referred to paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" in our report of even date to the members of IIFL Finance Limited on the financial statement for the year ended March 31, 2026.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

3(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 of assets.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) The Company has a program of verification of Property, Plant and Equipment including Right of Use Assets to cover all the items at major locations in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to such programme, the physical verification of Property, Plant and Equipment including Right of Use Assets was carried out by the management during the financial year ended 2024 and on the basis of explanation received no material discrepancies were noticed during the verification.

(c) The title deeds of all the immovable properties held as Property, Plant & Equipment and Investment Properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company. The title deeds of rights in the immovable properties held as Investment Property Under Construction are pending execution in the name of the Company. However, necessary allotments from the developers are in the name of the Company. As stated in Note No 12.3, such rights in the properties were acquired during the financial year 2024-25 and it's carrying value is ₹ 237.34 crores. As explained to us, the asset is under construction, and the Company is the first allottee and the same is not held by the promoter / director or relative of promoter / director or employee of promoter / director.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets during the year.

(e) There are no proceedings initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

3(ii) (a) The Company does not have any inventory and accordingly, the requirement to report on paragraph 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks / financial institutions on the basis of security of current assets namely financial asset. The information furnished by the Company on quarterly basis are in agreement with the books of accounts of the Company.

3(iii) (a) The Company's principal business is to give loans and accordingly, the provisions stated in paragraph 3(iii)(a) of the Order are not applicable to the Company.

(b) In our opinion the terms and conditions in relations to the investments made, guarantees provided, security given and / or grant of all loans and advances in the nature of loans and guarantees are prima facie not prejudicial to the interest of the Company.

(c) The Company, being a Non-Banking Financial Company, is registered under provisions of Reserve Bank of India Act, 1934 and rules made there under, in pursuance of its compliance with provisions of the said act, particularly, the Income Recognition, Asset Classification and Provisioning norms and generally accepted business practices by the lending institutions, repayments schedules are stipulated basis the nature of loan products. Refer note 38A.1 to the standalone financial statements for summarized details of loans / advances which are not repaid by the borrowers as per the stipulations. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of the amounts, due date of repayment or receipt and 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 paragraph), in respect of loans and advances which are not repaid / paid when

they were due or were repaid / paid with a delay, in the normal course of lending business.

(d) In respect of loans and advances in the nature of loans, the total amount of cases which are overdue for more than ninety days as at March 31, 2026, is ₹ 506.87 crores (including interest amounting to ₹ 78.74 crore) with respect to 71,181 borrowers. In such instances, in our opinion reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(e) The Company's principal business is to give loans accordingly, the requirement to report on paragraph 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Accordingly, the requirement to report on paragraph 3(iii)(f) of the Order is not applicable to the Company.

3(iv) Loans, Investments, Guarantees and security in respect of which the provisions of sections 185 and 186 of the Act, are applicable have been complied with by the Company.

3(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits, within the meaning of section 73 to 76 of the Act, and Rules framed thereunder, to the extent applicable. Accordingly, the requirement to report on paragraph 3(iii)(v) of the Order is not applicable to the Company.

3(vi) The maintenance of cost records has not been specified by Central Government under section 148(1) of the Companies Act, 2013 for the Company. Accordingly, the requirement to report on paragraph 3(vi) of the Order is not applicable to the Company.

3(vii)(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, goods and services tax, cess and other statutory dues as applicable to the Company with the appropriate authorities. The provisions of sales tax, value added tax, service tax, customs duty, excise duty and cess are not applicable to the Company.

There were no undisputed amounts payable in respect of these statutory dues in arrears as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) The dues of provident fund, employees state insurance, income tax, goods and services tax, sales tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to the Company, which have not been deposited on account of any dispute as at March 31, 2026 are as follows.

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Under Dispute (₹ in Crores)	Amount Deposited Refund adjusted (₹ in Crores)
Income Tax Act, 1961 ("ITA")	Income Tax	Bombay High Court	AY 2008-09	2.25	2.25
ITA	Income Tax	Bombay High Court	AY 2009-10	2.08	2.08
ITA	Income Tax	Commissioner of Income Tax (Appeals) ("CIT(A)")	AY 2010-11	0.76	0.76
ITA	Income Tax	Income Tax Appellate Tribunal ("ITAT")	AY 2011-12	4.25	4.25
ITA	Income Tax	CIT(A)	AY 2012-13	0.03	0.03
ITA	Income Tax	ITAT	AY 2013-14	5.22	5.22
ITA	Income Tax	Jurisdiction Assessing officer ("JAO")	AY 2016-17	6.68	1.54
ITA	Income Tax	JAO	AY 2017-18	6.04	3.90
ITA	Income Tax	CIT(A)	AY 2018-19	4.84	-
ITA	Income Tax	CIT(A)	AY 2019-20	76.17	-
ITA	Income Tax	CIT(A)	AY 2020-21	10.30	-
ITA	Income Tax	CIT(A)	AY 2021-22	17.34	-

INDEPENDENT AUDITORS' REPORT

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Under Dispute (₹ in Crores)	Amount Deposited Refund adjusted (₹ in Crores)
ITA	Income Tax	CIT(A)	AY 2022-23	111.60	-
ITA	Income Tax	JAO	AY 2012-13	0.71	-
ITA	Income Tax	JAO	AY 2013-14	0.80	-
ITA	Income Tax	JAO	AY 2014-15	0.50	-
ITA	Income Tax	JAO	AY 2016-17	1.39	-
ITA	Income Tax	CIT(A)	AY 2017-18	4.86	0.21
ITA	Income Tax	CIT(A)	AY 2018-19	91.82	-
The Finance Act, 1994	Service tax	Adjudicating Authority	Apr 2007 to March 2012	0.11	0.004
The Finance Act, 1994	Service tax	CESTAT Mumbai	July 2012 to March 2014	60.21	1.33
Goods and Service tax Act	GST	GST Appeal Andhra Pradesh	July 01, 2017, to March 31, 2019	0.48	0.05
Goods and Service tax Act	GST	GST Appeal Mumbai	July 01, 2017, to March 31, 2018	0.15	0.01
Goods and Service tax Act	GST	GST Appeal - Telangana / Uttar Pradesh	FY 17-18	0.11	0.01
Goods and Service tax Act	GST	GST Appeal Karnataka	Up to Sep -19	0.30	0.14
Goods and Service tax Act	GST	GST Appeal Maharashtra / Tamil Nadu / Delhi	FY 19-20	38.13	1.86
Goods and Service tax Act	GST	GST Appeal Maharashtra / Gujarat / Delhi	FY 20-21	2.58	0.14
Goods and Service tax Act	GST	GST Appeal Gujarat	April 2019 to March 2020	0.06	0.002
Goods and Service tax Act	GST	GST Appeal Bihar	FY 2022-23	12.43	0.52
Goods and Service tax Act	GST	GST Appeal Bihar	FY 2023-24	17.33	0.79
Goods and Service tax Act	GST	GST Appeal Gujarat / Odisha/ Delhi	FY 2021-22	4.40	0.25
Maharashtra Profession Tax.	Prof. Tax	Comm. Sales Tax (Appeal)	FY 2007-2008	0.16	0.05
Maharashtra Collector of Stamps	Stamp Duty	Bombay High Court	FY 2018-19	25.00	8.34

3(viii) As stated in Note No 41 (v) to the standalone financial statements, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in the tax assessments of the Company and there is no previously unrecorded income which has been now recorded in the books of accounts.

3(ix) (a) The Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender during the year.

(c) Money raised during the year by the Company by way of term loans has been applied for the purpose for which they were raised.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short term basis have been prima facie used for long term purposes during the year by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associates or joint ventures.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the requirement to report on paragraph 3(ix)(f) of the Order is not applicable to the Company. The Company does not have any associates or joint ventures.

3(x) (a) The money raised by way of initial public offer or further public offer (including debt instruments) have been applied by the Company during the year for the purposes for which they were raised.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally convertible). Accordingly, the requirement to report on paragraph 3(x)(b) of the Order is not applicable to the Company. In case of shares issued to the employees under Employee Option scheme the requirements of section 62 or the Act have been complied with and the funds raised have been used for the purposes for which funds were raised.

3(xi)(a) During the year the Company has come across fraud amounting to ₹9.18 crores in respect of its lending operations out of the same ₹ 1.61 Crore have been recovered. Refer Note No. 53 to the standalone financial statements. No fraud by the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Act has been filed by the auditors 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 our audit procedures.

3(xii) The Company is not a Nidhi Company Accordingly, the requirement to report on paragraph 3(xii) of the Order is not applicable to the Company.

3(xiii) The transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

3(xiv)(a) The Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) The Internal audit reports of the Company issued till the date of audit report, for the period under audit have been considered by us.

3(xv) The Company has not entered into any non-cash transactions with its directors or directors of its subsidiary companies or persons connected with them. Accordingly, the requirement to report on paragraph 3(xv) of the Order is not applicable to the Company.

3(xvi)(a) The Company is required to and has been registered under section 45-IA of the Reserve Bank of India Act, 1934 as Non-Banking Financial Company.

(b) The Company has carried on the business of Non-Banking Financial activities with valid Certificate of Registration (CoR) obtained from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the requirement to report on paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is a not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India Accordingly, the requirement to report on paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) Accordingly, the requirement to report on paragraph 3(xvi)(d) of the Order is not applicable to the Company.

3(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

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

3(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence

INDEPENDENT AUDITORS' REPORT

supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and 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.

3(xx)(a) In respect of other then ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the current financial year, to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act, this matter has been disclosed in Note No. 45 to the standalone financial statements.

(b) In respect of ongoing projects, the Company has transferred unspent CSR amount as at the end of the current financial year, to a special account within a period of 30 days from the end of the current financial year in compliance with the provision of section 135(6) of the Act, this matter has been disclosed in Note No. 45 to the standalone financial statements.

Signed by the Joint Statutory Auditors of the Company

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Reg. No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

Place: Mumbai
Date: April 29, 2026
UDIN: 26042624RGMIRG8308

For G. M. Kapadia & Co.
Chartered Accountants
ICAI Firm Reg. No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

Place: Mumbai
Date: April 29, 2026
UDIN: 26039569XKLEDZ6497

Annexure B referred to paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" in our report of even date to the members of IIFL Finance Limited on the financial statement for the year ended March 31, 2026.

Report on the Internal Financial Controls 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 IIFL Finance Limited ("the Company") as of March 31, 2026, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of the information given to us the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at March 31, 2026, based on the criteria for internal financial controls over financial reporting 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")

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility for the Audit of the Internal Financial Controls with reference to Standalone Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, and the Guidance Note on issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and 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 includes obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely

INDEPENDENT AUDITORS' REPORT

detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Signed by the Joint Statutory Auditors of the Company

For Sharp & Tannan Associates
Chartered Accountants
ICAI Firm Reg. No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

Place: Mumbai
Date: April 29, 2026
UDIN: 26042624RGMIRG8308

For G. M. Kapadia & Co.
Chartered Accountants
ICAI Firm Reg. No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

Place: Mumbai
Date: April 29, 2026
UDIN: 26039569XKLEDZ6497

IIFL FINANCE

BALANCE SHEET
AS AT MARCH 31, 2026

(₹ in crores)

Particulars	Note no.	As at March 31, 2026	As at March 31, 2025
Assets			
[1] Financial assets			
(a) Cash and cash equivalents	4	1,322.39	528.23
(b) Bank balance other than (a) above	5	600.59	832.38
(c) Derivative financial instruments	6	424.49	50.25
(d) Receivables			
(i) Trade receivables	7	25.94	49.37
(ii) Other receivables	7	22.08	-
(e) Loans	8	38,135.72	22,866.99
(f) Investments	9	5,844.41	5,457.57
(g) Other financial assets	10	1,079.66	364.62
		47,455.28	**30,149.41**
[2] Non-financial assets			
(a) Current tax assets (net)		186.62	148.76
(b) Deferred tax assets (net)	11	185.14	295.54
(c) Investment property	12	868.70	868.70
(d) Property, plant and equipment	13	148.87	129.13
(e) Capital work-in-progress	14 (a)	5.75	22.29
(f) Intangible assets under development	14 (b)	0.08	0.88
(g) Right of use assets	15	363.71	339.38
(h) Other intangible assets	16	4.58	6.17
(i) Other non-financial assets	17	415.48	154.28
		2,178.93	**1,965.13**
Total assets		**49,634.21**	**32,114.54**
Liabilities and equity			
Liabilities			
[1] Financial liabilities			
(a) Derivative financial instruments	6	0.60	94.67
(b) Payables			
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	18	4.91	2.28
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	18	161.28	91.02
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	18	-	34.28
(c) Lease Liability	15	417.30	351.27
(d) Debt securities	19	15,384.97	11,360.00
(e) Borrowings (other than debt securities)	20	19,613.66	11,297.94
(f) Subordinated liabilities	21	3,741.37	1,866.22
(g) Other financial liabilities	22	2,499.89	361.33
		41,823.98	**25,459.01**
[2] Non-financial liabilities			
(a) Current tax liabilities (net)		79.70	10.53
(b) Provisions	23	93.46	63.44
(c) Other non-financial liabilities	24	76.36	74.46
		249.52	**148.43**
Total liabilities		**42,073.50**	**25,607.44**
[3] Equity			
(a) Equity share capital	25	85.06	84.90
(b) Other equity	25.1	7,475.65	6,422.20
		7,560.71	**6,507.10**
Total liabilities and equity		**49,634.21**	**32,114.54**
See accompanying notes forming part of the financial statements	1 - 64		

In terms of our report attached of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

Place : Mumbai
Dated: April 29, 2026

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board of Directors of IIFL FINANCE LIMITED

B. P. Kanungo
Chairperson & Independent Director
DIN : 07820090

Nirmal Jain
Managing Director
DIN : 00010535

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary & Compliance Officer

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Particulars				Note no.	As at March 31, 2026	As at March 31, 2025
[1]	**Income**					
	Revenue from operations					
	(i)		Interest income	26.1	6,438.86	3,777.80
	(ii)		Dividend income	26.2	121.98	2.19
	(iii)		Fees and commission income		151.69	159.48
	(iv)		Net gain on fair value changes	27	-	126.70
	(v)		Net gain on derecognition of financial instruments under FVTOCI category	30	735.41	-
(I)	**Total revenue from operations**				**7,447.94**	**4,066.17**
(II)	**Other income**			**28**	**19.17**	**13.99**
(III)	**Total Income (I+II)**				**7,467.11**	**4,080.16**
[2]	**Expenses**					
	(i)		Finance cost	29	3,273.29	1,848.72
	(ii)		Net loss on fair value changes	27	20.25	-
	(iii)		Net loss on derecognition of financial instruments under FVTOCI category	30	-	379.12
	(iv)		Impairment on financial instruments	31	705.59	456.50
	(v)		Employee benefits expenses	32	1,076.06	759.73
	(vi)		Depreciation, amortisation and impairment	33	163.14	136.98
	(vii)		Other expenses	34	722.69	463.38
(IV)	**Total Expenses**				**5,961.02**	**4,044.43**
(V)	**Profit before exceptional items and tax (III-IV)**				**1,506.09**	**35.73**
(VI)	**Exceptional items**			35	**-**	**(586.50)**
(VII)	**Profit before tax (V+VI)**				**1,506.09**	**(550.77)**
[3]	**Tax expense**					
		(1)	Current tax	36	243.28	77.39
		(2)	Deferred tax	11 & 36	105.89	(218.59)
		(3)	Current tax relating to previous periods	36	3.40	-
(VIII)	**Total tax expense**				**352.57**	**(141.20)**
(IX)	**Profit for the year (VII-VIII)**				**1,153.52**	**(409.57)**
[4]	**Other comprehensive income**					
	(A)	(i)	Items that will not be reclassified to profit or loss - Remeasurement of defined benefit liability/(asset)	36	(9.22)	(2.51)
		(ii)	Income tax relating to items that will not be reclassified to profit or loss	11 & 36	2.32	0.63
	Subtotal (A)				**(6.90)**	**(1.88)**
	(B)	(i)	Items that will be reclassified to profit or loss - Cash flow hedge (net)	36	27.11	(1.58)
		(ii)	Income tax relating to items that will be reclassified to profit or loss	11 & 36	(6.82)	0.40
	Subtotal (B)				**20.29**	**(1.18)**
(X)	**Other comprehensive income/(loss) (A+B)**				**13.39**	**(3.06)**
(XI)	**Total comprehensive income for the year (IX+X)**				**1,166.91**	**(412.63)**
(XII)	**Earnings per equity share of face value ₹ 2 each**			**37**		
	Basic (₹)				27.14	(9.80)
	Diluted (₹)				26.91	(9.80)
See accompanying notes forming part of the financial statements				1 - 64		

In terms of our report attached of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

Place : Mumbai
Dated: April 29, 2026

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W
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Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board of Directors of IIFL FINANCE LIMITED

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Managing Director
DIN : 00010535

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary & Compliance Officer

IIFL FINANCE

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Particulars		Note no.	Year ended March 31, 2026		Year ended March 31, 2025	
A.	**Cash flow from operating activities**					
	Profit before tax			**1,506.09**		**(550.77)**
	Adjustments for:					
	Depreciation, amortisation and impairment	13, 15 & 16	163.14		136.98	
	Impairment on loans	31	(10.20)		(136.75)	
	Impairment on other financial instruments		0.68		(11.09)	
	(Gain)/ loss on sale of assets		0.23		0.29	
	(Gain)/ loss on termination of lease - Ind AS 116		(1.48)		(0.23)	
	Net (gain)/ loss on fair value changes on investments- realised	27	463.93		(155.67)	
	Net (gain)/ loss on fair value changes on investments- unrealised	27	(422.39)		22.03	
	Exceptional Items	35	-		586.50	
	Net (gain) / loss on derecognition of financial instruments under FVTOCI category	30	(735.41)		379.12	
	Employee benefit expenses - share based payments		43.07		46.69	
	Employee benefit expenses - others		15.48		10.79	
	Interest on loans		(6,320.99)		(3,679.58)	
	Interest on deposits with banks	26.1	(35.85)		(63.05)	
	Interest on investments	26.1	(82.01)		(35.17)	
	Dividend income	26.2	(121.98)		(2.19)	
	Dividend received	26.2	121.98		2.19	
	Finance cost		3,156.30		1,793.60	
	Interest expenses - Ind AS 116	15	81.10		39.09	
	Income received on loans		5,366.58		3,642.66	
	Interest received on deposits with banks		40.17		76.27	
	Income received on investments		71.00		35.16	
	Finance cost paid		(3,105.72)	(1,312.37)	(1,852.09)	835.55
	Operating profit before working capital changes			**193.72**		**284.78**
	Decrease/ (increase) in financial and non financial assets		(227.95)		3.00	
	Increase/(decrease) in financial and non financial liabilities		1,334.63	1,106.68	(748.93)	(745.93)
	Cash (used in)/ generated from operating activities			**1,300.40**		**(461.15)**
	Taxes paid			(215.37)		(64.40)
	Net cash (used in)/ generated from operating activities			**1,085.03**		**(525.55)**
	Loans (disbursed)/ repaid (net)			(14,306.03)		(4,265.92)
	Net cash (used in) / generated from operating activities (A)			**(13,221.00)**		**(4,791.48)**
B.	**Cash flow from investing activities**					
	Purchase of property, plant and equipment and other intangible assets			(69.87)		(27.56)

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Particulars		Note no.	Year ended March 31, 2026		Year ended March 31, 2025	
	Sale of property, plant and equipment and other intangible assets			0.94		1.30
	Purchase of equity investments in subsidiaries			-		(52.08)
	Purchase of investment property			-		(575.00)
	Proceeds/ (purchase) of investments			(428.37)		(701.78)
	Proceeds/ (deposits) from maturity of deposits placed with banks			226.27		105.32
	Net cash (used in)/ generated from investing activities (B)			**(271.03)**		**(1,249.80)**
C.	**Cash flow from financing activities**					
	Proceeds from issue of equity share (including securities premium)			13.94		1,281.89
	Proceeds from share application pending allotment			(0.24)		(0.26)
	Dividend paid			(170.09)		-
	Proceeds from debt securities			24,054.57		11,843.71
	Repayment of debt securities			(19,643.88)		(4,822.20)
	Proceeds from borrowings (other than debt securities)			27,383.56		15,577.73
	Repayment of borrowings (other than debt securities)			(19,063.85)		(18,225.48)
	Proceeds from subordinated liabilities			1,865.00		225.62
	Repayment of subordinated liabilities			(32.33)		(50.00)
	Payment of lease liability			(120.49)		(125.41)
	Net cash (used in)/ generated from financing activities (C)			**14,286.19**		**5,705.60**
	Net increase/ (decrease) in cash and cash equivalents (A + B + C)			**794.16**		**(335.69)**
	Add : Opening cash and cash equivalent as at the beginning of the year			**528.23**		**863.92**
	Cash and cash equivalents as at the end of the year	**4**		**1,322.39**		**528.23**
	See accompanying notes forming part of the financial statements	1 - 64				

In terms of our report attached of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board of Directors of IIFL FINANCE LIMITED

B. P. Kanungo
Chairperson & Independent Director
DIN : 07820090

Nirmal Jain
Managing Director
DIN : 00010535

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary & Compliance Officer

Place : Mumbai
Dated: April 29, 2026

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2026

A. Equity share capital

(₹ in crores)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
As at March 31, 2026 (refer note 25)	84.90	0.16	85.06
As at March 31, 2025 (refer note 25)	76.31	8.59	84.90

B. Other equity

(₹ in crores)

Particulars	Share application money pending allotment (note 1)	Reserves & surplus								Other comprehensive income (OCI)		Total
		Capital reserve (note 2)	Securities premium reserve (note 3)	General reserve (note 4)	Special reserve pursuant to section 45 IC of Reserve Bank of India Act, 1934 (note 5)	Capital redemption reserve (note 6)	Debenture redemption reserve (note 7)	Retained earnings (note 8)	Stock option outstanding account (note 9)	Effective portion of cash flow hedges (note 10)	Remeasurements of defined benefit (note 11)	
Balance as at April 01, 2024	**0.49**	**83.89**	**1,885.66**	**509.99**	**1,067.49**	**230.11**	**12.80**	**1,706.12**	**42.57**	**(15.70)**	**(3.82)**	**5,519.60**
Profit/ (loss) for the year	-	-	-	-	-	-	-	(409.57)	-	-	-	(409.57)
Other comprehensive income/ (loss)	-	-	-	-	-	-	-	-	-	(1.18)	(1.88)	(3.06)
Share issue expenses			(4.50)									(4.50)
Transfer to/ (from) reserves	-	-	2.22	4.72	-	-	-	-	(6.94)	-	-	-
Addition during the year	(0.26)	-	1,273.29	-	-	-	-	-	46.70	-	-	1,319.73
Balance as at March 31, 2025	**0.23**	**83.89**	**3,156.67**	**514.71**	**1,067.49**	**230.11**	**12.80**	**1,296.55**	**82.33**	**(16.88)**	**(5.70)**	**6,422.20**
Profit/ (loss) for the year	-	-	-	-	-	-	-	1,153.52	-	-	-	1,153.52
Other comprehensive income/ (loss)	-	-	-	-	-	-	-	-	-	20.29	(6.90)	13.39
Interim dividend	-	-	-	-	-	-	-	(170.09)	-	-	-	(170.09)
Share issue expenses	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to/ (from) reserves	-	-	3.08	8.21	-	-	-	-	(11.29)	-	-	-
Addition during the year	(0.23)	-	13.79	-	230.71	-	-	(230.71)	43.07	-	-	56.63
Balance as at March 31, 2026	**-**	**83.89**	**3,173.54**	**522.92**	**1,298.20**	**230.11**	**12.80**	**2,049.27**	**114.11**	**3.41**	**(12.60)**	**7,475.65**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2026

Notes:

1. **Share application money pending allotment:** Money received for share application for which allotment is pending.
2. **Capital reserves:** Capital reserve is created on account of composite scheme of arrangement.
3. **Securities premium reserve:** The amount received in excess of face value of the equity shares is recognised in securities premium reserve. Share issue expense on account of right issue during the previous year have been utilised from the secutities premium reserve.
4. **General reserve:** The reserve can be distributed/ utilised by the Company, in accordance with The Companies Act, 2013.
5. **Special reserve:** Pursuant to section 45-IC of the Reserve Bank of India Act, 1934, Company is required to transfer 20% of the profit after tax from retained earnings to special reserve. In absence of profit during the previous year, no reserve have been transferred from retained earnings to special reseve.
6. **Capital redemption reserve:** This reserve has been created on redemption of preference shares capital as per section 55 of The Companies Act, 2013.
7. **Debenture redemption reserve:** Pursuant to Section 71 of The Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 the Company being an NBFC is required to create Debenture Redemption Reserve of a value equivalent to 25% of the debentures offered through public issue. Pursuant to Ministry of Corporate Affairs circular dated August 16, 2019, reserve is not required to be created for the Non Convertible Debentures going forward.
8. **Retained earnings:** These are the profits that the Company has earned till date, less any transfers to statutory reserve, debenture redemption reserve, general reserve, dividend distribution and capital redemption reserve.
9. **Stock option outstanding account:** The employee stock options reserve represents reserve in respect of equity settled share options granted to the employees of the Company and its Group in pursuance of employee stock options plan.
10. **Effective portion of cash flow hedge:** These reserve refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.
11. **Remeasurements of defined benefit:** This reserve refers to remeasurement of gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets of the defined benefit plan.

See accompanying notes forming part of the financial statements (1 - 64)

In terms of our report attached of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

For G. M. Kapadia & Co.
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B. P. Kanungo
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DIN : 07820090

Nirmal Jain
Managing Director
DIN : 00010535

Place : Mumbai
Dated: April 29, 2026

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary & Compliance Officer

NOTE 1. CORPORATE INFORMATION:

Company overview

IIFL Finance Limited (the "Company") is a middle layer Non-Banking Financial Company not accepting public deposits registered with the Reserve Bank of India ("the RBI") under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in financing and related activities. The Company received the certificate of registration from RBI on March 06, 2020, enabling the Company to carry on business as a Non-Banking Financial Company. The Company offers a broad suite of financial products and deals majorly into loans such as gold loan, business loans, loan against property, supply chain finance.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On April 29, 2026, Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

NOTE 2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS:

The financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of The Companies Act, 2013 ("Act").

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1,(that are not traded in active market) that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

(a) Use of estimates and judgments

The preparation of the financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates can change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which these changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The Financial Statements are presented in Indian rupees which is determined to be functional currency of the Company and the currency of primary economic environment in which the Company operates.

(b) Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with the provisions of the Act and Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013 along with the applicable guidelines issued by Reserve Bank of India ("RBI"). In addition, the guidance notes/ announcements issued by the Institute of Chartered

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Accountants of India ("ICAI") are also applied except where compliance with other statutory promulgations requires a different treatment.

(c) Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to Act applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards and regulations issued by the RBI.

NOTE 3. MATERIAL ACCOUNTING POLICIES

(a) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

i. Interest income and dividend income:

Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding.

Interest on financial instruments measured at fair value is included within the fair value movement during the period.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the Statement of Profit and Loss at initial recognition.

Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

ii. Fees and charges:

Fees and charges include fees other than those that are an integral part of EIR. The fees included in this part of the Company's Statement of Profit and Loss include, among other things, fees charged for servicing a loan.

Cheque bounce charges, late payment charges and foreclosure charges are recognised on a point-in-time basis and are recorded when realised.

Fee and commission expenses with regards to services are accounted for as and when the services are delivered.

iii. Income from financial instruments at FVTPL:

Income from financial instruments at FVTPL includes all gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL.

iv. Assignment transactions:

In accordance with Ind AS 109, assignment transactions with complete transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transaction. Further, the transfer of financial assets qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the behavioural tenure of the asset) is recognised on the date of derecognition itself as interest only strip receivable (interest strip on assignment) and correspondingly recognised as profit on derecognition of financial asset.

v. Securitisation transactions

In accordance with Ind AS 109, in case of securitisation transactions, the Company retains substantially all the risks and rewards of ownership

of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

vi. Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

(b) Property, plant and equipment ("PPE")

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax, if any, less accumulated depreciation. Cost includes professional fees related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

Depreciation is charged using the straight-line method, based on the useful life of PPE as estimated by the Management, as specified below. Depreciation is charged from the month in which new assets are available for use. No depreciation is charged from the month in which assets are sold. In case of transfer of used PPE from group companies, depreciation is charged over the remaining useful life of the asset. Individual assets / group of similar assets costing up to ₹ 5,000 have been depreciated in full in the year of purchase.

The estimated useful life of assets is as under:

Class of assets	Useful life
Buildings	20 years
Computers	3 years
Office equipment	5 years
Plant and Equipment	5 years
Furniture and fixtures	5 years
Vehicles	5 years

For above class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Capital work in progress

Projects under which PPE are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "capital work-in-progress".

(c) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortisation and cumulative impairment.

Intangible assets i.e. Software are amortised on straight-line basis over the estimated useful life of 3 years.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the assets revised carrying amount over its remaining useful life.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets under development

Intangible assets not ready for their intended use on the Balance Sheet date are disclosed as "Intangible assets under development".

(d) Investment property

Investment properties are properties held to earn rentals and/ or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the

carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the Investment property is derecognised.

Freehold land and properties under construction are not depreciated.

(e) Non-current Assets held for Sale

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

(f) Impairment of assets

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE, intangible assets and investment property assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, intangible assets and investment property are tested for impairment so as to determine the impairment loss, if any.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to an extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(g) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Securities premium includes:

- The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme

(h) Employee benefits

Defined contribution plans

The Company's contribution towards Provident Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees and are accounted for on an accrual basis and recognised in the Statement of Profit and loss.

Defined benefit plans

Short term employee benefits: Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. These benefits include performance incentive and compensated absences.

Post employment benefits: The employees' gratuity fund scheme represents defined benefit plan. The present value of the obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the

same is not eligible to be reclassified to the Statement of Profit and Loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Long term employee benefits: The obligation recognised in respect of long term benefits being long term compensated absences, is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plan above.

(i) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

(j) Taxes on income

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans and the reversal of temporary differences.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the company has not rebutted this presumption.

For transactions and other events recognised in profit or loss, any related tax effects are also recognised in profit or loss. For transactions and other events recognised outside profit or loss (either in other comprehensive income or directly in equity), any related tax effects are also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

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Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities, representing current tax and where the deferred tax assets and deferred tax liabilities relates to taxes on income levied by the same governing taxation laws.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(k) Financial instruments

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss.

Financial assets

Classification and measurement

The Company classifies its financial assets into the following measurement categories: amortised cost; fair value through other comprehensive income; and fair value through profit or loss.

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial instruments measured at amortised cost

Debt instruments that meet the following criteria are measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Financial instruments measured at fair value through other comprehensive income ("FVTOCI")

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in Statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Statement of Profit and Loss.

Financial instruments measured at fair value through Profit and Loss ("FVTPL")

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The gain or loss on disposal is recognised in the Statement of Profit and Loss.

Interest income is recognised in the Statement of Profit and Loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments. Dividends from these investments are recognised in the Statement of Profit and Loss when the Company's right to receive dividends is established.

Reclassifications

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described below.

Impairment of financial assets

Company recognizes loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not fair valued through profit and loss. ECL is calculated using a model which captures portfolio performance over a period of time. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR. Vintage loss curve model is used for ECL computation of retail portfolio which involves assessment of performance of segmented portfolio over a time period. The model tracks month-wise losses during the loan tenor. Vintage loss rate models provide a simple, reasonable model for both one-year and lifetime expected credit loss forecasts. For wholesale portfolio, ECL computation is done for each loan account based on CRISIL default study and International Review Board ("IRB") guidelines. Additionally, forecasts of future macro situations and economic conditions are considered as part of forward economic guidance (FEG) model. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors.

ECL is measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Company measures ECL on an individual basis,

or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Key elements of ECL computation are outlined below:

- Probability of default ("PD") is an estimate of the likelihood that customer will 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-recognised and is still in the portfolio.
- Loss given default ("LGD") estimates the normalised loss which Company incurs post customer default. It is usually expressed as a percentage of the Exposure at default ("EAD").
- Effective interest rate ("EIR") is the rate that discounts estimated future cash flows through the expected life of financial instrument. For calculating EIR any upfront fees needs to be excluded from the loans and advance amount.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Default considered for computation of ECL computation is as per the applicable prudential regulatory norms.

Significant increase in credit risk

The Company monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. The Company's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's expert credit assessment.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/ or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether

the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified, the Company assesses whether this modification results in derecognition. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants. If these do not clearly indicate a substantial modification, then a quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognised, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/ loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the

difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Write-off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial liabilities and equity Instruments

Debt and equity instruments that are issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

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, net of direct issue costs.

Compound instruments

The component parts of compound instruments (e.g. convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments.

A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain/loss is recognised in Statement of Profit and Loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the life of the convertible notes using the effective interest rate method.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset

and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously

(l) Investment in subsidiaries

Investment in subsidiaries is recognised at cost and is not adjusted to fair value at the end of each reporting period as allowed by Ind AS 27 'Separate financial statement'. Cost of investment represents amount paid for acquisition of the said investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

(m) Cash and bank balances

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. Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

(n) Goods and service tax input credit

Goods and service tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/ utilising the credits.

(o) Borrowing costs

Borrowing costs include interest expense calculated using the EIR method.

(p) Foreign currencies

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

(q) Segment reporting

The Company's primary business segments are reflected based on the principal business carried out, i.e. financing. All other activities of the Company revolve around the main business. The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments.

(r) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

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- a present obligation arising from past events, when no reliable estimate is possible.

Contingent liabilities are disclosed in the Notes. Contingent assets are neither recognised nor disclosed in the financial statements.

(s) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses.
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of balance sheet.

(t) Derivative financial instruments and hedging

The company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures relating to foreign currency borrowings. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

The company designates only the change in fair value of the spot element of the forward exchange contract as the hedging instrument in cash flow hedging relationships. The effective portion of changes in fair value of hedging instruments is accumulated in a cash flow hedge reserve as a separate component of equity.

The forward cost are separately accounted for as a cost of hedging and are recognised in OCI and accumulated in a cost of hedging reserve as a separate component within equity.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated under the heading of Cash Flow Hedge Reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss, and is included in the Fair value changes line item.

The amount accumulated in equity is retained in OCI and reclassified to profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss or the hedged item affects profit or loss.

If the forecast transaction is no longer expected to occur, the hedge no longer meets the criteria for hedge accounting, the hedging instrument expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

(u) Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

As a lessee

The Company recognizes 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 site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the

same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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 interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognizes the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

Critical accounting estimate and judgement

1. Determination of lease term

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

2. Discount rate

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The Company as a lessee

As a lessee, the Company leases assets which includes gold loan branches/office premises and vehicles to employees. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-to-use assets and lease liabilities for these leases.

Recent Accounting Pronouncements:

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. For the year ended March 31, 2026, the MCA has notified Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, Ind AS 1 - Presentation of Financial Statements, Ind AS 7 - Statement of Cash Flows, Ind AS 107 - Financial Instruments and amendments to Ind AS 12 - Income Taxes , applicable to the Company, w.e.f., April 1, 2025. The Company has reviewed the new pronouncements and based on its evaluation, has determined that the new pronouncement is not applicable to the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 4. CASH AND CASH EQUIVALENTS

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Cash on hand	30.77	25.18
Balance with banks		
- In current accounts	1,289.47	503.05
- In deposit accounts (original maturity less than three months)	2.14	-
- Interest accrued on above deposits	0.01	-
Total	**1,322.39**	**528.23**

NOTE 5. BANK BALANCE (OTHER THAN CASH AND CASH EQUIVALENTS)

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks in earmarked accounts towards unclaimed amount on NCD, dividend, and unspent CSR	4.63	5.83
In deposit accounts (refer note 5.1)	590.69	816.96
Interest accrued on deposits (refer note 5.1)	5.27	9.59
Total	**600.59**	**832.38**

NOTE 5.1 OUT OF THE DEPOSITS SHOWN ABOVE (INCLUSIVE OF INTEREST ACCRUED ON DEPOSITS)

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Lien marked	291.81	781.21
Margin for credit enhancement	287.18	26.52
Other deposits	16.97	18.82
Total	**595.96**	**826.55**

NOTE 6: DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in crores)

Part I		As at March 31, 2026			As at March 31, 2025		
		Notional amounts	Fair value - assets	Fair value - liabilities	Notional amounts	Fair value - assets	Fair value - liabilities
(i)	Currency derivatives						
	- Spot and forwards	7,369.16	424.49	0.60	7,196.37	50.25	94.67
(ii)	Interest rate derivatives						
	- Forward rate agreements and Interest rate swaps	-	-	-	-	-	-
(iii)	Credit derivatives	-	-	-	-	-	-
(iv)	Equity linked derivatives	-	-	-	-	-	-
(v)	Other derivatives	-	-	-	-	-	-
Forward exchange contract		-	-	-	-	-	-
Total		**7,369.16**	**424.49**	**0.60**	**7,196.37**	**50.25**	**94.67**

(₹ in crores)

Part II		As at March 31, 2026			As at March 31, 2025		
		Notional amounts	Fair value - assets	Fair value - liabilities	Notional amounts	Fair value - assets	Fair value - liabilities
Included in above (part I) are derivatives held for hedging and risk management purposes as follows:							
(i)	Fair value hedging	-	-	-	-	-	-
(ii)	Cash flow hedging						
	- Currency derivatives	7,369.16	424.49	0.60	7,196.37	50.25	94.67
	- Interest rate derivative	-	-	-	-	-	-
(iii)	Net investment hedging	-	-	-	-	-	-
(iv)	Undesignated derivatives	-	-	-	-	-	-
Forward exchange contract		-	-	-	-	-	-
Total		**7,369.16**	**424.49**	**0.60**	**7,196.37**	**50.25**	**94.67**

Credit risk and currency risk

(₹ in crores)

Particulars	Over the counter		Exchange traded		Total	
	Notional	Fair value	Notional	Fair value	Notional	Fair value
Year ended March 31, 2026						
Derivative asset	6,895.91	424.49	-	-	6,895.91	424.49
Derivative liabilities	473.25	0.60	-	-	473.25	0.60
Year ended March 31, 2025						
Derivative asset	1,642.36	50.25	-	-	1,642.36	50.25
Derivative liabilities	5,554.01	94.67	-	-	5,554.01	94.67

6.1 HEDGING ACTIVITIES AND DERIVATIVES

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate and currency risk.

6.1.1 DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS

The foreign currency and interest rate risk on borrowings have been actively hedged through a combination of forward contracts, interest rate swaps and cross currency swaps.

The Company is exposed to interest rate risk arising from its floating rate foreign currency borrowings. Interest on the borrowing is payable at a floating rate linked to the benchmark plus margin. The Company hedges the interest rate risk arising from the debt with a 'receive floating - pay fixed' interest rate swap.

The Company uses forward exchange contracts, interest rate swaps and cross currency swaps to hedge its risks associated with interest rate and currency risk arising from the foreign currency loans. The Company designates such contracts in a cash flow hedging relationship by applying the hedge accounting principles as per IND AS - 109 (refer note 38.C.2). These contracts are stated at fair value of the spot element of the forward exchange contracts at each reporting date. Changes in the fair value of these contracts that are designated as effective hedge of future cash flows are recognised directly in the "Cash flow hedge reserve" under other comprehensive income and the ineffective portion is recognised immediately in the "Fair value changes" under statement of profit and loss. Hedge accounting is discontinued when the hedged instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the Forward contracts/ Interest Rate Swaps match that of the foreign currency borrowings (notional amount, interest payment dates, principal repayment date, etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the forward contracts/ interest rate swaps/ cross currency swaps are identical to the hedged risk components. The company does not use derivatives for trading or speculation purposes.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Notional amount	7,369.16	7,196.37
Carrying amount	423.89	(44.42)
Line item in the statement of financial position	Derivative financial instruments	Derivative financial instruments
Change in fair value used for measuring ineffectiveness for the year (profit/ (loss))	21.29	(6.93)

(₹ in crores)

Impact of hedging item	As at March 31, 2026	As at March 31, 2025
Change in fair value (profit/ (loss))	-	-
Cash flow hedge reserve (profit/ (loss))	21.29	(6.93)
Cost of hedging	-	-

(₹ in crores)

Effect of cash flow hedge	As at March 31, 2026	As at March 31, 2025
Total hedging gain / (loss) recognised in OCI	20.29	(1.18)
Ineffectiveness recognised in profit/ (loss)	21.29	(6.93)

NOTE 7. RECEIVABLES

(₹ in crores)

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	**Trade receivables**		
	Receivables considered good - secured	0.52	0.46
	Receivables considered good - unsecured *	25.42	49.07
Total (i) - gross		**25.94**	**49.53**
Less: Impairment loss allowance		-	0.16
Total (i) - net		**25.94**	**49.37**
(ii)	**Other receivables**		
	Receivables considered good - unsecured	22.08	-
Total (ii)- gross		**22.08**	**-**
Less: Impairment loss allowance		-	-
Total (ii)- net		**22.08**	**-**
Total (i+ii)		**48.02**	**49.37**

*Including receivables from group/ subsidiary companies (refer note 44.2)

NOTE 7.1 TRADE RECEIVABLES AGEING SCHEDULE (GROSS)

(₹ in crores)

Particulars		As at March 31, 2026					
		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	25.92	-	0.02	0.00	0.00	**25.94**
(ii)	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	**-**

Particulars		As at March 31, 2026					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(iii)	Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iv)	Disputed trade receivables– considered good	-	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-	-
Total		**25.92**	**-**	**0.02**	**0.00**	**0.00**	**25.94**

(₹ in crores)

Particulars		As at March 31, 2025					
		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	49.46	0.07	-	-	-	**49.53**
(ii)	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iv)	Disputed trade receivables– considered good	-	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-	-
Total		**49.46**	**0.07**	**-**	**-**	**-**	**49.53**

Notes:

1. No trade or other receivables are due from directors or other officer of the company either severally or jointly, with any other person. No trade or other receivables are due from firms including limited liability partnerships in which any director is a partner or a director or a member.
2. The Company has adopted simplified approach for impairment allowance on trade receivables. Expected credit loss ("ECL") has been recognised on credit impaired receivables.
3. Trade receivables are non-interest bearing.

NOTE 8. LOANS

(₹ in crores)

Particulars		As at March 31, 2026		
		Amortised cost	At fair value through other comprehensive income (refer note 8.3)	Total
	(A)			
(i)	Term loans	27,449.50	9,670.42	37,119.92
(ii)	Others (dues from customers etc)	1,445.08	-	1,445.08

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Particulars		As at March 31, 2026		
		Amortised cost	At fair value through other comprehensive income (refer note 8.3)	Total
Total (A) - Gross		**28,894.58**	**9,670.42**	**38,565.00**
Less: Impairment loss allowance (including stage 3 ECL on principal Rs 208.04 crore)		377.47	51.81	429.28
Total (A) - Net		**28,517.11**	**9,618.61**	**38,135.72**
(B)				
(i)	Secured by tangible assets (refer note 8.1 and 8.2)	26,107.28	9,420.15	35,527.43
(ii)	Covered by bank/ government guarantees	77.19	-	77.19
(iii)	Unsecured	2,710.11	250.27	2,960.38
Total (B) - Gross		**28,894.58**	**9,670.42**	**38,565.00**
Less: Impairment loss allowance		377.47	51.81	429.28
Total (B) - Net		**28,517.11**	**9,618.61**	**38,135.72**
(C)				
(I)	**Loans in India**			
(i)	Public sector	-	-	-
(ii)	Others	28,894.58	9,670.42	38,565.00
Total (C) (I) - Gross		**28,894.58**	**9,670.42**	**38,565.00**
Less: Impairment loss allowance		377.47	51.81	429.28
Total (C) (I) - Net		**28,517.11**	**9,618.61**	**38,135.72**
(II)	**Loans outside India (C) (II)**	**-**	**-**	**-**
Total C (I) and C (II)		**28,517.11**	**9,618.61**	**38,135.72**

(₹ in crores)

Particulars		As at March 31, 2025		
		Amortised cost	At fair value through other comprehensive income (refer note 8.3)	Total
(A)				
(i)	Term loans	17,141.34	5,404.93	22,546.27
(ii)	Others (dues from customers etc)	758.29	-	758.29
Total (A) - Gross		**17,899.63**	**5,404.93**	**23,304.56**
Less: Impairment loss allowance (including stage 3 ECL on principal ₹ 269.81 crore)		407.10	30.47	437.57
Total (A) - Net		**17,492.53**	**5,374.46**	**22,866.99**
(B)				
(i)	Secured by tangible assets (refer note 8.1 and 8.2)	11,738.36	4,771.15	16,509.51
(ii)	Covered by bank/ government guarantees	88.78	-	88.78
(iii)	Unsecured	6,072.49	633.78	6,706.27
Total (B) - Gross		**17,899.63**	**5,404.93**	**23,304.56**
Less: Impairment loss allowance		407.10	30.47	437.57
Total (B) - Net		**17,492.53**	**5,374.46**	**22,866.99**

Particulars	As at March 31, 2025		
	Amortised cost	At fair value through other comprehensive income (refer note 8.3)	Total
(C)			
(I) Loans in India			
(i) Public sector	-	-	-
(ii) Others	17,899.63	5,404.93	23,304.56
Total (C) (I) - Gross	**17,899.63**	**5,404.93**	**23,304.56**
Less: Impairment loss allowance	407.10	30.47	437.57
Total (C) (I) - Net	**17,492.53**	**5,374.46**	**22,866.99**
(II) Loans outside India (C) (II)	**-**	**-**	**-**
Total C (I) and C (II)	**17,492.53**	**5,374.46**	**22,866.99**

Notes:

8.1 Secured loans are secured by way of equitable mortgage of property, pledge of shares, hypothecation of assets, physical gold, undertaking to create security.

8.2 Secured loans include loans aggregating to Rs NIL (previous year ₹ 124.15 crores) in respect of which the creation of security is under process.

8.3 Loans classified under fair value through other comprehensive income relate to those available for sale in their present condition.

NOTE 9. INVESTMENTS

(₹ in crores)

Particulars	As at March 31, 2026		
	At fair value through profit and loss	At cost	Total
(A)			
Mutual funds	0.00	-	0.00
Alternate investment funds	30.10	-	30.10
Security receipts	2,921.45	-	2,921.45
Government securities	5.09	-	5.09
Bonds	1,032.22	-	1,032.22
Equity instruments:			
in subsidiaries	-	2,159.89	2,159.89
in others	21.65	-	21.65
Total (A) - Gross	**4,010.51**	**2,159.89**	**6,170.40**
Less: Impairment loss allowance	325.99	-	325.99
Total (A) - Net	**3,684.52**	**2,159.89**	**5,844.41**
(B)			
(i) Investments outside India	-	-	-
(ii) Investments in India	4,010.51	2,159.89	6,170.40
Total (B) - Gross	**4,010.51**	**2,159.89**	**6,170.40**
Less: Impairment loss allowance	325.99	-	325.99
Total (B) - Net	**3,684.52**	**2,159.89**	**5,844.41**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Particulars	As at March 31, 2025		
	At fair value through profit and loss	At cost	Total
(A)			
Mutual funds	0.00	-	0.00
Alternate investment funds	25.00	-	25.00
Security receipts	**3,524.03**	-	3,524.03
Government securities	5.09	-	5.09
Bonds	**145.71**	**-**	**145.71**
Equity instruments:			
in subsidiaries	-	2,159.89	2,159.89
in others	192.11	-	192.11
Total (A) - Gross	**3,891.94**	**2,159.89**	**6,051.83**
Less: Impairment loss allowance	594.26	-	594.26
Total (A) - Net	**3,297.68**	**2,159.89**	**5,457.57**
(B)			
(i) Investments outside India	-	**-**	**-**
(ii) Investments in India	3,891.94	2,159.89	6,051.83
Total (B) - Gross	**3,891.94**	**2,159.89**	**6,051.83**
Less: Impairment loss allowance	594.26	**-**	**594.26**
Total (B) - Net	**3,297.68**	**2,159.89**	**5,457.57**

NOTE 9.1 INVESTMENT DETAILS SCRIP WISE

(₹ in crores)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)
Mutual funds			**0.00**			**0.00**
Nippon India Mutual Fund ETF Liquid Bees	43.43	1,000.00	0.00	40.78	1,000.00	0.00
Alternate investment funds			**30.10**			**25.00**
Phi Capital Growth Fund-I	294.82	1,00,000.00	7.78	292.21	1,00,000.00	8.25
Phi Capital Growth Fund-I.6	196.50	1,00,000.00	1.52	95.69	1,00,000.00	0.64
IIFL One Value Fund Series B - Class C	50,00,000.00	10.00	5.68	50,00,000.00	10.00	5.68
Faering Capital Growth Fund III	33,200.00	1,000.00	3.32	27,550.00	1,000.00	2.47
IIFL Securities Capital Enhancer Fund - Class S	9,66,140.33	10.00	1.96	9,87,815.89	10.00	1.93
IIFL Securities Capital Enhancer Fund - Class E	1,999.90	10.00	0.00	1,999.90	10.00	0.00
IIFL One Opportunities FoF - Series 1	30,95,601.00	10.00	4.83	30,95,601.13	10.00	4.51
IIFL Fintech Fund-Series II	45,99,770.01	10.00	5.01	14,99,925.00	10.00	1.52
Security receipts			**2,921.45**			**3,524.03**
ACRE - 110 - Trust (Tranche I)	-	-	-	38,25,000.00	887.11	308.78
ACRE-110-Trust (Tranche II)	-	-	-	53,97,500.00	950.14	384.63
Arcil-SBPS-049-I- Trust	-	-	-	8,33,000.00	140.85	11.73
Phoenix Trust-FY23-20	21,25,000.00	828.00	175.95	21,25,000.00	833.00	177.01

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)
Phoenix Trust-FY24-8	8,26,000.00	793.00	47.74	8,26,000.00	862.00	53.44
Phoenix Trust-FY24-14	1,36,49,500.00	1,000.00	1,364.95	1,30,00,000.00	1,000.00	1,300.00
Phoenix Trust-FY24-17	50,00,000.00	1,000.00	500.00	50,00,000.00	1,000.00	500.00
Rare-045	1,04,018.00	1,000.00	7.70	4,12,890.00	1,000.00	40.88
Rare-068	36,28,816.00	1,000.00	362.88	69,60,000.00	1,000.00	696.00
Rare-052	2,75,600.00	1,000.00	27.56	2,75,600.00	1,000.00	27.56
Rare-074	-	-	-	2,40,000.00	1,000.00	24.00
Rare-076	2,50,000.00	1,000.00	25.00	-	-	-
Rare-083	37,26,710.00	1,000.00	372.67	-	-	-
Rare-091	3,70,000.00	1,000.00	37.00	-	-	-
Equity instruments (other than subsidiaries)			**21.65**			**192.11**
Vishal Mega Mart	64.00	10.00	0.00	64.00	10.00	0.00
Indian Overseas Bank	69,00,000.00	10.00	21.65	4,92,97,510.00	10.00	192.11
Government securities			**5.09**			**5.09**
7.38 % Govt. 50,000,000.00 Stock 2027	5,00,000.00	100.00	5.09	5,00,000.00	100.00	5.09
Bonds			**738.22**			**145.71**
Adani Ports And Special Economic Zone Limited	-	-	-	5,000.00	1,00,000.00	50.56
Punjab Sind Bank Infra Bond	-	-	-	500.00	1,00,000.00	5.00
RARE ASSET RECONSTRUCTION LIMITED	9,000.00	1,00,000.00	90.00	9,000.00	1,00,000.00	90.00
ANTARCTICA PROPERTIES COMPANY LIMITED	-	-	-	14.00	1,00,000.00	0.15
Andhra Pradesh State Beverages Corporation Limited	1,000.00	1,00,000.00	10.17	-	-	-
The Andhra Pradesh Mineral Development Corporation Limited	8,888.00	1,00,000.00	90.71	-	-	-
Telangana State Industrial Infrastructure Corporation Limited	5,000.00	1,00,000.00	51.26	-	-	-
MSRDC Sea Link Limited	4,691.00	10,00,000.00	95.23	-	-	-
Trust Capital Services (India) Private Limited	485.00	1,00,000.00	48.74	-	-	-
Trust Investment Advisors Private Limited	5,000.00	1,00,000.00	46.72	-	-	-
Renaissance Fiscal Services Private Limited	185.00	1,00,00,000.00	185.00	-	-	-
JV Holding Private Limited	200.00	8,76,700.00	17.53	-	-	-
Turnaround Consultant private Limited	92.00	1,00,00,000.00	92.00	-	-	-
Motilal Oswal Finvest Limited	1,079.00	1,00,000.00	10.86	-	-	-
PTC			**293.99**			**-**
Liquid Gold Series -11-Equity Tranche	11,26,72,925.00	1.00	11.27	-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)
Liquid Gold Series -12-Equity Tranche	8,99,53,336.00	1.00	9.00	-	-	-
Liquid Gold Series -13-Equity Tranche	2,57,19,053.00	1.00	2.57	-	-	-
Liquid Gold Series -15- Equity Tranche	7,77,76,399.00	1.00	7.78	-	-	-
Liquid Gold Series -16- Equity Tranche	1,000.00	6,16,355.62	61.63	-	-	-
Liquid Gold Series -17- Equity Tranche	2,02,04,399.00	1.00	2.02	-	-	-
Liquid Gold Series -18- Equity Tranche	19,58,54,318.00	1.00	19.59	-	-	-
Liquid Gold Series -18- A2 Tranche	25,68,61,606.00	1.00	25.69	-	-	-
Liquid Gold Series -19- Equity Tranche	1,000.00	7,67,924.21	76.78	-	-	-
Liquid Gold Series -20- Equity Tranche	75,44,08,461.99	1.00	75.44	-	-	-
LiquidGoldSeries -21- Equity Tranche	2,21,91,963.00	1.00	2.22	-	-	-
Equity instruments (in subsidiaries)			**2,159.89**			**2,159.89**
IIFL Home Finance Limited	2,09,67,681.00	10.00	825.48	2,09,67,681.00	10.00	825.48
IIFL Samasta Finance Limited	66,55,10,372.00	10.00	1,243.93	66,55,10,372.00	10.00	1,243.93
IIFL Open Fintech Private Limited	1,68,38,710.00	10.00	90.48	1,68,38,710.00	10.00	90.48
Total Gross			**6,170.40**			**6,051.83**

NOTE 10. OTHER FINANCIAL ASSETS

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Security deposits	47.06	40.25
Deposit with exchange	0.25	3.25
Interest strip asset on assignment	993.39	257.98
Staff advances	4.01	0.05
Insurance receivable	11.24	11.70
Less: Impairment loss allowance on insurance receivable (refer note 10.1)	10.35	11.57
Other receivables	21.17	55.36
Accrued interest on investments	12.19	1.17
Other advances	0.70	6.43
(Unsecured, considered doubtful)		
Other advances	5.56	5.56
Less : Impairment loss allowance on other advances (refer note 10.2)	5.56	5.56
Security deposits	0.15	0.05
Less : Impairment loss allowance on security deposits (refer note 10.3)	0.15	0.05
Total	**1,079.66**	**364.62**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 10.1 IMPAIRMENT LOSS ALLOWANCE ON INSURANCE RECEIVABLE:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	**11.57**	**24.57**
Addition	0.85	1.69
Reduction	(2.07)	(14.69)
Closing	**10.35**	**11.57**

NOTE 10.2 IMPAIRMENT LOSS ALLOWANCE ON OTHER ADVANCES:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	**5.56**	**5.56**
Addition	-	-
Reduction	-	-
Closing	**5.56**	**5.56**

NOTE 10.3 IMPAIRMENT LOSS ALLOWANCE ON SECURITY DEPOSITS:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	**0.05**	**0.13**
Addition	0.17	0.01
Reduction	(0.07)	(0.09)
Closing	**0.15**	**0.05**

NOTE 11. DEFERRED TAX ASSETS AND LIABILITIES

Significant components of deferred tax assets and liabilities:

(₹ in crores)

Particulars	Opening balance (as on April 01, 2025)	Recognised in profit and loss account	Recognised in/ reclassified from OCI	Closing balance (as on March 31, 2026)
Deferred tax assets/ (liabilities)				
Property, plant and equipment	36.46	5.30	-	41.76
Provisions, allowances for doubtful receivables/ loans	112.85	(2.33)	-	110.52
Deduction for provision for doubtful debts	5.36	(0.04)	-	5.32
Compensated absences and retirement benefits	7.07	0.19	2.32	9.58
Income amortisation (net)	(66.01)	(187.07)	-	(253.07)
Expenses deductible in future years	0.49	179.21	-	179.70
MTM on investment and derivative financial instruments	188.66	(111.40)	-	77.26
Provision on Investment	1.95	10.49	-	12.45
Cash flow hedge reserve	5.69	(0.26)	(6.82)	(1.40)
Leases- Ind AS 116	3.02	-		3.02
Total	**295.54**	**(105.89)**	**(4.50)**	**185.14**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Particulars	Opening balance (as on April 01, 2024)	Recognised in profit and loss account	Recognised in/ reclassified from OCI	Closing balance (as on March 31, 2025)
Deferred tax assets/ (liabilities)				
Property, plant and equipment	32.85	3.61	-	36.46
Provisions, allowances for doubtful receivables/ loans	150.50	(37.65)	-	112.85
Deduction for provision for doubtful debts	(6.51)	11.87	-	5.36
Compensated absences and retirement benefits	6.04	0.40	0.63	7.07
Income amortisation (net)	(152.65)	86.64	-	(66.01)
Expenses deductible in future years	0.49	-	-	0.49
MTM on investment and derivative financial instruments	33.54	155.12	-	188.66
Provision on Investment	1.78	0.17	-	1.95
Cash flow hedge reserve	5.29	-	0.40	5.69
Leases- Ind AS 116	4.59	(1.57)	-	3.02
Total	**75.92**	**218.59**	**1.03**	**295.54**

NOTE 12. INVESTMENT PROPERTY (AT COST)

(₹ in crores)

Particulars	Property (flats)* (refer note 12.2)	Land	Investment property under construction (refer note 12.3)	Total
Gross carrying value				
As at April 1, 2025	**155.55**	**138.15**	**575.00**	**868.70**
Additions during the year	-	-	-	-
Deductions/ adjustments during the year	-	-	-	-
As at March 31, 2026	**155.55**	**138.15**	**575.00**	**868.70**
Less : Impairment loss allowance	-	-	-	-
Net carrying value as at March 31, 2026	**155.55**	**138.15**	**575.00**	**868.70**
Fair value as on March 31, 2026 (Fair value hierarchy : Level 3)	234.77	154.43	853.00	1,242.20

*Distress value of above flats is ₹ 197.70 crores.

(₹ in crores)

Particulars	Property (flats)* (refer note 12.2)	Land	Investment property under construction (refer note 12.3)	Total
Gross carrying value				
As at April 1, 2024	**155.55**	**138.15**	**-**	**293.70**
Additions during the year	-	-	575.00	575.00
Deductions/ adjustments during the year	-	-	-	-
As at March 31, 2025	**155.55**	**138.15**	**575.00**	**868.70**
Less : Impairment loss allowance	-	-	-	-
Net carrying value as at March 31, 2025	**155.55**	**138.15**	**575.00**	**868.70**
Fair value as on March 31, 2025 (Fair value hierarchy : Level 3)	260.31	152.84	575.00	988.15

*Distress value of above flats is ₹ 219.21 crores.

Note 12.1: Management had acquired possession of these properties in satisfaction of the debts and intends to dispose them in due course, subject to conducive market conditions. These properties have been valued taking into consideration various factors such as location, facilities & amenities, quality of construction, percentage of completion of construction (as for some properties the construction is currently on hold), residual life of building, business potential, supply & demand, local nearby enquiry, market feedback of investigation and ready recknor published by government. These valuations has been performed by an independent registered valuer registered under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair values are based on market values, being the estimated amount for which a property could be exchanged in an arm's length transaction. These properties are not depreciated as they have not been ready to use.

Note 12.2: In respect of residential flats located in Mumbai, the Maharashtra Real Estate Regulatory Authority (MAHARERA) has passed an order directing the developer to hand over the possession of the flats along with compensation for the delay. The developer has preferred an appeal against this Order and the matter is pending before the MAHAREAT. One appeal filed by the developer was disposed vide order dated 08th October 2025 and the same is sent for de-novo consideration to the MAHARERA against which the IIFL has filed second appeal before High Court, Bombay and the same is pending for hearing. For another 3 flats, 3 Appeals filed by the developer are restored by the MAHAREAT vide order dated 15th December 2025, against which the IIFL has filed 3 Second Appeals before Bombay High Court and same is pending for hearing. For remaining residential flats, the Execution Proceedings are initiated by the Collector Office and recovery warrants have been issued in compliance of the order passed by the MAHARERA.

Note 12.3: Investment property under construction (IPUC) represent rights in properties which are under construction. These rights are in respect of constructed area in the properties located in prime areas in Mumbai and are part of the projects of recognized real estate developers and not by the Company. Accordingly, disclosures in terms of paragraph WB(vi) of general instructions for preparation of Balance Sheet prescribed in Division III of Schedule III to the Companies Act, 2013 are not applicable. In respect of IPUC having carrying value of ₹ 237.34 crores, the Company and the concerned parties are in the process of registering the documents by which the Company has acquired the title over the IPUC. The acquisitions of these rights in the properties were in the normal course of the business and none of the promoters, directors or their relatives are associated with such acquisitions. Subsequent to acquisition, the concerned borrower has initiated legal action demanding compliance of the terms of settlement with the Company. The Company has certain counter claims that are being pursued. These matters are pending before the High Court of Mumbai.

NOTE 13. PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

Particulars	Furniture and fixtures	Vehicles	Office equipment	Building	Plant and equipment	Computer	Total
Cost as at April 1, 2025	**195.37**	**1.94**	**35.55**	**0.01**	**62.76**	**53.20**	**348.83**
Additions during the year	51.02	-	5.63	-	15.56	13.07	85.28
Deductions/ adjustments	(6.08)	-	(0.41)	-	(2.50)	(3.80)	(12.79)
As at March 31, 2026	**240.31**	**1.94**	**40.77**	**0.01**	**75.82**	**62.47**	**421.31**
Accumulated depreciation							
As at April 1, 2025	**114.53**	**0.81**	**20.86**	**0.01**	**43.15**	**40.34**	**219.70**
Depreciation for the year	34.91	0.38	8.02	-	10.23	10.97	64.51
Deductions/ adjustments	(5.34)	-	(0.40)	-	(2.32)	(3.70)	(11.76)
Up to March 31, 2026	**144.10**	**1.19**	**28.48**	**0.01**	**51.06**	**47.61**	**272.45**
Net block as at March 31, 2026	**96.21**	**0.75**	**12.29**	**(0.00)**	**24.76**	**14.86**	**148.87**

(₹ in crores)

Particulars	Furniture and fixtures	Vehicles	Office equipment	Building	Plant and equipment	Computer	Total
Cost as at April 1, 2024	**169.73**	**1.94**	**33.55**	**0.01**	**57.15**	**54.40**	**316.78**
Additions during the year	35.23	-	2.69	-	8.13	5.14	51.19
Deductions/ adjustments	(9.59)	-	(0.69)	-	(2.52)	(6.34)	(19.14)
As at March 31, 2025	**195.37**	**1.94**	**35.55**	**0.01**	**62.76**	**53.20**	**348.83**
Accumulated depreciation							

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Particulars	Furniture and fixtures	Vehicles	Office equipment	Building	Plant and equipment	Computer	Total
As at April 1, 2024	**96.87**	**0.42**	**14.83**	**0.01**	**36.71**	**35.59**	**184.43**
Depreciation for the year	26.52	0.39	6.69	-	8.70	10.75	53.05
Deductions/ adjustments	(8.86)	-	(0.66)	-	(2.26)	(6.00)	(17.78)
Up to March 31, 2025	**114.53**	**0.81**	**20.86**	**0.01**	**43.15**	**40.34**	**219.70**
Net block as at March 31, 2025	**80.84**	**1.13**	**14.69**	**0.00**	**19.61**	**12.86**	**129.13**

Notes:

1. Immovable property have been offered by way of first pari-passu charge against non convertible debentures.
2. The Company has not revalued any of its property, plant and equipment.

NOTE 14 (A). CAPITAL-WORK-IN PROGRESS (CWIP)

Ageing schedule

(₹ in crores)

Particulars	As at March 31, 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5.47	0.04	0.24	-	5.75
Projects temporarily suspended	-	-	-	-	-

(₹ in crores)

Particulars	As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5.22	13.41	3.66	-	22.29
Projects temporarily suspended	-	-	-	-	-

NOTES 14(A).1 : No projects were delayed for completion or had exceeded its cost compared to its original plan.

NOTE 14 (B). INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in crores)

Particulars	As at March 31, 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.04	0.04	-	-	0.08
Projects temporarily suspended	-	-	-	-	-

(₹ in crores)

Particulars	As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.88	-	-	-	0.88
Projects temporarily suspended	-	-	-	-	-

Notes 14(b).1 : No projects were delayed for completion or had exceeded its cost compared to its original plan.

NOTE 15. LEASES

As a Lessee

a) Changes in the carrying value of right to use assets

(₹ in crores)

Particulars	Premises	Vehicle	Total
Opening balance as at April 01, 2025	**339.38**	**0.00**	**339.38**
Add/ (less): Addition during the year	121.04	-	121.04
Add/ (less): Deduction/ adjustment	(1.46)	-	(1.46)
Add/ (less): Depreciation during the year	(95.25)	0.00	(95.25)
Closing balance as at March 31, 2026	**363.71**	**0.00**	**363.71**

(₹ in crores)

Particulars	Premises	Vehicle	Total
Opening balance as at April 01, 2024	**363.97**	**0.01**	**363.98**
Add/ (less): Addition during the year	58.29	-	58.29
Add/ (less): Deduction/ adjustment	(1.87)	-	(1.87)
Add/ (less): Depreciation during the year	(81.01)	(0.01)	(81.02)
Closing balance as at March 31, 2025	**339.38**	**0.00**	**339.38**

b) Break up value of the current and non-current lease Liability

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Current lease Liability	93.30	71.74
Non-current lease Liability	324.00	279.53
Total	**417.30**	**351.27**

c) Movement in lease Liability

(₹ in crores)

Particulars	Premises	Vehicle	Total
Balance as at April 01, 2025	**351.27**	**0.00**	**351.27**
Add/ (less): Addition during the year	107.13	-	107.13
Add/ (less): Deduction/ adjustment	(1.71)	-	(1.71)
Add/ (less): Finance cost accrued during the period	81.10	-	81.10
Add/ (less): Payment of lease Liability	(120.49)	0.00	(120.49)
Closing balance as at March 31, 2026	**417.30**	**0.00**	**417.30**

(₹ in crores)

Particulars	Premises	Vehicle	Total
Balance as at April 01, 2024	**382.12**	**0.01**	**382.13**
Add/ (less): Addition during the year	57.55	-	57.55
Add/ (less): Deduction/ adjustment	(2.09)	-	(2.09)
Add/ (less): Finance cost accrued during the period	39.09	-	39.09
Add/ (less): Payment of lease Liability	(125.40)	(0.01)	(125.41)
Closing balance as at March 31, 2025	**351.27**	**0.00**	**351.27**

d) Details regarding the contractual maturities of lease Liability on an undiscounted basis

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	110.73	113.27
One to two years	93.09	85.57
Two to five years	201.97	169.10
More than five years	155.67	121.11
Total	**561.46**	**489.05**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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e) Rental expense recorded for short-term leases was ₹ 5.19 crore (previous year ₹ 2.38 crore)

f) Amounts recognised in profit or loss

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest on lease Liability	81.10	39.09
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0.00	0.04
Depreciation for the year	95.25	81.02
Total	**176.35**	**120.15**

g) Amounts recognised in the statement of cash flows

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Total cash outflow for lease Liability	120.49	125.41

h) The Company has not revalued any of its right to use assets.

NOTE 16. OTHER INTANGIBLE ASSETS

(₹ in crores)

Particulars	Software
Cost or valuation as at April 1, 2025	**18.85**
Additions during the year	1.79
Deductions/ adjustments	-
As at March 31, 2026	**20.64**
Accumulated amortisation	
As at April 1, 2025	**12.68**
Amortisation during the year	3.38
Up to March 31, 2026	**16.06**
Net block as at March 31, 2026	**4.58**

(₹ in crores)

Particulars	Software
Cost or valuation as at April 1, 2024	**13.88**
Additions during the year	4.97
Deductions/ adjustments	-
As at March 31, 2025	**18.85**
Accumulated amortisation	
As at April 1, 2024	**9.76**
Amortisation during the year	2.92
Up to March 31, 2025	**12.68**
Net block as at March 31, 2025	**6.17**

Note 16.1: The Company has not revalued any of its intangible assets.

Note 16.2: None of the intangible assets are internally generated.

NOTE 17. OTHER NON-FINANCIAL ASSETS

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Prepaid expenses*	165.76	91.56
Advances for operational expenses*	170.09	29.64
Deposits with government	1.98	1.98
GST input	70.05	22.87
Other assets	7.60	8.23
Total	**415.48**	**154.28**

*Includes foreign currency payments amounting to ₹ 0.43 crores (previous year ₹ 0.50 crores)

NOTE 18. PAYABLES

(₹ in crores)

Particulars			As at March 31, 2026	As at March 31, 2025
(I)	**Trade payables**			
	(i)	Total outstanding dues of micro enterprises and small enterprises (refer note 18.1)	4.91	2.28
	(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises		
		Outstanding dues of creditors	16.79	4.71
		Provision for expenses	93.68	80.47
		Other trade payables *	50.81	5.84
Total (I)			**166.19**	**93.30**
(II)	**Other payables**			
	(i)	Total outstanding dues of micro enterprises and small enterprises (refer note 18.1)	-	-
	(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	-	34.28
Total (II)			**-**	**34.28**

*Including payable to group/ subsidiary Companies (refer note 44.2)

NOTE 18.1 DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The following disclosure is made as per the requirement under The Micro, Small and Medium Enterprises Development Act, 2016 ("MSMED Act") on the basis of confirmations sought from suppliers on registration with the specified authorities under MSMED Act:

(₹ in crores)

Particulars		2025-26	2024-25
(a)	Principal amount remaining unpaid to any supplier at the year end	4.91	2.28
(b)	Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c)	Amount of interest paid and payments made to the supplier 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 day during the year) but without adding the interest specified under the Act	-	-
(e)	Amount of interest accrued and remaining unpaid at the year end	-	-
(f)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

Notes :

a) The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the MSMED Act.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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b) Dues to micro and small enterprises which have not been discharged beyond the specified date under the MSMED Act, as such enterprises have not provided proof of payment of Goods and Services tax to the Company or dues have been held back under the defect / retention clause of the agreement are not reported in the above table as such dues are not considered as due for payment. In addition, no provision for interest is made on such dues.

NOTE 18.2 TRADE PAYABLES AGEING SCHEDULE

(₹ in crores)

Particulars	Not due	Outstanding for following periods from due date of payment				
As at March 31, 2026		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	4.89	0.02	-	-	4.91
(ii)Others	93.68	67.39	0.17	0.01	0.03	161.28
(iii)Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**93.68**	**72.28**	**0.19**	**0.01**	**0.03**	**166.19**

(₹ in crores)

Particulars	Not due	Outstanding for following periods from due date of payment				
As at March 31, 2025		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	2.28	0.00	-	-	2.28
(ii)Others	38.66	52.16	0.11	0.04	0.05	91.02
(iii)Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**38.66**	**54.44**	**0.11**	**0.04**	**0.05**	**93.30**

NOTE 19. DEBT SECURITIES

(₹ in crores)

Particulars		At amortised cost	
		As at March 31, 2026	As at March 31, 2025
	(A)		
(i)	Non convertible debentures - secured {refer note (a) to (b)}	9,562.92	8,643.23
	Less : Unamortised debenture issue expenses	34.41	54.35
(ii)	Commercial papers - unsecured	5,742.90	2,649.70
	Less : Unexpired discount on commercial papers	124.67	60.85
(iii)	Interest accrued but not due	238.23	182.27
Total (A)		**15,384.97**	**11,360.00**
	(B)		
	Debt securities in India	11,350.45	7,696.84
	Debt securities outside India	4,034.52	3,663.16
Total (B)		**15,384.97**	**11,360.00**

Foot notes:

(a) The Non Convertible Debentures are secured by way of first pari-passu charge on immovable property, current assets, book debts, loans and advances including receivables other than those specifically charged.

(b) During the Previous year, Company has borrowed ₹ 3,680.06 Crore (equivalent to USD 425 million) under Global Medium Term Note Programme. These are secured by way of all rights, titles, interest, benefits, claims and demands, whatsoever of the Company in, to and in respect of, all present and future, receivables/assets, including Company's accounts, operating cash flows, current assets, book debts, stock in trade, loans and advances and receivables, both present and future to the extent of complying with the Security Coverage Ratio, but excluding the Ineligible Assets.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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NOTE 19.1 - TERMS OF REPAYMENT

Residual maturity	As at March 31, 2026		As at March 31, 2025	
	Rate of interest / yield	Amount (₹ in crores)	Rate of interest / yield	Amount (₹ in crores)
Non convertible debentures (secured)				
Fixed:		**9,536.24**		**8,616.53**
More than 5 years	8.33% - 9.45%	480.00	8.33% - 9.45%	742.50
3-5 Years	8.33% -10.25%	847.08	8.33% - 13.00%	4,277.84
1-3 Years	8.33% -13.13%	6,016.26	8.42% - 9.90%	2,653.62
Less than 1 year	8.42% - 9.90%	2,192.91	8.35% - 9.90%	942.57
Zero coupon:		**26.68**		**26.70**
1-3 Years	-	-	8.75%	26.70
Less than 1 year	8.75%	26.68	-	-
Commercial papers - (unsecured)				
Zero Coupon:		**5,742.90**		**2,649.70**
Less than 1 year	7.75% - 9.20%	5,742.90	8.50% - 10.00%	2,649.70
TOTAL		**15,305.82**		**11,292.93**

NOTE 19.2 - NON CONVERTIBLE DEBENTURES - SECURED - INSTRUMENT WISE DETAILS

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
9.90% Secured Rated Listed Redeemable Non Convertible Debenture Series D29 Option C Date Of Maturity 20/04/2026	9.90%	440.00	446.90
8.50% Secured Rated Annually Listed Redeemable Senior Non Convertible Debentures. Series Iii. Date Of Maturity 28/06/2026	8.50%	123.58	123.58
8.50% Secured Rated Listed Redeemable Senior Non Convertible Debentures. Series Iv. Date Of Maturity 28/06/2026	8.50%	8.91	8.91
9% Secured Rated Listed Redeemable Non Convertible Debenture Series I Tranche 1 Date Of Maturity 21/07/2026	9.00%	146.10	-
9.00% Secured Rated Listed Redeemable Non Convertible Debenture Series Ii Tranche 1 Date Of Maturity 21/07/2026	9.00%	14.38	-
8.80% Secured Rated Listed Redeemable Non Convertible Debenture Series D32 Date Of Maturity 07/10/2026	8.80%	50.00	-
8.42% Secured Rated Monthly Listed Redeemable Senior Non Convertible Debentures. Series V. Date Of Maturity 14/10/2026	8.42%	141.61	141.74
8.75% Secured Rated Annually Listed Redeemable Senior Non Convertible Debentures. Series Vi. Date Of Maturity 14/10/2026	8.75%	133.32	133.46
Zero Coupon Secured Rated Cummulative Listed Redeemable Non Convertible Debentures. Series Vii. Date Of Maturity 14/10/2026	8.75%	26.68	26.70
9.90% Secured Rated Listed Redeemable Non Convertible Debenture Series D31 Date Of Maturity 08/03/2027	9.90%	135.00	135.00
9.50% Secured Rated Semi Annually Listed Redeemable Senior Non Convertible Debentures. Date Of Maturity 20/03/2027	9.50%	500.00	500.00
8.60% Secured Rated Listed Non Convertible Debenture Series D36 Date Of Maturity 24/03/2027	8.60%	500.00	-
9.30% Secured Rated Listed Redeemable Non Convertible Debenture Series Iii Tranche I Date Of Maturity 21/04/2027	9.30%	102.61	-
9.30% Secured Rated Listed Redeemable Non Convertible Debenture Series Iv Tranche I Date Of Maturity 21/04/2027	9.30%	2.90	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
9.90% Secured Rated Listed Redeemable Non Convertible Debenture Series D28 Date Of Maturity 20/12/2027	9.90%	250.00	250.00
9% Secured Rated Listed Redeemable Non Convertible Debentures Series Vi. Date Of Maturity 24/01/2028	9.00%	118.93	118.93
Secured Rated Listed Redeemable Non Convertible Debentures Series Vii. Date Of Maturity 24/01/2028	9.00%	37.86	37.86
8.65% Secured Rated Listed Redeemable Non Convertible Debentures Series V Date Of Maturity 24/01/2028	8.65%	157.24	157.24
8.37% Secured Rated Listed Redeemable Non Convertible Debenture Series I Tranche I Date Of Maturity 06/03/2028	8.37%	88.57	-
8.7% Secured Rated Listed Redeemable Non Convertible Debenture Series Iv Tranche I Date Of Maturity 06/03/2028	8.70%	434.56	-
Secured Rated Listed Redeemable Non Convertible Debenture Series Vii Tranche I Date Of Maturity 06/03/2028	8.70%	20.49	-
9.35% Secured Rated Listed Redeemable Non Convertible Debenture Series V Tranche I Date Of Maturity 21/04/2028	9.35%	23.51	-
9.75% Secured Rated Listed Redeemable Non Convertible Debenture Series Vi Tranche I Date Of Maturity 21/04/2028	9.75%	98.60	-
9.75% Secured Rated Listed Redeemable Non Convertible Debenture Series Vii Tranche I Date Of Maturity 21/04/2028	9.75%	7.34	-
8.65% Secured Rated Monthly Listed Senior Redeemable Non Convertible Debentures Series V Date Of Maturity 28/06/2028	8.65%	88.20	88.20
9.00% Secured Rated Annually Listed Senior Redeemable Non Convertible Debentures Series Vi Date Of Maturity 28/06/2028	9.00%	131.94	131.94
9.00% Secured Rated Listed Senior Redeemable Non Convertible Debentures Series Vii Date Of Maturity 28/06/2028	9.00%	37.52	37.52
8.33% Secured Rated Listed Redeemable Non Convertible Debentures. Series D13. Date Of Maturity 30/06/2028	8.33%	125.00	125.00
8.75% Secured Medium Term Note. Date Of Maturity- 24/07/2028 *	8.75%	4,030.49	3,632.69
8.52% Secured Rated Listed Redeemable Non Convertible Debenture Series Ii Tranche I Date Of Maturity 06/03/2029	8.52%	35.74	-
8.85% Secured Rated Listed Redeemable Non Convertible Debenture Series V Tranche I Date Of Maturity 06/03/2029	8.85%	198.65	-
Secured Rated Listed Redeemable Non Convertible Debenture Series Viii Tranche I Date Of Maturity 06/03/2029	8.85%	26.11	-
8.33% Secured Rated Listed Redeemable Non Convertible Debentures. Series D13. Date Of Maturity 30/06/2029	8.33%	125.00	125.00
9.45% Secured Rated Listed Redeemable Non Convertible Debentures Series D20 Date Of Maturity 01/11/2029	9.45%	137.50	137.50
9.60% Secured Rated Listed Redeemable Non Convertible Debenture Series Viii Tranche I Date Of Maturity 21/04/2030	9.60%	42.58	-
10.25% Secured Rated Listed Redeemable Non Convertible Debenture Series Ix Tranche I Date Of Maturity 21/04/2030	10.25%	61.99	-
8.33% Secured Rated Listed Redeemable Non Convertible Debentures. Series D13. Date Of Maturity 30/06/2030	8.33%	125.00	125.00
9.45% Secured Rated Listed Redeemable Non Convertible Debentures Series D20 Date Of Maturity 01/11/2030	9.45%	137.50	137.50
8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series Iii Tranche I Date Of Maturity 06/03/2031	8.65%	80.29	-

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
9% Secured Rated Listed Redeemable Non Convertible Debenture Series Vi Tranche I Date Of Maturity 06/03/2031	9.00%	112.24	-
Secured Rated Listed Redeemable Non Convertible Debenture Series Ix Tranche I Date Of Maturity 06/03/2031	9.00%	24.98	-
8.33% Secured Rated Listed Redeemable Non Convertible Debentures. Series D13. Date Of Maturity 30/06/2031	8.33%	125.00	125.00
9.45% Secured Rated Listed Redeemable Non Convertible Debentures Series D20 Date Of Maturity 01/11/2031	9.45%	137.50	137.50
8.50% Secured Rated Listed Non Convertible Debentures. Series D15. Date Of Maturity 21/01/2032	8.50%	10.00	10.00
8.60% Secured Rated Listed Redeemable Non Convertible Debentures. Series D16 Option A. Date Of Maturity 24/03/2032	8.60%	60.00	60.00
9.00% Secured Rated Listed Non Convertible Debenture. Series D17. Date Of Maturity 15/07/2032	9.00%	10.00	10.00
9.45% Secured Rated Listed Redeemable Non Convertible Debentures Series D20 Date Of Maturity 01/11/2032	9.45%	137.50	137.50
8.35% Secured Rated Annually Listed Redeemable Senior Non Convertible Debentures. Series I. Date Of Maturity 28/06/2025	8.35%	-	46.98
8.35% Secured Rated Listed Redeemable Senior Non Convertible Debentures. Series Ii. Date Of Maturity 28/06/2025	8.35%	-	14.24
Secured Rated Listed Redeemable Non Convertible Debentures Series Iv. Date Of Maturity 24/01/2026	8.75%	-	24.13
8.75% Secured Rated Listed Redemable Non Convertible Debentuers Series Iii Date Of Maturity 24/01/2026	8.75%	-	57.21
9.90% Secured Rated Listed Redeemable Non Convertible Debenture Series D29 Option A Date Of Maturity 10/03/2026	9.90%	-	400.00
9.90% Secured Rated Listed Redeemable Non Convertible Debenture Series D29 Option B Date Of Maturity 20/03/2026	9.90%	-	400.00
9.80% Secured Rated Listed Redeemable Non-Convertible Debenture Series D27 Date Of Maturity 03/12/2026	9.80%	-	600.00
TOTAL		**9,562.92**	**8,643.23**

*Includes hedge cost

NOTE 19.3 - COMMERCIAL PAPERS - UNSECURED - INSTRUMENT WISE DETAILS

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
8.25% Unsecured Listed Commercial Paper 180 Days Date of Maturity 21/04/2026	8.25%	130.00	-
8.50% Unsecured Listed Commercial Paper 47 Days Date of Maturity 21/04/2026	8.50%	40.00	-
8.50% Unsecured Listed Commercial Paper 47 Days Date of Maturity 21/04/2026	8.50%	10.00	-
8.50% Unsecured Listed Commercial Paper 47 Days Date of Maturity 21/04/2026	8.50%	113.20	-
8.46% Unsecured Listed Commercial Paper 91 Days Date of Maturity 05/05/2026	8.46%	30.00	-
8.00% Unsecured Listed Commercial Paper 36 Days Date of Maturity 05/05/2026	8.00%	25.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 11/05/2026	9.20%	200.00	-

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Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
8.30% Unsecured Listed Commercial Paper 85 Days Date of Maturity 13/05/2026	8.30%	5.00	-
8.55% Unsecured Listed Commercial Paper 91 Days Date of Maturity 13/05/2026	8.55%	51.00	-
8.30% Unsecured Listed Commercial Paper 91 Days Date of Maturity 13/05/2026	8.30%	10.00	-
8.30% Unsecured Listed Commercial Paper 91 Days Date of Maturity 13/05/2026	8.30%	5.00	-
8.30% Unsecured Listed Commercial Paper 91 Days Date of Maturity 13/05/2026	8.30%	5.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 13/05/2026	9.20%	150.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 20/05/2026	9.20%	100.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 20/05/2026	9.20%	450.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 20/05/2026	9.20%	300.00	-
9.20% Unsecured Listed Commercial Paper 88 Days Date of Maturity 22/05/2026	9.20%	25.00	-
9.00% Unsecured Listed Commercial Paper 91 Days Date of Maturity 22/05/2026	9.00%	50.00	-
8.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 22/05/2026	8.20%	5.00	-
8.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 22/05/2026	8.20%	5.00	-
8.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 22/05/2026	8.20%	5.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 22/05/2026	9.20%	25.00	-
8.45% Unsecured Listed Commercial Paper 181 Days Date of Maturity 26/05/2026	8.45%	25.00	-
8.20% Unsecured Listed Commercial Paper 102 Days Date of Maturity 26/05/2026	8.20%	6.00	-
8.20% Unsecured Listed Commercial Paper 102 Days Date of Maturity 26/05/2026	8.20%	3.00	-
8.00% Unsecured Listed Commercial Paper 102 Days Date of Maturity 26/05/2026	8.00%	35.75	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 26/05/2026	9.20%	200.00	-
8.30% Unsecured Listed Commercial Paper 90 Days Date of Maturity 26/05/2026	8.30%	8.00	-
9.20% Unsecured Listed Commercial Paper 90 Days Date of Maturity 26/05/2026	9.20%	20.00	-
8.00% Unsecured Listed Commercial Paper 350 Days Date of Maturity 03/06/2026	8.00%	5.00	-
8.90% Unsecured Listed Commercial Paper 364 Days Date of Maturity 03/06/2026	8.90%	25.00	-
8.45% Unsecured Listed Commercial Paper 182 Days Date of Maturity 04/06/2026	8.45%	25.00	-
9.00% Unsecured Listed Commercial Paper 91 Days Date of Maturity 04/06/2026	9.00%	51.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 04/06/2026	9.20%	250.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 04/06/2026	9.20%	100.00	-

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Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 05/06/2026	9.20%	250.00	-
7.75% Unsecured Listed Commercial Paper 88 Days Date of Maturity 08/06/2026	7.75%	5.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 08/06/2026	9.20%	550.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 16/06/2026	9.20%	150.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 17/06/2026	9.20%	250.00	-
8.40% Unsecured Listed Commercial Paper 182 Days Date of Maturity 18/06/2026	8.40%	25.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 19/06/2026	9.20%	475.00	-
9.20% Unsecured Listed Commercial Paper 91 Days Date of Maturity 19/06/2026	9.20%	400.00	-
8.33% Unsecured Listed Commercial Paper 131 Days Date of Maturity 22/06/2026	8.33%	10.00	-
8.35% Unsecured Listed Commercial Paper 182 Days Date of Maturity 22/06/2026	8.35%	25.00	-
8.25% Unsecured Listed Commercial Paper 182 Days Date of Maturity 22/06/2026	8.25%	5.00	-
8.55% Unsecured Listed Commercial Paper 217 Days Date of Maturity 09/09/2026	8.55%	52.50	-
8.60% Unsecured Listed Commercial Paper 301 Days Date of Maturity 09/09/2026	8.60%	214.15	-
8.50% Unsecured Listed Commercial Paper 182 Days Date of Maturity 09/09/2026	8.50%	10.00	-
8.25% Unsecured Listed Commercial Paper 181 Days Date of Maturity 09/09/2026	8.25%	5.00	-
8.25% Unsecured Listed Commercial Paper 301 Days Date of Maturity 09/09/2026	8.25%	10.00	-
8.55% Unsecured Listed Commercial Paper 233 Days Date of Maturity 09/09/2026	8.55%	105.25	-
8.40% Unsecured Listed Commercial Paper 233 Days Date of Maturity 09/09/2026	8.40%	5.25	-
8.50% Unsecured Listed Commercial Paper 204 Days Date of Maturity 09/09/2026	8.50%	10.00	-
8.60% Unsecured Listed Commercial Paper 197 Days Date of Maturity 09/09/2026	8.60%	20.00	-
8.20% Unsecured Listed Commercial Paper 196 Days Date of Maturity 09/09/2026	8.20%	5.00	-
8.25% Unsecured Listed Commercial Paper 195 Days Date of Maturity 09/09/2026	8.25%	5.00	-
8.25% Unsecured Listed Commercial Paper 194 Days Date of Maturity 09/09/2026	8.25%	10.00	-
9.20% Unsecured Listed Commercial Paper 179 Days Date of Maturity 11/09/2026	9.20%	150.00	-
8.90% Unsecured Listed Commercial Paper 184 Days Date of Maturity 25/09/2026	8.90%	25.00	-
8.50% Unsecured Listed Commercial Paper 179 Days Date of Maturity 25/09/2026	8.50%	5.00	-
8.25% Unsecured Listed Commercial Paper 364 Days Date of Maturity 25/11/2026	8.25%	5.40	-
9.00% Unsecured Listed Commercial Paper 364 Days Date of Maturity 21/01/2027	9.00%	150.00	-

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Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
9.08% Unsecured Listed Commercial Paper 364 Days Date of Maturity 10/02/2027	9.08%	250.00	-
8.80% Unsecured Listed Commercial Paper 363 Days Date of Maturity 04/03/2027	8.80%	17.40	-
9.10% Unsecured Listed Commercial Paper 364 Days Date of Maturity 24/03/2027	9.10%	50.00	-
9.10% Unsecured Listed Commercial Paper 91 Days Date of Maturity 16/04/2025	9.10%	-	50.00
9.50% Unsecured Listed Commercial Paper 31 Days Date of Maturity 28/04/2025	9.50%	-	5.00
9.10% Unsecured Listed Commercial Paper 58 Days Date of Maturity 08/05/2025	9.10%	-	50.00
9.25% Unsecured Listed Commercial Paper 90 Days Date of Maturity 29/05/2025	9.25%	-	100.00
9.50% Unsecured Listed Commercial Paper 62 Days Date of Maturity 29/05/2025	9.50%	-	5.00
10.00% Unsecured Listed Commercial Paper 87 Days Date of Maturity 30/05/2025	10.00%	-	350.00
10.00% Unsecured Listed Commercial Paper 91 Days Date of Maturity 03/06/2025	10.00%	-	200.00
10.00% Unsecured Listed Commercial Paper 91 Days Date of Maturity 05/06/2025	10.00%	-	300.00
10.00% Unsecured Listed Commercial Paper 84 Days Date of Maturity 09/06/2025	10.00%	-	100.00
8.75% Unsecured Listed Commercial Paper 91 Days Date of Maturity 10/06/2025	8.75%	-	5.00
8.75% Unsecured Listed Commercial Paper 91 Days Date of Maturity 10/06/2025	8.75%	-	5.00
9.25% Unsecured Listed Commercial Paper 91 Days Date of Maturity 10/06/2025	9.25%	-	25.00
10.00% Unsecured Listed Commercial Paper 91 Days Date of Maturity 10/06/2025	10.00%	-	250.00
10.00% Unsecured Listed Commercial Paper 91 Days Date of Maturity 10/06/2025	10.00%	-	250.00
10.00% Unsecured Listed Commercial Paper 91 Days Date of Maturity 12/06/2025	10.00%	-	105.00
10.00% Unsecured Listed Commercial Paper 89 Days Date of Maturity 16/06/2025	10.00%	-	150.00
9.75% Unsecured Listed Commercial Paper 89 Days Date of Maturity 16/06/2025	9.75%	-	5.00
9.75% Unsecured Listed Commercial Paper 83 Days Date of Maturity 16/06/2025	9.75%	-	5.00
9.95% Unsecured Listed Commercial Paper 86 Days Date of Maturity 20/06/2025	9.95%	-	100.00
10.00% Unsecured Listed Commercial Paper 95 Days Date of Maturity 23/06/2025	10.00%	-	150.00
10.00% Unsecured Listed Commercial Paper 95 Days Date of Maturity 23/06/2025	10.00%	-	50.00
9.99% Unsecured Listed Commercial Paper 88 Days Date of Maturity 23/06/2025	9.99%	-	15.00
9.75% Unsecured Listed Commercial Paper 91 Days Date of Maturity 27/06/2025	9.75%	-	25.00
9.75% Unsecured Listed Commercial Paper 91 Days Date of Maturity 27/06/2025	9.50%	-	10.00
9.75% Unsecured Listed Commercial Paper 91 Days Date of Maturity 27/06/2025	9.50%	-	10.00

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
9.35% Unsecured Listed Commercial Paper 184 Days Date of Maturity 03/09/2025	9.35%	-	104.70
9.25% Unsecured Listed Commercial Paper 194 Days Date of Maturity 15/09/2025	9.25%	-	25.00
9.20% Unsecured Listed Commercial Paper 364 Days Date of Maturity 09/01/2026	9.20%	-	50.00
9.90% Unsecured Listed Commercial Paper 336 Days Date of Maturity 27/02/2026	9.90%	-	50.00
8.50% Unsecured Listed Commercial Paper 364 Days Date of Maturity 03/03/2026	8.50%	-	100.00
TOTAL		**5,742.90**	**2,649.70**

NOTE 20. BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in crores)

Particulars			At amortised cost	
			As at March 31, 2026	As at March 31, 2025
		(A)		
(a)	**Term loan (refer note (a))**			
	(i)	From banks and financial institution (refer note note (b))	13,556.12	9,203.32
	(ii)	From others	-	427.58
		Less : Prepaid expenses	61.04	62.36
(b)	**Other loans (refer note (a))**			
	(i)	Cash credit/ overdraft	830.00	1,344.95
	(ii)	Securitisation liability	5,188.33	341.33
	(iii)	Intercorporate Deposit	62.42	-
		Less : Prepaid expenses	-	-
(c)	**Interest accrued but not due**		37.83	43.12
Total (A)			**19,613.66**	**11,297.94**
		(B)		
Borrowings in India			16,973.21	8,515.36
Borrowings outside India (refer note (b))			2,640.45	2,782.58
Total (B)			**19,613.66**	**11,297.94**

Foot notes:

(a) These loans are secured by way of a first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically/ exclusively charged.

(b) During the year, the company borrowed ₹ 473.25 Crores (equivalent to US $ 50 Million) under External commercial borrowing. These are secured by way of a first ranking pari passu charge by way of hypothecation on all the borrower's charged asset in favour of the security holder in accordance with the Deed of Hypothecation.

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NOTE 20. 1 - TERMS OF REPAYMENT OF TERM LOANS

Residual maturity		As at March 31, 2026		As at March 31, 2025	
		Rate of interest / yield	Amount (₹ in crores)	Rate of interest / yield	Amount (₹ in crores)
(i)	**From banks and financial institution**				
	Floating:*		**10,743.83**		**6,225.60**
	3 - 5 Years	8.19% - 10.65%	1,398.45	9.15% - 10.80%	937.73
	1 - 3 Years	8.00% - 10.65%	5,084.64	8.47% - 10.80%	3,291.13
	Less than 1 year	8.00% - 10.65%	4,260.74	7.86% - 10.80%	1,996.74
	Fixed:		**2,812.29**		**2,977.72**
	3 - 5 Years	9.10%	21.43	9.70% - 9.85%	100.00
	1 - 3 Years	9.10% - 9.85%	904.96	8.45% - 9.85%	1,932.53
	Less than 1 year	8.45% - 9.85%	1,885.90	8.45% - 10.22%	945.19
(ii)	**From others**				
	Fixed:		**-**		**427.58**
	Less than 1 year	-	-	9.20%	427.58
Total			**13,556.12**		**9,630.90**

*The rate of interest for the above term loans from banks is linked to marginal cost of funds based lending rate/ treasury bills plus applicable spread. The above categorisation of loans has been based on the interest rates prevalent as on the respective reporting dates.

NOTE 20. 2 - TERMS OF REPAYMENT OF OTHER LOANS

Residual maturity	As at March 31, 2026		As at March 31, 2025	
	Rate of interest / yield	Amount (₹ in crores)	Rate of interest / yield	Amount (₹ in crores)
Cash credit/ Overdraft				
Floating:				
Less than 1 year **	8.00% - 9.85%	830.00	6.85% - 10.55%	1,344.95
Securitisation liability				
Fixed:				
1-3 Years	8.30% - 10.03%	5,188.33	9.57%	341.33
Less than 1 year	9.03%	62.42	-	-
Total		**5,250.75**		**341.34**

**The rate of interest for the above loans is linked to marginal cost of funds based lending rate/ fixed deposits plus applicable spread. The above categorisation of loans has been based on the interest rates prevalent as on the respective reporting dates.

NOTE 21. SUBORDINATED LIABILITIES

(₹ in crores)

		At amortised cost	
		As at March 31, 2026	As at March 31, 2025
	(A)		
(i)	Non convertible debentures- unsecured	3,617.07	1,784.40
	Less: Unamortised debenture issue expenses	33.37	10.97
(ii)	Interest accrued but not due	157.67	92.79
Total (A)		**3,741.37**	**1,866.22**
	(B)		
	Subordinated liabilities in India	3,416.37	1,518.47
	Subordinated liabilities outside India	325.00	347.75
Total (B)		**3,741.37**	**1,866.22**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 21. 1 - TERMS OF REPAYMENT

(₹ in crores)

Residual maturity	As at March 31, 2026		As at March 31, 2025	
	Rate of interest / yield	Amount (₹ in crores)	Rate of interest / yield	Amount (₹ in crores)
Non convertible debenture (unsecured)				
Fixed		**3,548.93**		**1,710.48**
More than 5 years	9.20% - 9.90%	2,410.00	9.20% - 9.65%	610.62
3- 5 Years	10.00% - 10.50%	-	9.47% - 10.50%	973.93
1-3 Years	8.70% - 10.00%	1,138.93	8.70%	100.00
Less than 1 year	-	-	10.00%	25.93
Zero coupon		**68.14**		**73.92**
3- 5 Years	-	-	10.03%	68.14
1-3 Years	10.03%	68.14	-	-
Less than 1 year	-	-	10.50%	5.78
Total		**3,617.07**		**1,784.40**

NOTE 21.2 - NON CONVERTIBLE DEBENTURES - UNSECURED - INSTRUMENT WISE DETAILS

(₹ in crores)

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
8.70% Unsecured Redeemable Non-Convertible Subordinated Debentures – Series U03. Date Of Maturity 19/11/2027	8.70%	100.00	100.00
10.00% Unsecured Rated Listed Redeemable Non Convertible Debenture. Series I . Date Of Maturity 24/06/2028	10.00%	274.69	274.69
9.60% Unsecured Rated Listed Redeemable Non Convertible Debenture. Series Ii . Date Of Maturity 24/06/2028	9.60%	328.02	328.02
Zero Coupon Unsecured Rated Listed Redeemable Non Convertible Debenture. Series Iii . Date Of Maturity 24/06/2028	10.03%	68.14	68.14
9.00% India Infoline (Regs) 18-2028_Rupee Denominated Bond. Date Of Maturity 28/06/2028	9.47%	325.00	325.00
8.50% Unsecured Rated Listed Redeemable Non Convertible Debenture Series D34 Date Of Maturity 18/12/2028	8.50%	65.00	-
10.00% Unsecured Rated Listed Redeemable Non Convertible Debenture. Series V. Date Of Maturity 07/02/2029	10.00%	30.77	30.77
10.50% Unsecured Rated Listed Redeemable Non Convertible Debenture. Series Vi. Date Of Maturity 07/02/2029	10.50%	15.45	15.45
9.35% Unsecured Rated Listed Subordinated Redeemable Non Convertible Debenture Series D16 Option B.Date Of Maturity 24/03/2032	9.35%	50.00	50.00
9.25% Unsecured Rated Listed Redeemable Non Convertible Debenture Series D33 Option B Date Of Maturity 24/06/2032	9.25%	250.00	-
9.65% Unsecured Rated Listed Subordinate Tier Ii Non Convertible Debenture. Series D18. Date Of Maturity 26/07/2032	9.65%	235.00	235.00
9.45% Unsecured Rated Listed Redeemable Non Convertible Debentures Series D22 Date Maturity 27/12/2032	9.45%	65.00	65.00
9.25% Unsecured Rated Listed Redeemable Non Convertible Debenture Series D35 Option A - I Date Of Maturity 30/12/2032	9.25%	300.00	-
9.20% Unsecured Rated Listed Redeemable Subordinate Tier 2 Non Convertible Seris D24 Date Of Maturity 08/05/2033	9.20%	35.00	35.00
9.50% Unsecured Rated Listed Redeemable Subordinated Tier 2 Non-Convertible Debenture Series D26 Date Of Maturity 16/10/2034	9.50%	125.00	125.62

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
9.50% Unsecured Rated Listed Redeemable Tier Ii Non Convertible Debenture Series D30 Mate Of Maturity 16/10/2034	9.50%	100.00	100.00
9.30% Unsecured Rated Listed Redeemable Non Convertible Debenture Series D33 Option A Date Of Maturity 20/06/2035	9.30%	250.00	-
9.30% Unsecured Rated Listed Redeemable Non Convertible Debenture Series D35 Option A - Ii Date Of Maturity 30/12/2035	9.30%	400.00	-
9.90% Unsecured Rated Listed Redeemable Perpetual Non Convertible Debenture Series Pdi 1 FY-2026	9.90%	500.00	-
9.90% Unsecured Rated Listed Redeemable Perpetual Non Convertible Debenture Series Pdi-2 Option B	9.90%	100.00	-
10.00% Unsecured Redeemable Non Convertible Debentures. Tranche Ii. Series V. Date Of Maturity 06/06/2025	10.00%	-	25.93
Zero Coupon Unsecured Redeemable Non Convertible Debentures. Tranche Ii. Series Vi. Date Of Maturity 06/06/2025	10.50%	-	5.78
TOTAL		**3,617.07**	**1,784.40**

NOTE 22. OTHER FINANCIAL LIABILITIES

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Payable on account of assignment/securitisation	2,466.48	300.33
Temporary overdrawn bank balances	0.37	2.96
Payables towards NCD (refer note 22.1)	0.07	1.23
Unclaimed dividends (refer note 22.1)	0.29	0.35
Accrued salaries and benefits	6.48	5.42
Other payables (refer note 22.2)	26.20	51.04
Total	**2,499.89**	**361.33**

Note 22.1 During the year, ₹ 1.33 crores (previous year ₹ 0.14 crores) was transferred to Investor Education and Protection Fund.

Note 22.2 Includes unspent amount for CSR expenses ₹ 2.32 crores (previous year ₹ 10.97 crores) (refer note no.45)

NOTE 23. PROVISIONS

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits	58.17	26.89
Provision for leave encashment	6.31	16.08
Provision for gratuity (refer note 32.2)	10.61	8.48
Other provisions	18.25	9.95
ECL provision on sanctioned undisbursed loans	0.12	2.04
Total	**93.46**	**63.44**

NOTE 24. OTHER NON-FINANCIAL LIABILITIES

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Income received in advance	0.04	11.78
Advances from customers	37.82	42.79
Statutory remittances	38.50	19.89
Total	**76.36**	**74.46**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 25: EQUITY SHARE CAPITAL

(i) Authorised, issued, subscribed and paid-up share capital

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital		
2,35,52,50,000 equity shares (previous year 2,35,52,50,000) of ₹ 2 each	471.05	471.05
50,00,00,000 preference shares (previous year 50,00,00,000) of ₹ 10 each	500.00	500.00
Total	**971.05**	**971.05**
Issued, subscribed and paid-up share capital		
42,52,89,575 equity shares (previous year 42,45,16,570) of ₹ 2 each fully paid with voting rights	85.06	84.90
Total	**85.06**	**84.90**

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in crores	No. of shares	₹ in crores
Equity shares				
At the beginning of the year	42,45,16,570	84.90	38,15,48,435	76.31
Add: Shares issued during the year	7,73,005	0.16	4,29,68,135	8.59
Outstanding at the end of the year	**42,52,89,575**	**85.06**	**42,45,16,570**	**84.90**

(iii) Rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹ 2.00/- per share. Each holder of the equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. During the year ended March 31, 2026, equity shareholders were paid dividend of ₹ 4 per share (P.Y. ₹ Nil per share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% Holdings	No. of shares	% Holdings
Equity shares of ₹ 2 each fully paid up				
FIH Mauritius Investments Limited	6,45,52,521	15.18%	6,45,52,521	15.20%
Nirmal Bhanwarlal Jain	5,34,40,570	12.57%	5,34,40,570	12.59%
Smallcap World Fund, Inc	2,56,62,705	6.03%	2,18,73,820	5.15%

(v) Details of shareholding of promoters

	As at March 31, 2026		
Name of the promoter	No. of shares	% of total shares	% Change during the year*
Nirmal Bhanwarlal Jain	5,34,40,570	12.57%	-0.02%
Madhu N Jain	1,35,22,764	3.18%	-0.01%
Venkataraman Rajamani	1,23,01,441	2.89%	-0.01%
Mansukhlal Jain and Pritesh Ashwin Mehta (in their capacity as Trustees of Nirmal Madhu Family Private Trust)	1,11,11,111	2.62%	0.00%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

As at March 31, 2026			
Name of the promoter	**No. of shares**	**% of total shares**	**% Change during the year***
Aditi Avinash Athavankar (in her capacity as Trustee of Kalki Family Private Trust)	1,00,00,000	2.35%	-0.01%
Aditi Athavankar	2,22,222	0.05%	0.00%
Ardent Impex Private Limited	36,32,115	0.86%	0.00%
Orpheus Trading Private Limited	14,44,444	0.34%	0.00%
Total	**10,56,74,667**	**24.85%**	

* The change in percentage is due to dilution of share capital due to allotment under ESOP scheme(s)

As at March 31, 2025			
Name of the promoter	**No. of shares**	**% of total shares**	**% Change during the year***
Nirmal Bhanwarlal Jain	5,34,40,570	12.59%	0.08%
Madhu N Jain	1,35,22,764	3.19%	0.03%
Venkataraman Rajamani	1,23,01,441	2.90%	0.02%
Mansukhlal Jain and Pritesh Ashwin Mehta (in their capacity as Trustees of Nirmal Madhu Family Private Trust)	1,11,11,111	2.62%	0.00%
Aditi Avinash Athavankar (in her capacity as Trustee of Kalki Family Private Trust)	1,00,00,000	2.36%	0.00%
Aditi Athavankar	2,22,222	0.05%	0.00%
Ardent Impex Private Limited	36,32,115	0.86%	0.00%
Orpheus Trading Private Limited	14,44,444	0.34%	0.00%
Total	**10,56,74,667**	**24.89%**	

* The change in percentage is due to dilution of share capital due to allotment of Equity Shares under ESOP scheme(s).

(vi) During the period of five years immediately preceding the balance sheet date, the Company has not issued any shares without payment being received in cash or by way of bonus shares or shares bought back.

(vii) Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestments, including the terms and amount: Refer note 40 for details of shares reserved for issue under employee stock option plan of the Company.

NOTE 25.1: OTHER EQUITY

(₹ in crores)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Share application money pending allotment	**-**	**0.23**
Capital reserve	**83.89**	**83.89**
Securities premium reserve		
Opening balance	3,156.67	1,885.66
Add/(less): Share issue expenses	-	(4.50)
Add: Addition during the year	13.79	1,273.29
Add/ (less): Transfer to/ (from) reserves	3.08	2.22
Closing balance	**3,173.54**	**3,156.67**
General reserve		
Opening balance	514.71	509.99
Add/ (less): Transfer to/ (from) reserves	8.21	4.72
Closing balance	**522.92**	**514.71**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Particulars	As at March 31, 2026	As at March 31, 2025
Special reserve pursuant to section 45 IC of Reserve Bank of India Act, 1934		
Opening balance	1,067.49	1,067.49
Add/ (less): Transfer to/ (from) reserves	230.71	-
Closing balance	**1,298.20**	**1,067.49**
Capital redemption reserve	**230.11**	**230.11**
Debenture redemption reserve	**12.80**	**12.80**
Retained earnings		
Opening balance	1,296.55	1,706.12
Add/ (less): Profit/ (loss) for the year	1,153.52	(409.57)
Less: Interim dividend	(170.09)	-
Add/ (less): Transfer to/ (from) reserves	(230.71)	-
Closing balance	**2,049.27**	**1,296.55**
Stock option outstanding account		
Opening balance	82.33	42.57
Add: Addition during the year	43.07	46.70
Add/ (less): Transfer to/ (from) reserves	(11.29)	(6.94)
Closing balance	**114.11**	**82.33**
Effective portion of cash flow hedges		
Opening balance	(16.88)	(15.70)
Add: Other comprehensive income/ (loss)	20.29	(1.18)
Closing balance	**3.41**	**(16.88)**
Remeasurements of defined benefit		
Opening balance	**(5.70)**	**(3.82)**
Add: Other comprehensive income/ (loss)	**(6.90)**	**(1.88)**
Closing balance	**(12.60)**	**(5.70)**
Total	**7,475.65**	**6,422.20**

NOTE 26.1 INTEREST INCOME

(₹ in crores)

Particulars	FY 2025-26				FY 2024-25			
	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	On financial assets classified at fair value through OCI	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	On financial assets classified at fair value through OCI	Total
Interest on loans (refer note 8.3)	4,936.73	-	1,384.26	6,320.99	3,078.56	-	601.02	3,679.58
Interest on investments	-	82.01	-	82.01	-	35.17	-	35.17
Interest on deposits with banks	35.86	-	-	35.86	63.05	-	-	63.05
Total	**4,972.58**	**82.01**	**1,384.26**	**6,438.86**	**3,141.61**	**35.17**	**601.02**	**3,777.80**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 26.2 DIVIDEND INCOME

The Company received dividend income amounting to ₹ 0.00 crore (previous year ₹ 2.19 crore). Dividend received from subsidiary companies ₹ 121.98 crore (previous year ₹ NIL).

NOTE 27. NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments	(41.54)	133.63
- Derivatives	21.29	(6.93)
Net gain/ (loss) on fair value changes (A)	**(20.25)**	**126.70**
Fair value changes		
- Realised	(463.93)	155.67
- Unrealised	443.68	(28.97)
Net gain/ (loss) on fair value changes (B)	**(20.25)**	**126.70**

NOTE 28. OTHER INCOME

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Marketing, advertisement and support service fees	15.58	13.79
Gain on sale of assets	1.25	-
Miscellaneous income	2.34	0.20
Total	**19.17**	**13.99**

NOTE 29. FINANCE COST

(₹ in crores)

Particulars	On financial liabilities measured at amortised cost	
	FY 2025-26	FY 2024-25
Interest on debt securities*	1,405.76	482.50
Interest on borrowings other than debt securities*	1,339.16	1,065.07
Interest on subordinated liabilites*	253.19	159.73
Interest on inter corporate deposit	46.64	20.13
Interest expense on lease (refer note 15)	81.10	39.09
Other borrowing cost *	147.44	82.20
Total	**3,273.29**	**1,848.72**

* Includes foreign currency expenditure on accrual basis amounting to ₹ 530.65 crore (previous year ₹ 459.08 crore)

NOTE 30. NET (GAIN)/ LOSS ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER FVTOCI CATEGORY

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Interest strip on assignment of loans	(735.41)	379.12
Total	**(735.41)**	**379.12**

NOTE 31. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crores)

Particulars	FY 2025-26			FY 2024-25		
	On financial assets measured at amortised cost	On financial assets classified at fair value through OCI	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through OCI	Total
Loans (refer note 8.3)	11.14	(21.34)	(10.20)	(120.47)	(16.28)	(136.75)
Bad debts written off (net of recovery)	715.10	-	715.10	604.34	-	604.34
Other financial assets	0.69	-	0.69	(11.09)	-	(11.09)
Total	**726.93**	**(21.34)**	**705.59**	**472.78**	**(16.28)**	**456.50**

NOTE 32. EMPLOYEE BENEFIT EXPENSES

Particulars	FY 2025-26	FY 2024-25
Salaries (refer note 44.3)	940.86	642.69
Contribution to provident and other funds (refer note 32.1)	40.75	33.52
Leave encashment	(8.32)	4.89
Gratuity (refer note 32.2)	23.80	5.90
Staff welfare expenses	36.08	26.22
Share based payments	42.89	46.51
Total	**1,076.06**	**759.73**

32.1 DEFINED CONTRIBUTION PLANS

The Company has recognised the following amounts as an expense and included in the employee benefit expenses.

Particulars	FY 2025-26	FY 2024-25
Contribution to provident fund	16.71	13.94
Contribution to employee state insurance corporation	2.24	2.23
Contribution to labour welfare fund	0.13	0.13
Contribution to employee pension scheme	20.85	16.62
Contribution to national pension scheme	0.82	0.60
Total	**40.75**	**33.52**

32.2 GRATUITY DISCLOSURE STATEMENT

Particulars	FY 2025-26	FY 2024-25
Type of benefit	Gratuity	Gratuity
Country	India	India
Reporting currency	INR	INR
Reporting standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding status	Funded	Funded
Starting period	01-Apr-25	01-Apr-24
Date of reporting	31-Mar-26	31-Mar-25
Period of reporting	12 Months	12 Months
Assumptions (current year)		
Expected return on plan assets	7.14%	6.85%

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Particulars	FY 2025-26	FY 2024-25
Rate of discounting	7.14%	6.85%
Rate of salary increase	7.00%	6.00%
Rate of employee turnover	For service upto 2 years 40.00% p.a. For service 3 and 4 years 25.00% p.a. For service 5 years and above 15.00% p.a.	For service 4 years and below 28.00% p.a. For service 5 years and above 2.00% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Mortality rate after employment	N.A.	N.A.

Table showing change in the present value of defined benefit obligation	FY 2025-26	FY 2024-25
Present value of benefit obligation at the beginning of the year	32.00	26.29
Interest cost	2.55	1.89
Current service cost	6.95	5.25
Past service cost - Incurred during the year	15.03	-
Liability transferred in/ acquisitions	0.03	0.10
(Liability transferred out/ divestments)	(0.02)	(0.04)
(Benefit paid directly by the employer)	-	-
(Benefit paid from the fund)	(4.06)	(4.11)
The effect of changes in foreign exchange rates	-	-
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	4.07	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	2.44	1.54
Actuarial (gains)/losses on obligations - due to experience adjustment	1.63	1.07
Present value of benefit obligation at the end of the year	60.62	32.00

Table showing change in the fair value of plan assets	FY 2025-26	FY 2024-25
Fair value of plan assets at the beginning of the year	23.53	17.24
Interest income	1.61	1.24
Contributions by the employer	30.00	9.05
Assets transferred in/ acquisitions	-	-
(Assets transferred out/ divestments)	-	-
(Benefit paid from the fund)	(4.06)	(4.11)
Return on plan assets, excluding interest income	(1.07)	0.10
Fair value of plan assets at the end of the year	50.01	23.52

Actual return on plan assets	FY 2025-26	FY 2024-25
Interest income	1.61	1.24
Return on plan assets, excluding interest income	(1.07)	0.10
Actual return on plan assets	0.54	1.34

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Amount recognised in the balance sheet	FY 2025-26	FY 2024-25
(Present value of benefit obligation at the end of the year)	(60.62)	(32.00)
Fair value of plan assets at the end of the year	50.01	23.52
Funded status (surplus/ (deficit))	(10.61)	(8.48)
Net (liability)/asset recognised in the balance sheet	(10.61)	(8.48)

Net interest cost for current year	FY 2025-26	FY 2024-25
Present value of benefit obligation at the beginning	32.00	26.29
(Fair value of plan assets at the beginning)	(23.53)	(17.24)
Net liability/ (asset) at the beginning	8.48	9.05
Interest cost	2.55	1.89
(Interest income)	(1.61)	(1.24)
Net interest cost for current year	0.94	0.65

Expenses recognised in the statement of profit or loss for current year	FY 2025-26	FY 2024-25
Current service cost	6.95	5.25
Net interest cost	0.94	0.65
Past service cost - recognized	15.03	-
Expenses recognised	22.91	5.90

Expenses recognised in OCI for current year	FY 2025-26	FY 2024-25
Actuarial (gains)/ losses on obligation for the year	8.14	2.61
Return on plan assets, excluding interest income	1.07	(0.10)
Net expense for the year recognised in OCI	9.22	2.51

Balance sheet reconciliation	FY 2025-26	FY 2024-25
Opening net liability	8.48	9.05
Expenses recognised in statement of profit or loss	22.91	5.90
Expenses recognised in OCI	9.22	2.51
Net liability/ (asset) transfer in	0.03	0.10
Net (liability)/ asset transfer out	(0.02)	(0.03)
(Benefit paid directly by the employer)	-	-
(Employer's contribution)	(30.00)	(9.05)
Net liability/ (asset) recognised in the balance sheet	10.61	8.48

Current and non-current liability	FY 2025-26	FY 2024-25
Current liability	10.61	8.48
Non-current liability	-	-
Net liability/ (asset) recognized in the balance sheet	10.61	8.48

Category of Assets	FY 2025-26	FY 2024-25
Government of India assets	-	-
State government securities	-	-
Special deposits scheme	-	-
Corporate bonds	-	-
Cash and cash equivalents	-	-
Insurance fund	50.01	23.53
Other	-	-
Total	**50.01**	**23.53**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Maturity analysis of the benefit payments: from the employer	FY 2025-26	FY 2024-25
Projected benefits payable in future years from the date of reporting		
1st following year	8.45	2.54
2nd following year	7.91	0.68
3rd following year	7.55	1.01
4th following year	7.24	0.86
5th following year	6.69	1.10
Sum of years 6 To 10	25.36	6.69
Sum of years 11 and above	32.37	95.22

Other details	FY 2025-26	FY 2024-25
No of active members	16,778	14,885
Per month salary for active members	36.77	26.38
Weighted average duration of defined benefit obligation (in years)	6	16
Defined benefit obligation (DBO)	60.62	32.00
DBO non vested employees	19.04	9.44
DBO vested employees	41.58	22.56
Expected contribution in the next year	22.23	14.70

Sensitivity analysis	FY 2025-26	FY 2024-25
Defined benefit obligation on current assumptions	60.62	32.00
Delta effect of +1% change in rate of discounting	(2.91)	(4.39)
Delta effect of -1% change in rate of discounting	3.24	4.96
Delta effect of +1% change in rate of salary increase	3.55	5.25
Delta effect of -1% change in rate of salary increase	(3.25)	(4.34)
Delta effect of +1% change in rate of employee turnover	(0.24)	0.28
Delta effect of -1% change in rate of employee turnover	0.25	(0.36)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from previous years.

Expected expenses to be recognized in the statement of profit or loss for next year	FY 2025-26	FY 2024-25
Current service cost	11.63	6.22
Net interest cost	0.76	0.58
Expenses recognized in the statement of profit or loss	12.38	6.80

NOTES

Actuarial gains/losses are recognised in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are in line with the industry practice considering promotion and demand and supply of the employees.

Maturity analysis of benefit payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Expected Rate of Return taken same as discount rate as described in Indian Accounting Standard 19.

Expected Contribution in the next year is considered as the sum of net liability/assets at the end of the current year and current service cost for next year, subject to maximum allowable contribution to the Plan Assets over the next year as per the Income Tax Rules.

Value of asset is considered as fair value of plan asset for the period of reporting.

QUALITATIVE DISCLOSURES

Characteristics of defined benefit plan

During the year, there were no plan amendments, curtailments and settlements.

The entity has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset liability matching risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance entity and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

NOTE 33. DEPRECIATION, AMORTISATION AND IMPAIRMENT

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Depreciation on property, plant and equipment	64.51	53.05
Depreciation on right to use assets	95.25	81.02
Amortisation on other intangible assets	3.38	2.91
Total	**163.14**	**136.98**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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NOTE 34. OTHER EXPENSES

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Advertisement and marketing expenses*	142.42	32.48
Direct operating expenses	64.12	71.00
Bank charges*	1.37	0.52
Communication costs	6.49	7.22
Electricity	21.65	18.69
Exchange and statutory charges*	3.97	3.35
Legal and professional fees*	136.15	102.84
Commission sitting fees	3.32	2.01
Office expenses	11.95	10.24
Postage and courier	4.37	2.51
Printing and stationary	4.09	2.02
Rates and taxes	0.25	0.08
Rent	21.58	12.59
Repairs and maintenance		
- Computer	0.11	0.19
- Others	12.68	9.55
Remuneration to auditors		
- Audit fees	0.82	0.59
- Certification/ other services **	0.01	0.01
- Out of pocket expenses	0.10	0.11
Software charges*	88.50	39.29
Travelling and conveyance*	25.71	22.67
Loss on sale of assets	-	0.06
Corporate social responsibility expenses (refer note 45)	10.75	15.89
Miscellaneous expenses*	3.00	0.43
Insurance premium	41.76	16.64
Security expenses	117.52	92.40
Total	**722.69**	**463.38**

*Includes below expenses incurred in foreign currency on accrual basis.

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Advertisement and marketing expenses	-	0.27
Legal and professional fees	13.59	2.89
Exchange and statutory charges	-	0.10
Software charges	0.84	1.60
Travelling and conveyance	0.03	0.06
Bank charges	-	0.00
Miscellaneous expenses	(0.12)	(0.06)

**During the year the Company has paid ₹ 1.52 crore (previous year ₹ 1.33 crore) to the auditors towards certification required for Public Issue of Non Convertible Debentures & Secured Global Medium Term Notes Programme and the same has been amortised over the tenure of the borrowings.

NOTE 35. EXCEPTIONAL ITEMS

The Company had certain AIF investments that were due to mature in June 2024. In March 2024, the Company requested the AIF to do in-specie distribution of assets (i.e.: debentures of underlying SPV companies) in lieu of its investment in the AIF. Subsequently, these debentures were assigned to an ARC, and the book value of the resulting Security Receipts (SRs), based on the same underlying assets as of September 30, 2024, was ₹ 586.50 crores. The RBI Circular dated December 19, 2023, on "Investments in Alternative Investment Funds (AIFs)" required a 100% provision of AIF investments if they were not liquidated within 30 days of the circular being applicable. To comply with the spirit of this circular, the management has decided to make a provision equivalent to 100% of the book value of these SRs, accordingly the same has been disclosed under exceptional items for year.

NOTE 36. INCOME TAXES

(₹ in crores)

Amounts recognised in statement of profit or loss	FY 2025-26	FY 2024-25
Current tax expense		
Current year	243.28	77.39
Changes in estimates related to prior years	3.40	-
Deferred tax expense		
Origination and reversal of temporary differences	105.89	(218.59)
Total	**352.57**	**(141.20)**

(₹ in crores)

Amounts recognised in other comprehensive income	FY 2025-26			FY 2024-25		
	Amount	Tax expense	Net of tax	Amount	Tax expense	Net of tax
Remeasurements of defined benefit liability/ (asset)	(9.22)	2.32	(6.90)	(2.51)	0.63	(1.88)
Cash flow hedge reserve	27.11	(6.82)	20.29	(1.58)	0.40	(1.18)
	17.90	**(4.50)**	**13.39**	**(4.09)**	**1.03**	**(3.06)**

(₹ in crores)

Reconciliation of income tax expense of the year to accounting year	FY 2025-26	FY 2024-25
Profit before tax	**1,506.09**	**(550.77)**
Tax using the Company's domestic tax rate (25.17%)	**379.05**	**(138.62)**
Tax effect of:		
Non-deductible expenses	3.00	4.01
Tax-exempt income- Others (includes deduction under section 80JJAA)	(3.66)	(5.57)
Tax exempt income - dividend	(30.70)	(0.55)
Income taxed at different rates	(0.12)	(3.44)
Adjustments for current tax for prior periods	3.40	-
Past-year losses for which no deferred tax asset is recognised	(0.04)	-
De-recognition of previously recognised deductible temporary differences	1.65	2.97
Total income tax expense	**352.57**	**(141.20)**
Effective tax rate	**23.41%**	**25.64%**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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NOTE 37. EARNINGS PER SHARE

Basic and diluted Earnings per share ("EPS") computed in accordance with Ind AS 33 "Earnings per share"

Particulars		FY 2025-26	FY 2024-25
Face value of equity shares (in ₹) fully paid up		2.00	2.00
Basic			
Profit after tax as per statement of Profit and Loss (₹ in crores) for calculating basic EPS		1,153.52	(409.57)
Profit after tax attributable to equity share holders (₹ in crores)	A	1,153.52	(409.57)
Weighted average number of equity shares outstanding	B	42,50,53,735	41,77,86,475
Basic EPS (in ₹)	**A/B**	**27.14**	**(9.80)**
Diluted			
Profit after tax attributable to equity share holders (₹ in crores) for calculating diluted EPS	C	1,153.52	(409.57)
Weighted average number of equity shares for computation of basic EPS		42,50,53,735	41,77,86,475
Add: Potential equity shares on account conversion of Employees Stock Options		35,30,978	1,59,45,282
Weighted average number of equity shares for computation of diluted EPS	D	42,85,84,713	43,37,31,756
Diluted EPS (in ₹)*	**C/D**	**26.91**	**(9.80)**

*Due to anti-dilutive effect, basic and diluted EPS are same for the year ended March 31, 2025.

NOTE 38. RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk.

Risk management is integral to Company's strategy. The comprehensive understanding of risk management throughout the various levels of an organization aids in driving key decisions related to risk-return balance, capital allocation and product pricing. The Company operates under the guidance of the Board approved risk appetite statement that covers business composition, guidance around gross stage 3 assets and net stage 3 assets, leverage, funding and liquidity, etc.

Additionally, it is also ensured that appropriate focus is on managing risk proactively by ensuring business operations are in accordance with laid-down risk. A strong risk management team and an effective credit operations structure ensures that risks are properly identified and timely addressed, to ensure minimal impact on the Company's growth and performance.

Risk management structure

The Company has established multi-level risk governance for monitoring and control of product and entity level risks. The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Risk Management Committee (""RMC"") which is responsible for monitoring the overall risk process within the Company. The RMC is empowered to develop an independent risk strategy comprising of principles, frameworks, policies and limits and ensuring its effective implementation. Independent function of Risk management is in place headed by the Chief Risk Officer (""CRO"") who reports to the Managing Director and independently to RMC of the Board. The Risk department primarily operationalises risk management framework approved by RMC.

The Company has a well defined risk framework constituting various lines of defence – the first line of defence, consisting of Business Functions who own and manage risk. They ensures adequate managerial and supervisory controls to ensure compliance and highlight inadequate processes and unexpected events. The Company has well-defined internal control measures in every process.

Independent risk and policy team, Compliance and other control functions constitutes second line of defence which is responsible for identification and assessment of entity-wide risks. Post its identification, it aims to mitigate risks either through portfolio trigger and caps (Credit risk) or through ongoing risk control and self assessment (Operational risk).

Internal Audit function is the third line of defence that independently reviews activities of the first two lines of defence and reports to the Audit Committee of the Board.

Risk management practices

The Company has developed the necessary competency to identify early stress signals and has also defined processes, including corrective and remedial actions as regards people and processes, for mitigation to ensure minimum damage. A stress testing mechanism is put in place to carry out the event based sensitivity analysis and identify the accounts under stress due to expected market movement. In event of susceptibility to external triggers, appropriate risk mitigation would be undertaken and thereby minimize the losses to the company.

It has initiated a detailed portfolio quality review mechanism which enables analysis of portfolio along various behavioural, demographic and financial parameters. Additionally, through tie-ups with external bureaus, an analysis of collection performance coupled with continuous credit assessment for various key segments is undertaken. The practices aid in proactive course correction thereby modifying credit or sourcing mechanisms, if required. Additionally, application scorecard has been developed enabling the Company to standardise credit underwriting and improve sourcing quality in the long run.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities. Information pertaining to different type of risks are identified, analysed and tested on timely basis. The same is presented to RMC at periodic intervals.

In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as cross currency interest rate swaps are entered to hedge certain foreign currency risk exposures and variable interest rate exposures.

The Company's central Treasury department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

NOTE: 38A.1. CREDIT RISK

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as loans, trade receivables, investments, derivative financial instruments, and other receivables.

Credit quality analysis

The following tables sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

(₹ in crores)

Particulars	As at March 31, 2026				
	Financial assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial assets where loss allowance measured using simplified approach/ cost	Total
Cash and cash equivalents	-	-	-	1,322.39	**1,322.39**
Bank balance other than above	-	-	-	600.59	**600.59**
Derivative financial instruments	-	-	-	-	**-**
Receivables					
(i) Trade receivables	-	-	-	-	**-**
(ii) Other receivables	-	-	-	-	**-**
Loans*	27,117.57	746.20	506.87	-	**28,370.65**
Investments**	-	-	-	2,159.89	**2,159.89**
Other financial assets	-	-	-	1,095.72	**1,095.72**

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(₹ in crores)

Particulars	As at March 31, 2025				
	Financial assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial assets where loss allowance measured using simplified approach/ cost	Total
Cash and cash equivalents	-	-	-	528.23	**528.23**
Bank balance other than above	-	-	-	832.38	**832.38**
Receivables					
(i) Trade receivables	-	-	-	49.53	**49.53**
(ii) Other receivables	-	-	-	-	**-**
Loans*	16,620.09	574.02	423.69	-	**17,617.80**
Investments**	-	-	-	2,159.89	**2,159.89**
Other financial assets	-	-	-	381.79	**381.79**

*Loans comprises of outstanding principal, interest accrued but not due and principal and interest overdue.
**Investments in subsidiaries carried at cost.

Financial assets measured using simplified approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on cash and cash equivalents, bank balances, trade receivables, other receivables and other financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

38A.2. COLLATERAL HELD

The Company holds collateral and other credit enhancements against certain of its credit exposures. The loans are collateralised against equitable mortgage of property, pledge of shares, hypothecation of assets, company personal guarantees, physical gold, undertaking to create security.

38A.3. LOSS ALLOWANCE AND EXPOSURE AT DEFAULT

The following table shows movement of the loss allowance on loans and advances:

(₹ in crores)

Reconciliation of loss allowance	Financial assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total*	
	Principal	Others	Principal	Others	Principal	Others	Principal	Others
Opening ECL Mar-25	**113.25**	**16.40**	**35.91**	**4.23**	**269.81**	**-**	**418.97**	**20.63**
New loans disbursed during the year	204.43	20.04	3.65	1.41	15.94	-	**224.02**	**21.45**
Loans closed/ written off during the year	(87.24)	(12.29)	(30.81)	(3.63)	(237.56)	-	**(355.61)**	**(15.92)**
Movement in provision without change in asset staging	(40.77)	(0.96)	(0.03)	(0.02)	(0.21)	-	**(41.01)**	**(0.98)**
Movement in provision due to change in asset staging	(13.17)	(0.70)	10.40	1.25	160.06	-	**157.28**	**0.55**
Closing ECL Mar-26	**176.50**	**22.49**	**19.12**	**3.24**	**208.04**	**-**	**403.66**	**25.73**

*As at date, The Company has a management overlay of ₹ 0.22 crores (previous year ₹ 2.38 crores) included in total ECL provision.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Reconciliation of loss allowance	Financial assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total*	
	Principal	Others	Principal	Others	Principal	Others	Principal	Others
Opening ECL Mar-24	**188.02**	**23.96**	**32.83**	**11.30**	**320.24**	**-**	**541.09**	**35.26**
New loans disbursed during the year	77.76	14.38	10.72	0.98	48.81	-	**137.29**	**15.36**
Loans closed/ written off during the year	(104.63)	(20.35)	(27.15)	(10.26)	(299.73)	-	**(431.51)**	**(30.61)**
Movement in provision without change in asset staging	(28.67)	(0.83)	(0.48)	(0.06)	(7.26)	-	**(36.41)**	**(0.89)**
Movement in provision due to change in asset staging	(19.23)	(0.76)	19.99	2.27	207.75	-	**208.51**	**1.51**
Closing ECL Mar-25	**113.25**	**16.40**	**35.91**	**4.23**	**269.81**	**-**	**418.97**	**20.63**

The following table shows movement of the exposure at default ("EAD")

(₹ in crores)

Reconciliation of exposure at default	Financial assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total*	
	Principal	Others	Principal	Others	Principal	Others	Principal	Others
Opening EAD Mar-2025	**21,576.15**	**461.48**	**546.45**	**27.58**	**423.67**	**-**	**22,546.27**	**489.06**
New loans disbursed during the year	32,616.79	712.55	473.22	39.20	46.42	-	**33,136.43**	**751.74**
Loans closed/ written off during the year	(14,340.29)	(318.55)	(480.34)	(24.73)	(361.41)	-	**(15,182.04)**	**(343.28)**
Movement in EAD without change in asset staging	(3,054.13)	(22.86)	(2.83)	(0.10)	(10.65)	-	**(3,067.61)**	**(22.95)**
Movement in EAD due to change in asset staging	(798.79)	(15.63)	155.57	12.18	330.10	-	**(313.12)**	**(3.45)**
Closing EAD Mar-2026	**35,999.73**	**816.99**	**692.07**	**54.13**	**428.13**	**-**	**37,119.92**	**871.12**

(₹ in crores)

Reconciliation of exposure at default	Financial assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total*	
	Principal	Others	Principal	Others	Principal	Others	Principal	Others
Opening EAD Mar-2024	**16,049.15**	**960.84**	**1,140.00**	**157.90**	**653.22**	**-**	**17,842.37**	**1,118.74**
New loans disbursed during the year	18,524.41	386.58	206.21	7.10	69.66	-	**18,800.28**	**393.68**
Loans closed/ written off during the year	(9,887.85)	(838.36)	(1,044.45)	(149.38)	(619.84)	-	**(11,552.14)**	**(987.74)**
Movement in EAD without change in asset staging	(2,269.88)	(33.87)	(5.30)	(0.10)	(11.36)	-	**(2,286.54)**	**(33.97)**
Movement in EAD due to change in asset staging	(839.68)	(13.71)	249.99	12.06	331.99	-	**(257.70)**	**(1.65)**
Closing EAD Mar-2025	**21,576.15**	**461.48**	**546.45**	**27.58**	**423.67**	**-**	**22,546.27**	**489.06**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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38A.4. WRITE OFF

Contractual amount outstanding on financial assets that were written off (net of recovery) during the reporting period is ₹ 715.10 crore (previous year ₹ 604.34 crore)

38A.5. MODIFIED FINANCIAL INSTRUMENTS

For financial assets, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the Company has disclosed carrying amount of modification gain/ loss based on discounted cash flow basis in the below table:

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Gross carrying amount of modification (gain)/ loss as on date for the modified financial assets	-	2.25

38A.6. CREDIT RISK GRADING OF LOANS

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties.

The Company ensures effective monitoring of credit facilities through a portfolio quality review framework. As per this process, an asset is reviewed at a frequency determined based on the risk it carries at the review date.

For effective risk management, the company monitors its portfolio, based on product, underlying security and credit risk characteristics. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions. An independent risk and policy team reviews adherence to policies and processes on a periodic basis.

Additionally, the Company evaluates risk based on staging as defined in Ind AS, details of which are mentioned below:

Credit grading details

(₹ in crores)

Period	Stage 1	Stage 2	Stage 3	Total EAD
March 31, 2026	36,816.73	746.21	428.12	**37,991.06**
March 31, 2025	22,037.63	574.03	423.67	**23,035.33**

38A.7. CONCENTRATION OF CREDIT RISK

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Company does not have concentration risk.

38B LIQUIDITY RISK

Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of credit lines. Further, the Company has well defined Asset Liability Management (ALM) framework with an appropriate organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

(i) Maturities of financial liabilities

(₹ in crores)

Contractual maturities of financial liabilities (including financial guarantee) As at March 31, 2026	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	**0.60**	-	-	-	0.60	-	-
Trade payables	**166.19**	166.19	-	-	-	-	-
lease Liability*	**561.46**	29.87	26.36	54.50	186.18	108.88	155.67
Debt securities	**15,384.97**	5,160.55	926.46	1,965.65	1,970.56	4,881.75	480.00
Borrowings (other than debt securities)	**19,613.66**	2,556.19	989.44	3,765.34	11,035.77	1,266.92	-
Subordinated liabilities	**3,741.37**	50.51	24.82	40.33	1,249.09	-	2,376.63
Other financial liabilities	**2,499.89**	2,488.82	8.80	-	2.27	-	-
Financial guarantee contracts	**162.75**	162.75	-	-	-	-	-
Total	**42,130.89**	**10,614.87**	**1,975.89**	**5,825.82**	**14,444.47**	**6,257.55**	**3,012.30**

*The amount represent undiscounted cash flows

(₹ in crores)

Contractual maturities of financial liabilities (including financial guarantee) As at March 31, 2025	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	**94.67**	2.41	74.11	-	18.15	-	-
Trade payables	**93.30**	93.30	-	-	-	-	-
Other payables	**34.28**	34.28	-	-	-	-	-
lease Liability*	**489.05**	30.74	30.36	52.17	150.32	104.35	121.11
Debt securities	**11,360.00**	2,371.32	187.85	1,736.86	2,031.70	4,289.77	742.50
Borrowings (other than debt securities)	**11,297.94**	891.07	761.13	2,403.63	6,257.14	984.97	-
Subordinated liabilities	**1,866.22**	65.52	15.47	12.16	100.00	1,074.04	599.03
Other financial liabilities	**361.33**	335.94	16.39	-	9.00	-	-
Financial guarantee contracts	**260.33**	260.33	-	-	-	-	-
Total	**25,857.12**	**4,084.91**	**1,085.31**	**4,204.82**	**8,566.31**	**6,453.13**	**1,462.64**

*The amount represent undiscounted cash flows

(ii) Change in liabilities arising from financing activities as per IND AS 7 "statement of casflow":

(₹ in crores)

Particulars	As at March 31, 2025	Cash flows	Others*	As at March 31, 2026
Debt securities (Including subordinated libilities)	13,226.22	6,243.37	(343.25)	**19,126.34**
Borrowings (other than debt securities)	11,297.94	8,319.71	(3.99)	**19,613.66**
Total liabilities from financial activities	**24,524.16**	**14,563.08**	**(347.24)**	**38,740.00**

(₹ in crores)

Particulars	As at March 31, 2024	Cash flows	Others*	As at March 31, 2025
Debt securities (Including subordinated libilities)	6,044.23	7,197.13	(15.14)	**13,226.22**
Borrowings (other than debt securities)	13,941.67	(2,647.75)	4.02	**11,297.94**
Total liabilities from financial activities	**19,985.90**	**4,549.38**	**(11.12)**	**24,524.16**

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, and exchange differences.

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(iii) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	830.00	464.86
- Expiring beyond one year (bank loans)	-	-

38C MARKET RISK

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument.

38C.1 INTEREST RATE RISK

The exposure of the Company's borrowing and loans to interest rate changes at the end of the reporting period are as follows:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Floating rate borrowings	10,428.16	6,225.60
Fixed rate borrowings	26,985.94	16,823.95
Total borrowings	**37,414.10**	**23,049.55**

The Company had the following floating rate borrowings and cross currency interest rate swap contracts outstanding:

(₹ in crores)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Weighted average interest rate (%)	Balance	% of total borrowings	Weighted average interest rate (%)	Balance	% of total borrowings
Bank overdrafts, bank loans	9.32%	10,428.16	27.87%	9.73%	6,225.60	27.01%
Net exposure to cash flow interest rate risk		**10,428.16**			**6,225.60**	

Sensitivity

(i) Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates (assuming other variables constant):

(₹ in crores)

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Interest rates – increase by 50 basis points	(39.02)	(23.29)	-	-
Interest rates – decrease by 50 basis points	39.02	23.29	-	-

(ii) The Company does not have any outstanding variable rate loans given and hence there is no impact on Profit & loss account due to any such change.

38C.2. EXPOSURE TO CURRENCY RISKS

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings taken from Financial Institutions, External Commercial Borrowings (ECB) and foreign bond markets.

(i) The Company has hedged its foreign currency exposure through Forwards/ Future and / or Cross Currency Interest Rate

Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Company's profitability. However for the unhedged foreign currency exposure(s) there would be an impact on Company's profitability.

As at March 31, 2026 (₹ in crores)

Particulars	USD	EUR	CHF	JPY	SGD	Other currencies
Foreign currency assets	424.49	-	-	13.65	-	-
Foreign currency liabilities	0.60	-	-	-	-	-
Net assets/ (liabilities)	**423.89**	**-**	**-**	**13.65**	**-**	**-**

As at March 31, 2025 (₹ in crores)

Particulars	USD	EUR	CHF	JPY	SGD	Other currencies
Foreign currency assets	50.25	-	-	-	-	-
Foreign currency liabilities	83.43	-	-	11.24	-	-
Net assets/ (liabilities)	**(33.18)**	**-**	**-**	**(11.24)**	**-**	**-**

(ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in crores)

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
FCY sensitivity*				
Increase by 5%	(167.38)	(151.79)	(133.11)	(119.22)
Decrease by 5%	167.38	151.79	133.11	119.22

*Holding all other variables constant,the sensitivity on profit and loss is due to the timing & cahflow differences between the hedged financial instrument and hedging financial instrument. On the date of maturity of the forward exchange contract & foreign currency borrowings, the sensitivity of profit and loss to changes in the exchange rates will be nil, hence for these contracts - impact is presented under other comprehensive income.

38C.3. PRICE RISK

(i) Exposure

The Company's exposure to assets having price risk is as under (net)

(₹ in crores)

Particulars	Equity shares (other than subsidiary)	Preference share	Mutual funds/ alternate investment funds/ others	Bonds/ government securities	Security receipts	Total
Market value as on March 31, 2026	21.65	-	22.35	1,037.31	2,603.21	**3,684.52**
Market value as on March 31, 2025	192.11	-	17.24	150.80	2,937.53	**3,297.68**

To manage its price risk arising from investments in equity shares/ other assets, the Company diversifies its portfolio.

(ii) Sensitivity

The table below summarises the impact of increases/ decreases of the index on the Company's equity/ other assets and profit for the period. The analysis is based on the assumption that the instrument index has increased/ decreased by 5% with all other variables held constant.

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Increase 5%	137.86	123.39	-	-
Decrease 5%	(137.86)	(123.39)	-	-

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38D.CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company monitors capital using capital adequacy ratio as prescribed by the Reserve Bank Of India {Refer note 41 (xii)} and on the basis of following gearing ratio:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Total debt	38,740.00	24,524.16
Total equity	7,560.71	6,507.10
Debt to equity ratio / gearing ratio	**5.12**	**3.77**

38E. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments by category

(₹ in crores)

Particulars	As at March 31, 2026		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost/ cost
Financial assets			
Cash and cash equivalents	-	-	1,322.39
Bank balance other than above	-	-	600.59
Derivative financial instruments	13.65	410.85	-
Receivables			
(i) Trade receivables	-	-	25.94
(ii) Other receivables	-	-	22.08
Loans	-	9,618.61	28,517.11
Investments	3,684.51	-	2,159.89
Other financial assets	-	-	1,079.66
Total financial assets	**3,698.16**	**10,029.46**	**33,727.66**
Financial liabilities			
Derivative financial instruments	-	0.60	-
Trade payables	-	-	166.19
Other payables	-	-	-
lease Liability	-	-	417.30
Debt securities	-	-	15,384.97
Borrowings (other than debt securities)	-	-	19,613.66
Subordinated liabilities	-	-	3,741.37
Other financial liabilities	-	-	2,499.89
Total financial liabilities	**-**	**0.60**	**41,823.38**

(₹ in crores)

Particulars	As at March 31, 2025		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost/ cost
Financial assets			
Cash and cash equivalents	-	-	528.23
Bank balance other than above	-	-	832.38
Derivative financial instruments	-	50.25	-
Receivables			
(i) Trade receivables	-	-	49.37
(ii) Other receivables	-	-	-
Loans	-	5,374.46	17,492.53
Investments	3,297.68	-	2,159.89
Other financial assets	-	-	364.62
Total financial assets	**3,297.68**	**5,424.71**	**21,427.02**
Financial liabilities			
Derivative financial instruments	79.10	15.57	-
Trade payables	-	-	93.30
Other payables	-	-	34.28
lease Liability	-	-	351.27
Debt securities	-	-	11,360.00
Borrowings (other than debt securities)	-	-	11,297.94
Subordinated liabilities	-	-	1,866.22
Other financial liabilities	-	-	361.33
Total financial liabilities	**79.10**	**15.57**	**25,364.34**

38E. 1. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE – FAIR VALUE HIERARCHY

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

38E.2. VALUATION METHODOLOGIES OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

- Quoted equity/ debt instruments are measured based on the closing price in the recognised stock exchange and are classified as level 1.
- Quoted mutual funds are measured based on the published net asset value (NAV) by AMFI and are classified as level 1.
- Government Securities are valued based on the closing price in the recognised stock exchange and are classified as level 1.
- Unquoted debt securities are measured based on average of security level prices received from AMFI appointed/designated agencies viz: CRISIL and ICRA and are classified as level 2.
- Fair value of forward foreign exchange contracts is determined by computing present value of payoff between contractual rate (strike) and forward exchange rates at the testing date and are classified as Level 2.
- Alternate investment funds and unquoted mutual funds are measured based on the latest NAV provided by the fund house and are classified as level 3.
- Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued by external independent valuer and classified as Level 3.
- Fair value of loans measured at FVOCI approximates its carrying value and are classified as level 3.
- Security Receipts (SR) are measured as Level 3 basis rating given by independent rating agencies to the asset reconstruction companies (ARC) on the NAV declared by the ARC of these security receipts or based on a fair value report of a registered valuer registered under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

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(₹ in crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2026	Level 1	Level 2	Level 3	Total	Carrying value
Financial assets					
Forward rate agreements and interest rate swaps	-	424.49	-	**424.49**	**424.49**
Loans - classified under FVTOCI	-	-	9,618.61	**9,618.61**	**9,618.61**
Investments	**26.75**	**1,032.22**	**2,625.56**	**3,684.52**	**3,684.52**
(i) Mutual funds/ Alternate investment fund / Others	0.00	-	22.35	**22.35**	**22.35**
(ii) Security receipts (Net)	-	-	2,603.21	**2,603.21**	**2,603.21**
(iii) Debt securities	-	1,032.22	-	**1,032.22**	**1,032.22**
(iv) Govt. Securities	5.09	-	-	**5.09**	**5.09**
(v) Preference shares	-	-	-	**-**	**-**
(vi) Equity shares (other than subsidiaries)	21.65	-	-	**21.65**	**21.65**
Total financial assets	**26.75**	**1,456.71**	**12,244.17**	**13,727.62**	**13,727.62**
Financial liabilities					
Forward rate agreements and interest rate swaps	-	0.60	-	**0.60**	**0.60**
Total financial liabilities	**-**	**0.60**	**-**	**0.60**	**0.60**

(₹ in crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2025	Level 1	Level 2	Level 3	Total	Carrying value
Financial assets					
Forward rate agreements and interest rate swaps	-	50.25	-	**50.25**	**50.25**
Loans - classified under FVTOCI	-	-	5,374.46	**5,374.46**	**5,374.46**
Investments	**197.20**	**145.71**	**2,954.77**	**3,297.68**	**3,297.68**
(i) Mutual funds/ Alternate investment fund / Others	0.00	-	17.24	**17.24**	**17.24**
(ii) Security receipts (Net)	-	-	2,937.53	**2,937.53**	**2,937.53**
(iii) Debt securities	-	145.71	-	**145.71**	**145.71**
(iv) Govt. Securities	5.09	-	-	**5.09**	**5.09**
(v) Preference shares	-	-	-	**-**	**-**
(vi) Equity shares (other than subsidiaries)	192.11	-	-	**192.11**	**192.11**
Total financial assets	**197.20**	**195.96**	**8,329.23**	**8,722.39**	**8,722.39**
Financial liabilities					
Forward rate agreements and interest rate swaps	-	94.67	-	**94.67**	**94.67**
Total financial liabilities	**-**	**94.67**	**-**	**94.67**	**94.67**

38E.3. VALUATION METHODOLOGIES OF FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term nature, the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and bank balances, Trade receivables, other receivables, balances other than cash and cash equivalents, other financial assets and trade payables, other payables and other financial liabilities.

Loans, debts, borrowings and subordinated debts

The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/proxy yields of identitical or similar instruments through the discounting factor. For instruments, having contractual residual maturity or original maturity less than one year, the carrying value has been considered as fair value. Fair values of Loans and advances are presented net of provisions for impairment.

(₹ in crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Total fair value	Carrying value	Valuation hierarchy
As at March 31, 2026			
Financial assets			
Cash and cash equivalents	1,322.39	1,322.39	-
Bank balance other than included above	600.59	600.59	-
Receivables			
(i) Trade receivables	25.94	25.94	-
(ii) Other receivables	-	-	-
Loans	28,337.94	28,517.11	Level 3
Investment in subsidiary*	2,159.89	2,159.89	-
Other financial assets	1,079.65	1,079.65	-
Total financial assets	**33,526.39**	**33,705.56**	
Financial liabilities			
Trade payables	166.19	166.19	-
Other payables	-	-	-
Debt securities**	15,508.13	15,384.97	Level 3
Borrowings (other than debt securities)	19,613.66	19,613.66	Level 3
Subordinated liabilities	3,873.73	3,741.37	Level 3
Other financial liabilities	2,499.89	2,499.89	-
Total financial liabilities	**41,661.60**	**41,406.08**	

*Investments in subsidiaries are carried at amortised cost and hence fair value is not disclosed.

**For secured medium term notes book value has been considered as fair value.

(₹ in crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Total fair value	Carrying value	Valuation hierarchy
As at March 31, 2025			
Financial assets			
Cash and cash equivalents	528.23	528.23	-
Bank balance other than included above	832.38	832.38	-
Receivables			
(i) Trade receivables	49.37	49.37	-
(ii) Other receivables	-	-	-
Loans	17,437.49	17,492.53	Level 3
Investment in subsidiary*	2,159.89	2,159.89	-
Other financial assets	364.62	364.62	-
Total financial assets	**21,371.98**	**21,427.02**	
Financial liabilities			
Trade payables	93.30	93.30	-
Other payables	34.28	34.28	-
Debt securities**	11,342.29	11,360.00	Level 3

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Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Total fair value	Carrying value	Valuation hierarchy
As at March 31, 2025			
Borrowings (other than debt securities)	11,297.94	11,297.94	Level 3
Subordinated liabilities	1,952.72	1,866.22	Level 3
Other financial liabilities	361.33	361.33	-
Total financial liabilities	**25,081.86**	**25,013.07**	

*Investments in subsidiaries are carried at amortised cost and hence fair value is not disclosed.

**For secured medium term notes book value has been considered as fair value.

38.E.4 MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE :

The following tables shows the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(₹ in crores)

Particulars	Loans - classified under FVOCI	Alternate investment fund	Security receipts
Balances as at April 1, 2025	**5,404.93**	**25.00**	**3,524.03**
Issuances	26,151.49	4.65	956.91
Sale/ redemption of financial instrument classified as level 3 at the beginning of the financial year	(21,864.67)	(0.02)	(1,263.95)
Total gain/ (loss) recognised in profit and loss	(21.33)	0.47	(295.54)
Balances as at March 31, 2026	**9,670.42**	**30.10**	**2,921.45**
Carrying amount of Impairment loss related to balances held at the end of financial year	51.81	7.76	318.23
Unrealised gain/ (loss) related to balances held at the end of financial year	-	(0.12)	-

(₹ in crores)

Particulars	Loans - classified under FVOCI	Alternate investment fund	Security receipts
Balances as at April 1, 2024	**723.78**	**20.77**	**2,911.03**
Issuances	7,529.40	3.05	661.06
Sale/Redemption of financial instrument classified as level 3 at the beginning of the financial year	(2,831.97)	(0.01)	(29.89)
Total gain/ (loss) recognised in profit and loss	(16.28)	1.19	(18.17)
Balances as at March 31, 2025	**5,404.93**	**25.00**	**3,524.03**
Carrying amount of Impairment loss related to balances held at the end of financial year	30.47	7.76	586.50
Unrealised gain/ losses related to balances held at the end of financial year	-	(0.57)	-

38F. TRANSFERRED FINANCIAL ASSETS THAT ARE DERECOGNISED IN THEIR ENTIRETY

During the year, the Company sold loans measured at FVTOCI through assignment deals. The Company derognised the assets as per IND AS 109 as all the risks and rewards relating to assets were transferred to the buyer. The table below summarises the carrying amount of the derecognised financial assets measured at FVTOCI and the gain/ (loss) on derecognition, per type of asset.

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Financial assets derecognised during the year	21,864.67	2,831.97
Net gain/ (loss) on derecognition of financial instruments under FVTOCI category	735.41	(379.12)

38G. TRANSFERRED FINANCIAL ASSETS THAT ARE RECOGNISED IN THEIR ENTIRETY:

The Company uses securitisation as a source of finance. Such transaction resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Company retains substantial risks and rewards. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of transferred assets measured at amortised cost	5,351.96	369.71
Carrying amount of associated liabilities	5,188.33	341.33
Fair value of assets	5,351.96	369.71
Fair value of associated liabilities	5,188.33	341.33
Net position at Fair value	**163.63**	**28.38**

NOTE 39. CAPITAL, OTHER COMMITMENTS AND CONTINGENT LIABILITIES AT BALANCE SHEET DATE:

Contingent liabilities:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Claim against the Company not acknowledged as debt:		
In respect of Income tax demands (refer note (a) and (b))	337.80	352.45
In respect of GST/ service tax demands (including interest accrued and refer note (c))	136.28	113.97
In respect of profession tax demands (refer note (d))	0.16	0.16
In respect of stamp duty (refer note (f))	16.66	16.66
In respect of legal cases	0.78	488.58
Bank guarantees:		
In respect of bank guarantees given (refer note (e))	**162.75**	**260.33**

(a) The Company has filed appeal against the said demands raised by the Income Tax Department.

(b) Amount paid under protest with respect to income tax demand is ₹ 20.25 crores (previous year ₹ 76.32 crores).

(c) Amount paid under protest with respect to service tax demand ₹ 1.34 crores (previous year ₹ 1.55 crores) and with respect to GST demand ₹ 3.78 crores (previous year ₹ 2.03 crores).

(d) Amount paid under protest with respect to profession tax demand ₹ 0.05 crores (previous year ₹ 0.05 crores).

(e) Guarantees has been given on behalf of a subsidiary.

(f) The Company had received demand towards stamp duty on account of the Composite Scheme of Arrangement.The demand had been raised for a sum of ₹ 75.00 crores. As per the scheme document any incidental expenses will be borne by the resulting companies i.e IIFL Finance Limited, IIFL Securities Limited and 360 ONE WAM Limited (formerly known as IIFL Wealth Management Limited) equally. The Company has appealed against the same and paid ₹ 8.34 crores under protest towards its share of the liability and shown ₹ 16.66 crores as Contingent.The matter is pending before the court.

(g) Apart from the above, Company is subject to legal proceedings and claims which have arisen in the ordinary course of the business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's financial position.

Commitments not provided for:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Commitments related to loans sanctioned but undrawn	1.87	28.92
Estimated amount of contracts remaining to be executed on capital account	29.08	14.64
Commitments related to alternate investment funds	25.13	19.83

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NOTE 40. EMPLOYEE STOCK OPTION

The Company has implemented Employee Stock Option Scheme 2008 (ESOP Schemes) and has outstanding options granted under the said Schemes. The options vest in graded manner and must be exercised within a specified period as per the terms of the grants made by the Nomination and Remuneration Committee and ESOP Schemes.

a) The details of various Employee Stock Option Schemes are as under:

Particulars	As at March 2026 ESOP 2008	As at March 2025 ESOP 2008
Number of option outstanding	31,80,604	35,58,866
Method of accounting	Fair value	Fair value
Vesting plan	Options granted would vest over a period of five years subject to a minimum period of one year from the date of grant of options.	
Exercise period	Seven/ five years from the date of grant	
Grant date	06- May 2021, 20- Aug 2021, 22- Dec 2021, 26- Aug 2022, 15- Oct 2022, 04- Aug 2023, 05- Jan 2024, 30- Oct 2025	06- May 2021, 20- Aug 2021, 22- Dec 2021, 26- Aug 2022, 15- Oct 2022, 04- Aug 2023, 05- Jan 2024
Grant price (₹ per share)	₹252.00, ₹252.00, ₹271.40, ₹341.65, ₹350.00, ₹10.00, ₹625.00 , ₹523.00	₹252.00, ₹252.00, ₹271.40, ₹341.65, ₹350.00, ₹10.00, ₹625.00

(b) (i) Movement of options during the year ended March 31, 2026:

Particulars	Option outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
Outstanding as on April 01, 2025	**35,58,866**	**10.00-625.00**	**134.31**	**5.14**
Granted during the year	44,000	10.00 -523.00	243.18	-
Expired/ forfeited during the year	2,66,508	10.00-625.00	141.72	-
Exercised during the year	1,55,754	252.00-350.00	263.44	-
Outstanding as on March 31, 2026	**31,80,604**	**10.00-625.00**	**128.87**	**4.24**
Exercisable as on March 31, 2026	**4,35,404**	**252.00-625.00**	**378.22**	**3.17**

(b) (ii) Movement of options during the year ended March 31, 2025:

Particulars	Option outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
Outstanding as on April 01, 2024	**40,80,321**	**10.00-625.00**	**130.21**	**6.07**
Granted during the year	-	-	-	-
Expired/ forfeited during the year	4,01,435	10.00-625.00	55.68	-
Exercised during the year	1,20,020	252.00-350.00	257.95	-
Outstanding as on March 31, 2025	**35,58,866**	**10.00-625.00**	**134.31**	**5.14**
Exercisable as on March 31, 2025	**2,52,622**	**252.00-625.00**	**337.35**	**3.91**

Fair value methodology:

The fair value of the shares are measured using Black scholes formulae. Measurement inputs include share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, dividend yield, expected volatility.

Key Assumptions used in Black-Scholes model for calculating fair value as on the date of grant are as follows:

Particulars	ESOP 2008			
	30-Oct-25	30-Oct-25	05-Jan-24	04-Aug-23
Stock price (₹)	523.00	523.00	641.65	575.50
Volatility	45.02%	45.02%	10.00%	52.22%
Risk-free rate	7.04%	7.04%	7.00%	7.04%
Exercise price (₹)	523.00	10.00	625.00	10.00
Time to maturity (years)	4.00	4.00	5.00	4.00
Dividend yield	1.25%	1.43%	3.00%	1.43%
Weight average value (₹)	211.21	489.93	89.05	535.83

Particulars		ESOP 2008			
	15-Oct-22	26-Aug-22	22-Dec-21	20-Aug-21	06-May-21
Stock price (₹)	350.00	341.65	271.40	252.00	252.00
Volatility	10.00%	10.00%	10.00%	10.00%	10.00%
Risk-free rate	7.37%	7.02%	5.81%	5.77%	5.66%
Exercise price (₹)	350.00	341.65	271.40	252.00	252.00
Time to maturity (years)	5.00	5.00	5.00	5.00	5.00
Dividend yield	3.00%	3.00%	3.00%	3.00%	3.00%
Weight average value (₹)	45.31	42.15	35.40	35.40	34.72

Stock price: The closing market price on NSE one day prior to the date of grant has been considered for the purpose of option valuation.

Volatility: The daily volatility of the stock prices on BSE, over a period prior to the date of grant, corresponding with the expected life of the Options has been considered to calculate the fair value.

Risk-free rate of return: The risk-free rate being considered for the calculation is the India Government Bond Generic Bid Yield with a maturity about equal to the expected life of the options.

Exercise price: Price of each specific grant has been considered.

Time to maturity: Time to Maturity / Expected Life of Options is the period for which the Company expects the Options to be live. The minimum life of a stock option is the minimum period before which the Options cannot be exercised and the maximum life is the period after which the Options cannot be exercised.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for the three financial years preceding the date of the grant. The dividend yield for the year is derived by dividing the dividend per share by the average price per share of the respective period.

The Company has granted Employee Stock Options under IIFL Finance Employee Stock Option Plan 2020 – Merger Scheme pursuant to aforesaid Composite Scheme of Arrangement.

a) The details of various Employee stock option schemes are as under:

Particulars	As at March 2026 ESOP 2020	As at March 2025 ESOP 2020
Number of option outstanding	-	12,01,536
Method of accounting	Fair value	Fair value
Vesting plan	Options granted would vest over a period of five years subject to a minimum period of one year from the date of grant of options.	
Exercise period	Seven years from the date of grant	
Grant date	02- May 2018, 21- Nov 2018 and 18- Jan 2019	02- May 2018, 21- Nov 2018 and 18- Jan 2019
Grant price (₹ per share)	₹142.22, ₹177.04, ₹182.22	₹142.22, ₹177.04, ₹182.22

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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(b) (i) Movement of options during the year ended March 31, 2026:

Particulars	Option outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
Outstanding as on April 01, 2025	**12,01,536**	**142.22 - 182.22**	**152.35**	**0.25**
Granted during the year	-	-	-	-
Expired/ forfeited during the year	5,84,285	177.04 - 182.22	144.91	-
Exercised during the year	6,17,251	106.67- 182.22	159.39	-
Outstanding as on March 31, 2026	**-**	**-**	**-**	**-**
Exercisable as on March 31, 2026	**-**	**-**	**-**	**-**

(b) (i) Movement of options during the year ended March 31, 2025:

Particulars	Option outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
Outstanding as on April 01, 2024	**16,71,891**	**106.67- 182.22**	**152.90**	**1.25**
Granted during the year	-	-	-	-
Expired/ forfeited during the year	16,510	177.04 - 182.22	178.62	-
Exercised during the year	4,53,845	106.67- 182.22	153.42	-
Outstanding as on March 31, 2025	**12,01,536**	**142.22 - 182.22**	**152.35**	**0.25**
Exercisable as on March 31, 2025	**6,61,536**	**142.22 - 182.22**	**160.61**	**0.38**

Fair value methodology:

The fair value of the shares are measured using Black scholes formulae. Measurement inputs include share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, dividend yield, expected volatility.

Key assumptions used in Black-Scholes model for calculating fair value as on the date of grant are as follows:

Particulars	ESOP 2020			
	18-Jan-19	18-Jan-19	21-Nov-18	02-May-18
Stock price (₹)	179.63	179.63	179.63	179.63
Volatility	59.00%	59.00%	59.00%	59.00%
Risk-free rate	7.28% - 7.49%	7.28% - 7.49%	7.21% - 7.40%	7.13% - 7.40%
Exercise price (₹)	182.22	182.22	177.04	142.22
Time to maturity (years)	5.80	5.55	5.39	5.09
Dividend yield	1.00%	1.00%	1.00%	1.00%
Weight average value (₹)	161.25	102.16	102.29	106.78

Particulars	ESOP 2020
	02-May-18
Stock price (₹)	179.63
Volatility	59.00%
Risk-free Rate	7.13% - 7.34%
Exercise price (₹)	142.22
Time to maturity (years)	4.84
Dividend yield	1.00%
Weight average value (₹)	106.90

Stock price: The fair value of stock as on Appointed Date, i.e., April 1, 2018 ("the Effective date" or the "Date of Modification") has been used to value the outstanding grants based on Merchant Banker's Report.

Volatility: The daily volatility of the stock prices on BSE, based on post demerger traded prices, has been considered to calculate the fair value.

Risk-free rate of return: The risk-free rate being considered for the calculation is the India Government Bond Generic Bid Yield with a maturity about equal to the expected life of the options.

Exercise price: Price of each specific grant has been considered based on equity swap ratio of the Composite Scheme of Arrangement.

Time to maturity: Time to Maturity / Expected Life of Options is the period for which the Company expects the Options to be live. The minimum life of a stock option is the minimum period before which the Options cannot be exercised and the maximum life is the period after which the Options cannot be exercised.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for the three financial years preceding the date of the grant. The dividend yield for the year is derived by dividing the dividend per share by the average price per share of the respective period.

NOTE 41. ADDITIONAL DISLCOURES:

(i) Relationship with struck off Companies

Name of the struck off company		Balance outstanding as at March 2026 (₹ in crores)*	Balance outstanding as at March 2025 (₹ in crores)*	Relationship with the struck off company, if any, to be disclosed
(a)	**Shares held by the Company:**			
	Unicon Finca Private Limited	0.00	0.00	None
	Vaishak Shares Limited	0.00	0.00	None
	Future Bonds and Holdings Private Limited	0.00	0.00	None
	Ethopps Advisory Services Private Limited	-	0.00	None
	Kothari Intergroup Limited	-	0.00	None
(b)	**Unclaimed dividend:**			
	Unicon Finca Private Limited	0.00	0.00	None
	Kothari Intergroup Limited	-	0.00	None
(c)	**Loan and advances and others:**			
	Hemkunt Network Private Limited	0.00	0.00	None
	Dsb Properties Pvt Ltd	0.06	0.05	None
	Siddh Sai Realty P Ltd	0.05	-	None
	Unicorn Hospitality Services Private Limited	-	0.01	None
	9 Media Networks Private Limited	-	0.24	None
	Fedify Technologies Private Limited	-	0.07	None
	Niche Events and Promotions Private Limited	-	0.14	None
	Gopikrishna Engineers and Contractors Private Limited	-	0.05	None
	CP Hydro Projects India Private Limited	-	0.06	None
	Pushpa Clinic Private Limited	-	0.02	None
	Corporate Rooms Hospitality Private Limited	-	0.03	None
	Multitask Excel Hi Care (opc) Private Limited	-	0.07	None
	Apm Air Travels (India) Private Limited	-	0.04	None
	Pan Club Hotels Private Limited	-	0.10	None
	Patidar EXIM Private Limited	-	0.33	None
	GNM Holidays Private Limited	-	0.07	None
	The Next Automotive ERA Private Limited	-	0.23	None

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Name of the struck off company	Balance outstanding as at March 2026 (₹ in crores)*	Balance outstanding as at March 2025 (₹ in crores)*	Relationship with the struck off company, if any, to be disclosed
Dialus India Solutions Private Limited	-	0.04	None
JPM Exports Private Limited	-	0.37	None
Seven Oaks Engineering Private Limited	-	0.06	None

(ii) Registration of charges or satisfaction with registrar of companies (ROC)

There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

(iii) Compliance with number of layers of companies:

The clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

(iv) Utilisation of borrowed funds and share premium

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) 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:-

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) Undisclosed income

As stated in Note No. 43, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in the tax assessments of the Company and there is no previously unrecorded income which has been now recorded in the books of accounts

(vi) Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) Disclosure of benami property

The Company does not possess any benami property under the Benami Transactions (Prohibition) Act, 1985 and rules made thereunder.

(viii) Disclosure of borrowings

(a) The quarterly returns and statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(b) The Company has utilised the borrowings from banks and financial institutions for the specific purpose for which it was taken as at March 31, 2026.

(ix) Wilful defaulter

The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(x) Title deeds of immovable properties not held in name of the Company

Title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee and other than those disclosed in Note No. 12.3) are held in the name of the company.

(xi) Disclosure on loans and advances

The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.

(xii) Ratios

Particulars	As at March 31, 2026	As at March 31, 2025
Capital to risk-weighted assets ratio (CRAR)	17.84%	18.48%
Tier I CRAR	12.24%	13.78%
Tier II CRAR	5.60%	4.70%
Liquidity coverage ratio for the quarter ended March 31	207.17%	180.62%

NOTE 42: On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Company has assessed and disclosed the incremental impact of these changes on the basis of the best information available and actuarial valuation obtained, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact in the standalone results for the period ended December 31, 2025. The incremental impact consisting of gratuity of ₹15.03 crore primarily arises due to change in wage definition. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Codes and would provide appropriate accounting effect on the basis of such developments as needed, if any.

NOTE 43: The Income-tax Department had conducted a search under Section 132 of the Income-tax Act, 1961 at the registered office and certain other premises of the Company in January 2025. On receipt of notice under Section 158BC of the Act, the Company filed return for the block period from April 01, 2018 to February 03, 2025 on December 3, 2025. Without prejudice to its rights and contentions, the Company offered additional income of ₹ 2.35 crore on ad-hoc basis on account of potential additions / disallowances relating to legal claim of expenses / allowances made earlier. Since such increase in taxable income is purely consequent to potential adjustments and do not result in recognition of any assets, no entries are required to be passed in the books of the Company. The Company has paid taxes aggregating to ₹ 1.47 crore which has been accounted as expenditure during the year. The assessment proceedings are currently in progress, and the Company continues to extend full cooperation to the Income-tax authorities. The Company has not received any orders / demand notices till date. The Management, after considering all available records and facts, is of the view that there would not be any material adverse impact on the financial position of the Company and hence no material adjustments are required to be made in the financial statements of the Company.

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NOTE 44. LIST OF RELATED PARTIES

(₹ in crores)

Nature of relationship	Name of party
Direct subsidiaries	IIFL Home Finance Limited
	IIFL Samasta Finance Limited
	IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)
Other related parties*	IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)
	IIHFL Sales Limited
	5paisa Capital Limited
	IIFL Facilities Services Limited
	India Infoline Employee Trust
	IIFL Management Services Limited
	Livlong Protection & Wellness Solutions Limited
	Livlong Insurance Brokers Limited
	Open Financial Technologies Private Limited (upto March 28, 2025)
	FIH Mauritius Investments Limited
	IIFL Capital Asset Management Limited
	Arcon Techsolutions Private Limited
	Grey Swift Private Limited
	India Infoline Foundation
	Mr. Mansukhlal Jain and Pritesh Ashwin Mehta (in their capacity as Trustees of Nirmal Madhu Family Private Trust)
	Ms. Aditi Avinash Athavankar (in her capacity as Trustee of Kalki Family Private Trust)
	Ardent Impex Private Limited
	Orpheus Trading Private Limited
Key managerial personnel (KMP)*	Mr. Kapish Jain
	Ms. Mauli Agarwal
	Mr. Samrat Sanyal
	Directors:
	Mr. Nirmal Jain
	Mr. Venkataraman Rajamani
	Mr. Vijay Kumar Chopra (upto May 20, 2024)
	Ms. Geeta Mathur (upto September 17, 2024)
	Mr. Ramakrishnan Subramanian
	Mr. Arun Kumar Purwar (up to July 18, 2025)
	Mr. T. S. Ramakrishnan (Nominee Director)
	Mr. Bijou Kurien
	Ms. Nirma Anil Bhandari
	Mr. Gopalakrishnan Soundarajan
	Mr. Bibhu Prasad Kanungo (w.e.f. June 16, 2025)
	Mr. Nihar Niranjan Jambusaria
	Mr. Girish Kousgi (IIFL Home Finance Limited)
	Ms. Mehekka Pawan Oberai (IIFL Fintech Private Limited)
Close members of KMP*	Mr. Shankar Subramanian (close member of Mr. Ramakrishnan Subramanian)
	Ms. Madhu N Jain (close member of Mr. Nirmal Jain)
	Ms. Kalpita Jain (close member of Mr. Nirmal Jain)
	Ms. Aditi Athavankar (close member of Mr. Venkataraman Rajamani)
	Ms. Syamala (close member of Mr. Venkataraman Rajamani
	Mr. Mansukh Jain (close member of Mr. Nirmal Jain)
	Ms. Pushpa Jain (close member of Mr. Nirmal Jain)
	Ms. Manisha Jain (close member of Mr. Kapish Jain)
	Ms. Anushka Jain(close member of Mr. Kapish Jain)
	Ms. Ishita Jain(close member of Mr. Kapish Jain)

*The above list includes related parties with whom transactions have been carried out during the year.

NOTE 44.1 SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Nature of transaction	Direct subsidiaries	Other related parties	Key managerial personnel and close members of KMP	Total
Interest income				
Mr. Shankar Subramanian	-	-	-	-
	-	-	(0.00)	(0.00)
Interest expense				
IIFL Home Finance Limited	22.24	-	-	22.24
	(6.38)	-	-	(6.38)
IIFL Samasta Finance Limited	18.34	-	-	18.34
	(13.75)	-	-	(13.75)
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	2.06	-	2.06
	-	-	-	-
Referral fees income/ other charges income				
Livlong Protection & Wellness Solutions Limited	-	84.34	-	84.34
	-	(67.89)	-	(67.89)
Mr. Shankar Subramanian	-	-	-	-
	-	-	(0.02)	(0.02)
Donation paid				
India Infoline Foundation	-	8.50	-	8.50
	-	(15.89)	-	(15.89)
Referral Fees Expense/other charges				
IIFL Samasta Finance Limited	160.08	-	-	160.08
	(231.79)	-	-	(231.79)
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	0.01	-	-	0.01
	(0.25)	-	-	(0.25)
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	21.19	-	21.19
	-	-	-	-
Open Financial Technologies Private Limited	-	-	-	-
		(5.91)	-	(5.91)
Rent expenses				
IIFL Facilities Services Limited	-	5.48	-	5.48
	-	(5.46)	-	(5.46)
Mr. Nirmal Jain	-	-	0.30	0.30
		-	-	-
Rent income (reimbursement)				
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	0.01	-	-	0.01
	-	-	-	-
Brokerage/commission/other expenses				
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	16.83	-	16.83
	-	(0.04)	-	(0.04)
Short term employee benefit				
Mr. Nirmal Jain	-	-	17.51	17.51
	-	-	(12.24)	(12.24)

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Nature of transaction	Direct subsidiaries	Other related parties	Key managerial personnel and close members of KMP	Total
Mr. Kapish Jain	-	-	2.27	2.27
	-	-	(1.86)	(1.86)
Ms. Mauli Agarwal	-	-	-	-
	-	-	(0.16)	(0.16)
Mr. Samrat Sanyal	-	-	0.75	0.75
	-	-	(0.42)	(0.42)
Ms. Kalpita Jain	-	-	0.01	0.01
		-	-	-
Other long term benefit				
Mr. Nirmal Jain	-	-	-	-
	-	-	(0.02)	(0.02)
Mr. Kapish Jain	-	-	0.00	0.00
	-	-	(0.05)	(0.05)
Ms. Mauli Agarwal	-	-	-	-
	-	-	(0.00)	(0.00)
Mr. Samrat Sanyal	-	-	0.00	0.00
		-	(0.01)	(0.01)
Other long term benefit (reversal)				
Mr. Nirmal Jain	-	-	1.06	1.06
	-	-	-	-
Share based payment				
Mr. Kapish Jain	-	-	-	-
	-	-	(0.02)	(0.02)
Post employment benefits				
Mr. Kapish Jain	-	-	0.09	0.09
		-	(0.08)	(0.08)
Sitting Fees and Commission				
Mr. Arun Kumar Purwar	-	-	0.64	0.64
	-	-	(0.39)	(0.39)
Mr. Bibhu Prasad Kanungo	-	-	0.79	0.79
	-	-	-	-
Mr. Ramakrishnan Subramanian	-	-	0.44	0.44
	-	-	(0.32)	(0.32)
Mr. Vijay Kumar Chopra	-	-	-	-
	-	-	(0.02)	(0.02)
Ms. Geeta Mathur	-	-	-	-
	-	-	(0.10)	(0.10)
Mr. T. S. Ramakrishnan	-	-	0.07	0.07
	-	-	(0.11)	(0.11)
Mr. Bijou Kurien	-	-	0.39	0.39
	-	-	(0.30)	(0.30)

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Nature of transaction	Direct subsidiaries	Other related parties	Key managerial personnel and close members of KMP	Total
Mr. Nihar Niranjan Jambusaria	-	-	0.44	0.44
	-	-	(0.40)	(0.40)
Ms. Nirma Anil Bhandari	-	-	0.39	0.39
		-	(0.18)	(0.18)
Equity dividend received				
IIFL Home Finance Limited	115.32	-	-	115.32
	-	-	-	-
IIFL Samasta Finance Limited	6.66	-	-	6.66
		-	-	-
Equity dividend paid				
Mr. Nirmal Jain	-	-	21.38	21.38
	-	-	-	-
Mr. Venkataraman Rajamani	-	-	4.92	4.92
	-	-	-	-
Ardent Impex Private Limited	-	1.45	-	1.45
	-	-	-	-
Orpheus Trading Private Limited	-	0.58	-	0.58
	-	-	-	-
Ms. Madhu N Jain	-	-	5.41	5.41
	-	-	-	-
Mr. Mansukhlal Jain and Mr. Pritesh Ashwin Mehta (Trustees of Nirmal Madhu Family Private Trust)	-	4.44	-	4.44
	-	-	-	-
Ms. Aditi Avinash Athavankar (in her capacity as Trustee of Kalki Family Private Trust)	-	4.00	-	4.00
	-	-	-	-
Ms. Aditi Athavankar	-	-	0.09	0.09
	-	-	-	-
FIH Mauritius Investments Limited	-	25.82	-	25.82
	-	-	-	-
India Infoline Employee Trust	-	0.03	-	0.03
	-	-	-	-
Mr. Mansukh Jain	-	-	1.18	1.18
	-	-	-	-
Ms. Pushpa Jain	-	-	0.12	0.12
	-	-	-	-
Mr. Girish Kousgi	-	-	0.00	0.00
	-	-	-	-
Ms. Mehekka Pawan Oberai	-	-	0.00	0.00
		-	-	-
ICD/loan taken**				
IIFL Home Finance Limited	1,300.00	-	-	1,300.00
	(800.00)	-	-	(800.00)

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Nature of transaction	Direct subsidiaries	Other related parties	Key managerial personnel and close members of KMP	Total
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	375.00	-	375.00
	-	-	-	-
IIFL Samasta Finance Limited	1,500.00	-	-	1,500.00
	(735.00)	-	-	(735.00)
ICD/loan returned**				
IIFL Home Finance Limited	1,300.00	-	-	1,300.00
	(800.00)	-	-	(800.00)
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	375.00	-	375.00
	-	-	-	-
IIFL Samasta Finance Limited	1,500.00	-	-	1,500.00
	(735.00)	-	-	(735.00)
ICD/loan returned**				
Mr. Shankar Subramanian	-	-	-	-
	-	-	(0.04)	(0.04)
Purchase of Investment				
IIFL Home Finance Limited	-	-	-	-
	(109.50)	-	-	(109.50)
FIH Mauritius Investments Limited	-	-	-	-
	-	(284.40)	-	(284.40)
Open Financial Technologies Private Limited	-	-	-	-
		(52.08)	-	(52.08)
Sale of investment				
IIFL Management Services Limited	-	134.82	-	134.82
	-	-	-	-
Mr. Kapish Jain	-	-	-	-
	-	-	(0.87)	(0.87)
Ms. Manisha Jain	-	-	-	-
	-	-	(0.49)	(0.49)
Ms. Anushka Jain	-	-	-	-
	-	-	(0.49)	(0.49)
Ms. Ishita Jain	-	-	-	-
	-	-	(0.25)	(0.25)
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	-	-	-	-
	(40.23)	-	-	(40.23)
Allocation / reimbursement of expenses paid				
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	5.87	-	5.87
	-	(7.42)	-	(7.42)
5paisa Capital Limited	-	0.52	-	0.52
	-	(0.45)	-	(0.45)
IIFL Home Finance Limited	1.22	-	-	1.22
	(1.27)	-	-	(1.27)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Nature of transaction	Direct subsidiaries	Other related parties	Key managerial personnel and close members of KMP	Total
IIFL Management Services Limited	-	0.06	-	0.06
	-	(0.03)	-	(0.03)
IIFL Facilities Services Limited	-	1.76	-	1.76
	-	(1.72)	-	(1.72)
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	-	-	-	-
	(0.01)	-	-	(0.01)
Livlong Protection & Wellness Solutions Limited	-	-	-	-
	-	(0.00)	-	(0.00)
IIFL Capital Asset Management Limited	-	-	-	-
		(0.00)	-	(0.00)
Allocation / reimbursement of expenses received				
IIFL Facilities Services Limited	-	0.26	-	0.26
	-	(0.13)	-	(0.13)
IIFL Management Services Limited	-	0.21	-	0.21
	-	(0.13)	-	(0.13)
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	3.37	-	3.37
	-	(2.81)	-	(2.81)
IIFL Home Finance Limited	6.77	-	-	6.77
	(5.41)	-	-	(5.41)
IIFL Samasta Finance Limited	0.80	-	-	0.80
	(0.01)	-	-	(0.01)
5paisa Capital Limited	-	1.25	-	1.25
	-	(1.63)	-	(1.63)
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	0.08	-	-	0.08
	(19.50)	-	-	(19.50)
Livlong Protection & Wellness Solutions Limited	-	0.27	-	0.27
	-	(0.23)	-	(0.23)
IIHFL Sales Limited	-	-	-	-
	-	(0.01)	-	(0.01)
India Infoline Foundation	-	-	-	-
	-	(0.08)	-	(0.08)
Livlong Insurance Brokers Limited	-	0.00	-	0.00
	-	-	-	-
IIFL Capital Asset Management Limited	-	0.13	-	0.13
		(0.06)	-	(0.06)
Purchase of Fixed assets				
IIFL Facilities Services Limited	-	0.00	-	0.00
	-	(0.00)	-	(0.00)
IIFL Management Services Limited	-	0.00	-	0.00
	-	(0.01)	-	(0.01)
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	0.03	-	0.03
	-	(0.07)	-	(0.07)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Nature of transaction	Direct subsidiaries	Other related parties	Key managerial personnel and close members of KMP	Total
IIFL Home Finance Limited	0.01	-	-	0.01
	(0.20)	-	-	(0.20)
IIFL Capital Asset Management Limited	-	0.00	-	0.00
	-	-	-	-
5paisa Capital Limited	-	0.00	-	0.00
	-	(0.09)	-	(0.09)
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	0.00	-	-	0.00
	(0.01)	-	-	(0.01)
Livlong Protection & Wellness Solutions Limited	-	-	-	-
	-	(0.00)	-	(0.00)
India Infoline Foundation	-	0.00	-	0.00
	-	(0.01)	-	(0.01)
IIHFL Sales Limited	-	0.00	-	0.00
	-	(0.01)	-	(0.01)
Livlong Insurance Brokers Limited	-	0.02	-	0.02
		-	-	-
Sale of Fixed assets				
5paisa Capital Limited	-	0.02	-	0.02
	-	(0.03)	-	(0.03)
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	0.01	-	0.01
	-	(0.06)	-	(0.06)
IIFL Home Finance Limited	0.00	-	-	0.00
	(0.20)	-	-	(0.20)
IIFL Management Services Limited	-	-	-	-
	-	(0.01)	-	(0.01)
IIFL Facilities Services Limited	-	0.01	-	0.01
	-	(0.01)	-	(0.01)
Livlong Insurance Brokers Limited	-	0.01	-	0.01
	-	-	-	-
India Infoline Foundation	-	0.02	-	0.02
	-	(0.00)	-	(0.00)
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	-	-	-	-
	(0.00)	-	-	(0.00)
IIFL Capital Asset Management Limited	-	0.00	-	0.00
	-	(0.00)	-	(0.00)
IIHFL Sales Limited	-	-	-	-
	-	(0.00)	-	(0.00)
Livlong Protection & Wellness Solutions Limited	-	0.00	-	0.00
		(0.00)	-	(0.00)
Security deposit paid towards rent				
IIFL Facilities Services Limited	-	-	-	-
	-	(0.30)	-	(0.30)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Nature of transaction	Direct subsidiaries	Other related parties	Key managerial personnel and close members of KMP	Total
Mr. Nirmal Jain	-	-	0.11	0.11
		-	-	-
Security deposit received				
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	0.00	-	-	0.00
	-	-	-	-
Assignment/Securitisation transactions paid on behalf				
IIFL Home Finance Limited	13.48	-	-	13.48
	(27.61)	-	-	(27.61)
Branding Income				
Livlong Insurance Brokers Limited	-	14.57	-	14.57
	-	(13.79)	-	(13.79)
Availment of technical services				
Arcon Techsolutions Private Limited	-	0.02	-	0.02
	-	(0.03)	-	(0.03)
Grey Swift Private Limited	-	0.96	-	0.96
		(0.12)	-	(0.12)
Commission/ fees on corporate guarantee given				
IIFL Home Finance Limited	2.21	-	-	2.21
	(3.61)	-	-	(3.61)
Direct Assignment (DA) transactions purchased				
IIFL Samasta Finance Limited	42.18	-	-	42.18
	-	-	-	-
Direct Assignment (DA) transactions sold				
IIFL Samasta Finance Limited	829.68	-	-	829.68
	-	-	-	-
Interest Expenses on DA Sold				
IIFL Samasta Finance Limited	44.07	-	-	44.07
	-	-	-	-
Interest income on DA purchased				
IIFL Samasta Finance Limited	2.16	-	-	2.16
	-	-	-	-
Interest Expenses on NCD's				
IIFL Management Services Limited	-	0.43	-	0.43
	-	-	-	-
Mr. Mansukh Jain	-	-	0.10	0.10
	-	-	-	-
Ms. Syamala	-	-	0.00	0.00
		-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 44.2 CLOSING BALANCES WITH RELATED PARTIES

(₹ in crores)

Nature of transaction	Direct subsidiaries	Other related parties	Key managerial personnel and close members of KMP	Total
Other payable				
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	25.21	-	25.21
	-	(0.04)	-	(0.04)
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	-	-	-	-
	(0.05)	-	-	(0.05)
IIFL Samasta Finance Limited	9.78	-	-	9.78
	-	-	-	-
IIHFL Sales Limited	-	0.00	-	0.00
	-	(0.00)	-	(0.00)
IIFL Facilities Services Limited	-	0.06	-	0.06
		-	-	-
Other receivable				
Livlong Insurance Brokers Limited	-	1.41	-	1.41
	-	(1.41)	-	(1.41)
IIFL Management Services Limited	-	0.01	-	0.01
	-	(0.00)	-	(0.00)
Livlong Protection & Wellness Solutions Limited	-	9.14	-	9.14
	-	(6.16)	-	(6.16)
IIFL Home Finance Limited	0.84	-	-	0.84
	(0.04)	-	-	(0.04)
5paisa Capital Limited	-	0.05	-	0.05
	-	(0.33)	-	(0.33)
IIFL Facilities Services Limited	-	-	-	-
	-	(0.00)	-	(0.00)
IIFL Samasta Finance Limited	-	-	-	-
	(0.06)	-	-	(0.06)
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	0.00	-	-	0.00
	-	-	-	-
IIFL Capital Asset Management Limited	-	0.01	-	0.01
		(0.03)	-	(0.03)
India Infoline Foundation	-	0.07	-	0.07
	-	(11.05)	-	(11.05)
Security deposit receivable				
IIFL Facilities Services Limited	-	2.69	-	2.69
	-	(2.69)	-	(2.69)
Mr. Nirmal Jain	-	-	0.11	0.11
		-	-	-
Security deposit payable				
IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	0.00	-	-	0.00
	-	-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Nature of transaction	Direct subsidiaries	Other related parties	Key managerial personnel and close members of KMP	Total
Corporate guarantee given				
IIFL Home Finance Limited	162.75	-	-	162.75
	(260.33)	-	-	(260.33)
Investment in equity shares of				
Subsidiaries (Refer note 9)	2,159.89	-	-	2,159.89
	(2,159.89)	-	-	(2,159.89)
Gratuity payable *				
Mr. Nirmal Jain	-	-	0.19	0.19
	-	-	(0.18)	(0.18)
Mr. Kapish Jain	-	-	0.11	0.11
	-	-	(0.07)	(0.07)
Mr. Samrat Sanyal	-	-	0.01	0.01
		-	(0.00)	(0.00)
Leave encashment payable *				
Mr. Nirmal Jain	-	-	0.05	0.05
	-	-	(1.12)	(1.12)
Mr. Kapish Jain	-	-	0.02	0.02
	-	-	(0.06)	(0.06)
Mr. Samrat Sanyal	-	-	0.00	0.00
		-	(0.01)	(0.01)
Short term employee benefit				
Mr. Nirmal Jain	-	-	-	-
	-	-	(0.42)	(0.42)
Sitting Fees and Commission payable				
Mr. Arun Kumar Purwar	-	-	0.60	0.60
	-	-	(0.15)	(0.15)
Mr. Bibhu Prasad Kanungo	-	-	0.60	0.60
	-	-	-	-
Mr. Ramakrishnan Subramanian	-	-	0.21	0.21
	-	-	(0.08)	(0.08)
Mr. Bijou Kurien	-	-	0.20	0.20
	-	-	(0.15)	(0.15)
Mr. Nihar Niranjan Jambusaria	-	-	0.20	0.20
	-	-	(0.15)	(0.15)
Ms. Nirma Anil Bhandari	-	-	0.20	0.20
		-	(0.08)	(0.08)
Outstanding DA purchased (including interest accrued)				
IIFL Samasta Finance Limited	32.85	-	-	32.85
	-	-	-	-
Outstanding DA sold (including interest accrued)				
IIFL Samasta Finance Limited	308.17	-	-	308.17
	-	-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Nature of transaction	Direct subsidiaries	Other related parties	Key managerial personnel and close members of KMP	Total
Outstanding NCD's				
IIFL Management Services Limited	-	4.79	-	4.79
	-	-	-	-
Mr. Mansukh Jain	-	-	1.70	1.70
	-	-	-	-
Ms. Syamala	-	-	0.03	0.03
	-	-	-	-
Mr. Venkataraman Rajamani	-	-	3.00	3.00
	-	-	-	-
Mr. Mansukhlal Jain and Mr. Pritesh Ashwin Mehta (Trustees of Nirmal Madhu Family Private Trust)	-	10.00	-	10.00
		-	-	-
Investment in PTC				
IIFL Management Services Limited	-	2.29	-	2.29
	-	-	-	-

*Based on actuarial valuation report

**ICD Transactions are including intraday transactions, if any.

Wherever amount is less than ₹ 0.01 crores,shown as ₹ 0.00

(Figure in bracket represents previous year figure)

NOTE 45. CORPORATE SOCIAL RESPONSIBILITY:

(₹ in crores)

Particulars			FY 2025-26	FY 2024-25
(a)	Amount required to be spent		10.75	15.89
(b)	Amount of expenditure incurred		8.43	4.92
	(i)	Construction/ acquisition of any asset	-	-
	(ii)	On purpose other than (i) above	8.43	4.92
(c)	Shortfall at the end of the year		2.32	10.97
(d)	Total of previous years shortfall		-	-
(e)	Nature of CSR activities		Promoting education and healthcare, eradicating poverty	

Note 45.1. Reason for shortfall : The Company had contributed towards the ongoing projects to IIFL Foundation and which remained unspent as on March 31, 2026 and March 31, 2025. The unspent amount has been transferred to a separate Bank account.

Note 45.2. The Company contributes its CSR requirement to India Infoline Foundation Limited, a group Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 46.1 MATURITY ANALYSIS OF ASSETS AND LIABILITIES AS AT MARCH 31, 2026

(₹ in crores)

Particulars				Within 12 months	After 12 months	Total
Assets						
[1]	**Financial assets**					
	(a)	Cash and cash equivalents		1,322.39	-	1,322.39
	(b)	Bank balance other than (a) above		600.59	-	600.59
	(c)	Derivative financial instruments		255.26	169.23	424.49
	(d)	Receivables				
		(i)	Trade receivables	25.94	-	25.94
		(ii)	Other receivables	22.08	-	22.08
	(e)	Loans		25,929.38	12,206.34	38,135.72
	(f)	Investments		1,058.96	4,785.45	5,844.41
	(g)	Other financial assets		120.91	958.75	1,079.66
[2]	**Non-financial assets**					
	(a)	Current tax assets (net)		-	186.62	186.62
	(b)	Deferred tax assets (net)		-	185.14	185.14
	(c)	Investment property		-	868.70	868.70
	(d)	Property, plant and equipment		-	148.87	148.87
	(e)	Capital work-in-progress		-	5.75	5.75
	(f)	Intangible assets under development		-	0.08	0.08
	(g)	Right of-use assets		-	363.71	363.71
	(h)	Other intangible assets		-	4.58	4.58
	(i)	Other non-financial assets		327.18	88.30	415.48
Total assets				**29,662.69**	**19,971.52**	**49,634.21**
Liabilities and equity						
Liabilities						
[1]	**Financial liabilities**					
	(a)	Derivative financial instruments		-	0.60	0.60
	(b)	Payables				
		(I)	Trade payables			
			(i) total outstanding dues of micro enterprises and small enterprises	4.91	-	4.91
			(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	161.28	-	161.28
		(II)	Other payables			
			(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
			(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
	(c)	Lease liability		93.31	323.99	417.30
	(d)	Debt securities		8,052.66	7,332.31	15,384.97
	(e)	Borrowings (other than debt securities)		7,310.97	12,302.69	19,613.66
	(f)	Subordinated liabilities		115.66	3,625.71	3,741.37
	(g)	Other financial liabilities		2,497.62	2.27	2,499.89
[2]	**Non-financial liabilities**					
	(a)	Current tax liabilities (net)		79.70	-	79.70
	(b)	Provisions		88.52	4.94	93.46
	(c)	Other non-financial liabilities		76.36	-	76.36
[3]	**Equity**					
	(a)	Equity share capital		-	85.06	85.06
	(b)	Other equity		-	7,475.65	7,475.65
Total liabilities and equity				**18,480.99**	**31,153.22**	**49,634.21**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 46.1 MATURITY ANALYSIS OF ASSETS AND LIABILITIES AS AT MARCH 31, 2025

(₹ in crores)

Particulars				Within 12 months	After 12 months	Total
Assets						
[1]	**Financial assets**					
	(a)	Cash and cash equivalents		528.23	-	528.23
	(b)	Bank balance other than (a) above		832.38		832.38
	(c)	Derivative financial instruments		-	50.25	50.25
	(d)	Receivables				
		(i)	Trade receivables	49.37	-	49.37
		(ii)	Other receivables	-	-	-
	(e)	Loans		15,677.19	7,189.80	22,866.99
	(f)	Investments		342.91	5,114.66	5,457.57
	(g)	Other financial assets		86.81	277.81	364.62
[2]	**Non-financial assets**					
	(a)	Current tax assets (net)		-	148.76	148.76
	(b)	Deferred tax assets (net)		-	295.54	295.54
	(c)	Investment property		-	868.70	868.70
	(d)	Property, plant and equipment		-	129.13	129.13
	(e)	Capital work-in-progress		-	22.29	22.29
	(f)	Intangible assets under development		-	0.88	0.88
	(g)	Right of-use assets		-	339.38	339.38
	(h)	Other intangible assets		-	6.17	6.17
	(i)	Other non-financial assets		105.14	49.14	154.28
Total assets				**17,622.03**	**14,492.51**	**32,114.54**
Liabilities and equity						
Liabilities						
[1]	**Financial liabilities**					
	(a)	Derivative financial instruments		76.52	18.15	94.67
	(b)	Payables				
		(I)	Trade payables			
			(i) total outstanding dues of micro enterprises and small enterprises	2.28	-	2.28
			(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	91.02	-	91.02
		(II)	Other payables			
			(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
			(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	34.28	-	34.28
	(c)	Lease liability		71.74	279.53	351.27
	(d)	Debt securities		4,296.03	7,063.97	11,360.00
	(e)	Borrowings (other than debt securities)		4,055.83	7,242.11	11,297.94
	(f)	Subordinated liabilities		93.15	1,773.07	1,866.22
	(g)	Other financial liabilities		352.33	9.00	361.33

Particulars			Within 12 months	After 12 months	Total
[2]	**Non-financial liabilities**				
	(a)	Current tax liabilities (net)	10.53	-	10.53
	(b)	Provisions	50.44	13.00	63.44
	(c)	Other non-financial liabilities	74.46	-	74.46
[3]	**Equity**				
	(a)	Equity share capital	-	84.90	84.90
	(b)	Other equity	-	6,422.20	6,422.20
Total liabilities and equity			**9,208.61**	**22,905.93**	**32,114.54**

NOTE 47. REGROUPINGS OR RECLASSIFICATION

Figures for the previous year have been re-grouped / reclassified wherever necessary, to confirm to current financial year's classification.

48. DISCLOSURE AS REQUIRED UNDER RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANIES – FINANCIAL STATEMENTS: PRESENTATION AND DISCLOSURES) DIRECTIONS, 2025 DATED NOVEMBER 28, 2025 AS MAY BE AMENDED FROM TIME TO TIME

(i) Capital Adequacy Ratio

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
CRAR (%)	17.84%	18.48%
CRAR - Tier I Capital (%)	12.24%	13.78%
CRAR - Tier II Capital (%)	5.60%	4.70%
Amount of subordinate debt raised as Tier- II capital (₹ in crores)	3,017.07	1,784.40
Amount raised by issue of perpetual debt instruments.	600.00	-
Closing Balance of perpetual debt instruments	600.00	-
% of perpetual debt instruments of Tier - I capital	12.28%	-

Note: No interest on perpetual debt instruments was due for FY 2025-26.

(ii) Disclosure of Investments

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Value of Investments		
Gross value of Investments*	**6,170.40**	**6,051.83**
(a) In India	6,170.40	6,051.83
(b) Outside India	-	-
Provision for depreciation/diminution	**325.99**	**594.26**
(a) In India	325.99	594.26
(b) Outside India	-	-
Net value of investments	**5,844.41**	**5,457.57**
(a) In India	5,844.41	5,457.57
(b) Outside India	-	-
Movement of provisions held towards depreciation on Investments		
Opening Balance	594.26	7.09
Add: Provision made during the year (net)	-	587.17
Less : Write -off / write-back of excess provisions during the year (net)	(268.27)	-
Closing balance	**325.99**	**594.26**

*Include mark to market loss of ₹19.77 Crore (PY loss ₹173.90 Crores)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(iii) Derivatives:

(a) Forward Rate Agreement / Interest Rate Swap

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
The notional principal of Forward/swap agreements*	7,369.16	7,196.37
Losses which would be incurred if counterparties failed to fulfill their obligation under the agreements.	424.49	50.25
Collateral required by the NBFC upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	7,369.16	7,196.37
The fair value of swap book	423.89	(44.42)

*The Company has hedged its foreign currency borrowings through forward contract and interest rate swaps. For Accounting Policy & Risk Management Policy. (Refer note no. 38C)

(b) Exchange traded Interest Rate "IR" derivatives

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Notional principal amount of exchange traded IR derivatives undertaken		
- Forward Rate agreements	-	-
Total	**-**	**-**
Notional principal amount of exchange traded IR derivatives outstanding		
- Forward Rate agreements	-	-
Total	**-**	**-**
Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
Mark to market value of exchange traded IR derivative outstanding and not "highly effective"	-	-

(c) Disclosures on Risk Exposure in Derivatives:

(I) Qualitative disclosure:

The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivative contracts such as foreign exchange forward, cross currency contracts, interest rate swaps, foreign currency futures, options and swaps to hedge its exposure to movements in foreign exchange and interest rates. The use of these derivative contracts reduces the risk or cost to the Company and the Company does not use those for trading or speculation purposes.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The Finance Committee and Asset Liability Management Committee (ALCO) of the Board is entrusted with the management and monitoring of risks in derivatives.

To hedge its risks on the principal and/ or interest amount for foreign currency borrowings on its balance sheet, the Company has currently used cross currency derivatives, forwards and principal only swaps. Additionally, the Company has entered into Interest Rate Swaps (IRS) to hedge its interest rate risk on the floating rate foreign currency borrowings.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Fair value of derivatives is ascertained from the mark to market and accrual values received from the counterparty banks. Changes in the fair value of future cash flows of these contracts that are

designated and effective as hedges are recognized directly in "Cash Flow Hedge Reserve" under Other Equity and the ineffective portion is recognized immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, no longer qualifies for hedge accounting or the Company chooses to end the hedging relationship.

(II) Quantitative Disclosure

(₹ in crores)

Particulars	March 31, 2026		March 31, 2025	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (Notional Principle Amount):				
- For hedging *	7,369.16	-	7,196.37	-
Mark to market positions:				
a) Asset	424.49	-	50.25	-
b) Liability	0.60	-	94.67	-
Credit Exposure	-	-	-	-
Unhedged Exposures	3.20	-	2.66	-

* The Company has opted for hedge accounting under IND AS 109 as stated under the material accounting policies.

(iv) Disclosures pertaining to securitisation transactions

The Company sells loans through securitisation and direct assignment.

(A) The information on securitisation done by the Company as an originator is given below:

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Total number of loan assets under par structure	3,55,490	20,151
Total book value of loan assets	6,890.39	378.38
Sale consideration received	6,755.14	350.00

The information on securitisation of the Company as an originator in respect of outstanding amount of securitised assets is given below:

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
1. No. of SPVs sponsored by the company for securitisation transactions	15	1
2. Total amount of securitised assets as per the books of SPVs sponsored by the company	5,396.29	341.33
3. Total amount of exposures retained by the company to comply with MRR as on the date of Balance Sheet	779.05	54.87
a) Off - Balance Sheet Exposures		
First Loss	-	-
Others	-	-
b) On - Balance Sheet Exposures		
First Loss	347.11	26.49
Investment in PTC	268.31	-
Overcollateralization	163.63	28.38
4. Amount of exposures to securitisation transaction other than MRR	-	-
a) Off - Balance Sheet Exposures		
i) Exposures to own securitisations		
First Loss	-	-
Others	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Particulars	March 31, 2026	March 31, 2025
ii) Exposures to third party securitisations		
First Loss	-	-
Others	-	-
b) On - Balance Sheet Exposures		
i) Exposures to own securitisations	-	-
First Loss	-	-
Others		
ii) Exposures to third party securitisations		
First Loss	-	-
Others	-	-

(B) The information on direct assignment of the Company as an originator in respect of par transaction done during the year is given below:

Particulars	March 31, 2026	March 31, 2025
Total number of loan assets under par structure	14,23,559	2,03,371
Total book value of loan assets	24,201.89	3,146.64
Sale consideration received	21,864.67	2,831.97

The information on direct assignment of the Company as an originator in respect of outstanding amount of assets assigned under par structure is given below:

Particulars	March 31, 2026	March 31, 2025
No. of transactions assigned by the Company	76	68
Total amount outstanding	14,627.24	3,124.30
Total amount of exposures retained by the company to comply with MRR as on the date of Balance Sheet	1,432.06	312.43
a) Off - Balance Sheet Exposures		
First Loss	-	-
Others	-	-
b) On - Balance Sheet Exposures		
First Loss	-	-
Investment in PTC	-	-
Exposures to own assigned transactions	-	-
Amount of exposures to assigned transaction other than MRR	-	-
a) Off - Balance Sheet Exposures		
i) Exposures to own assigned transactions		
First Loss	-	-
Others	-	-
ii) Exposures to third party assigned tranactions		
First Loss	-	-
Others	-	-
b) On - Balance Sheet Exposures		
i) Exposures to own assigned transactions		
First Loss	-	-
Others	-	-
ii) Exposures to third party assigned tranactions		
First Loss	-	-
Others	-	-

(v) Asset liability management maturity pattern

As at March 31, 2026

(₹ in crores)

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Loans & Advances*	1,226.95	542.89	1,942.60	4,155.59	2,122.45	8,223.79	6,663.74	10,685.17	441.27	650.62	36,655.08
Other Advances	-	206.92	207.06	402.45	544.11	-	108.07	-	-	12.03	1,480.64
Investments	-	-	743.31	21.65	-	-	-	316.49	-	4,762.96	5,844.41
Borrowings (Includes foreign currency borrowings)	44.55	0.05	887.73	2,706.25	4,127.47	1,940.72	5,772.50	14,255.41	6,148.67	2,856.65	38,740.00
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-

*Net of ECL Provision of ₹429.28 Crore

As at March 31, 2025

(₹ in crores)

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Loans & Advances*	770.99	332.76	1,180.12	1,880.75	2,480.61	2,747.58	5,547.53	6,572.78	363.95	231.63	22,108.70
Other Advances	-	93.55	93.61	178.18	243.47	-	128.04	-	-	21.44	758.29
Investments	-	-	150.65	192.11	-	-	-	17.39	-	5,097.42	5,457.57
Borrowings (Includes foreign currency borrowings)	60.38	-	327.22	616.80	2,323.52	964.46	4,152.64	8,388.84	6,348.78	1,341.52	24,524.16
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-

*Net of ECL Provision of ₹ 437.57 Crore

(vi) Exposure to Real Estate Sector

(₹ in crores)

Category	March 31, 2026	March 31, 2025
a) Direct Exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	1,077.06	961.82
(ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multi-purpose commercial premises, multi-family residentail building, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.)	748.76	322.80
(ii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
Total Direct Exposure (A)	**1,825.82**	**1,284.62**
b) Indirect Exposure (B)		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	**988.23**	**1,085.80**
Total Exposure to Real Estate Sector (A+B)	**2,814.05**	**2,370.42**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(vii) Exposure to Capital Market:

(₹ in crores)

Particulars		March 31, 2026	March 31, 2025
(i)	Direct investment in equity shares, convertibles bonds, convertible debentures and unit of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	21.65	192.11
ii)	(Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investments in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and unit of equity-oriented mutual funds;	245.04	301.80
(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	154.89	327.27
(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 / issues	-	-
(viii)	Underwriting commitments taken up by the NBFC 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	-	-
(viii)	All exposures to Alternative Investment Funds: - Category - II	30.10	25.00
Total Exposure to Capital Market		**451.68**	**846.18**

Note:

(a) The above excludes direct equity and debt investment in own subsidiary companies.

(viii) Reserve Bank of India ('RBI'), in exercise of powers conferred under section 58G(1)(b) read with section 58B(5)(aa) of the RBI Act, 1934, had vide an Order dated February 06, 2026 imposed a monetary penalty of ₹0.05 crores for failure to classify certain accounts as 'non-performing asset', on restructuring. This was with reference to the Company's financial position as on March 31, 2024. RBI's action is based on the aforementioned deficiencies in regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the Company with its customers.

Apart from this no penalty has been imposed during the year by any other regulators.

(ix) Details of Credit Ratings:

A) Ratings assigned by Credit Rating Agencies and Migration in rating:

(₹ in crores)

Rating Agency	Product	As at March 31, 2026		As at March 31, 2025		Migration in rating
		Amount	Rating assigned	Amount	Rating assigned	
ICRA Limited	Non Convertible Debentures Programme	1,251.11	[ICRA]AA (Negative); reaffirmed	8,131.92	[ICRA]AA (Stable); Reaffirmed and removed from rating Watch with Negative Implications	Nil
ICRA Limited	Commercial Paper programme	4,500.00	[ICRA]A1+; reaffirmed	8,000.00	[ICRA]A1+; reaffirmed	Nil
ICRA Limited	Subordinate Debt Programme	165.00	[ICRA]AA (Negative); reaffirmed	657.00	[ICRA]AA (Stable); Reaffirmed and removed from rating Watch with Negative Implications	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Rating Agency	Product	As at March 31, 2026		As at March 31, 2025		Migration in rating
		Amount	Rating assigned	Amount	Rating assigned	
ICRA Limited	Long Term Bank Lines	-	[ICRA]AA (Negative); reaffirmed and withdrawn	5,775.00	[ICRA]AA (Stable); Reaffirmed and removed from rating Watch with Negative Implications	Nil
ICRA Limited	Long Term Principal Protected Equity Linked Debenture Programme	-	PP-MLD[ICRA] AA (Negative); and withdrawn	500.00	PP-MLD[ICRA]AA (Stable); Reaffirmed and removed from rating Watch with Negative Implications	Nil
ICRA Limited	Long Term Principal Protected Market Linked Debenture Programme	-	PP-MLD[ICRA] AA (Negative); and withdrawn	314.00	PP-MLD[ICRA]AA (Stable); Reaffirmed and removed from rating Watch with Negative Implications	Nil
ICRA Limited	Commercial Paper programme (IPO financing)	-	[ICRA]A1+; reaffirmed and withdrawn	500.00	[ICRA]A1+; reaffirmed	Nil
ICRA Limited	Non convertible debenture programme	1,925.00	[ICRA]AA (Negative); reaffirmed	5,000.00	[ICRA]AA (Stable); Reaffirmed and removed from rating Watch with Negative Implications	Nil
CRISIL Limited	Non Convertible Debentures *	4,000.00	Crisil AA/Stable (Reaffirmed)	5,000.00	Crisil AA/Stable (Reaffirmed)	Nil
CRISIL Limited	Long Term Principal Protected Market Linked Debentures	859.00	Crisil PPMLD AA/ Stable (Reaffirmed)	859.00	Crisil PPMLD AA/Stable (Reaffirmed)	Nil
CRISIL Limited	Perpetual bonds	300.00	Crisil AA-/Stable (Reaffirmed)	300.00	Crisil AA-/Stable (Reaffirmed)	Nil
CRISIL Limited	Commercial Paper programme (IPO financing)	500.00	CRISIL A1+ reaffirmed	500.00	CRISIL A1+ reaffirmed	Nil
CRISIL Limited	Commercial Paper	8,500.00	CRISIL A1+ reaffirmed	8,500.00	CRISIL A1+ reaffirmed	Nil
CRISIL Limited	Total Bank Loan Facilities Rated (Long Term Rating)	7,000.00	Crisil AA/Stable (Reaffirmed)	7,000.00	Crisil AA/Stable (Reaffirmed)	Nil
CRISIL Limited	Non Convertible Debentures *	4,666.31	Crisil AA/Stable (Reaffirmed)	4,198.02	Crisil AA/Stable (Reaffirmed)	Nil
CRISIL Limited	Non Convertible Debentures *	3,865.22	Crisil AA/Stable (Reaffirmed)	1,134.88	Crisil AA/Stable (Reaffirmed)	Nil
Brickwork Ratings	NCDs (Public Issue)	2,975.82	BWR AA+/Stable	1,125.05	BWR AA+/Stable (Reaffirmed and removed Rating Watch with Negative Implications)	Nil
Brickwork Ratings	Non Convertible Debentures	46.22	BWR AA+/Stable	78.18	BWR AA+/Stable (Reaffirmed and removed Rating Watch with Negative Implications)	Nil
India Ratings	Non-convertible debentures (NCDs)*	5,250.00	IND AA / Stable	250.00	IND AA / Stable	Nil
Brickwork Ratings	Perpetual Debt Instrument (PDI)	500.00	BWR AA+/Stable	-	-	Nil
Informerics Ratings	Perpetual Debt Instrument (PDI)	650.00	IVR AA/ Stable (IVR Double A with Stable Outlook)	-	-	Nil
India Ratings	Bank Loan Facilities	5,000.00	IND AA / Stable	-	-	Nil
Informerics Ratings	Commercial Paper	5,000.00	IVR A1+ (IVR A One Plus)	-	-	Nil
India Ratings	Perpetual debt (Tier 1 instrument)	300.00	IND AA- / Stable	300.00	IND AA- / Stable	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Rating Agency	Product	As at March 31, 2026		As at March 31, 2025		Migration in rating
		Amount	Rating assigned	Amount	Rating assigned	
Fitch	Long Term Issuer Default Rating (IDR)	NA	B+/Positive	NA	B+/Stable	Nil
Fitch	Senior secured notes issued under USD 1 billion Global Medium Term Note(GMTN) Programme	US$ 425Million	B+	US$ 425Million	B+	Nil
S&P Global Ratings	Long Term Issuer Default Rating (IDR)	NA	B+/Positive	NA	B+/Stable	Nil
S&P Global Ratings	Short Term Issuer Default Rating (IDR)	NA	B	NA	B	Nil
S&P Global Ratings	Senior Secured Notes issued under USD 1 billion Global MTN Programme	US$ 425Million	B+	US$ 425Million	B+	Nil

*Interchangeable between secured and subordinated debt.

(x) No registration has been obtained from other financial regulators.

(xi) The disclosures as required by the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 as may be amended from time to time.

a. No draw down from reserves have been done during the year.

b. The company does not have any overseas assets.

c. The company does not have any off balancesheet SPV sponsored .

d. The company does not have any parent company hence details of Financing of parent company is not applicable.

e. No revenue recognition has been postponed.

f. Auditors have not expressed modified opinion on the audited financial statements.

g. The Company had certain AIF investments that were due to mature in June 2024. In March 2024, the Company requested the AIF to do in-specie distribution of assets (i.e.: debentures of underlying SPV companies) in lieu of its investment in the AIF. Subsequently, these debentures were assigned to an ARC, and the book value of the resulting Security Receipts (SRs), based on the same underlying assets as of September 30, 2024, was ₹ 586.50 crores. The RBI Circular dated December 19, 2023, on "Investments in Alternative Investment Funds (AIFs)" required a 100% provision of AIF investments if they were not liquidated within 30 days of the circular being applicable. To comply with the spirit of this circular, the management has decided to make a provision equivalent to 100% of the book value of these SRs, accordingly the same was disclosed under exceptional items for the year ended March 31, 2025.

h. There has been no breach in terms of covenants in respect of loans availed by the Company or debt securities issued by the company including incidence of default.

i. There is no divergence in asset classification and provisioning norms on loans.

j. The company has not financed any advances for which intangible securities such as charges over rights, Licences, authorities etc. has been taken.

k. Company has not given loans to Entities associated with directors and their relatives and Senior Officers and their relatives, however Details of loan given to director and their relative is disclosed in Note no. 44 of the Financial statement.

l. There are no prior period items which are impacting company's current year profit and loss.

m. For disclosures related to "Non Fund Based Credit Facilities" and "off-balance sheet exposures and structured products", please refer note no 39.

n. The Company has not undertaken any Credit Default Swap (CDS) transactions during the year.

(xii) The company during the year ended has not exceeded single borrower limit (SGL)/ group borrower limit (GBL) while performing its lending operations.

(xiii) Remuneration paid to Non Executive Directors:

(₹ in crores)

Name of the Director	FY 2025-26	FY 2024-25
Mr. Arun Kumar Purwar	0.64	0.39
Ms. Geeta Mathur	-	0.10
Mr. Bibhu Prasad Kanungo	0.79	-
Mr. Ramakrishnan Subramanian	0.44	0.32
Ms. Nirma Anil Bhandari	0.39	0.18
Mr. Vijay Kumar Chopra	-	0.02
Mr. Bijou Kurien	0.39	0.30
Mr. Nihar Jambusaria	0.44	0.40
Mr. T S Ramakrishnan	0.07	0.11
Total	**3.16**	**1.82**

(xiv) Details of Provisions and Contingencies

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Provision for depreciation in investment	65.00	587.17
Provision towards non performing advances	(61.77)	(50.44)
Other Provision and Contingencies:		
Bad debts written off/(back)	715.10	604.34
Provision for Contingencies/Other financial assets	0.69	(11.09)
Provision for Standard Assets	51.57	(86.31)
Total	**770.59**	**1,043.67**
Provision made towards Income Tax	352.57	(141.20)

(xv). Details Of Concentration Of Advances, Exposures & NPA:

a) Concentration of Advances

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Total advances to twenty largest borrowers	748.49	866.62
Outstanding Advances	37,119.92	22,546.27
Percentage of advances to twenty largest borrowers to total advances	2.02%	3.84%

b) Concentration of Exposures

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Exposure to twenty largest borrowers / customers	750.86	891.46
Percentage of exposure to twenty largest borrowers / customers to total exposure	1.98%	3.87%

c) Concentration of NPAs

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Total exposure to top four NPA accounts	14.43	26.68

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d) Details Of Sectorwise NPA:

(₹ in crores)

Particulars	% of NPAs to total advances in that sector					
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
	As at March 31, 2026			As at March 31, 2025		
1. Agriculture & allied activities	-	-	0.00%	-	-	0.00%
2. Industry						
a. Micro & Small - SME	3,313.45	156.30	4.72%	5,177.20	203.68	3.93%
3. Services						
a. Commercial & Residential Real Estate	163.75	4.15	2.53%	168.05	25.95	15.44%
4. Personal Loans						
a. Loans against Gold Jewellery	32,703.70	111.33	0.34%	14,337.64	76.12	0.53%
b. Advances to Individuals against share, bonds, etc.	239.01	-	0.00%	304.10	-	0.00%
c. Loan against property	1,086.10	77.66	7.15%	1,104.97	3.41	0.31%
d. Others	48.25	6.50	13.47%	244.00	26.45	10.84%
5. Other loans*	382.86	72.20	18.86%	1,721.97	88.09	5.12%

* Other loans include all loans that cannot be classified under any of the other sectors.

(xvi). Movement of NPAs:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Net NPAs to Net Advances (%)	0.59%	0.69%
(ii) Movement of NPAs (Gross)		
(a) Opening balance*	481.84	737.30
(b) Addition during the year	431.71	450.23
(c) Reduction during the year	(406.67)	(705.69)
(d) Closing balance*	506.88	481.84
(iii) Movement of Net NPAs		
(a) Opening balance	153.88	332.99
(b) Addition during the year	200.51	145.10
(c) Reduction during the year	(134.30)	(324.21)
(d) Closing balance	220.09	153.88
(iv) Movement of provision for NPAs		
(a) Opening balance*	327.96	404.30
(b) Addition during the year	231.19	305.14
(c) Reduction during the year	(272.37)	(381.48)
(d) Closing balance*	286.78	327.96

* Includes Interest of ₹78.74 crores (P.Y ₹58.15 crores)

Note: The above has been computed basis EAD for credit impaired advances.

(xvii). Disclosure of Complaints:

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
1. Number of complaints pending at the beginning of year	171	251
2. Number of complaints received during the year	40,698	45,282
3. Number of complaints disposed during the year	40,815	45,362
3.1 Of which, number of complaints rejected by the NBFC	-	-
4. Number of complaints pending at the end of the year	54	171

Maintainable complaints received by the NBFC from Office of Ombudsman

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Number of maintainable complaints received by the NBFC from Office of Ombudsman	1,117	883
a. number of complaints resolved in favour of the NBFC by Office of Ombudsman	1,092	866
b. number of complaints resolved through conciliation/mediation / advisories issued by Office of Ombudsman	25	17
c. number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
d. Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Top five grounds of complaints received by the NBFCs from customers

(₹ in crores)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Disbursal	12	12,616	139.44%	-	-
Branch Experience	9	7,630	140.16%	23	-
Refund	80	4,032	-74.84%	-	-
Top Up Loan Req.	2	3,360	-23.98%	-	-
Payment Updation	10	3,185	57.44%	4	1
Others	58	9,875	-31.28%	27	4
Total	**171**	**40,698**		**54**	**5**
Previous Year					
Disbursal	16	5,269	38.33%	12	-
Branch Experience	11	3,177	-35.44%	9	-
Refund	85	16,024	59.55%	80	-
Payment Updation	27	4,420	-15.89%	2	-
Top Up Loan Req.	1	2,023	2709.72%	10	-
Others	111	14,369	1.75%	58	7
Total	**251**	**45,282**		**171**	**7**

(xviii) Disclosure of restructured accounts:

Details for FY 2025-26

(₹ in crores)

Sr. No.	Type of Restructuring		Under CDR Mechanism / SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY 2025 - 26 (opening figures)*	No. of borrowers	-	-	-	-	-	71	2,690	-	62	2,823	71	2,690	-	62	2,823
		Amount outstanding	-	-	-	-	-	0.41	6.05	-	0.16	6.62	0.41	6.05	-	0.16	6.62
		Provision thereon	-	-	-	-	-	0.03	2.48	-	0.16	2.67	0.03	2.48	-	0.16	2.67
2	Fresh restructuring during the year 2025-26	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY 2025-26[1]	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Increase / Decrease in existing restructured accounts	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	(0.12)	0.06	-	(0.00)	(0.06)	(0.12)	0.06	-	(0.00)	(0.06)
		Provision thereon	-	-	-	-	-	(0.01)	0.02	-	(0.00)	0.01	(0.01)	0.02	-	(0.00)	0.01
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY 2025 and hence need not be shown as restructured standard advances at the beginning of the next FY 2025 - 26	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the FY 2025-26[1]	No. of borrowers	-	-	-	-	-	-	(66)	66	-	-	-	(66)	66	-	-
		Amount outstanding	-	-	-	-	-	-	(0.14)	0.14	-	0.00	-	(0.14)	0.14	-	0.00
		Provision thereon	-	-	-	-	-	-	(0.12)	0.12	-	0.00	-	(0.12)	0.12	-	0.00
7	Fully recovered / Write-offs of restructured accounts during the FY 2025-26	No. of borrowers	-	-	-	-	-	(32)	(2,520)	-	(13)	(2,565)	(32)	(2,520)	-	(13)	(2,565)
		Amount outstanding	-	-	-	-	-	(0.23)	(5.71)	-	(0.04)	(5.98)	(0.23)	(5.71)	-	(0.04)	(5.98)
		Provision thereon	-	-	-	-	-	(0.01)	(2.28)	-	(0.04)	(2.33)	(0.01)	(2.28)	-	(0.04)	(2.33)
8	Restructured Accounts as on March 31 of the FY 2025 - 26 (closing figures*)	No. of borrowers	-	-	-	-	-	39	104	66	49	258	39	104	66	49	258
		Amount outstanding	-	-	-	-	-	0.06	0.26	0.14	0.12	0.58	0.06	0.26	0.14	0.12	0.58
		Provision thereon including provision for diminution in fair value	-	-	-	-	-	0.01	0.10	0.12	0.12	0.35	0.01	0.10	0.12	0.12	0.35

*Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).

[1]For accounts which have transitioned from one asset category to another, Mar'25 provision has been considered for previous asset category and Mar'26 Provision has been considered for updated asset category

Details for FY 2024-25

(₹ in crores)

Sr. No.	Type of Restructuring		Under CDR Mechanism / SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification		Standard	Sub-Stan-dard	Doubtful	Loss	Total	Standard	Sub-Stan-dard	Doubtful	Loss	Total	Standard	Sub-Stan-dard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY 2024 - 25 (opening figures)*	No. of borrowers	-	-	-	-	-	138	1,31,112	4	84	1,31,338	138	1,31,112	4	84	1,31,338
		Amount outstanding	-	-	-	-	-	4.02	271.98	0.20	0.63	276.83	4.02	271.98	0.20	0.63	276.83
		Provision thereon	-	-	-	-	-	0.33	108.80	0.20	0.51	109.84	0.33	108.80	0.20	0.51	109.84
2	Fresh restructuring during the year 2024-25	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY 2024-25[1]	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Increase / Decrease in existing restructured accounts	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	(1.17)	-	-	(0.00)	(1.17)	(1.17)	-	-	(0.00)	(1.17)
		Provision thereon	-	-	-	-	-	(0.09)	-	-	0.03	(0.06)	(0.09)	-	-	0.03	(0.06)
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY 2023 and hence need not be shown as restructured standard advances at the beginning of the next FY 2024 - 25	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the FY 2024-25[1]	No. of borrowers	-	-	-	-	-	(2)	-	-	2	-	(2)	-	-	2	-
		Amount outstanding	-	-	-	-	-	(0.07)	-	-	0.01	(0.06)	(0.07)	-	-	0.01	(0.06)
		Provision thereon	-	-	-	-	-	(0.01)	-	-	0.01	-	(0.01)	-	-	0.01	-
7	Fully recovered / Write-offs of restructured accounts during the FY 2024-25	No. of borrowers	-	-	-	-	-	(65)	(1,28,422)	(4)	(24)	(1,28,515)	(65)	(1,28,422)	(4)	(24)	(1,28,515)
		Amount outstanding	-	-	-	-	-	(2.37)	(265.94)	(0.20)	(0.48)	(268.99)	(2.37)	(265.94)	(0.20)	(0.48)	(268.99)
		Provision thereon	-	-	-	-	-	(0.20)	(106.32)	(0.20)	(0.39)	(107.11)	(0.20)	(106.32)	(0.20)	(0.39)	(107.11)
8	Restructured Accounts as on March 31 of the FY 2024 - 25 (closing figures*)	No. of borrowers	-	-	-	-	-	71	2,690	-	62	2,823	71	2,690	-	62	2,823
		Amount outstanding	-	-	-	-	-	0.41	6.05	-	0.16	6.62	0.41	6.05	-	0.16	6.61
		Provision thereon including provision for diminution in fair value	-	-	-	-	-	0.03	2.48	-	0.16	2.67	0.03	2.48	-	0.16	2.67

*Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).

[1]For accounts which have transitioned from one asset category to another, Mar'24 provision has been considered for previous asset category and Mar'25 Provision has been considered for updated asset category

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(xix) Asset Classification (₹ in crores)

Particulars	Outstanding Balance	Provision
Standard Assets	37,534.19	221.36
	(22,599.04)	(169.80)
Sub-Standard Assets	440.64	236.38
	(460.59)	(309.20)
Doubtful Assets	56.15	40.32
	(21.02)	(18.52)
Loss Assets	10.09	10.09
	(0.23)	(0.23)

Note:

a. ECL provisioning for Stage 1,2 of ₹221.36 crores (P.Y ₹169.80 crores) consists of interest accrued but not due and Interest overdue of ₹25.74 crores (P.Y ₹20.64 crores).

b. Asset classification is as per Reserve Bank of India guidelines and provision is as per Expected Credit Loss methodology as per IND AS which is higher than the minimum required as per prudential norms.

c. Figures in bracket represent previous year's figures.

(xx) Schedule to the Balance Sheet as per the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 as may be amended from time to time.

1. Loans and advances availed by the NBFCs inclusive of interest accrued there on but not paid: (₹ in crores)

Particulars	March 31, 2026				March 31, 2025			
	Principal Amount out-standing (net of unamotised debenture issue / Prepaid expenses)	Interest Accrued but not due	Amount overdue	Total	Principal Amount out-standing (net of unamotised debenture issue / Prepaid expenses)	Interest Accrued but not due	Amount overdue	Total
Liability side:								
a) Debentures								
Secured	9,528.50	238.23	-	9,766.73	8,588.89	182.26	-	8,771.15
Unsecured (other than falling within the meaning of public deposits)	3,583.70	157.67	-	3,741.37	1,773.43	92.79	-	1,866.22
(b) Deferred credits	-	-	-	-	-	-	-	-
(c) (i)Term loans from Banks	13,072.16	34.91	-	13,107.07	9,069.62	36.43	-	9,106.05
(ii)Term loans from Financial Institutions	422.93	1.73	-	424.66	71.35	0.18	-	71.53
(iii)Term loans from other parties	-	-	-	-	427.58	6.20	-	433.78
(d) Inter–corporate loans and borrowings	62.42	1.19	-	63.61	-	-	-	-
(e) Commercial Paper	5,618.23	-	-	5,618.23	2,588.85	-	-	2,588.85
(f) Other Loans (Overdraft)	830.00	-	-	830.00	1,344.95	0.30	-	1,345.25
(g) Securitisation	5,188.33	-	-	5,188.33	341.33	-	-	341.33
Total	**38,306.27**	**433.73**	**-**	**38,740.00**	**24,206.00**	**318.16**	**-**	**24,524.16**

2. Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid): Not applicable

3. Break – up of Loans and Advances including Bills Receivables [Other than included in (4) below]:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Assets side (Gross Value)		
(a) Secured	35,604.61	15,977.91
(b) Unsecured	2,960.38	7,326.65
Total	**38,564.99**	**23,304.56**

4. Break- up of leased assets and stock on hire and other assets counting towards AFC activities:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other Loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

5. Break–up of Investments (Net of provision):

(₹ in crores)

Particulars	As at March 31,2026	As at March 31,2025
Current Investments :		
1 Quoted :		
(i) Shares:		
(a) Equity	21.65	192.11
(b) Preference	-	-
(ii) Debentures and Bonds	1,032.22	145.71
(iii) Units of mutual funds	0.00	0.00
(iv) Government Securities	5.09	5.09
(v) Others (Certificate of Deposits)	-	-
2 Unquoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
Total (A)	**1,058.96**	**342.91**
Long Term Investments :		
1 Quoted:		
(i) Shares:		

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Particulars	As at March 31,2026	As at March 31,2025
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2 Unquoted:		
(i) Shares:		
(a) Equity of subsidiary companies	2,159.89	2,159.89
(b) Preference of subsidiary companies	-	-
(c) Preference of other companies	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others		
(a) Security Receipts	2,603.07	2,937.53
(b) Commercial Papers	-	-
(b) Alternative Investment Funds	22.49	17.24
Total (B)	**4,785.45**	**5,114.66**
Grand Total (A+B)	**5,844.41**	**5,457.57**

(₹ in crores)

Category	As at March 31,2026			As at March 31,2025		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties	**-**	**-**	**-**	**-**	**-**	**-**
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties	-	-	-	-	-	-
2. Other than related parties	35,604.62	2,960.38	38,565.00	15,977.91	7,326.65	23,304.56
Total	**35,604.62**	**2,960.38**	**38,565.00**	**15,977.91**	**7,326.65**	**23,304.56**

7. Investor group wise classification of all investments (Current and Long Term) in shares and securities (Both quoted and unquoted) :

(₹ in crores)

Category	As at March 31,2026		As at March 31,2025	
	Market Value Breakup or fair value or NAV	Book value (Net of provisions)	Market Value Breakup or fair value or NAV	Book value (Net of provisions)
1 Related Parties				
a) Subsidiaries*	2,159.89	2,159.89	2,159.89	2,159.89
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2 Other than related parties	4,010.51	3,684.52	3,891.94	3,297.68
Total	**6,170.40**	**5,844.41**	**6,051.83**	**5,457.57**

* Includes Investments in equity shares of subsidiaries carried at cost.

8. Other Information:

(₹ in crores)

Particulars	As at March 31,2026	As at March 31,2025
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties*	506.88	481.84
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	220.09	153.88
(iii) Assets acquired in satisfaction of debt (Fair Value)	739.40	739.40

* Includes Interest of ₹78.74 crores (P.Y ₹58.15 crores)

(xxi) Particulars as per RBI Directions for auction details as per Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 as may be amended from time to time

Particulars	March 31,2026	March 31,2025
Number of gold loan accounts	5,945	1,22,789
Outstanding amount (₹crores)	26.44	685.57
Amount recovered in auction (₹crores)	39.29	729.96

None of the sister concerns have participated in the above auctions.

xxii) Related Party Transactions disclosure:

(₹ in crores)

Particulars/Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures / Group Companies		Key Management		Relatives of Director / KMP		Director		Others		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Borrowings#	NA	NA	2,800.00	1,535.00	375.00	-	-	-	-	-	-	-	-	-	3,175.00	1,535.00
Deposits			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of Deposits			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances#			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments#			-	149.73	134.82	-	-	0.87	-	1.22	-	-	-	-	134.82	151.82
Purchase of fixed/other assets			0.01	0.21	0.05	0.19	-	-	-	-	-	-	-	-	0.06	0.40
Sale of fixed/other assets			0.00	0.21	0.07	0.11	-	-	-	-	-	-	-	-	0.07	0.32
Interest paid			40.57	20.13	2.06	-	-	-	-	-	-	-	-	-	42.63	20.13
Interest received			-	-	-	-	-	-	-	0.00	-	-	-	-	-	0.00
Others			1,224.72	289.45	193.93	124.00	48.39	14.86	6.91	0.02	3.16	1.81	8.48	0.03	1,485.58	430.16
Total	**-**	**-**	**4,065.30**	**1,994.73**	**705.93**	**124.30**	**48.39**	**15.73**	**6.91**	**1.24**	**3.16**	**1.81**	**8.48**	**0.03**	**4,838.16**	**2,137.83**

Closing Balance & Maximum outstanding during the year:

(₹ in crores)

Related party	Subsidiaries				Associates/ Joint ventures/Group Companies				Key Management				Relatives of Director / KMP				Director				Others*			
	Outstanding Balance		Maximum outstanding		Outstanding Balance		Maximum outstanding		Outstanding Balance		Maximum outstanding		Outstanding Balance		Maximum outstanding		Outstanding Balance		Maximum outstanding		Outstanding Balance		Maximum outstanding	
Item	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Borrowings	-	-	850.00	1,050.00	7.08	-	257.08	-	3.00	-	3.00	-	1.73	-	1.73	-	-	-	-	-	10.00	-	10.00	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-
Investments	2,159.89	2,159.89	2,159.89	2,159.89	-	-	-	-	-	-	-	0.87	-	-	-	1.22	-	-	-	-	-	-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

49. UNHEDGED FOREIGN CURRENCY EXPOSURE:

The unhedged foreign currency exposure as on March 31, 2026 is ₹3.20 Crores (P.Y ₹ 2.66 Crores). For policy related to hedge please refer note no 6.1.1.

50. GOLD LOAN PORTFOLIO

As on March 31, 2026 the gold loan portfolio comprises 64.35 % (P.Y. 43.60 %) of the total assets of the Company.

51. SEGMENT REPORTING

The Company's primary business segments are reflected based on the principal business carried out, i.e. financing. All other activities of the Company revolve around the main business. The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments as per the IND AS 108 on 'Segment Reporting'.

52. SHARED SERVICES

The Company operates from and uses the premises, infrastructure and other facilities and services as provided to it by its group companies, which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the Company were identified and recovered/recoverable from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

53. FRAUD

During the year under review, the Company had come across frauds totaling to ₹ 9.18 Crores (P.Y. ₹2.55 Crores) in respect of its lending operations. Out of the above, frauds amounting to ₹1.61 Crores (P.Y. ₹ 0.06 Crores) has already been recovered. Suitable action has been taken by the Company to recover the balance amounts.

54. DISCLOSURE OF LOAN AND ADVANCES PURSUANT TO RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANIES – FINANCIAL STATEMENTS: PRESENTATION AND DISCLOSURES) DIRECTIONS, 2025 DATED NOVEMBER 28, 2025 AS MAY BE AMENDED FROM TIME TO TIME

(₹ in crores)

Name of Related Party	Outstanding as on March 31, 2026	Maximum Outstanding during the year
NIL		

(₹ in crores)

Name of Related Party	Outstanding as on March 31, 2025	Maximum Outstanding during the year
NIL		

55. PUBLIC DISCLOSURE ON LIQUIDITY RISK:

(i) Funding Concentration based on significant counterparty (both deposits and borrowings):

Number of Significant Counterparties	Amount*	% of Total Deposits	% of Total Liabilities
19	20,378.69	NA	48.44%
(23)	(14,577.46)	NA	(56.93%)

Note 1 : Total Liabilities represent Total Liabilities as per Balance Sheet less Total Equity

Note 2 : Figures in bracket represent previous year's figures.

(ii) Top 20 large deposits N.A (N.A)

(iii) Top 10 borrowings:

(₹ in crores)

Particulars	Amount *	% of Total Borrowings
Top 10 Borrowings (₹ in crores)	15,051.48	38.85%
	(9,553.73)	(38.96%)

* The above table excludes details of benefeciary holders of the secured medium term note bonds
Note : Figures in bracket represent previous year's figures.

(iv) Funding Concentration based on significant instrument/product:

(₹ in crores)

Name of the instrument/product	Amount	% of Total Liabilities
Non Convertible Debentures	13,508.10	32.11%
	(10,637.37)	(41.54%)
Term Loans	13,532.91	32.16%
	(9,611.66)	(37.53%)
Securitisation	5,188.33	12.33%
	(341.33)	(1.33%)
Commercial Paper	5,618.23	13.35%
	(2,588.85)	(10.11%)
Cash Credit / Overdraft Facilties	830.00	1.97%
	(1,344.95)	(5.25%)

Note 1 : Total Liabilities represent Total Liabilities as per Balance Sheet less Total Equity

Note 2 : Figures in bracket represent previous year's figures.

(v) Stock Ratios:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Commercial papers as a % of total liabilities	13.35%	10.35%
Commercial papers as a % of total assets	11.32%	8.25%
Commercial papers as a % of total public funds	14.50%	10.80%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	Nil	Nil
Non-convertible debentures (original maturity of less than one year) as a % of total assets	Nil	Nil
Non-convertible debentures (original maturity of less than one year) as a % of total public funds	Nil	Nil
Other short-term liabilities* as a % of total liabilities	7.13%	2.98%
Other short-term liabilities* as a % of total assets	6.05%	2.38%
*Other short-term liabilities as a % of total public funds	7.75%	3.11%

* Short Term liabilities means total of current liabilities as per note 46.1 & 46.2 to the financial statements as reduced by current portion of Debt Securities,Borrowings (other than debt securities) and Subordinated Liabilities.

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk return perspective and within the risk appetite and guard-rails approved by the Board.

The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board.

ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO board meetings are held once in a quarter or more frequently as warranted from time to time.

56. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANIES – FINANCIAL STATEMENTS: PRESENTATION AND DISCLOSURES) DIRECTIONS, 2025 DATED NOVEMBER 28, 2025 AS MAY BE AMENDED FROM TIME TO TIME

As on March 31, 2026

(₹ in crores)

Asset Classification as per RBI Norms (1)	Asset Classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS (3)			Loss Allowances (Provisions) as required under Ind AS 109 (4)			Net Carrying Amount (5)=(3)-(4)	Provision Required as per IRACP norms (6)	Difference between Ind AS 109 provisions and IRACP norms (7)=(4)-(6)
		Principal	Others	Total	Principal	Others	Total	Total	Total	Total
Standard	Stage 1	35,999.73	788.27	**36,788.00**	176.51	22.49	**199.00**	**36,589.00**	**147.15**	**51.85**
	Stage 2	692.06	54.13	**746.19**	19.12	3.24	**22.36**	**723.83**	**2.98**	**19.38**
Subtotal		**36,691.79**	**842.40**	**37,534.19**	**195.63**	**25.73**	**221.36**	**37,312.83**	**150.13**	**71.23**
Non Performing Assets (NPA)										
Substandard (Sub-Total -(A))	**Stage 3**	**384.49**	**56.15**	**440.64**	**180.23**	**56.15**	**236.38**	**204.26**	**39.31**	**197.07**
Doubtful										
Upto 1 Year	Stage 3	34.68	13.34	**48.02**	19.73	13.34	**33.07**	**14.95**	**10.91**	**22.16**
1 to 3 years	Stage 3	3.94	4.19	**8.13**	3.06	4.19	**7.25**	**0.88**	**2.76**	**4.49**
More than 3 years	Stage 3	-	-	**-**	-	-	**-**	**-**	**-**	**-**
Doubtful (Sub- Total -(B))		**38.62**	**17.53**	**56.15**	**22.79**	**17.53**	**40.32**	**15.83**	**13.67**	**26.65**
Loss (Sub- Total -(C))	**Stage 3**	**5.02**	**5.07**	**10.09**	**5.02**	**5.07**	**10.09**	**-**	**5.02**	**5.07**
Subtotal of NPA (Sub- Total -(A+B+C))		**428.13**	**78.75**	**506.88**	**208.04**	**78.75**	**286.79**	**220.09**	**58.00**	**228.80**
Other items such as guarantees, loan commitments, ICD's etc, which are in the scope of Ind AS 109 but not covered under current income Recognition, Assets Classifications and Provisioning (IRACP) norms	Stage 1	-	-	**-**	-	-	**-**	**-**	**-**	**-**
	Stage 2	-	-	**-**	-	-	**-**	**-**	**-**	**-**
	Stage 3	-	-	**-**	-	-	**-**	**-**	**-**	**-**
Subtotal		-	-	**-**	-	-	**-**	**-**	**-**	**-**
Total	Stage 1	35,999.73	788.27	**36,788.00**	176.51	22.49	**199.00**	**36,589.00**	**147.15**	**51.85**
	Stage 2	692.06	54.13	**746.19**	19.12	3.24	**22.36**	**723.83**	**2.98**	**19.38**
	Stage 3	428.13	78.75	**506.88**	208.04	78.75	**286.79**	**220.09**	**58.00**	**228.80**
	Total	**37,119.92**	**921.15**	**38,041.07**	**403.67**	**104.48**	**508.15**	**37,532.92**	**208.13**	**300.02**

56. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANIES – FINANCIAL STATEMENTS: PRESENTATION AND DISCLOSURES) DIRECTIONS, 2025 DATED NOVEMBER 28, 2025 AS MAY BE AMENDED FROM TIME TO TIME

As on March 31, 2025

(₹ in crores)

Asset Classification as per RBI Norms (1)	Asset Classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS (3)			Loss Allowances (Provisions) as required under Ind AS 109 (4)			Net Carrying Amount (5)=(3)-(4)	Provision Required as per IRACP norms (6)	Difference between Ind AS 109 provisions and IRACP norms (7)=(4)-(6)
		Principal	Others	Total	Principal	Others	Total	Total	Total	Total
Standard	Stage 1	21,576.15	448.88	**22,025.03**	113.25	16.41	**129.66**	**21,895.37**	**88.10**	**41.56**
	Stage 2	546.44	27.57	**574.01**	35.91	4.23	**40.14**	**533.87**	**2.30**	37.84
Subtotal		**22,122.59**	**476.45**	22,599.04	**149.16**	**20.64**	**169.80**	**22,429.24**	**90.40**	**79.40**

Asset Classification as per RBI Norms (1)	Asset Classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS (3)			Loss Allowances (Provisions) as required under Ind AS 109 (4)			Net Carrying Amount (5)=(3)-(4)	Provision Required as per IRACP norms (6)	Difference between Ind AS 109 provisions and IRACP norms (7)=(4)-(6)
		Principal	Others	Total	Principal	Others	Total	Total	Total	Total
Non Performing Assets (NPA)										
Substandard (Sub-Total -(A))	**Stage 3**	**410.97**	**49.62**	**460.59**	**259.58**	**49.62**	**309.20**	**151.39**	**44.80**	**264.40**
Doubtful										
Upto 1 Year	Stage 3	5.93	1.83	**7.76**	3.84	1.83	**5.67**	**2.09**	**2.50**	**3.17**
1 to 3 years	Stage 3	1.98	2.93	**4.91**	1.57	2.93	**4.50**	**0.41**	**1.26**	**3.24**
More than 3 years	Stage 3	4.62	3.73	**8.35**	4.62	3.73	**8.35**	**-**	**3.12**	**5.23**
Doubtful (Sub- Total -(B))		**12.53**	**8.49**	**21.02**	**10.03**	**8.49**	**18.52**	**2.50**	**6.88**	**11.64**
Loss (Sub- Total -(C))	**Stage 3**	**0.19**	**0.04**	**0.23**	**0.19**	**0.04**	**0.23**	**-**	**0.19**	**0.04**
Subtotal of NPA (Sub- Total -(A+B+C))		**423.69**	**58.15**	**481.84**	**269.80**	**58.15**	**327.95**	**153.89**	**51.87**	**276.08**
Other items such as guarantees, loan commitments, ICD's etc, which are in the scope of Ind AS 109 but not covered under current income Recognition, Assets Classifications and Provisioning (IRACP) norms	Stage 1	-	-	**-**	-	-	**-**	**-**	**-**	**-**
	Stage 2	-	-	**-**	-	-	**-**	**-**	**-**	**-**
	Stage 3	-	-	**-**	-	-	**-**	**-**	**-**	**-**
Subtotal		-	-	**-**	-	-	**-**	**-**	**-**	**-**
Total	Stage 1	21,576.15	448.88	**22,025.03**	113.25	16.41	**129.66**	**21,895.37**	**88.10**	**41.56**
	Stage 2	546.44	27.57	**574.01**	35.91	4.23	**40.14**	**533.87**	**2.30**	**37.84**
	Stage 3	423.69	58.15	**481.84**	269.80	58.15	**327.95**	**153.89**	**51.87**	**276.08**
	Total	**22,546.28**	**534.60**	**23,080.88**	**418.96**	**78.79**	**497.75**	**22,583.13**	**142.27**	**355.48**

57. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANIES – FINANCIAL STATEMENTS: PRESENTATION AND DISCLOSURES) DIRECTIONS, 2025 DATED NOVEMBER 28, 2025 AS MAY BE AMENDED FROM TIME TO TIME

Liquidity Risk Management Framework

As on March 31, 2026

(₹ in crores)

Sr. No.	Particulars	As at March 31, 2026		As at December 31, 2025		As at September 30, 2025		As at June 30, 2025	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	**Total High Quality Liquid Assets (HQLA)**	**1,026.89**	**1,026.89**	**1,055.03**	**1,055.03**	**680.53**	**680.53**	**394.02**	**394.02**
	Cash and Bank Balance	689.19	689.19	649.48	649.48	374.93	374.93	338.97	338.97
	Investments	337.70	337.70	405.55	405.55	305.60	305.60	55.05	55.05
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	830.63	955.23	578.39	665.15	537.23	617.82	237.23	272.82
4	Secured wholesale funding	479.68	551.63	469.53	539.95	254.13	292.25	228.90	263.24
5	Additional requirements, of which:								
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Sr. No.	Particulars	As at March 31, 2026		As at December 31, 2025		As at September 30, 2025		As at June 30, 2025	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	7.13	8.20	31.54	36.27	53.34	61.34	51.37	59.07
6	Other contractual funding obligations	406.68	467.68	359.98	413.97	169.38	194.79	227.40	261.51
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**Total Cash outflows**	**1,724.12**	**1,982.74**	**1,439.44**	**1,655.34**	**1,014.08**	**1,166.20**	**744.90**	**856.64**
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	2,133.58	1,600.19	1,940.82	1,455.61	1,527.29	1,145.47	1,556.26	1,167.19
11	Other cash inflows	765.76	574.32	1,074.66	806.00	1,476.31	1,107.23	430.26	322.69
12	**Total Cash Inflows**	**2,899.34**	**2,174.51**	**3,015.48**	**2,261.61**	**3,003.60**	**2,252.70**	**1,986.52**	**1,489.88**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	Total HQLA		1,026.89		1,055.03		680.53		394.02
14	Total Net Cash Outflows		495.69		413.83		291.55		214.16
15	Liquidity Coverage Ratio(%)		207.17%		254.94%		233.42%		183.98%

57. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANIES – FINANCIAL STATEMENTS: PRESENTATION AND DISCLOSURES) DIRECTIONS, 2025 DATED NOVEMBER 28, 2025 AS MAY BE AMENDED FROM TIME TO TIME

Liquidity Risk Management Framework

As on March 31, 2025

(₹ in crores)

Sr. No.	Particulars	As at March 31, 2025		As at December 31, 2024		As at September 30, 2024		As at June 30, 2024	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	**Total High Quality Liquid Assets (HQLA)**	**713.99**	**713.99**	**427.94**	**427.94**	**704.83**	**704.83**	**684.38**	**684.38**
	Cash and Bank Balance	656.70	656.70	371.90	371.90	657.33	657.33	607.44	607.44
	Investments	57.29	57.29	56.04	56.04	47.50	47.50	76.94	76.94
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	784.37	902.03	350.11	402.63	15.07	17.33	274.73	315.93
4	Secured wholesale funding	293.61	337.66	272.10	312.92	579.28	666.17	449.99	517.49
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	75.41	86.72	128.16	147.38	272.00	312.79	60.29	69.33
6	Other contractual funding obligations	221.55	254.78	237.15	272.72	268.01	308.21	250.98	288.62
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**Total Cash outflows**	**1,374.94**	**1,581.19**	**987.52**	**1,135.65**	**1,134.36**	**1,304.50**	**1,035.99**	**1,191.37**
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-

Sr. No.	Particulars	As at March 31, 2025		As at December 31, 2024		As at September 30, 2024		As at June 30, 2024	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
10	Inflows from fully performing exposures	1,560.34	1,170.25	1,137.37	853.03	999.12	749.34	1,021.49	766.12
11	Other cash inflows	831.08	623.31	350.01	262.51	736.23	552.17	580.45	435.34
12	**Total Cash Inflows**	**2,391.42**	**1,793.56**	**1,487.38**	**1,115.54**	**1,735.35**	**1,301.51**	**1,601.94**	**1,201.46**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	Total HQLA		713.99		427.93		704.83		684.39
14	Total Net Cash Outflows		395.31		283.91		326.12		297.84
15	Liquidity Coverage Ratio(%)		180.62%		150.72%		216.12%		229.78%

Qualitative Disclosure

Liquidity Coverage Ratio (LCR) aims to ensure that NBFC's maintains an adequate level of unencumbered High Quality Liquidity Asset (HQLAs) that can be converted into cash to meet liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.

The Company has robust liquidity risk management framework in place that ensures sufficient liquidity including a cushion of unencumbered, high quality liquid assets, to withstand a range of stress events,including those involving the loss or impairment of both unsecured and secured funding sources. The Company has implemented the LCR framework and has maintained LCR well above the regulatory threshold.

HQLA comprises of unencumbered Bank Balances, Cash in Hand and Liquid Investments after appropriate haircut. The Company maintains sufficient balance of Cash and Bank Balance and liquid Investments which can be easily liquidated in times of stress.

Liquidity Coverage Ratio results drive by inflow of next 30 days receivable on loans and advances and corresponding outflow over the next 30 days towards borrowings and other liabilities.

58. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANIES – FINANCIAL STATEMENTS: PRESENTATION AND DISCLOSURES) DIRECTIONS, 2025 DATED NOVEMBER 28, 2025 AS MAY BE AMENDED FROM TIME TO TIME

(₹ in crores)

Sr. No.	Particulars	As on 31st March 2026	As on 31st March 2025
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	15	1
2	Total amount of securitised assets as per books of the SPEs	5,396.29	341.33
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	779.05	54.87
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	347.11	26.49
	• Others	431.94	28.38
4	**Amount of exposures to securitisation transactions other than MRR**	**-**	**-**
	a) Off-balance sheet exposures	**-**	**-**
	i) Exposure to own securitisations		
	• First loss	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Sr. No.	Particulars	As on 31st March 2026	As on 31st March 2025
	• 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	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	-
	Sale consideration received	6,755.14	350.00
	Gain/loss on sale on account of securitisation	-	-
6	Outstanding value of services provided by way of post-securitisation asset servicing.	-	-
7	Performance of facility provided:-		
	Credit enhancement		
	(a) Amount paid	347.11	26.49
	(b) Repayment received	Nil	Nil
	(c) Outstanding amount	347.11	26.49
	% of total value of facility provided	5.04%	7.57%
8	Average default rate of portfolios observed in the past.	Nil	Nil
9	Amount and number of additional/top up loan given on same underlying asset.	Nil	Nil
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	Nil	Nil

59. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANIES – FINANCIAL STATEMENTS: PRESENTATION AND DISCLOSURES) DIRECTIONS, 2025 DATED NOVEMBER 28, 2025 AS MAY BE AMENDED FROM TIME TO TIME

As at March 31, 2026

(₹ in crores)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan	Of (A), aggregate debt that slipped into NPA	Of (A) amount written off	Of (A) amount paid by the borrowers during the half-year ended March 31, 2025	Exposure to accounts classified as Standard consequent to implementation of resolution plan
Personal Loans	0.00	-	-	-	0.00
Corporate Loans *	0.58	0.09	-	0.41	0.08
of which, MSME's	0.58	0.09	-	0.41	0.08
Others	-	-	-	-	-
Total	**0.58**	**0.09**	**-**	**0.41**	**0.08**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

As at March 31, 2025

(₹ in crores)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan	Of (A), aggregate debt that slipped into NPA	Of (A) amount written off	Of (A) amount paid by the borrowers during the half-year ended March 31, 2024	Exposure to accounts classified as Standard consequent to implementation of resolution plan
Personal Loans	0.00	-	-	-	0.00
Corporate Loans *	1.34	0.01	0.08	0.67	0.58
of which, MSME's	1.34	0.01	0.08	0.67	0.58
Others	0.00	-	-	-	-
Total	**1.34**	**0.01**	**0.08**	**0.67**	**0.58**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

60. DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANIES – FINANCIAL STATEMENTS: PRESENTATION AND DISCLOSURES) DIRECTIONS, 2025 DATED NOVEMBER 28, 2025 AS MAY BE AMENDED FROM TIME TO TIME

(a) **Details of transferred through assignment in respect of loans not in default:**

For FY-2025-26

(₹ in crores)

Particulars	Direct assignment	PTC
Count of Loan accounts assigned	14,23,559	3,55,490
Amount of loan accounts assigned (₹ in crores)	24,201.89	6,890.39
Weighted average maturity (in months)	16	21
Weighted average holding period (in months)	4	4
Retention of beneficial economic interest	10%	0%
Coverage of tangible security coverage	100%	100%
Rating-wise distribution of rated loans	Unrated	Rated
Break-up of loans transferred / acquired through assignment / novation and loan participation	Assignment deals	Securitisation deal
Instances where we have agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty	Nil	Nil

For FY-2024-25

(₹ in crores)

Particulars	Direct assignment	PTC
Count of Loan accounts assigned	2,03,371	20,151
Amount of loan accounts assigned (₹ in crores)	3,146.64	378.38
Weighted average maturity (in months)	14	21
Weighted average holding period (in months)	6	3
Retention of beneficial economic interest	10%	0%
Coverage of tangible security coverage	100%	100%
Rating-wise distribution of rated loans	Unrated	Rated
Break-up of loans transferred / acquired through assignment / novation and loan participation	Assignment deals	Securitisation deal
Instances where we have agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty	Nil	Nil

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(b) Details of acquired through assignment in respect of loans not in default:

For FY-2025-26

(₹ in crores)

Particulars	Direct assignment	PTC
Count of Loan accounts assigned	1,216	-
Amount of loan accounts assigned (₹ in crores)	42.18	-
Weighted average maturity (in months)	19	-
Weighted average holding period (in months)	61	-
Retention of beneficial economic interest	0%	-
Coverage of tangible security coverage	100%	-
Rating-wise distribution of rated loans	Unrated	-
Break-up of loans transferred / acquired through assignment / novation and loan participation	Assignment deals	-
Instances where we have agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty	Nil	-

For FY-2024-25

(₹ in crores)

Particulars	Direct assignment	PTC
Nil		

(c) Details of stressed loans transferred during the year:

For FY-2025-26

(₹ in crores)

	To ARCs		To permitted transferees	To other transferees
	NPA	SMA		
Number of accounts	4	3	-	-
Aggregate principal outstanding of loans transferred	23.17	11.12	-	-
Weighted average residual tenor of the loans transferred	-	0.50	-	-
Net book value of loans transferred (at the time of transfer)	11.59	15.35	-	-
Aggregate consideration		47.00	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-
Excess Provision reversed on account of transter	-	-	-	-

For FY-2024-25

(₹ in crores)

	To ARCs		To permitted transferees	To other transferees
	NPA	SMA		
Number of accounts	24,442	5	-	-
Aggregate principal outstanding of loans transferred	175.66	380.98	-	-
Weighted average residual tenor of the loans transferred	2.35	2.35	-	-
Net book value of loans transferred (at the time of transfer)	91.11	417.41	-	-
Aggregate consideration		685.00	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-
Excess Provision reversed on account of transter	-	-	-	-

Note:- In addition to above, the company has transferred 12,250 additional loans which have been written off, having an amount outstanding of ₹ 72.91 Cr which were part of above consideration.

(d) The Company has not acquired any stressed loan during the year and previous year.

(e) Details on recovery ratings assigned for Security Receipts (SR)

For FY-2025-26

(₹ in crores)

Recovery Rating	Anticipated recovery as per recovery rating	Oustanding Face Value (₹ in crores)
RR3^	50%-75%	75.91
RR2^	75%-100%	675.95
RR1^	100%-150%	1,780.39
Unrated #		409.67
Total		**2,941.92**

^ Recovery rating is as assigned by external rating agency

Pursuant to regulatory norms, the ARC shall obtain initial rating of SRs from an approved credit rating agency within a period of six months from the date of acquisition of assets by it.

For FY-2024-25

(₹ in crores)

Recovery Rating	Anticipated recovery as per recovery rating	Oustanding Face Value (₹ in crores)
RR4^	25%-50%	512.84
RR3^	50%-75%	410.52
RR2^	75%-100%	718.30
RR1^	100%-150%	2,035.29
Unrated #		24.00
Total		**3,700.95**

^ Recovery rating is as assigned by external rating agency

Pursuant to regulatory norms, the ARC shall obtain initial rating of SRs from an approved credit rating agency within a period of six months from the date of acquisition of assets by it.

61. DISCLOSURE ON CO-LENDING ARRANGEMENTS

(₹ in crores)

Particulars	As on 31st March 2026	As on 31st March 2025
1. Total outstanding loans under co-lending	10,947.44	5,728.71
2. Share retained by the Company (%)	20%	20%
3. Share retained by Partner RE (%)	80%	80%
4. Performance of total outstanding loans under co-lending		
A. Standard (%)	99.91%	99.68%
B. NPA (%)	0.09%	0.32%
5. Number of active co-lending partners	11	5
6. Weighted average rate of interest	19.20%	19.89%
7. Product and sector in which co-lending is done	Gold (Retail)	Gold (Retail)
8. Service fee income (₹ in crores)	10.79	9.20
9. DLG exposure outstanding	NA	NA

62. DISCLOSURE RELATED TO PROJECT FINANCE

(₹ in crores)

Description	Number of accounts	Total outstanding
1 Projects under implementation accounts at the beginning of the quarter.	1	20
2 Projects under implementation accounts sanctioned during the quarter.	1	15
3 Projects under implementation accounts where DCCO has been achieved during the quarter	1	20

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Description	Number of accounts	Total outstanding
4 Projects under implementation accounts at the end of the quarter. (1+2-3)	1	15
5 Out of '4' – accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked.	Not Applicable	Not Applicable
5.1 Out of '5' – accounts in respect of which Resolution plan has been implemented.	Not Applicable	Not Applicable
5.2 Out of '5' – accounts in respect of which Resolution plan is under implementation.	Not Applicable	Not Applicable
5.3 Out of '5' – accounts in respect of which Resolution plan has failed.	Not Applicable	Not Applicable
6 Out of '5', accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked due to change in scope and size of the project.	Not Applicable	Not Applicable
7 Out of '5', account in respect of which cost overrun associated with extension in original / extended DCCO, as the case may be, was funded	Not Applicable	Not Applicable
7.1 Out of '7', accounts where SBCF was sanctioned during financial closure and renewed continuously	Not Applicable	Not Applicable
7.2 Out of '7', accounts where SBCF was not pre-sanctioned or renewed continuously	Not Applicable	Not Applicable
8 Out of '4' – accounts in respect of which resolution process not involving extension in original / extended DCCO, as the case may be, has been invoked.	Not Applicable	Not Applicable
8.1 Out of '8' – accounts in respect of which Resolution plan has been implemented.	Not Applicable	Not Applicable
8.2 Out of '8' – accounts in respect of which Resolution plan is under implementation.	Not Applicable	Not Applicable
8.3 Out of '8' – accounts in respect of which Resolution plan has failed.	Not Applicable	Not Applicable

63. INTRA-GROUP EXPOSURES

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Total amount of intra-group exposures	2,369.84	2,441.99
Total amount of top 20 intra-group exposures	2,369.84	2,441.99
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/ customers	6.25%	10.59%

64. WHEREVER AMOUNT IS LESS THAN ₹0.01 CRORES, SHOWN AS ₹0.00.

For and on behalf of the Board of Directors
of IIFL FINANCE LIMITED

B. P. Kanungo
Chairperson & Independent Director
DIN : 07820090

Nirmal Jain
Managing Director
DIN : 00010535

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary & Compliance Officer

Place : Mumbai
Dated: April 29, 2026

INDEPENDENT AUDITORS' REPORT

To,

The Members of
IIFL Finance Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of IIFL Finance Limited (hereinafter referred to as the 'Holding Company") its subsidiaries (the Holding Company and its subsidiaries 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), Consolidated Statement of Changes in Equity and the Consolidated Cash Flows statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate / consolidated financial statements and on the other financial information of the subsidiaries, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, of consolidated profit, consolidated total 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 consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on the separate / consolidated financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements for the financial 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 / The other auditors of the subsidiaries have determined the matters described below to be the key audit matters.

INDEPENDENT AUDITORS' REPORT

A. Key audit matters of the Holding Company – IIFL Finance Limited

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	**Information technology (IT) systems used in financial reporting process.** The Holding Company's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily. The gaps in the IT general control environment could result in a misstatement of the financial accounting. Proper IT general and application controls are essential to ensure accurate, complete, and consistent data processing for reliable financial reporting. We therefore identified IT systems and controls with reference to standalone financial statements as a key audit matter for the Holding Company.	We obtained an understanding of the Holding Company's IT control environment relevant to the audit. We tested the design, implementation and operating effectiveness of the Holding Company's General IT controls over the key IT systems which are critical to financial reporting. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations. In particular: 1. We tested the design, implementation, and operating effectiveness of the Holding Company's general IT controls over the IT systems relevant to financial reporting. This included evaluation of Holding Company's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit. 2. We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materiality impact the financial statements.
2	**Allowances for Expected credit loss on Loans ("ECL"):** As on March 31, 2026 as per the standalone financial statements of the Holding Company, the carrying value of the loan assets measured at amortised cost and fair value through other comprehensive income aggregated to ₹ 38,136 crores (net of allowance of expected credit loss of ₹ 429 crores) out of the total assets amounting to ₹ 49,634 crores. Since the loans and advances form a major portion of the Holding Company's assets, and due to the significance of the judgments used in classifying loans and advances into various stages and identifying loans which are measured at fair value through other comprehensive income as stipulated in Ind AS 109 and the management estimation of the related impairment provisions, this is considered to be a key audit matter. The Holding Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. The most significant areas are: - Segmentation of loan book - Identification of loans to be measured at fair value through other comprehensive income - Determination of exposure at default - Qualitative and quantitative factors used in staging criteria for loans - basis of estimation and calculation of probability of default / Loss given default for each segment - Consideration of probability weighted scenarios and forward looking macro-economic factors The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. Included in Note 38A.3 to the attached consolidated financial statements for disclosures.	Our audit approach was a combination of test of internal controls and substantive procedures which included the following: 1. Evaluating the Holding Company's accounting policies, as approved by their Board of Directors, for impairment of loans. 2. Obtained an understanding of the modelling techniques / models adopted by the Holding Company including the key inputs and assumptions. 3. We assessed the design and implementation of key internal financial controls with respect to computation of provisioning requirements in terms of RBI guidelines. 4. Tested the design and effectiveness of controls related to: ■ The completeness and accuracy of Exposure at Default ("EAD") and the classification of such exposure into stages, as per the Board-approved policy. ■ The accuracy and relevance of information used in estimating Probability of Default ("PD") and Loss Given Default ("LGD"). ■ Tested the ECL model, including assumptions, underlying computation of ECL provision performed by the Holding Company on sample basis to assess the arithmetical accuracy. ■ Completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates were computed. ■ We also made enquiries with the management in respect of justification and quantum of the management overlay.

B. Key audit matters from consolidated financial statements of IIFL Home Finance Limited ("IHFL") (Subsidiary Company)

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
A	**Key Audit Matters for Holding Company – IIFL Home Finance Limited**	
1.	**Impairment of loans as at the balance sheet date (including determination of expected credit losses)** **(as described in note 3(k) of the attached consolidated financial statements)** IHFL provides for impairment of its loans using the Expected Credit Loss ("ECL") model. ECL involves an estimation of probability weighted loss on financial assets over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions and other factors which could impact the credit quality of the IHFL's loans. In the process, a significant degree of judgement has been applied by the management for: a) Defining qualitative/ quantitative factors for 'significant increase in credit risk' ("SICR") and 'default'. b) Grouping of borrowers (retail loan portfolio) based on homogeneity for estimating probability of default, loss given default and exposure at default; c) Determining effect of less frequent past events on future probability of default. d) Determining macro-economic factors impacting credit quality of loans. In view of the high degree of management's judgement involved in estimation of ECL, impairment of loans as at the balance sheet date (including expected credit losses) is a key audit matter.	The audit procedures followed by the auditors of IHFL included the following: ■ Considered the IHFL's accounting policies for impairment of loans and assessed compliance of the policies with Ind AS 109: Financial Instruments and the governance framework approved by the Board of Directors pursuant to applicable Reserve Bank of India guidelines, ("the RBI Guidelines"). ■ Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. Tested the internal controls around extraction, validation and computation of the input data used in such estimation. ■ Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 (i.e. default in repayment is within the range of 31 to 90 days) or stage or 3 (i.e. the default in repayment is more than 90 days). ■ Tested the arithmetical accuracy of computation of ECL provision performed by IHFL. ■ Assessed the adequacy of disclosures included in the consolidated financial statements with the relevant requirements of Ind AS 107 and 109.
2	The auditors of IIFL Home Finance Limited have determined that there are no other key audit matters to communicate in their report.	
B	**Key Audit Matter for subsidiary company – IIHFL Sales Limited**	
1	No Key audit matters for subsidiary company IIHFL Sales Limited reported by their auditor for the year ended March 31, 2026.	

C. Key audit matters from the standalone financial statements of IIFL Samasta Finance Limited ("ISFL") (Subsidiary Company)

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	**Impairment of loans (Expected Credit Losses):** Refer note 3 (k) of material accounting policies of the attached consolidated financial statements. As at 31 March 2026 as per the standalone financial statements of the ISFL, it has total gross loan assets of ₹ 7,468.73 crores (2025: ₹ 7,186.13 crores) against which an Expected Credit Loss ("ECL") of ₹ 256.97 crores (2025 ₹ 351.33 crores) has been accrued. Included in note 38A.3 for credit disclosures of the attached consolidated financial statements. The ECL approach as required under Ind AS 109, Financial instruments, involves high degree of complexity and requires significant judgement of the management of ISFL. The Management is required to determine the ECL that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset. The key areas of judgment include:	The Audit procedures followed by the auditors of ISFL included, but were not limited to the following to assess the appropriate of management's judgement and estimates used in the impairment analysis: a) Evaluated ISFL's accounting policies for estimation of expected credit loss on loan assets in accordance with the requirements of Ind AS 109, Financial Instruments. b) Obtained an understanding of the modelling techniques adopted by ISFL including the key inputs and assumptions. Since modelling assumptions and parameters are based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios. c) Assessed the design and implementation and tested the operating effectiveness of controls over the modelling process including governance over monitoring of the model and approval of key assumptions. d) Evaluated the appropriateness of ISFL's process of determination of significant increase in credit risk in accordance with the applicable accounting standard and the basis for classification of exposures into various stages.

INDEPENDENT AUDITORS' REPORT

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
	1. Categorization of loans in Stage 1, 2 and 3 based on identification of: a) exposures with Significant Increase in Credit Risk ("SICR") since their origination and b) Individually impaired / default exposures. 2. Techniques used to determine Loss Given Default ("LGD") and Probability of Default ("PD") to calculate an ECL are based on past experience and 3. The impact of different future macroeconomic conditions in the determination of ECL. These parameters are derived from ISFL's internally developed statistical models, historical data and a change in such models or assumptions could have a material impact on the financials of ISFL. These factors required the models to be reassessed based on the available information including the additional risk profiling due to the geographical, political and economic risk to measure the ECL. Management of ISFL has made a number of interpretations and assumptions when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions. Considering the significance of the above matter to the financial statements of ISFL and the significant auditor attention required to test such complex accounting estimates, we have identified this as a key audit matter for current year audit.	e) Obtained the approved policy of Board of Directors of ISFL, if any, to understand the relief measures sanctioned to various class of borrowers in accordance with the directions given by the RBI and tested, on sample basis, the compliance with respect to asset classification and provisioning norms as per such directions. f) ISFL has an automated system of computing ECL. Audiors of ISFL have tested the system computed ECL by performing following procedures: ■ Evaluated management's groupings of borrowers on the basis of different product lines and customer segments with different risk characteristics. ■ Tested classification of loans into various categories based on their past due status and other loss indicators. On a sample basis, inspected the repayment schedule from the underlying borrower agreements and collection made on due dates; ■ Tested the design and operating effectiveness of key controls (including application controls) over approval, recording and monitoring. ■ Testing of Application controls includes testing of automated controls, reports, and system reconciliations. ■ Performed test of details of the input information used in ECL computation on a sample basis. ■ Tested the arithmetical accuracy of the computation. ■ Performed analytical procedures by determining various ratios or percentage-based measures to review overall reasonableness of the estimate determined by the management.

D. No key audit matters for subsidiary company IIFL Fintech Private Limited were reported by their auditor for the year ended March 31, 2026.

Information Other than the Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual report, but do not include the consolidated financial statements, standalone financial statements and our auditors' reports 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 do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements / standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 ("The Auditors Responsibilities Relating to Other Information").

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for matter stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 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 respective company's to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the respective company or to cease operations, or has no realistic alternative but to do so.

The respective Management or Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the respective company.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, have adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider

quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statement includes consolidated audited financial statement of one subsidiary and standalone audited financial statements of two subsidiary companies, which have been audited by the other auditors and these financial statements reflect the total assets of ₹ 41,597.84 Crore as at March 31, 2026, total revenue of ₹ 6,040.95 Crore, total net profit of ₹ 787.31 Crore and total comprehensive income of ₹ 789.30 Crore and net cash inflows ₹ 467.44 Crore for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary companies and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary companies is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Our opinion is not modified in respect of this other matter.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate / consolidated financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph, to the extent applicable, we report that:

   a) We/the other auditors whose report we have relied upon 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 by the Group, including relevant records so far as it appears from our examination of those books and reports of other auditors.

   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 Cash Flow Statement 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   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 who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group companies is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **'Annexure'** which is based on the auditors'

report of the holding company and subsidiary companies incorporated in India. wherein we have expressed an unmodified opinion.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that:

In our opinion and based on the consideration of reports of other auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company and its subsidiaries to their directors is in accordance with the provisions of section 197 read with Schedule V to the Act; 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 Auditor's) Rules, 2014, as amended,("The Rules") in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate / consolidated financial statements and the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in its consolidated financials statements– Refer Note 39 to the consolidated financial statements.

ii. Provisions have been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries- (Refer Note no. 41(iv)(A);

(b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries -(Refer Note no. 41(iv)(B); and

(c) In our opinion and based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The interim dividend proposed and declared and paid by the Holding Company and one subsidiary company during the year, is in accordance with section 123 of the Act to

INDEPENDENT AUDITORS' REPORT

the extent it applies to payment of dividend. Further, during the year the subsidiaries (other than refer above) which are incorporated in India have not declared / paid any dividend, hence reporting under rule 11(f) of the Rules is not applicable to that extent.

vi. Based on our examination which included test checks, the holding company and based on the consideration of the reports of the other auditors on the consolidated financial statements and / or separate financial statements, as the case may be, of subsidiary companies, the Group has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2026, which has a feature of recording Audit Trail (edit log facility) and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and as reported by other auditors of subsidiary companies, did not come across any instance of audit trail feature being tampered with and the audit trail (edit log) has been preserved by the holding company and subsidiary companies (as reported by the other auditors of subsidiary companies) as per the statutory requirements for record retention, except in case of Holding Company audit trail for direct changes at the database level, if any, for the certain software for the financial year 2023-24.

2. With respect to the matters specified in paragraphs 3 (xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by Central Government in terms of Section 143(11) of the Act, to be included in the Auditors report, according to the information and explanation given to us, and based on the CARO report issued by us for the Holding Company and by the statutory auditors of the respective subsidiary companies which are companies incorporated in India, included in the consolidated financial statement of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except for those as stated below:

Sr	Name	CIN	Relation	Clause (*)
1	IIFL Finance Limited	L67100MH1995PLC093797	Holding Company	3(i)(c) 3(iii)(c) & (d) 3(vii)(b) 3(xi)(a)
2	IIFL Home Finance Limited	U65993MH2006PLC166475	Subsidiary	3(i)(c) 3(iii)(c) & (d) 3(vii)(b)
3	IIHFL Sales Limited	U74999MH2021PLC368361	Stepdown-Subsidiary	3(vii)(a) & (b) 3(xvii)
4	IIFL Samasta Finance Limited	U65191KA1995PLC057884	Subsidiary	3(iii)(c) & (d) 3(xi)(a)
5	IIFL Fintech Private Limited	U72900MH2022PTC382767	Subsidiary	Nill

(*) Clause number of the respective CARO reports which contains qualification or adverse remarks.

Signed by the Joint Statutory Auditors of the Company

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

Place : Mumbai
Dated: April 29, 2026
UDIN: 26042624CKHPJB9308

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

Place: Mumbai
Date: April 29, 2026
UDIN: 26039569JRBEIU3216

INDEPENDENT AUDITORS' REPORT

Annexure referred to paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" in our report of even date to the members of IIFL Finance Limited on the consolidated financial statement for the year ended March 31, 2026.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

Opinion

In conjunction with our audit of the consolidated financial statements of 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 IIFL Finance Limited ("the Holding Company").

In our opinion and based on the consideration of the audit reports of the auditors of subsidiary companies, the Holding Company and its subsidiary companies which are companies incorporated in India, (the Holding Company and its subsidiaries together referred to as "the Group"), have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such controls were operating effectively as at March 31, 2026, based on the criteria for internal financial controls with reference to consolidated financial statements 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").

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies which are incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal financial controls over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility for the Audit of the Internal Financial Controls with reference to consolidated financial statements

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note issued by the ICAI. 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 were 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 includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of Group.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial controls 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 controls 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

INDEPENDENT AUDITORS' REPORT

necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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 controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the consolidated financial statement, in so far as it relates to the consolidated financial statement of one subsidiary and separate financial statements of two subsidiaries incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

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

Signed by the Joint Statutory Auditors of the Company

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

Place : Mumbai
Dated: April 29, 2026
UDIN: 26042624CKHPJB9308

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

Place: Mumbai
Date: April 29, 2026
UDIN: 26039569JRBEIU3216

BALANCE SHEET
AS AT MARCH 31, 2026

(₹ in crores)

Particulars	Note no.	As at March 31, 2026	As at March 31, 2025
Assets			
[1] Financial assets			
(a) Cash and cash equivalents	4	3,328.23	2,066.63
(b) Bank balance other than (a) above	5	3,045.27	2,125.15
(c) Derivative financial instruments	6	740.79	50.25
(d) Receivables			
(i) Trade receivables	7	98.11	107.53
(ii) Other receivables	7	22.09	-
(e) Loans	8	70,911.07	55,364.26
(f) Investments	9	6,092.45	4,437.99
(g) Other financial assets	10	2,280.50	1,142.97
		86,518.51	**65,294.78**
[2] Non-financial assets			
(a) Current tax assets (net)		288.47	269.19
(b) Deferred tax assets (net)	11	256.85	385.41
(c) Investment property	12	870.58	870.73
(d) Property, plant and equipment	13	176.69	162.70
(e) Capital work-in-progress	14.1	5.75	22.39
(f) Intangible assets under development	14.2	0.08	0.88
(g) Right of use assets	15	459.11	445.53
(h) Other intangible assets	16	7.27	7.59
(i) Other non-financial assets	17	451.83	184.99
(j) Non current assets held for sale	17A	23.90	-
		2,540.53	**2,349.41**
Total assets		**89,059.04**	**67,644.19**
Liabilities and equity			
Liabilities			
[1] Financial liabilities			
(a) Derivative financial instruments	6	0.60	110.90
(b) Payables			
(I) Trade payables	18		
(i) total outstanding dues of micro enterprises and small enterprises		19.02	10.39
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		227.66	175.25
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	34.28
(c) Finance lease obligation	15	522.19	465.33
(d) Debt securities	19	20,747.97	16,772.24
(e) Borrowings (other than debt securities)	20	43,098.95	31,058.60
(f) Subordinated liabilities	21	5,328.96	3,237.19
(g) Other financial liabilities	22	2,988.46	1,467.58
		72,933.81	**53,331.76**
[2] Non-financial liabilities			
(a) Current tax liabilities (net)		81.02	10.53
(b) Provisions	23	157.71	122.68
(c) Deferred tax liabilities (net)	11	72.45	-
(d) Other non-financial liabilities	24	194.96	224.25
		506.14	**357.46**
Total liabilities		**73,439.95**	**53,689.22**
[3] Equity			
(a) Equity share capital	25	85.06	84.90
(b) Other equity	25.1	13,834.90	12,327.29
(c) Non-controlling interest	25.1	1,699.13	1,542.78
		15,619.09	**13,954.97**
Total liabilities and equity		**89,059.04**	**67,644.19**
See accompanying notes forming part of the financial statements	1 - 50		

In terms of our report attached of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

Place : Mumbai
Dated: April 29, 2026

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board of Directors
of IIFL FINANCE LIMITED

B. P. Kanungo
Chairperson & Independent Director
DIN : 07820090

Nirmal Jain
Managing Director
DIN : 00010535

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary &
Compliance Officer

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Particulars	Note no.	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations			
(i) Interest income	26.1	11,753.72	9,504.29
(ii) Dividend income	26.2	0.00	2.19
(iii) Fees and commission income	27	498.09	485.64
(iv) Net gain on fair value changes	28	30.07	218.78
(v) Net gain on derecognition of financial instruments under FVTOCI category	31	1,068.92	-
(I) Total revenue from operations		**13,350.80**	**10,210.90**
(II) Other income	29	**23.03**	**26.17**
(III) Total Income (I+II)		**13,373.83**	**10,237.07**
Expenses			
(i) Finance costs	30	5,717.37	4,169.52
(ii) Net loss on derecognition of financial instruments under FVTOCI category	31	-	312.56
(iii) Impairment on financial instruments	32	1,738.19	1,498.04
(iv) Employee benefits expenses	33	2,110.51	1,888.77
(v) Depreciation, amortisation and impairment	34	210.62	188.57
(vi) Other expenses	35	1,188.56	886.10
(IV) Total Expenses		**10,965.25**	**8,943.56**
(V) Profit before exceptional items and tax (III-IV)		**2,408.58**	**1,293.51**
(VI) Exceptional items	9	**-**	**(586.50)**
(VII) Profit before tax (V+VI)		**2,408.58**	**707.01**
Tax expense:			
(1) Current tax	36	395.89	365.76
(2) Deferred tax	11 & 36	195.83	(230.36)
(3) Current tax relating to previous years	36	0.16	(6.55)
(VIII) Total tax expense		**591.88**	**128.85**
(IX) Profit for the year (VII-VIII)		**1,816.70**	**578.16**
Attributable to:			
Owners of the Company		1,660.80	378.77
Non-controlling interest		155.90	199.39
Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit liability/(asset)	36	(7.80)	(3.69)
(ii) Income tax relating to items that will not be reclassified to profit or loss	11 & 36	1.96	0.93
Subtotal (A)		**(5.84)**	**(2.76)**
(B) (i) Items that will be reclassified to profit or loss			
(a) Cash flow hedge (net)	36	35.76	(8.04)
(b) Fair value of loans carried at FVTOCI	36	(7.41)	(6.01)
(ii) Income tax relating to items that will be reclassified to profit or loss	11 & 36	(7.14)	3.54
Subtotal (B)		**21.21**	**(10.51)**
(X) Other comprehensive income/(loss) (A+B)		**15.37**	**(13.27)**
(XI) Total comprehensive income for the year (IX+X)		**1,832.07**	**564.89**
Attributable to:			
Owners of the Company		**1,675.72**	**367.54**
Non-controlling interest		**156.35**	**197.35**
(XII) Earnings per equity share of face value ₹ 2 each	37		
Basic (₹)		39.07	9.07
Diluted (₹)		38.75	8.73
See accompanying notes forming part of the financial statements	1 - 50		

*0.00 denotes amount less than ₹ fifty thousand

In terms of our report attached of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

Place : Mumbai
Dated: April 29, 2026

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board of Directors of IIFL FINANCE LIMITED

B. P. Kanungo
Chairperson & Independent Director
DIN : 07820090

Nirmal Jain
Managing Director
DIN : 00010535

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary & Compliance Officer

IIFL FINANCE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Particulars		Note no.	Year ended March 31, 2026		Year ended March 31, 2025	
A.	**Cash flows from operating activities**					
	Profit before tax			**2,408.58**		**707.01**
	Adjustments for:					
	Depreciation, amortisation and impairment	34	210.62		188.57	
	Impairment on loans		(244.49)		(10.53)	
	Impairment on other financial instruments		0.69		(11.09)	
	(Gain)/ loss on sale of assets		(1.18)		(0.06)	
	Net (gain)/ loss on fair value changes on investment - realised		408.15		(241.22)	
	Net (gain)/ loss on fair value changes on investment - unrealised		(416.93)		15.51	
	Net (gain)/ loss on fair value changes on derivative - unrealised		(21.29)		6.93	
	Exceptional items		-		586.50	
	Net (gain)/ loss on derecognition of financial instruments under FVTOCI category		(1,068.92)		312.56	
	Employee benefit expenses - share based		24.36		108.47	
	Employee benefit expenses - others		30.56		31.40	
	Interest on loans		(11,281.75)		(9,151.92)	
	Interest on deposits with banks		(189.21)		(133.68)	
	Dividend income	26.2	-		(2.19)	
	Dividend received		-		2.19	
	Finance cost		5,625.41		4,121.48	
	Interest expenses - Ind AS 116	30	91.96		48.04	
	Income received on loans		11,196.60		9,149.92	
	Interest received on deposits with banks		149.41		135.03	
	Finance cost paid		(5,796.70)	(1,282.71)	(4,242.29)	913.62
	Operating profit before working capital changes			**1,125.87**		**1,620.63**
	Decrease/ (increase) in financial and non financial assets			(400.96)		186.06
	Increase/ (decrease) in financial and non financial liabilities			926.35		(1,176.73)
	Cash generated from operations			**1,651.26**		**629.96**
	Taxes paid			(410.08)		(436.38)
	Net cash generated from operating activities			**1,241.18**		**193.58**
	Loans disbursed (net)			(15,217.17)		(4,974.41)
	Net cash used in operating activities (A)			**(13,975.99)**		**(4,780.83)**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**					
	Purchase of property, plant and equipment and other intangible assets			(81.14)		(60.70)
	Sale of property, plant and equipment and other intangible assets			1.52		2.48
	Purchase of investments			(1,645.68)		(739.79)
	Proceeds/(deposits) from maturity of deposits placed with banks			(880.31)		(350.65)
	Net cash used in investing activities (B)			**(2,605.61)**		**(1,148.66)**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

Particulars		Note no.	Year ended March 31, 2026		Year ended March 31, 2025	
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**					
	Proceeds from issue of equity share capital (including securities premium)			13.71		1,281.63
	Dividend paid			(199.69)		-
	Proceeds from debt securities			25,789.57		13,931.52
	Repayment of debt securities			(21,746.93)		(6,206.95)
	Proceeds from borrowings (other than debt securities)			36,580.91		24,757.76
	Repayment of borrowings (other than debt securities)			(24,470.78)		(27,836.36)
	Proceeds from subordinated liabilities			2,075.00		225.62
	Repayment of subordinated liabilities			(19.30)		(411.94)
	Payment of lease liability			(179.29)		(162.95)
	Payment to non-controlling interest			-		(52.08)
	Net cash generated from financing activities (C)			**17,843.20**		**5,526.25**
	Net increase in cash and cash equivalents (A + B + C)			**1,261.60**		**(403.24)**
	Add : Opening cash and cash equivalents as at the beginning of the year			**2,066.63**		**2,469.87**
	Cash and cash equivalents as at the end of the year	**4**		**3,328.23**		**2,066.63**
See accompanying notes forming part of the financial statements		1 - 50				

In terms of our report attached of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

Place : Mumbai
Dated: April 29, 2026

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board of Directors of IIFL FINANCE LIMITED

B. P. Kanungo
Chairperson & Independent Director
DIN : 07820090

Nirmal Jain
Managing Director
DIN : 00010535

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary & Compliance Officer

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2026

A. Equity Share Capital (refer note 25)

(₹ in crores)

Particulars	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
As at March 31, 2026	84.90	0.16	85.06
As at March 31, 2025	76.31	8.59	84.90

B. Other Equity (refer note 25.1)

(₹ in crores)

Particulars	Share Application Money (Note 1)	Reserves & Surplus									Other Comprehensive Income			Total	Non-Controlling Interest
		Capital Reserve (Note 2)	Securities Premium Reserve (Note 3)	General Reserve (Note 4)	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934 (Note 5)	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987 (Note 6)	Capital Redemption Reserve (Note 7)	Debenture Redemption Reserve (Note 8)	Retained Earnings (Note 9)	Share Options Outstanding Account (Note 10)	Effective portion of Cash Flow Hedges (Note 11)	Fair value of loans carried at FVTOCI	Remeasurements of defined benefit (Note 12)		
Balance as at April 01, 2024	**0.49**	**85.49**	**3,450.91**	**624.50**	**1,249.30**	**674.08**	**230.11**	**12.80**	**4,184.59**	**65.42**	**(14.34)**	**7.82**	**(10.49)**	**10,560.68**	**1,419.45**
Profit for the year	-	-	-	-	-	-	-	-	378.77	-	-	-	-	378.77	199.39
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	(5.04)	(3.58)	(2.61)	(11.23)	(2.04)
Change in minority	-	24.62	-	-	-	-	-	-	(2.69)	-	-	-	-	21.93	(74.02)
Share issue expenses	-	-	(4.50)	-	-	-	-	-	-	-	-	-	-	(4.50)	-
Transfer to/ from reserves	-	-	2.22	4.91	4.04	200.00	-	-	(204.04)	(7.13)	-	-	-	(0.00)	-
Addition during the year	(0.26)	-	1,273.29	-	-	-	-	-	-	108.61	-	-	-	1,381.64	-
Balance as at March 31, 2025	**0.23**	**110.11**	**4,721.92**	**629.41**	**1,253.34**	**874.08**	**230.11**	**12.80**	**4,356.63**	**166.90**	**(19.38)**	**4.24**	**(13.10)**	**12,327.29**	**1,542.78**
Profit for the year	-	-	-	-	-	-	-	-	1,660.80	-	-	-	-	1,660.80	155.90
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	25.43	(4.41)	(6.10)	14.92	0.45
Interim dividend	-	-	-	-	-	-	-	-	(199.69)	-	-	-	-	(199.69)	-
Change in minority	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to/ from reserves	-	-	3.08	1,816.90	234.93	300.00	-	-	(2,334.93)	(19.98)	-	-	-	(0.00)	-
Addition during the year	(0.23)	-	13.79	-	-	-	-	-	-	18.02	-	-	-	31.58	-
Balance as at March 31, 2026	**-**	**110.11**	**4,738.79**	**2,446.31**	**1,488.27**	**1,174.08**	**230.11**	**12.80**	**3,482.81**	**164.94**	**6.05**	**(0.17)**	**(19.20)**	**13,834.90**	**1,699.13**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2026

Notes:

1. **Share application money pending allotment:** Money received for share application for which allotment is pending.
2. **Capital reserves:** Capital reserve is created on account of composite Scheme of arrangement.
3. **Securities premium reserve:** The amount received in excess of face value of the equity shares is recognised in securities premium reserve. Share issue expense on account of right issue during the PY have been utilised from the secutities premium reserve.
4. **General reserve:** The reserve can be distributed/utilised by the Group, in accordance with the Companies Act, 2013
5. **Special reserve (Section 45-IC of Reserve Bank of India Act, 1934):** Pursuant to section 45-IC of the Reserve Bank of India Act 1934, being 20% of the profit after tax for the year of IIFL Finance Limited and IIFL Samasta Finance Limited has been transferred from Retained Earnings to Special Reserve.
6. **Special reserve (Section 29C of National Housing Bank Act, 1987):** Pursuant to section 29C of the National Housing Bank Act, 1987 the Housing Finance Company ("HFC") is required to transfer atleast 20% of its net profit every year to a reserve before any dividend is declared.
7. **Capital redemption reserve:** This reserve has been created on redemption of preference shares capital as per section 55 of the Companies Act, 2013.
8. **Debenture redemption reserve:** Pursuant to Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, Non Banking Finance Company ("NBFC") and Housing Finance Company ("HFC") are required to create Debenture Redemption Reserve of a value equivalent to 25% of the debentures offered through public issue. Pursuant to Ministry of Corporate Affairs circular dated August 16, 2019, reserve is not required to be created for the Non Convertible Debentures going forward.
9. **Retained earnings:** These are the profits that the Group has earned till date, less any transfers to reserves.
10. **Share options outstanding account:** The employee stock options reserve represents reserve in respect of equity settled share options granted to the employees of the Group in pursuance of employee stock options plan.
11. **Effective portion of cash flow hedges:** This reserve refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.
12. **Remeasurements of defined benefit:** This reserve refers to remeasurement of gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets of the defined benefit plan.
13. Pursuant to a Board Resolution dated April 28, 2026, the subsidiary Company (IIFL Home Finance Limited) transferred an aggregate amount of ₹ 1,800.00 Crores from Retained Earnings to General Reserve at March 31, 2026 out of the accumulated profits for current and prior years. As per the Board resolution passed the said transfer is made to the extent of ₹ 200.00 Crores out of the profits relating to Financial Year 2025-26, and ₹ 400.00 Crores each relating to Financial Years 2024-25, 2023-24, 2022-23 and 2021-22.

See accompanying notes forming part of the financial statements (1 - 50)

In terms of our report attached of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration No. 109983W
By the hand of

Parthiv S. Desai
Partner
Membership No. 042624

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W
By the hand of

Atul Shah
Partner
Membership No. 039569

For and on behalf of the Board of Directors of IIFL FINANCE LIMITED

B. P. Kanungo
Chairperson & Independent Director
DIN : 07820090

Nirmal Jain
Managing Director
DIN : 00010535

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary & Compliance Officer

Place : Mumbai
Dated: April 29, 2026

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 1. CORPORATE INFORMATION

Company overview

IIFL Finance Limited (the "Company/ Parent/ Holding Company") is a middle layer Non-Banking Financial Company not accepting public deposits registered with the Reserve Bank of India ("the RBI") under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in financing and related activities. The Company had received the certificate of registration from RBI on March 06, 2020, enabling the Company to carry on business as a Non-Banking Financial Company. The Company offers a broad suite of financial products such as mortgage loan, gold loan, loan against securities loans to small & medium enterprise ("SME"), Micro finance loans ("MFI") and digital finance loans etc.

NOTE 2. BASIS OF CONSOLIDATION

i. Basis of preparation of financial statements

The consolidated financial statements relate to IIFL Finance Limited (the "Company") and its subsidiary/ group companies (together hereinafter referred to as "Group"). The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Control is achieved when the Group has:

- Power over the investee,
- Is exposed or has rights to variable returns from its involvement with the investee, and
- Has the ability to use its power over investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

ii. Principles of consolidation:

a) The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained below, the relevant provisions of the Companies Act, 2013 (the "Act") and the guidelines issued by the Reserve Bank of India ("RBI") and National Housing Bank ("NHB") to the extent applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in

active markets for identical assets or liabilities that the Company can access at measurement date;

- Level 2 inputs are inputs, other than quoted prices included within level 1, (that are not traded in active market) that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

b) The effects of all intra-Group transactions and balances have been eliminated on consolidation.

c) The consolidated financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Group, March 31, 2026.

d) The consolidated financial statements of the Group have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

e) Business combinations: Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired, and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired, and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies.

f) Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment.

Any impairment loss on goodwill is recognised in the Statement of Profit and Loss. An impairment loss recognised on goodwill is not reversed in subsequent periods.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date.

The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Other equity', in the consolidated financial statements. Goodwill/ Capital reserve has been netted off and disclosed in the consolidated financial statements. Goodwill arising on consolidation is not amortised but tested for impairment.

g) Non-controlling Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders

at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit and loss/ other comprehensive income ("OCI") for the year of the subsidiaries attributable to non-controlling interest is identified and adjusted against the profit after tax/ other comprehensive income ("OCI") of the Group in order to arrive at the income attributable to shareholders of the Group.

h) Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the Holding Company and to the non-controlling interests, if any.

iii. List of subsidiaries consolidated

The individual Balance Sheet as at March 31, 2026, Statement of Profit and Loss and cash flow statement for the year ended March 31, 2026 of following subsidiaries are included in consolidation:

Name of the entity	Relationship	Country of Incorporation	% of holding and voting power either directly or indirectly through subsidiary	
			As at March 31, 2026	As at March 31, 2025
IIFL Home Finance Limited (HFC) (Consolidated)	Direct Subsidiary	India	79.59%	79.59%
IIFL Samasta Finance Limited (Samasta)	Direct Subsidiary	India	99.56%	99.56%
IFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	Direct Subsidiary	India	100.00%	100.00%

iv. Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the management to make estimates, judgements, and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

The Financial Statements are presented in Indian rupees which is determined to be functional currency of the Group and the currency of primary economic environment in which the Group operates.

v. Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with the provisions of the Act and the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013 along with the applicable guidelines issued by Reserve Bank of India ("RBI") and National Housing Bank ("NHB"). In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India ("ICAI") are also applied except where compliance with other statutory promulgations require a different treatment.

vi. Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Act applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the consolidated Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards and regulations issued by the RBI and NHB.

NOTE 3. MATERIAL ACCOUNTING POLICIES

(a) Revenue recognition

Revenue is recognised to the extent that it is probable

that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

i. Interest income and dividend income

Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable.

Interest income on Direct assignment pool is recognised on time proportion basis net off amount payable to assignees.

Interest on financial instruments measured at fair value is included within the fair value movement during the period.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated considering all the behavioural pattern and contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the Statement of Profit and Loss at initial recognition.

Additional Interest are recognised as income only when revenue is virtually certain which generally coincides with receipts.

Dividend is recognised as income when the right to receive is established.

ii. Fees and charges

Fees and charges include fees other than those that are an integral part of EIR. The fees included in this part of the Group's Statement of Profit and Loss include, among other things, fees charged for servicing a loan. Fees and charges are recognised as income only when revenue is virtually certain which generally coincides with receipts.

Cheque bounce charges, late payment charges and foreclosure charges are recognised on a point-in- time basis and are recorded when realised.

Fee and commission expenses with regards to services are accounted for as and when the services are delivered.

iii. Income from financial instruments at FVTPL

Income from financial instruments at FVTPL includes all gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL.

iv. Assignment transactions

In accordance with Ind AS 109, in case of assignment transactions with complete transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transaction. Further, the transfer of financial assets qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the life of the asset) is recognised on the date of derecognition itself as interest only strip receivable (interest strip on assignment) and correspondingly recognised as profit on derecognition of financial asset.

v. Securitisation transactions

In accordance with Ind AS 109, in case of securitisation transactions, the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

vi. Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

(b) Property, plant and equipment ("PPE")

PPE is recognised when it is probable that future

economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE is stated at original cost net of tax, if any, less accumulated depreciation. Cost includes professional fees related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

Subsequent expenditure related to an item of PPE is added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation is charged using the straight-line method, based on the useful life of PPE as estimated by the Management, as specified below. Depreciation is charged from the month in which new assets are ready to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used PPE from group companies, depreciation is charged over the remaining useful life of the asset. Individual assets / group of similar assets costing up to ₹ 5,000 have been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight-line basis over the leasehold period.

The estimated useful life of assets is as under:

Class of assets	Useful life
Buildings	20 years
Computers	3 years
Office equipment	5 years
Plant and Equipment	5 years
Furniture and fixtures	5 years
Vehicles	5 years

For above class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount net of accumulated depreciation of the asset and is recognised in the Statement of Profit and Loss.

Capital work in progress

Projects under which PPE are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest, and are disclosed as "capital work-in-progress".

(c) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortisation and cumulative impairment.

Intangible assets i.e., Software are amortised on straight-line basis over the estimated useful life of 3 years. Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the assets revised carrying amount over its remaining useful life.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount net of accumulated depreciation of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets under development

Intangible assets not ready for their intended use on the Balance Sheet date are disclosed as "Intangible assets under development".

(d) Investment property

Investment properties are properties held to earn rentals and/ or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount net of accumulated depreciation of the asset) is included in Statement of Profit and Loss in the period in which the Investment property is derecognised.

Freehold land and properties under construction are not depreciated.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(e) Non-current Assets held for Sale

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

(f) Impairment of assets

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE, intangible assets and investment property assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, intangible assets and investment property are tested for impairment so as to determine the impairment loss, if any.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(g) Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Securities premium includes:

- The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme

(h) Employee benefits

Defined contribution plans

The Group's contribution towards Provident Fund and Family Pension Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees and are accounted for on an accrual basis and recognised in the Statement of Profit and loss.

Defined benefit plans

Short term employee benefits: Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. These benefits include performance incentive and compensated absences.

Post employment benefits: The employees' gratuity fund scheme represents defined benefit plan. The present value of the obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to the Statement of Profit and Loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is

recognised as expense at the earlier of the plan amendment or curtailment and when the Group recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Long term employee benefits: The obligation recognised in respect of long-term benefits such as long term compensated absences, is measured at present value of estimated future cash flows expected to be made by the Group and is recognised in a similar manner as in the case of defined benefit plan above.

(i) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e., average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

(j) Taxes on income

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans and the reversal of temporary differences.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the company has not rebutted this presumption.

For transactions and other events recognised in profit or loss, any related tax effects are also recognised in profit or loss. For transactions and other events recognised outside profit or loss (either in other comprehensive income or directly in equity), any related tax effects are also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities, representing current tax and where the deferred tax assets and deferred tax liabilities relates to taxes on income levied by the same governing taxation laws.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement

of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(k) Financial instruments

Financial assets and financial liabilities are recognised in the Group's Balance Sheet when the Group becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss.

Financial assets

Classification and measurement

The Group classifies its financial assets into the following measurement categories: amortised cost; fair value through other comprehensive income; and fair value through profit or loss.

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial instruments measured at amortised cost

Debt instruments that meet the following criteria are measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The principal amount may change over the life of the financial asset (e.g., if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Financial instruments measured at fair value through other comprehensive income ("FVTOCI")

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in Statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Statement of Profit and Loss.

Financial instruments measured at fair value through Profit and Loss ("FVTPL")

All financial assets are recognized initially at fair value plus transaction cost attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The gain or loss on disposal is recognised in the Statement of Profit and Loss.

Interest income is recognised in the Statement of Profit and Loss for FVTPL debt instruments.

Dividend on financial assets at FVTPL is recognised when the Group's right to receive dividend is established.

Investments in equity instruments at FVTOCI

On initial recognition, the Group makes an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments. Dividends from these investments are recognised in the Statement of Profit and Loss when the Group's right to receive dividends is established.

Reclassifications

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described below.

Impairment of financial assets

Group recognizes loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not fair valued through profit and loss. ECL is calculated using a model which captures portfolio performance over a period of time. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR. Vintage loss curve model is used for ECL computation of retail portfolio which involves assessment of performance of segmented portfolio over a time period. The model tracks month-wise losses during the loan tenor. Vintage loss rate models provide a simple, reasonable model for both one-year and lifetime expected credit loss forecasts. For wholesale portfolio, ECL computation is done for each loan account based on CRISIL default study and International Review Board ("IRB") guidelines.

ECL is measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e., ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- full lifetime ECL, i.e., lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Key elements of ECL computation are outlined below:

- Probability of default ("PD") is an estimate of the likelihood that customer will 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-recognised and is still in the portfolio.

- Loss given default ("LGD") estimates the normalised loss which Group incurs post customer default. It is usually expressed as a percentage of the Exposure at default ("EAD").
- Effective interest rate ("EIR") is the rate that discounts estimated future cash flows through the expected life of financial instrument. For calculating EIR any upfront fees need to be excluded from the loans and advance amount.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer,
- a breach of contract such as a default or past due event,
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider,
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Default considered for computation of ECL computation is as per the applicable prudential regulatory norms.

Significant increase in credit risk

The Group monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. The Group's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's expert credit assessment.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/ or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g., a change to the increase in the interest rate that arises when covenants are breached).

The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include

an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified, the Group considers the following:

Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants. If these do not clearly indicate a substantial modification, then a quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognised, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Group monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Group determines if the financial asset's credit risk has increased significantly since initial recognition.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Group's ability to collect the modified cash flows taking into account the Group's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Group calculates the modification gain/ loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Group measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Write-off

Loans and debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written

off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

Financial liabilities and equity Instruments

Debt and equity instruments that are issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

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, net of direct issue costs.

Compound instruments

The component parts of compound instruments (e.g., convertible notes) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments.

A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain/loss is recognised in Statement of Profit and Loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the life of the convertible notes using the effective interest rate method.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet only if there is an enforceable legal right to offset the recognised amounts with an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

(l) Cash and bank balances

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. Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

(m) Goods and service tax input credit

Goods and service tax input credit is accounted for in

the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/ utilising the credits.

(n) Borrowing costs

Borrowing costs include interest expense calculated using the EIR method.

(o) Foreign currencies

In preparing the consolidated financial statements of, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

(p) Segment reporting

The Group's primary business segments are reflected based on the principal business carried out i.e., financing. All other activities of the Group revolve around the main business. The risk and returns of the business of the Group is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments.

(q) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events when no reliable estimate is possible.

Contingent liabilities are disclosed in the Notes. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

(r) Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for,

b) Funding related commitment to associate and joint venture companies; and

c) Other non-cancellable commitments, if any.

(s) Statement of cash flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a non-cash nature,
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses.
- all other items for which the cash effects are investing or financing cash flows.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of balance sheet.

(t) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

(u) Derivative financial instruments and hedging

The Group enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting

The Group designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as cash flow hedge.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss and is included in the 'fair value changes' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(v) Leases

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group considers whether (i) the contract involves the use of identified asset; (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.

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 site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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 interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Group recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

Critical accounting estimate and judgement

1. Determination of lease term

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Group's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

2. Discount rate

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The Group as a lessee

As a lessee, the Group leases assets which includes gold loan branches/office premises and vehicles to employees. The Group previously classified leases as operating, or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under Ind AS 116, the Group recognises right-of-use assets and lease liabilities for these leases.

Recent Accounting Pronouncements:

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. For the year ended March 31, 2026, the MCA has notified Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, Ind AS 1 - Presentation of Financial Statements, Ind AS 7 - Statement of Cash Flows, Ind AS 107 - Financial Instruments and amendments to Ind AS 12 - Income Taxes , applicable to the Company, w.e.f., April 1, 2025. The Group has reviewed the new pronouncements and based on its evaluation has determined that the new pronouncement is not applicable to the Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 4. CASH AND CASH EQUIVALENTS

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Cash on hand	33.69	27.64
Cheques on hand	1.61	5.40
Balance with banks		
- In current accounts	1,966.64	1,133.03
- In deposit accounts (original maturity less than or equal to three months)	1,319.14	900.10
- Interest accrued on above deposits	7.15	0.46
Total	**3,328.23**	**2,066.63**

NOTE 5. BANK BALANCE (OTHER THAN CASH AND CASH EQUIVALENTS)

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks in earmarked accounts towards unclaimed amount on NCD, dividend, etc.	11.99	13.04
In deposit accounts (refer note 5.1)	2,965.85	2,084.48
Interest accrued on deposits (refer note 5.1)	67.43	27.63
Total	**3,045.27**	**2,125.15**

NOTE 5.1 OUT OF THE DEPOSITS SHOWN ABOVE (INCLUSIVE OF INTEREST ACCRUED ON DEPOSITS)

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Lien marked	1,779.63	1,852.91
Margin for credit enhancement	362.82	102.06
Other deposits	890.83	157.14
Total	**3,033.28**	**2,112.11**

NOTE 6: DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in crores)

Part I		As at March 31, 2026			As at March 31, 2025		
		Notional amounts	Fair value - assets	Fair value - liabilities	Notional amounts	Fair value - assets	Fair value - liabilities
(i)	Currency derivatives:						
	Spot and forwards	7,369.16	424.49	0.60	7,196.37	50.25	94.67
	Cross currency interest rate swaps	2,537.06	155.62	-	378.67	-	(5.97)
(ii)	Interest rate derivatives						
	Forward rate agreements and interest rate swaps	-	-	-	-	-	-
	Options purchased	-	-	-	-	-	-
(iii)	Credit derivatives	-	-	-	-	-	-
(iv)	Equity linked derivatives	-	-	-	-	-	-
(v)	Other derivatives						
	Forward exchange contract	3,243.57	160.68	-	1,746.00	-	22.20
Total		**13,149.79**	**740.79**	**0.60**	**9,321.04**	**50.25**	**110.90**

(₹ in crores)

Part II		As at March 31, 2026			As at March 31, 2025		
		Notional amounts	Fair value - assets	Fair value - liabilities	Notional amounts	Fair value - assets	Fair value - liabilities
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:							
(i)	Fair value hedging						
	Options purchased	-	-	-	-	-	-
(ii)	Cash flow hedging						
	Currency derivatives	9,906.22	580.11	0.60	7,575.04	50.25	88.70
	Interest rate derivative	-	-	-	-	-	-
(iii)	Net investment hedging	-	-	-	-	-	-
(iv)	Undesignated derivatives						
	Currency derivative	-	-	-	-	-	-
	Interest rate derivative	-	-	-	-	-	-
	Forward exchange contract	3,243.57	160.68	-	1,746.00	-	22.20
Total		**13,149.79**	**740.79**	**0.60**	**9,321.04**	**50.25**	**110.90**

Credit risk and currency risk

(₹ in crores)

Particulars	Total		Exchange traded		Over the counter	
	Notional	Fair value	Notional	Fair value	Notional	Fair value
As at March 31, 2026						
Derivative asset	12,676.54	740.79	-	-	12,676.54	740.79
Derivative liabilities	473.25	0.60	-	-	473.25	0.60
As at March 31, 2025						
Derivative asset	1,642.36	50.25	-	-	1,642.36	50.25
Derivative liabilities	7,678.68	110.90	-	-	7,678.68	110.90

6.1 HEDGING ACTIVITIES AND DERIVATIVES

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate and currency risk.

6.1.1 DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS

The foreign currency and interest rate risk on borrowings have been actively hedged through a combination of forward contracts, interest rate swaps and cross currency swaps.

The Group is exposed to interest rate risk arising from its floating rate foreign currency borrowings. Interest on the borrowing is payable at a floating rate linked to the benchmark plus margin. The Company hedges the interest rate risk arising from the debt with a 'receive floating - pay fixed' interest rate swap and / or also with a Derivative Forward Contract.

The Group uses forward exchange contracts, interest rate swaps and cross currency swaps to hedge its risks associated with interest rate and currency risk arising from the foreign currency loans / external commercial borrowings. The Group designates such contracts in a cash flow hedging relationship by applying the hedge accounting principles as per IND AS - 109 (refer note 38.C.2). These contracts are stated at fair value of the spot element of the forward exchange contracts at each reporting date. Changes in the fair value of these contracts that are designated as effective hedge of future cash flows are recognised directly in the "Cash flow hedge reserve" under other comprehensive income and the ineffective portion is recognised immediately in the "Fair value changes" under statement of profit and loss. Hedge accounting is discontinued when the hedged instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

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There is an economic relationship between the hedged item and the hedging instrument as the terms of the Forward contracts/Interest Rate Swaps match that of the foreign currency borrowings (notional amount, interest payment dates, principal repayment date, etc.). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the forward contracts/ interest rate swaps/ cross currency swaps are identical to the hedged risk components. The Group does not use derivatives for trading or speculation purposes.

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Notional amount	13,149.79	9,321.04
Carrying amount - Asset / (Liability)	740.19	(60.66)
Line item in the statement of financial position	Derivative financial instrument	Derivative financial instrument
Change in fair value used for measuring ineffectiveness for the year	21.29	(11.76)

(₹ in crores)

Effect of cash flow hedge	As at March 31, 2026	As at March 31, 2025
Total hedging gain / (loss) recognised in OCI (net)	26.76	(6.02)
Ineffectiveness recognised in profit or (loss)	21.29	(6.93)

NOTE 7. RECEIVABLES

(₹ in crores)

Receivables		As at March 31, 2026	As at March 31, 2025
(i)	**Trade receivables**		
	Receivables considered good - secured	0.52	0.46
	Receivables considered good - unsecured*	97.57	106.82
	Receivables considered good - significant increase in credit risk	0.04	0.51
Total (i) - gross		**98.13**	**107.79**
Less: Impairment loss allowance		0.02	0.26
Total (i) - net		**98.11**	**107.53**
(ii)	**Other receivables**		
	Receivables considered good - unsecured	22.09	-
Total (ii)- gross		**22.09**	**-**
Less: Impairment loss allowance		-	-
Total (ii)- net		**22.09**	**-**
Total (i+ii)		**120.20**	**107.53**

*including receivable from other related parties (refer note 42.2)

Notes:

1. No trade or other receivables are due from directors or other officer of the Group either severally or jointly, with any other person nor from any firms including limited liability partnerships, private companies in which any director is a partner or a director or a member.
2. The Group has adopted simplified approach for impairment allowance on trade receivables. Expected credit loss ("ECL") has been recognised on credit impaired receivables.
3. Trade receivables are non-interest bearing.

NOTE 7.1 TRADE RECEIVABLES AGEING SCHEDULE

(₹ in crores)

Particulars (As at March 31, 2026)		Outstanding for following periods from due date of payment						
		Unbilled	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	51.22	46.83	0.02	0.02	0.00	0.00	**98.09**
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	0.03	0.01	-	**0.04**
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv)	Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Total		**51.22**	**46.83**	**0.02**	**0.05**	**0.01**	**0.00**	**98.13**

(₹ in crores)

Particulars (As at March 31, 2025)		Outstanding for following periods from due date of payment						
		Unbilled	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	20.89	86.26	0.13	-	-	-	**107.28**
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	0.51	-	-	-	**0.51**
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv)	Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Total		**20.89**	**86.26**	**0.64**	**-**	**-**	**-**	**107.79**

NOTE 8. LOANS

(₹ in crores)

Particulars		As at March 31, 2026			
		Amortised cost	At fair value through other comprehensive income *	At fair value through profit or loss	Total
(A)					
(i)	Term Loans	56,943.33	13,429.26	-	70,372.59
(ii)	Others (Dues from Customers etc)	1,491.91	-	-	1,491.91
Total (A) - Gross		**58,435.24**	**13,429.26**	**-**	**71,864.50**
Less: Impairment loss allowance (including Stage 3 ECL on Principal ₹ 513.45 crore)		882.68	70.75	-	953.43
Total (A) - Net		**57,552.56**	**13,358.51**	**-**	**70,911.07**
(B)					
(i)	Secured by tangible assets (refer note 8.1 and 8.2)	48,450.77	13,178.99	-	61,629.76
(ii)	Secured by Bank / Government guarantees	3,793.73	-	-	3,793.73
(iii)	Unsecured	6,190.74	250.27	-	6,441.01

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Particulars	As at March 31, 2026			
	Amortised cost	At fair value through other comprehensive income *	At fair value through profit or loss	Total
Total (B) - Gross	**58,435.24**	**13,429.26**	**-**	**71,864.50**
Less: Impairment loss allowance	882.68	70.75	-	953.43
Total (B) - Net	**57,552.56**	**13,358.51**	**-**	**70,911.07**
(C)				
(I) Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others	58,435.24	13,429.26	-	71,864.50
Total(C) (I) - Gross	**58,435.24**	**13,429.26**	**-**	**71,864.50**
Less: Impairment loss allowance	882.68	70.75	-	953.43
Total(C) (I) - Net	**57,552.56**	**13,358.51**	**-**	**70,911.07**
(II) Loans outside India (C) (II)	**-**	**-**	**-**	**-**
Total C (I) and C (II)	**57,552.56**	**13,358.51**	**-**	**70,911.07**

(₹ in crores)

Particulars	As at March 31, 2025			
	Amortised cost	At fair value through other comprehensive income *	At fair value through profit or loss	Total
(A)				
(i) Term Loans	46,594.97	8,616.11	611.52	55,822.60
(ii) Others (Dues from Customers etc)	763.46	-	-	763.46
Total (A) - Gross	**47,358.43**	**8,616.11**	**611.52**	**56,586.06**
Less: Impairment loss allowance (including Stage 3 ECL on Principal ₹ 580.37 crore)	1,165.52	56.28	-	1,221.80
Total (A) - Net	**46,192.91**	**8,559.83**	**611.52**	**55,364.26**
(B)				
(i) Secured by tangible assets (refer note 8.1 and 8.2)	34,145.33	7,982.33	611.52	42,739.18
(ii) Secured by Bank/ Government guarantees	106.12	-	-	106.12
(iii) Unsecured	13,106.98	633.78	-	13,740.76
Total (B) - Gross	**47,358.43**	**8,616.11**	**611.52**	**56,586.06**
Less: Impairment loss allowance	1,165.52	56.28	-	1,221.80
Total (B) - Net	**46,192.91**	**8,559.83**	**611.52**	**55,364.26**
(C)				
(I) Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others	47,358.43	8,616.11	611.52	56,586.06
Total (C) (I)-Gross	**47,358.43**	**8,616.11**	**611.52**	**56,586.06**
Less: Impairment loss allowance	1,165.52	56.28	-	1,221.80
Total (C) (I)-Net	**46,192.91**	**8,559.83**	**611.52**	**55,364.26**
(II) Loans outside India (C) (II)	**-**	**-**	**-**	**-**
Total C (I) and C (II)	**46,192.91**	**8,559.83**	**611.52**	**55,364.26**

*Loans classified under Fair Value Through Other Comprehensive Income relate to those available for sale in their present condition.

Notes:

8.1 Secured loans are secured by way of equitable mortgage of property, pledge of shares, hypothecation of assets, physical gold, undertaking to create security.

8.2 Secured loans include loans aggregating to ₹ Nil crs (P.Y. ₹ 124.15 crs) in respect of which the creation of security is under process.

8.3 Loans classified under fair value through profit or loss relate to CBLO amounting to ₹ Nil crs (as at March 31, 2025, ₹ 611.52 crs) including interest accrued of ₹ Nil crs (as at March 31, 2025, ₹ 0.49 crs)

NOTE 9. INVESTMENTS

(₹ in crores)

Particulars	As at March 31, 2026		
	At fair value through profit and loss	At Amortised cost	Total
(A)			
Mutual funds	0.00	-	0.00
Alternate investment funds	30.10	-	30.10
Security receipts	3,382.99	841.69	4,224.67
Government Securities	291.50	378.55	670.05
Bonds / Debt securities	913.15	61.63	974.78
Preference Shares	40.23	-	40.23
Equity instruments			
in others	56.84	-	56.84
Debt instruments	293.99	155.64	449.64
Total – Gross (A)	**5,008.80**	**1,437.51**	**6,446.31**
Less: Impairment loss allowance	325.99	27.87	353.86
Total – Net (A)	**4,682.81**	**1,409.64**	**6,092.45**
(B)			
(i) Investments outside India	-	**-**	**-**
(ii) Investments in India	5,008.80	1,437.51	6,446.31
Total – (B)	**5,008.80**	**1,437.51**	**6,446.31**
Less: Impairment loss allowance	325.99	27.87	353.86
Total Net (B)	**4,682.81**	**1,409.64**	**6,092.45**

(₹ in crores)

Particulars	As at March 31, 2025		
	At fair value through profit and loss	At Amortised cost	Total
(A)			
Mutual funds	75.28	-	75.28
Alternate investment funds	25.00	-	25.00
Security receipts	3,888.58	-	3,888.58
Government Securities	209.08	299.96	509.04
Bonds / Debt securities	198.21	61.84	260.05
Preference Shares	40.23	-	40.23
Equity instruments			
in others	227.11	0.05	227.16
Debt instruments	-	7.81	7.81
Total – Gross (A)	**4,663.49**	**369.66**	**5,033.15**
Less: Impairment loss allowance*	594.26	0.90	595.16
Total – Net (A)	**4,069.23**	**368.76**	**4,437.99**

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Particulars	As at March 31, 2025		
	At fair value through profit and loss	At Amortised cost	Total
(B)			
(i) Investments outside India	-	-	-
(ii) Investments in India	4,663.49	369.66	5,033.15
Total – (B)	**4,663.49**	**369.66**	**5,033.15**
Less: Impairment loss allowance*	594.26	0.90	595.16
Total Net (B)	**4,069.23**	**368.76**	**4,437.99**

*The parent Company had certain AIF investments that were due to mature in June 2024. In March 2024, the parent Company requested the AIF to do in-specie distribution of assets (i.e.: debentures of underlying SPV companies) in lieu of its investment in the AIF. Subsequently, these debentures were assigned to an ARC, and the book value of the resulting Security Receipts (SRs), based on the same underlying assets as of September 30, 2024, was ₹ 586.50 crores. The RBI Circular dated December 19, 2023, on "Investments in Alternative Investment Funds (AIFs)" required a 100% provision of AIF investments if they were not liquidated within 30 days of the circular being applicable. To comply with the spirit of this circular, the management decided to make a provision equivalent to 100% of the book value of these SRs, accordingly the same was disclosed under exceptional items for the previous year.

NOTE 9.1 INVESTMENT DETAILS SCRIP WISE

(₹ in crores)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)
Mutual funds			**0.00**			**75.28**
Nippon India Mutual Fund ETF Liquid BeES	43.43	1,000.00	0.00	40.78	1,000.00	0.00
Aditya Birla Sunlife Liquid Fund-Growth-Direct Plan(formerly known as Aditya Birla Sun Life Cash Plus)	-	-	-	6,02,477.62	10.00	25.23
HSBC Liquid Fund-Direct Growth	-	-	-	96,893.05	NA	25.04
HSBC Money Market Fund - Direct Growth	-	-	-	92,11,205.09	NA	25.01
Alternate investment fund			**30.10**			**25.00**
Phi Capital Growth Fund-I	294.82	1,00,000.00	7.78	292.21	1,00,000.00	8.25
Phi Capital Growth Fund-I.6	196.50	1,00,000.00	1.52	95.69	1,00,000.00	0.64
IIFL One Value Fund Series B - Class C	50,00,000.00	10.00	5.68	50,00,000.00	10.00	5.68
Faering Capital Growth Fund III	33,200.00	1,000.00	3.32	27,550.00	1,000.00	2.47
IIFL Securities Capital Enhancer Fund Class S	9,66,140.33	10.00	1.96	9,87,815.89	10.00	1.93
IIFL Securities Capital Enhancer Fund Class E	1,999.90	10.00	0.00	1,999.90	10.00	0.00
IIFL One Opportunities FOF - Series 1	30,95,601.00	10.00	4.83	30,95,601.13	10.00	4.51
IIFL Fintech Fund-Series II	45,99,770.01	10.00	5.01	14,99,925.00	10.00	1.52
Preference Shares			**40.23**			**40.23**
Open Financial Technologies Private Limited	201.00	100.00	40.23	201.00	100.00	40.23
Debt instruments			**300.90**			**7.81**
Elite Mortgage HL Trust June 2019 Series A PTC	5.00	3,58,54,404.00	4.19	5.00	3,58,54,404.00	5.09
2025 02 MFI COSINE	2,72,40,087.00	1.00	2.72	2,72,40,087.00	1.00	2.72
Liquid Gold Series -11-Equity Tranche	11,26,72,925.00	1.00	11.27	-	-	-
Liquid Gold Series -12-Equity Tranche	8,99,53,336.00	1.00	9.00	-	-	-

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Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)
Liquid Gold Series -13-Equity Tranche	2,57,19,053.00	1.00	2.57	-	-	-
Liquid Gold Series -15- Equity Tranche	7,77,76,399.00	1.00	7.78	-	-	-
Liquid Gold Series -16- Equity Tranche	1,000.00	6,16,355.62	61.63	-	-	-
Liquid Gold Series -17- Equity Tranche	2,02,04,399.00	1.00	2.02	-	-	-
Liquid Gold Series -18- Equity Tranche	19,58,54,318.00	1.00	19.59	-	-	-
Liquid Gold Series -18- A2 Tranche	25,68,61,606.00	1.00	25.69	-	-	-
Liquid Gold Series -19- Equity Tranche	1,000.00	7,67,924.21	76.78	-	-	-
Liquid Gold Series -20- Equity Tranche	75,44,08,461.99	1.00	75.44	-	-	-
Liquid Gold Series -21- Equity Tranche	2,21,91,963.00	1.00	2.22	-	-	-
Equity instruments			**56.84**			**227.16**
Alpha Microfinance Consultants Private Limited	-	-	-	50,000.00	10.00	0.05
Vishal Mega Mart	64.00	10.00	0.00	64.00	10.00	0.00
Indian Overseas Bank	69,00,000.00	10.00	21.65	4,92,97,510.00	10.00	192.11
RMBS Development Company Limited	2,50,00,000.00	10.00	25.00	2,50,00,000.00	10.00	25.00
Xtracap Fintech India Private Limited	40,00,000.00	1.00	10.19	40,00,000.00	1.00	10.00
Bonds			**974.78**			**260.05**
Andhra Pradesh State Beverages Corporation Limited	-	-	-	100.00	2,50,000.00	2.50
Andhra Pradesh State Beverages Corporation Limited	11,500.00	1,00,000.00	117.78	-	-	-
Andhra Pradesh State Beverages Corporation Limited	2,000.00	75,000.00	15.03	-	-	-
Adani Ports And Special Economic Zone Limited	-	-	-	10,000.00	1,00,000.00	100.56
The Andhra Pradesh Mineral Development Corporation Limited	13,888.00	1,00,000.00	143.00	-	-	-
Telangana State Industrial Infrastructure Corporation Limited	5,000.00	1,00,000.00	51.26	-	-	-
MSRDC Sea Link Limited	4,691.00	10,00,000.00	95.23	-	-	-
Trust Capital Services (India) Private Limited	485.00	1,00,000.00	48.74	-	-	-
Trust Investment Advisors Private Limited	5,000.00	1,00,000.00	46.72	-	-	-
Renaissance Fiscal Services Private Limited	185.00	1,00,00,000.00	185.00	-	-	-
JV Holding Private Limited	200.00	8,76,700.00	17.53	-	-	-
Turnaround Consultant Private Limited	92.00	1,00,00,000.00	92.00	-	-	-
Motilal Oswal Finvest Limited	1,079.00	1,00,000.00	10.86	-	-	-
Punjab Sind Bank Infra Bond	-	-	-	500.00	1,00,000.00	5.00
RARE ASSET RECONSTRUCTION LIMITED	9,000.00	1,00,000.00	90.00	9,000.00	1,00,000.00	90.00
Antractica NCD	-	-	-	14.00	1,00,000.00	0.15
Vatika One India Next Pvt Limited	4,385.00	1,00,000.00	36.40	4,385.00	1,00,000.00	36.53
Vatika Limited	2,971.00	1,00,000.00	25.23	2,971.00	1,00,000.00	25.31
Government Securities			**670.05**			**509.04**

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Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in crores)
7.38 % Govt. 50,000,000.00 Stock 2027	5,00,000.00	100.00	5.09	5,00,000.00	100.00	5.09
7.18% G.S. 2033	1,00,00,000.00	100.00	100.50	50,00,000.00	100.00	51.81
6.79% G.S. 2034	1,50,00,000.00	100.00	147.43	1,50,00,000.00	100.00	152.18
6.48% G.S. 2035	40,00,000.00	100.00	38.48	-	-	-
Others (Money lent against government securities - CROMS)	-	-	378.55	-	-	299.96
Commercial Papers			**148.74**			**-**
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT 91D CP 07MAY26	3,000.00	5,00,000.00	148.74	-	-	-
Security Receipts			**4,224.67**			**3,888.58**
ACRE-110-Trust (Tranche I)	-	-	-	38,25,000.00	887.11	308.78
ACRE-110-Trust (Tranche II)	-	-	-	53,97,500.00	950.14	384.63
Arcil-SBPS-049-I-Trust	-	-	-	8,33,000.00	140.85	11.73
ARCIL – TRUST -2026 – 010	12,16,480.00	1,000.00	117.46	-	-	-
ARCIL – TRUST -2026 – 015	45,89,065.00	1,000.00	439.48	-	-	-
Phoenix Trust-FY23-20	21,25,000.00	886.00	175.95	21,25,000.00	886.00	177.01
Phoenix Trust-FY24-8	8,26,000.00	982.00	47.74	8,26,000.00	982.00	53.44
Phoenix Trust-FY24-14	1,36,49,500.00	1,000.00	1,364.95	1,30,00,000.00	1,000.00	1,300.00
Phoenix Trust-FY24-17	50,00,000.00	1,000.00	500.00	50,00,000.00	1,000.00	500.00
Phoenix Trust–FY26-14	28,47,500.00	1,000.00	284.75	-	-	-
Rare-045	1,04,018.00	1,000.00	7.70	4,12,890.00	1,000.00	40.88
Rare-068	36,28,816.00	1,000.00	362.88	69,60,000.00	1,000.00	696.00
Rare-052	2,75,600.00	1,000.00	27.56	2,75,600.00	1,000.00	27.56
Rare-074	-	-	-	2,40,000.00	1,000.00	24.01
Rare-076	2,50,000.00	1,000.00	25.00	-	-	-
Rare-078	4,18,327.00	1,000.00	41.83	-	-	-
Rare-079	9,94,981.00	1,000.00	99.50	12,13,929.00	1,000.00	121.39
Rare-081	8,49,267.00	1,000.00	84.93	9,56,450.00	1,000.00	95.65
Rare-083	37,26,710.00	1,000.00	372.67	-	-	-
Rare-091	3,70,000.00	1,000.00	37.00	-	-	-
Invent/2223/P18	3,83,316.00	1,000.00	38.33	4,14,545.00	1,000.00	41.45
Invent/2223/P19	4,87,390.00	1,000.00	48.74	5,05,869.00	1,000.00	50.59
INVENT/2324/P23	5,51,939.00	1,000.00	55.19	5,54,642.00	1,000.00	55.46
INVENT/2526/P34	3,32,469.00	1,000.00	33.25	-	-	-
INVENT/2526/P44	5,97,600.00	1,000.00	59.76	-	-	-
Total Gross			**6,446.31**			**5,033.15**

NOTE 10. OTHER FINANCIAL ASSETS

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Security deposits	54.93	48.25
Deposit with Exchange	0.25	3.25
Interest strip asset on assignment	1,925.80	857.10
Staff advances	4.22	0.40
Insurance receivable	11.24	11.70
Less: Provisions on insurance receivables (refer note 10.1)	10.35	11.57

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Other receivables	200.54	201.17
Accrued interest on investments	26.52	9.32
Other advance	0.69	6.48
(Unsecured, considered doubtful)		
Other advances	61.95	11.96
Less : Impairment loss allowance on Other advances (refer note 10.2)	7.43	8.74
Security deposit for rented premises	12.29	14.45
Less: Impairment loss allowance on security deposit (refer note 10.3)	0.15	0.80
Total	**2,280.50**	**1,142.97**

NOTE 10.1 IMPAIRMENT LOSS ALLOWANCE ON INSURANCE RECEIVABLE:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	**11.57**	**24.57**
Addition	0.85	1.69
Reduction	(2.07)	(14.69)
Closing	**10.35**	**11.57**

NOTE 10.2 IMPAIRMENT LOSS ALLOWANCE ON OTHER ADVANCES:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	**8.74**	**12.16**
Addition	-	-
Reduction	(1.31)	(3.42)
Closing	**7.43**	**8.74**

NOTE 10.3 IMPAIRMENT LOSS ALLOWANCE ON SECURITY DEPOSITS:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	**0.80**	**0.89**
Addition	0.17	0.02
Reduction	(0.82)	(0.10)
Closing	**0.15**	**0.80**

NOTE 11. DEFERRED TAX ASSETS AND LIABILITIES

Significant components of deferred tax assets and liabilities for the year ended March 31, 2026 are as follows:

(₹ in crores)

(A) Deferred tax asset / (liability)	Opening balance (as on April 01, 2025)	Recognised in profit and loss	Recognised in/ reclassified from OCI	Closing balance (as on March 31, 2026)
Deferred tax assets / liabilities (net)				
Property, plant and equipment	42.08	5.92	-	48.00
Provisions, allowances for doubtful receivables / loans	205.42	(24.42)	-	181.00
Compensated absences and retirement benefits	13.62	1.37	2.39	17.38

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(₹ in crores)

(A) Deferred tax asset / (liability)	Opening balance (as on April 01, 2025)	Recognised in profit and loss	Recognised in/ reclassified from OCI	Closing balance (as on March 31, 2026)
MTM on derivative financial instruments	188.63	(111.40)	-	77.23
Expenses deductible in future years	(3.01)	165.08	-	162.07
Provision on Investment	1.78	10.49	-	12.27
Cash flow hedge reserve	5.69	(0.26)	(6.82)	(1.39)
Fair value of financial instruments	0.04	0.58	-	0.62
Leases - Ind AS 116	3.47	(0.17)	-	3.30
Income amortisation (net)	(80.69)	(222.71)	-	(303.40)
C/f losses on business / investments	(0.62)	60.39	-	59.77
Deferred tax assets (net)	**376.41**	**(115.13)**	**(4.43)**	**256.85**

(₹ in crores)

(B) Deferred tax liability	Opening balance (as on April 01, 2025)	Recognised in profit and loss	Recognised in/ reclassified from OCI	Closing balance (as on March 31, 2026)
Deferred tax assets / (liability)				
Property, plant and equipment	1.03	0.13	-	1.16
Provisions, allowances for doubtful receivables / loans	96.12	(21.09)	-	75.03
Compensated absences and retirement benefits	4.75	0.30	(0.43)	4.62
MTM on derivative financial instruments	4.55	-	(2.18)	2.37
Fair value of financial instruments	(6.70)	2.90	1.86	(1.94)
Leases - Ind AS 116	2.02	(2.85)	-	(0.83)
Income amortisation (net)	(92.77)	(60.09)	-	(152.86)
Deferred tax assets / (liability) (net)	**9.00**	**(80.70)**	**(0.75)**	**(72.45)**

Significant components of deferred tax assets and liabilities for the year ended March 31, 2025 are as follows:

(₹ in crores)

(A) Deferred tax asset	Opening balance (as on April 01, 2024)	Recognised in profit and loss	Recognised in/ reclassified from OCI	Closing balance (as on March 31, 2025)
Deferred tax assets				
Property, plant and equipment	37.91	5.20	-	43.11
Provisions, allowances for doubtful receivables / loans	304.02	(2.48)	-	301.54
Compensated absences and retirement benefits	15.82	1.61	0.93	18.36
MTM on derivative financial instruments	36.45	155.12	1.62	193.19
Expenses deductible in future years	(16.13)	13.12	-	(3.01)
Provision on Investment	1.78	-	-	1.78
Cash flow hedge reserve	5.29	-	0.40	5.69
Fair value of financial instruments	(7.58)	(0.60)	1.52	(6.66)
Leases - Ind AS 116	6.77	(1.29)	-	5.48
Income amortisation (net)	(232.06)	58.61	-	(173.45)
C/f losses on investments	(1.69)	1.07	-	(0.62)
Deferred tax assets (net)	**150.58**	**230.36**	**4.47**	**385.41**

NOTE 12. INVESTMENT PROPERTY (AT COST)

(₹ in crores)

Particulars	Property (Flats) (refer note 12.2)*	Building	Land	Investment property under construction (refer note 12.3)	Total
Gross carrying value					
As at April 1, 2025	**155.55**	**2.75**	**138.16**	**575.00**	**871.46**
Additions during the year	-	-	-	-	**-**
Deductions/adjustments during the year	-	-	(0.01)	-	**(0.01)**
As at March 31, 2026	**155.55**	**2.75**	**138.15**	**575.00**	**871.45**
Less : Adjustments / Depreciation upto March 31, 2026	-	0.87	-	-	**0.87**
Net carrying value as at March 31, 2026	**155.55**	**1.88**	**138.15**	**575.00**	**870.58**
Fair value as on March 31, 2026 (Fair value hierarchy : Level 2 / Level 3)	234.77	3.90	154.43	853.00	**1,246.10**

*Distress value of above flats is ₹197.70 crores.

(₹ in crores)

Particulars	Property (Flats) (refer note 12.2)*	Building	Land	Investment property under construction (refer note 12.3)	Total
Gross carrying value					
As at April 1, 2024	**155.55**	**2.80**	**138.16**	**-**	**296.51**
Additions during the year	-	-	-	575.00	**575.00**
Deductions/adjustments during the year	-	(0.05)	-	-	**(0.05)**
As at March 31, 2025	**155.55**	**2.75**	**138.16**	**575.00**	**871.46**
Less : Adjustments / Depreciation upto March 31, 2025	-	0.73	-	-	**0.73**
Net carrying value as at March 31, 2025	**155.55**	**2.02**	**138.16**	**575.00**	**870.73**
Fair value as on March 31, 2025 (Fair value hierarchy : Level 2 / Level 3)	260.31	3.90	152.85	575.00	**992.06**

*Distress value of above flats is ₹ 219.21 crores.

12.1: The management of the parent Company has acquired possession of these properties in satisfaction of the debts and intends to dispose them in due course, subject to conducive market conditions. These properties have been valued taking into consideration various factors such as location, facilities & amenities, quality of construction, percentage of completion of construction (as for some properties the construction is currently on hold), residual life of building, business potential, supply & demand, local nearby enquiry, market feedback of investigation and ready reckoner published by government. These valuations have been performed by an independent registered valuer registered under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair values are based on market values, being the estimated amount for which a property could be exchanged in an arm's length transaction. These properties are not depreciated as they have not been ready to use.

12.2: In respect of residential flats located in Mumbai, the Maharashtra Real Estate Regulatory Authority (MAHARERA) has passed an order directing the developer to hand over the possession of the flats along with compensation for the delay. The developer has preferred an appeal against this Order and the matter is pending before the Maharashtra Real Estate Regulatory Appellate Tribunal (MAHAREAT). One appeal filed by the developer was disposed vide order dated 08th October 2025 and the same is sent for de-novo consideration to the MAHARERA against which the IIFL has filed second appeal before High Court, Bombay and the same is pending for hearing. For another 3 flats, 3 Appeals filed by the developer are restored by the MAHAREAT vide order dated 15th December 2025, against which the Group has filed 3 Second Appeals before Bombay High Court and same is pending for hearing. For remaining residential flats, the Execution Proceedings are initiated by the Collector Office and recovery warrants have been issued in compliance of the order passed by the MAHARERA.

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12.3: Investment property under construction (IPUC) represent rights acquired by the parent Company in properties which are under construction. These rights are in respect of constructed area in the properties located in prime areas in Mumbai and are part of the projects of recognized real estate developers and not by the Group. Accordingly, disclosures in terms of paragraph WB(vi) of general instructions for preparation of Balance Sheet prescribed in Division III of Schedule III to the Companies Act, 2013 are not applicable. In respect of IPUC having carrying value of ₹ 237.34 crores, the parent Company and the concerned parties are in the process of registering the documents by which the parent Company has acquired the title over the IPUC. The acquisitions of these rights in the properties were in the normal course of the business and none of the promoters, directors or their relatives are associated with these acquisitions in any manner. Subsequent to acquisition, the concerned borrower has initiated legal action demanding compliance of the terms of settlement with the Group. The Group has certain counter claims that are being pursued. These matters are pending before the High Court of Mumbai.

NOTE 13. PROPERTY, PLANT AND EQUIPMENT

(₹ in crores)

Particulars	Freehold Land*	Electrical Equipment	Furniture And Fixtures	Vehicles	Office Equipment	Buildings and leasehold improvements	Plant & Equipment	Computer	Total
Cost as at April 1, 2025	**0.10**	**6.30**	**216.64**	**3.04**	**69.49**	**0.03**	**63.80**	**97.69**	**457.09**
Additions during the year	-	0.49	51.85	-	7.49	1.54	15.56	18.47	**95.40**
Deductions/adjustments	-	(0.25)	(6.55)	(0.69)	(0.85)	-	(2.52)	(4.56)	**(15.42)**
As at March 31, 2026	**0.10**	**6.54**	**261.94**	**2.35**	**76.13**	**1.57**	**76.84**	**111.60**	**537.07**
Depreciation									
As at April 1, 2025	**-**	**3.27**	**132.94**	**1.55**	**37.15**	**(0.00)**	**43.73**	**75.75**	**294.39**
Depreciation for the year	-	1.12	36.46	0.43	13.73	0.30	10.38	17.39	**79.81**
Deductions/adjustments	-	(0.19)	(5.77)	(0.38)	(0.73)	-	(2.33)	(4.42)	**(13.82)**
Up to March 31, 2026	**-**	**4.20**	**163.63**	**1.60**	**50.15**	**0.30**	**51.78**	**88.72**	**360.38**
Net block As at March 31, 2026	**0.10**	**2.34**	**98.31**	**0.75**	**25.98**	**1.27**	**25.06**	**22.88**	**176.69**

*The above freehold Land is hypotheticated with Debenture Trustee(s) for issue of secured non-convertible debentures.

During the year, the Group has not revalued any of its property, plant or equipment.

(₹ in crores)

Particulars	Freehold Land *	Electrical Equipment	Furniture And Fixtures	Vehicles	Office Equipment	Buildings and leasehold improvements	Plant & Equipment	Computer	Total
Cost as at April 1, 2024	**0.09**	**5.60**	**190.56**	**3.04**	**58.58**	**(0.00)**	**58.18**	**100.55**	**416.60**
Additions during the year	-	1.43	36.95	-	12.58	-	8.17	10.29	**69.42**
Deductions/adjustments	0.01	(0.73)	(10.87)	-	(1.67)	0.03	(2.55)	(13.15)	**(28.93)**
As at March 31, 2025	**0.10**	**6.30**	**216.64**	**3.04**	**69.49**	**0.03**	**63.80**	**97.69**	**457.09**
Depreciation									
As at April 1, 2024	**-**	**2.66**	**114.24**	**1.02**	**24.54**	**(0.00)**	**37.14**	**68.53**	**248.13**
Depreciation for the year	-	1.07	28.56	0.53	14.09	-	8.86	19.53	**72.64**
Deductions/adjustments	-	(0.46)	(9.86)	-	(1.48)	-	(2.27)	(12.31)	**(26.38)**
Up to March 31, 2025	**-**	**3.27**	**132.94**	**1.55**	**37.15**	**(0.00)**	**43.73**	**75.75**	**294.39**
Net block As at March 31, 2025	**0.10**	**3.03**	**83.70**	**1.49**	**32.34**	**0.03**	**20.07**	**21.94**	**162.70**

*The above freehold Land is hypotheticated with Debenture Trustee(s) for issue of secured non-convertible debentures.

During the year, the Group has not revalued any of its property, plant or equipment.

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NOTE 14.1 CAPITAL-WORK-IN PROGRESS (CWIP)

Ageing schedule 2025-26

(₹ in crores)

Particulars	As at March 31, 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5.47	0.04	0.24	-	**5.75**
Projects temporarily suspended	-	-	-	-	-

Ageing schedule 2024-25

(₹ in crores)

Particulars	As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5.33	13.41	3.65	-	**22.39**
Projects temporarily suspended	-	-	-	-	-

No projects were delayed for completion or had exceeded its cost compared to its original plan.

NOTE 14.2. INTANGIBLE ASSETS UNDER DEVELOPMENT

Ageing schedule 2025-26

(₹ in crores)

Particulars	As at March 31, 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.04	0.04	-	-	**0.08**
Projects temporarily suspended	-	-	-	-	-

Ageing schedule 2024-25

(₹ in crores)

Particulars	As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.88	-	-	-	0.88
Projects temporarily suspended	-	-	-	-	-

No projects were delayed for completion or had exceeded its cost compared to its original plan.

Note 15. LEASES

As a Lessee

a) Changes in the carrying value of right to use assets

(₹ in crores)

Particulars	Premises	Vehicle	Total
Opening Balance as at April 01, 2025	**442.18**	**3.35**	**445.53**
Addition during the year	151.46	2.96	154.42
Deduction/Adjustment	(14.50)	(0.45)	(14.95)
Depreciation during the year	(124.03)	(1.86)	(125.89)
Closing Balance As at March 31, 2026	**455.11**	**4.00**	**459.11**

(₹ in crores)

Particulars	Premises	Vehicle	Total
Opening Balance as at April 01, 2024	**432.39**	**3.72**	**436.11**
Addition during the year	129.16	1.53	130.69
Deduction/Adjustment	(9.20)	(0.16)	(9.36)
Depreciation during the year	(110.17)	(1.74)	(111.91)
Closing Balance As at March 31, 2025	**442.18**	**3.35**	**445.53**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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b) Break up value of the current and non - current finance lease obligations:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Current	118.04	97.81
Non-current	404.14	367.52
Total	**522.19**	**465.33**

c) Movement in finance lease obligations:

(₹ in crores)

Particulars	Premises	Vehicle	Total
Balance as at April 01, 2025	**461.75**	**3.58**	**465.33**
Add/ (less): Addition during the year	132.70	2.96	135.66
Add/ (less): Deduction/ adjustment	(11.50)	(0.49)	(11.98)
Add/ (less): Finance cost accrued during the period	91.28	0.36	91.64
Add/ (less): Payments	(156.27)	(2.19)	(158.46)
Closing Balance As at March 31, 2026	**517.98**	**4.23**	**522.19**

(₹ in crores)

Particulars	Premises	Vehicle	Total
Balance as at April 01, 2024	**457.53**	**3.97**	**461.50**
Add/ (less): Addition during the year	127.25	1.30	128.55
Add/ (less): Deduction/ adjustment	(10.32)	(0.00)	(10.32)
Add/ (less): Finance cost accrued during the period	47.73	0.34	48.07
Add/ (less): Payments	(160.44)	(2.03)	(162.47)
Closing Balance As at March 31, 2025	**461.75**	**3.58**	**465.33**

d) Details regarding the contractual maturities of finance lease obligations on an undiscounted basis:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	143.41	147.01
One to two years	119.07	116.00
Two to five years	248.57	217.02
More than five years	183.92	155.31
Total	**694.97**	**635.34**

e) Rental expense recorded for short-term leases was ₹ 61.12 crores (P.Y ₹ 52.65 crores)

f) Amounts recognised in profit or loss

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Interest on finance lease obligations	91.96	48.03
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	0.23	0.24
Depreciation relating to leases	125.89	111.91
Total	**218.08**	**160.18**

g) Amounts recognised in the statement of cash flows

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Total cash outflow for leases	179.29	162.95

NOTE 16. OTHER INTANGIBLE ASSETS

(₹ in crores)

Particulars	Amount
Cost or valuation as at April 01, 2025	**23.88**
Additions during the year	4.43
Deductions /Adjustments	-
As at March 31, 2026	**28.31**
Amortisation	
As at April 01, 2025	**16.29**
Additions during the year	4.77
Deductions /Adjustments	(0.02)
Up to March 31, 2026	**21.04**
Net block As at March 31, 2026	**7.27**

(₹ in crores)

Particulars	Amount
Cost or valuation as at April 01, 2024	**17.09**
Additions during the year	6.79
Deductions /Adjustments	-
As at March 31, 2025	**23.88**
Amortisation	
As at April 01, 2024	**12.41**
Additions during the year	3.88
Deductions /Adjustments	-
Up to March 31, 2025	**16.29**
Net block As at March 31, 2025	**7.59**

NOTE 16.1: The Group has not revalued its Intangible Assets.

NOTE 16.2: None of the intangible assets are internally generated.

NOTE 17. OTHER NON-FINANCIAL ASSETS

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Prepaid expenses	182.31	113.39
Advances for operational expenses	170.09	29.64
Deposit with government	1.98	1.98
GST / Service tax input	74.68	30.93
Capital Advance	0.04	0.04
Other assets	22.73	9.01
Total	**451.83**	**184.99**

NOTE 17A. NON CURRENT ASSETS HELD FOR SALE

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Non current assets held for sale*	23.90	-
Total	**23.90**	**-**

During the year ended March 31, 2026, the Group acquired possession of certain immovable properties pursuant to proceedings initiated against defaulting borrowers.

The Group intends to dispose of these properties through auction / negotiated sale for recovery of outstanding dues and has accordingly classified these properties as "Assets held for sale" where the recognition criteria under Ind AS 105 have been satisfied. The Group has filed a sale certificate with the court of recovery indicating that it has purchased these properties from the borrowers.

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NOTE 18. PAYABLES

(₹ in crores)

Particulars			As at March 31, 2026	As at March 31, 2025
(I)	**Trade payables**			
	(i)	Total outstanding dues of micro enterprises and small enterprises (Refer note 18.1)	19.02	10.39
	(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises		
		Outstanding dues of creditors	24.14	6.69
		Provision for expenses	160.17	156.19
		Other trade payables*	43.35	12.37
	Sub-Total		**227.66**	**175.25**
Total (I)			**246.68**	**185.64**
(II)	**Other Payables**			
	(i)	Total outstanding dues of micro enterprises and small enterprises	-	-
	(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	-	34.28
Total (II)			**-**	**34.28**
Total (I + II)			**246.68**	**219.92**

*including payable to other related parties (refer note 42.2)

NOTE 18.1 DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The following disclosure is made as per the requirement under The Micro, Small and Medium Enterprises Development Act, 2016 ("MSMED Act") on the basis of confirmations sought from suppliers on registration with the specified authorities under MSMED:

(₹ in crores)

Particulars		FY 2025-26	FY 2024-25
(a)	Principal amount remaining unpaid to any supplier at the year end	19.02	10.39
(b)	Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c)	Amount of interest paid and payments made to the supplier 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 day during the year) but without adding the interest specified under the Act	-	-
(e)	Amount of interest accrued and remaining unpaid at the year end	-	-
(f)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

The aforementioned is based on the responses received by the Group to its inquiries with suppliers with regard to applicability under the said Act.

NOTE 18.2 TRADE PAYABLES AGEING SCHEDULE

As at March 31, 2026

(₹ in crores)

Particulars	Unbilled	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	13.32	5.68	0.02	-	0.00	**19.02**
(ii)Others	158.13	69.19	0.26	0.01	0.07	**227.66**

As at March 31, 2025

(₹ in crores)

Particulars	Unbilled	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	8.10	2.29	0.00	-	-	**10.39**
(ii)Others	114.39	60.62	0.13	0.04	0.06	**175.25**

NOTE 19. DEBT SECURITIES

(₹ in crores)

Particulars		At amortised cost	
		As at March 31, 2026	As at March 31, 2025
(i)	Non Convertible Debentures (refer notes below) - Secured	14,497.96	13,458.08
(ii)	Non Convertible Debentures - Unsecured	165.00	65.00
	Less : Unamortised debenture issue expenses	104.15	101.10
(iii)	Commercial Papers - Unsecured	5,972.90	3,124.70
	Less : Unexpired discount on Commercial Paper	129.37	71.08
(iv)	Interest accrued but not due	345.63	296.64
Total (A)		**20,747.97**	**16,772.24**
	Debt Securities in India	16,713.45	13,109.08
	Debt Securities outside India	4,034.52	3,663.16
Total (B)		**20,747.97**	**16,772.24**

Notes:

(a) The Non Convertible Debentures are secured by way of first pari-passu charge on immovable property, current assets, book debts, loans and advances including receivables other than those specifically charged.

(b) During the Previous year, the Group has borrowed ₹ 3,680.06 Crore (equivalent to USD 425 million) under Global Medium Term Note Programme. These are secured by way of all rights, titles, interest, benefits, claims and demands, whatsoever of the Group in, to and in respect of, all present and future, receivables/assets, including Company's accounts, operating cash flows, current assets, book debts, stock in trade, loans and advances and receivables, both present and future to the extent of complying with the Security Coverage Ratio, but excluding the Ineligible Assets.

(c) Non Convertible Debentures – Secured includes redeemable non convertible debenture which carries call and put option of ₹ Nil (callable / puttable from April 02, 2025) {As at March 31, 2025 ₹ 280.00 Crores (callable / puttable from April 02, 2025)} and NCDs carrying call and put option of ₹ Nil Crores (callable / puttable from May 23, 2025) {As at March 31, 2025 ₹ 320 Crores (callable / puttable from May 23, 2025)}.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 19.1 - TERMS OF REPAYMENT

Residual maturity		As at March 31, 2026		As at March 31, 2025	
		Rate of interest / yield	Amount (₹ in crores)	Rate of interest / yield	Amount (₹ in crores)
(A)	**Non Convertible Debenture (NCD) and zero coupon bonds:**		**14,662.96**		**13,523.08**
	Secured		**14,497.96**		**13,458.08**
	More than 5 years	8.33% - 9.45%	484.63	5.00% - 9.45%	1,225.09
	3- 5 years	5.00% - 11.00%	2,003.97	8.33% - 10.50%	5,893.23
	1-3 years	5.00% - 11.00%	8,798.62	7.85% - 10.00%	4,980.79
	Less than 1 year	5.00% - 10.00%	3,210.74	8.35% - 9.90%	1,358.97
	Unsecured		**165.00**		**65.00**
	More than 5 years	9.95%	50.00	-	-
	1-3 years	9.95%	110.00	9.95% - 10.00%	65.00
	Less than 1 year	10.00%	5.00	-	-
(B)	**Commercial Papers (Unsecured):**		**5,972.90**		**3,124.70**
	Less than 1 years	7.75% - 10.00%	5,972.90	9.00% - 10.00%	3,124.70
Total (A+B)			**20,635.86**		**16,647.78**

NOTE 19.2 - NON CONVERTIBLE DEBENTURES - INSTRUMENT WISE DETAILS

A. SECURED

(₹ in crores)

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
9.90% Secured Rated Listed Redeemable Non Convertible Debenture Series D29 Option C Date Of Maturity 20/04/2026	9.90%	440.00	446.90
8.57% Secured Rated Listed Redeemable Non Convertible Debenture. Series J1 Date Of Maturity 28/04/2026	8.57%	50.00	50.00
8.50% Secured Rated Listed Redeemable Non Convertible Debentures Letter Of Allotment Series D9 Date Of Maturity 22/05/2026	8.50%	-	320.00
9.20% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance II - Series I Date Of Maturity 21/06/2026	9.20%	6.20	6.20
9.60% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance II - Series II Date Of Maturity 21/06/2026	9.60%	77.60	77.60
8.50% Secured Rated Annually Listed Redeemable Senior Non Convertible Debentures. Series III Date Of Maturity 28/06/2026	8.50%	123.58	123.58
8.50% Secured Rated Listed Redeemable Senior Non Convertible Debentures. Series IV Date Of Maturity 28/06/2026	8.50%	8.91	8.91
9.00% Secured Rated Listed Redeemable Non Convertible Debenture Series I Tranche 1 Date Of Maturity 21/07/2026	9.00%	146.10	-
9.00% Secured Rated Listed Redeemable Non Convertible Debenture Series Ii Tranche 1 Date Of Maturity 21/07/2026	9.00%	14.38	-
8.20% Secured Rated Listed Redeemable Non Convertible Debentures. Series D7 Date Of Maturity 28/09/2026	8.20%	112.00	112.00
9.50% Rated, Unsubordinated, Secured, Taxable, Transferable, Redeemable Non-Convertible Debentures Date Of Maturity 30/09/2026	9.50%	10.00	30.00
8.80% Secured Rated Listed Redeemable Non Convertible Debenture Series D32 Date Of Maturity 07/10/2026	8.80%	50.00	-
8.42% Secured Rated Monthly Listed Redeemable Senior Non Convertible Debentures. Series V Date Of Maturity 14/10/2026	8.42%	141.61	141.74
8.75% Secured Rated Annually Listed Redeemable Senior Non Convertible Debentures. Series VI Date Of Maturity 14/10/2026	8.75%	133.32	133.46

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(₹ in crores)

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
8.75% Zero Coupon Secured Rated Cummulative Listed Redeemable Non Convertible Debentures. Series VII Date Of Maturity 14/10/2026	8.75%	26.68	26.70
10.00% Senior, Rated, Listed, Secured, Redeemable Non-Convertible Debentures Date Of Maturity 26/11/2026	10.00%	80.00	80.00
9.80% Secured Rated Listed Redeemable Non-Convertible Debenture Series D27 Date Of Maturity 03/12/2026	9.80%	-	600.00
9.57% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance - Series III Date Of Maturity 21/12/2026	9.57%	34.05	34.05
10.00% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance - Series IV Date Of Maturity 21/12/2026	10.00%	73.45	73.45
8.85% Secured Rated Listed Redeemable Non Convertible Debentures. Series I Tranche I Date Of Maturity 26/12/2026	8.85%	274.50	274.50
8.85% Secured Rated Listed Redeemable Non Convertible Debenture. Series II Tranche I Date Of Maturity 26/12/2026	8.85%	7.18	7.18
9.50% Senior, Secured, Rated, Listed, Taxable, Transferable, Redeemable Non-Convertible Debentures Date Of Maturity 31/12/2026	9.50%	28.12	65.62
8.20% Secured Rated Listed Redeemable Non Convertible Debenture. Series III Tranche II Date Of Maturity 03/01/2027	8.20%	52.65	52.65
8.50% Secured Rated Listed Redeemable Non Convertible Debenture. Series IV Tranche II Date Of Maturity 03/01/2027	8.50%	13.60	13.60
8.50% Secured Rated Listed Redeemable Non Convertible Debenture. Series V Tranche II Date Of Maturity 03/01/2027	8.50%	4.25	4.25
9.50% Senior, Secured, Rated, Listed, Taxable principle protected Redeemable Non-Convertible Debentures Date Of Maturity 05/02/2027	9.50%	37.50	75.00
9.90% Secured Rated Listed Redeemable Non Convertible Debenture Series D31 Date Of Maturity 08/03/2027	9.90%	135.00	135.00
9.50% Secured Rated Semi Annually Listed Redeemable Senior Non Convertible Debentures Date Of Maturity 20/03/2027	9.50%	500.00	500.00
8.60% Secured Rated Listed Non Convertible Debenture Series D36 Date Of Maturity 24/03/2027	8.60%	500.00	-
9.30% Secured Rated Listed Redeemable Non Convertible Debenture Series Iii Tranche I Date Of Maturity 21/04/2027	9.30%	102.61	-
9.30% Secured Rated Listed Redeemable Non Convertible Debenture Series Iv Tranche I Date Of Maturity 21/04/2027	9.30%	2.90	-
9.50% Senior, Secured, Rated, Listed, Taxable principle protected Redeemable Non-Convertible Debentures Date Of Maturity 22/04/2027	9.50%	50.00	-
7.90% IIFL Home Finance Limited Secured Redeemable Non-Convertible Debentures FY25-26 Series H1 28/05/2027	7.90%	100.00	-
9.50% Rated, Listed, Unsubordinated, Secured, Taxable, Transferable, Redeemable Non-Convertible Debentures Date Of Maturity 19/06/2027	9.50%	50.00	-
9.57% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance II - Series III Date Of Maturity 21/06/2027	9.57%	13.14	13.14
10.00% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance II - Series IV Date Of Maturity 21/06/2027	10.00%	14.72	14.72
9.50% Listed, Senior, Secured, Transferable, Redeemable, Non-Convertible Debentures Date Of Maturity 23/07/2027	9.50%	300.00	-
8.00% IIFL Home Finance Limited Secured Redeemable Non-Convertible Debentures FY25-26 Series E1 04/08/2027	8.00%	100.00	-
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10 Date Of Maturity 15/08/2027	8.36%	273.33	273.33
7.85% Senior, Secured, Listed, Rated, Redeemable, Transferrable, Non-Convertible Debentures Date Of Maturity 30/08/2027	7.85%	66.60	66.60

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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(₹ in crores)

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
9.90% Secured Rated Listed Redeemable Non Convertible Debenture Series D28 Date Of Maturity 20/12/2027	9.90%	250.00	250.00
8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series III Tranche I Date Of Maturity 26/12/2027	8.65%	9.72	9.72
9.00% Secured Rated Listed Redeemable Non Convertible Debenture Series IV Tranche I Date Of Maturity 26/12/2027	9.00%	44.19	44.19
9.00% Secured Rated Listed Redeemable Non Convertible Debenture. Series V Tranche I Date Of Maturity 26/12/2027	9.00%	5.64	5.64
9.00% Secured Rated Listed Redeemable Non Convertible Debentures Series Vi Date Of Maturity 24/01/2028	9.00%	118.93	118.93
9.00% Secured Rated Listed Redeemable Non Convertible Debentures Series Vii Date Of Maturity 24/01/2028	9.00%	37.86	37.86
8.65% Secured Rated Listed Redeemable Non Convertible Debentures Series V Date Of Maturity 24/01/2028	8.65%	157.24	157.24
9.70% Secured, Rated, Listed, Redeemable Non-Convertible Debentures Date Of Maturity 28/01/2028	9.70%	30.00	30.00
9.18% Secured Rated Listed Redeemable Non Convertible Debenture Series K1 Date Of Maturity 06/02/2028	9.18%	250.00	250.00
8.60% Secured Rated Listed Redeemable Non Convertible Debentures. Series. D3 Date Of Maturity 11/02/2028	8.60%	18.00	18.00
9.20% Listed, Senior, Secured, Transferable, Redeemable, Non-Convertible Debentures Date Of Maturity 12/02/2028	9.20%	130.00	-
8.37% Secured Rated Listed Redeemable Non Convertible Debenture Series I Tranche I Date Of Maturity 06/03/2028	8.37%	88.57	-
8.70% Secured Rated Listed Redeemable Non Convertible Debenture Series IV Tranche I Date Of Maturity 06/03/2028	8.70%	434.56	-
8.70% Secured Rated Listed Redeemable Non Convertible Debenture Series VII Tranche I Date Of Maturity 06/03/2028	8.70%	20.49	-
8.62% Secured Rated Listed Redeemable Non Convertible Debentures. Series D4 Date Of Maturity 12/03/2028	8.62%	19.00	19.00
9.35% Secured Rated Listed Redeemable Non Convertible Debenture Series V Tranche I Date Of Maturity 21/04/2028	9.35%	23.51	-
9.75% Secured Rated Listed Redeemable Non Convertible Debenture Series VI Tranche I Date Of Maturity 21/04/2028	9.75%	98.60	-
9.75% Secured Rated Listed Redeemable Non Convertible Debenture Series VII Tranche I Date Of Maturity 21/04/2028	9.75%	7.34	-
8.65% Secured Rated Monthly Listed Senior Redeemable Non Convertible Debentures Series V Date Of Maturity 28/06/2028	8.65%	88.20	88.20
9.00% Secured Rated Annually Listed Senior Redeemable Non Convertible Debentures Series VI Date Of Maturity 28/06/2028	9.00%	131.94	131.94
9.00% Secured Rated Listed Senior Redeemable Non Convertible Debentures Series VII Date Of Maturity 28/06/2028	9.00%	37.52	37.52
8.33% Secured Rated Listed Redeemable Non Convertible Debentures. Series D13 Date Of Maturity 30/06/2028	8.33%	125.00	125.00
9.75% Listed, Senior, Secured, Transferable, Redeemable, Non-Convertible Debentures Date Of Maturity 16/07/2028	9.75%	200.00	-
8.75% Secured Medium Term Note. Date Of Maturity- 24/07/2028 Date Of Maturity 24/07/2028*	8.75%	4,030.49	3,632.69
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10 Date Of Maturity 15/08/2028	8.36%	273.33	273.33
9.65% Senior, Secured, Rated, Listed, Taxable principle protected Redeemable Non-Convertible Debentures Date Of Maturity 12/09/2028	9.65%	100.00	-

(₹ in crores)

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
10.03% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance - Series V Date Of Maturity 21/12/2028	10.03%	80.39	80.39
10.50% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance - Series VI Date Of Maturity 21/12/2028	10.50%	157.72	157.72
9.25% Listed, Senior, Secured, Transferable, Redeemable, Non-Convertible Debentures Date Of Maturity 24/12/2028	9.25%	175.00	-
8.43% Secured Rated Listed Redeemable Non Convertible Debenture. Series VI Tranche II Date Of Maturity 03/01/2029	8.43%	53.74	53.74
8.75% Secured Rated Listed Redeemable Non Convertible Debenture. Series VII Tranche II Date Of Maturity 03/01/2029	8.75%	22.18	22.18
8.75% Secured Rated Listed Redeemable Non Convertible Debenture. Series VIII Tranche II Date Of Maturity 03/01/2029	8.75%	5.53	5.53
8.52% Secured Rated Listed Redeemable Non Convertible Debenture Series II Tranche I Date Of Maturity 06/03/2029	8.52%	35.74	-
8.85% Secured Rated Listed Redeemable Non Convertible Debenture Series V Tranche I Date Of Maturity 06/03/2029	8.85%	198.65	-
8.85% Secured Rated Listed Redeemable Non Convertible Debenture Series VII Tranche I Date Of Maturity 06/03/2029	8.85%	26.11	-
8.70% Secured Rated Listed Redeemable Non Convertible Debentures. Series D5 Date Of Maturity 16/04/2029	8.70%	36.00	36.00
10.03% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance II - Series V Date Of Maturity 21/06/2029	10.03%	54.32	54.32
10.50% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance II - Series VI Date Of Maturity 21/06/2029	10.50%	14.87	14.87
8.33% Secured Rated Listed Redeemable Non Convertible Debentures. Series D13 Date Of Maturity 30/06/2029	8.33%	125.00	125.00
9.25% Listed, Senior, Secured, Transferable, Redeemable, Non-Convertible Debentures Date Of Maturity 12/08/2029	9.25%	100.00	-
8.36% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series D10 Date Of Maturity 15/08/2029	8.36%	273.33	273.33
9.18% Secured Rated Listed Redeemable Non Convertible Debentures. Series C15 Date Of Maturity 03/10/2029	9.18%	300.00	300.00
9.45% Secured Rated Listed Redeemable Non Convertible Debentures Series D20 Date Of Maturity 01/11/2029	9.45%	137.50	137.50
8.90% Secured Rated Listed Redeemable Non Convertible Debentures. Series VI Tranche I Date Of Maturity 26/12/2029	8.90%	15.22	15.22
9.25% Secured Rated Listed Redeemable Non Convertible Debentures. Series VII Tranche I Date Of Maturity 26/12/2029	9.25%	16.20	16.20
9.25% Secured Rated Listed Redeemable Non Convertible Debenture. Series VIII Tranche I Date Of Maturity 26/12/2029	9.25%	3.06	3.06
8.58% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series AD I Date Of Maturity 25/02/2030	8.58%	247.60	309.50
9.60% Secured Rated Listed Redeemable Non Convertible Debenture Series VIII Tranche I Date Of Maturity 21/04/2030	9.60%	42.58	-
10.25% Secured Rated Listed Redeemable Non Convertible Debenture Series IX Tranche I Date Of Maturity 21/04/2030	10.25%	61.99	-
8.70% Secured Rated Listed Redeemable Non Convertible Debentures. Series D6 Date Of Maturity 14/05/2030	8.70%	109.00	109.00
8.33% Secured Rated Listed Redeemable Non Convertible Debentures. Series D13 Date Of Maturity 30/06/2030	8.33%	125.00	125.00
9.45% Secured Rated Listed Redeemable Non Convertible Debentures Series D20 Date Of Maturity 01/11/2030	9.45%	137.50	137.50

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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(₹ in crores)

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
8.69% Secured Rated Listed Redeemable Non Convertible Debentures. Series. Series D2 Date Of Maturity 12/11/2030	8.69%	300.00	300.00
5.00% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series AD II Date Of Maturity 28/02/2031	5.00%	57.48	68.95
8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series III Tranche I Date Of Maturity 06/03/2031	8.65%	80.29	-
9.00% Secured Rated Listed Redeemable Non Convertible Debenture Series VI Tranche I Date Of Maturity 06/03/2031	9.00%	112.24	-
9.00% Secured Rated Listed Redeemable Non Convertible Debenture Series IX Tranche I Date Of Maturity 06/03/2031	9.00%	24.98	-
8.33% Secured Rated Listed Redeemable Non Convertible Debentures. Series D13 Date Of Maturity 30/06/2031	8.33%	125.00	125.00
9.45% Secured Rated Listed Redeemable Non Convertible Debentures Series D20 Date Of Maturity 01/11/2031	9.45%	137.50	137.50
9.25% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series IX Tranche I Date Of Maturity 26/12/2031	9.25%	4.63	4.63
8.50% Secured Rated Listed Non Convertible Debentures. Series D15 Date Of Maturity 21/01/2032	8.50%	10.00	10.00
8.60% Secured Rated Listed Redeemable Non Convertible Debentures. Series D16 Option A Date Of Maturity 24/03/2032	8.60%	60.00	60.00
9.00% Secured Rated Listed Non Convertible Debenture. Series D17 Date Of Maturity 15/07/2032	9.00%	10.00	10.00
9.45% Secured Rated Listed Redeemable Non Convertible Debentures Series D20 Date Of Maturity 01/11/2032	9.45%	137.50	137.50
8.35% Secured Rated Annually Listed Redeemable Senior Non Convertible Debentures. Series I Date Of Maturity 28/06/2025	8.35%	-	46.98
8.35% Secured Rated Listed Redeemable Senior Non Convertible Debentures. Series II Date Of Maturity 28/06/2025	8.35%	-	14.24
8.70% Secured rated Listed Redeemable Non convertible Debentures Letter of Allotment SERIES G1 Date Of Maturity 20/10/2025	8.70%	-	250.00
9.21% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance - Series I Date Of Maturity 21/12/2025	9.21%	-	49.57
9.60% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures - Public Issuance - Series II Date Of Maturity 21/12/2025	9.60%	-	116.84
8.75% Secured Rated Listed Redeemable Non Convertible Debentures Series IV Date Of Maturity 24/01/2026	8.75%	-	24.13
8.75% Secured Rated Listed Redemable Non Convertible Debentuers Series III Date Of Maturity 24/01/2026	8.75%	-	57.21
9.90% Secured Rated Listed Redeemable Non Convertible Debenture Series D29 Option A Date Of Maturity 10/03/2026	9.90%	-	400.00
9.90% Secured Rated Listed Redeemable Non Convertible Debenture Series D29 Option B Date Of Maturity 20/03/2026	9.90%	-	400.00
8.50% Secured Rated Listed Redeemable Non Convertible Debentures Letter Of Allotment Series D8 Date Of Maturity 31/03/2026	8.50%	-	280.00
Total		**14,497.96**	**13,458.05**

*Includes hedging cost

Note: In case of multiple redemptions, the final redemption date is considered as date of maturity in the above listing.

B. UNSECURED

(₹ in crores)

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
10.00% Unsecured Rated Listed Redeemable Non-Convertible Debentures. Date Of Maturity 28/06/2026	10.00%	5.00	25.00
9.95% Unsecured Rated Listed Redeemable Non Convertible Debenture Date Of Maturity 28/03/2028	9.95%	40.00	40.00
9.95% Unsecured Rated Listed Redeemable Non Convertible Debenture Date Of Maturity 09/04/2028	9.95%	70.00	-
9.95% Unsecured Rated Listed Reedemable Non Convertible Debenture Date Of Maturity 05/06/2035	9.95%	50.00	-
Total		**165.00**	**65.00**

NOTE 20. BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in crores)

Particulars			At amortised cost	
			As at March 31, 2026	As at March 31, 2025
		(A)		
(a)	Term loan (refer note 20.1)			
	(i)	From Banks, NHB and Financial Institutions (refer notes below)	34,874.55	27,490.11
	(ii)	From others	-	427.58
		Less : Prepaid expenses	170.61	122.12
(b)	Other loans (refer note (a))			
	(i)	Cash credit/ overdraft (refer note 20.2)	1,542.30	1,544.95
	(ii)	Securitisation liability (refer note 20.2)	6,675.61	1,657.60
	(iii)	Inter corporate deposit	62.42	-
		Less : Prepaid expenses	-	-
(c)	Interest accrued but not due		118.85	72.98
(d)	Payment pending adjustment		(4.17)	(12.50)
Total (A)			**43,098.95**	**31,058.60**
		(B)		
Borrowings in India			37,264.03	27,897.35
Borrowings outside India			5,834.92	3,161.25
Total (B)			**43,098.95**	**31,058.60**

Notes:

(a) These loans are secured by way of a first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically/exclusively charged.

(b) During the year, the company borrowed ₹ 473.25 Crores (equivalent to US $ 50 Million) under External commercial borrowing. These are secured by way of a first ranking pari passu charge by way of hypothecation on all the borrower's charged asset in favour of the security holder in accordance with the Deed of Hypothecation.

(c) Out of the total borrowing from Banks, borrowings amounting to ₹ Nil Crores (PY ₹ 20.00 Crores) and Refinance Facility from NHB amounting to ₹ 162.75 Crores (PY ₹ 240.33 Crores) are also guaranteed by Holding Company i.e. IIFL Finance Limited.

(d) Borrowings from NHB amounting to ₹ 4,312.47 Crores (As at March 31, 2025 ₹5,419.26 Crores) secured by way of first exclusive charge on unencumbered individual housing loan portfolio in Favor of NHB.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 20.1 - TERMS OF REPAYMENT FROM BANKS, NHB AND FINANCIAL INSTITUTIONS

Residual Maturity	As at March 31, 2026		As at March 31, 2025	
	Rate of interest / yield	Amount (₹ in crores)	Rate of interest / yield	Amount (₹ in crores)
Term loans from Banks and Financial institutions:*				
Fixed:		**6,548.00**		**4,432.74**
More than 5 years	5.84%	151.75	5.84%	149.18
3- 5 years	5.84% - 9.10%	181.34	5.84% - 9.85%	191.80
1-3 years	5.84% - 12.00%	2,296.37	5.84% - 11.05%	2,411.94
Less than 1 year	5.84% - 12.00%	3,918.54	5.84% - 11.25%	1,679.82
Floating:		**24,014.08**		**17,579.49**
More than 5 years	8.10% - 9.45%	1,580.96	8.38% - 9.55%	1,557.06
3- 5 years	8.04% - 10.65%	4,508.26	9.10% - 10.80%	2,996.97
1-3 years	7.75% - 11.00%	10,951.08	8.14% - 11.15%	7,155.27
Less than 1 year	7.00% - 11.50%	6,973.78	7.86% - 11.15%	5,870.19
Term loans from NHB:				
Fixed:		**1,461.70**		**1,830.45**
More than 5 years	8.19%	204.91	2.80% - 8.50%	354.00
3- 5 years	2.80% - 8.19%	377.73	2.80% - 8.50%	505.79
1-3 years	2.80% - 8.19%	612.49	2.80% - 9.00%	691.14
Less than 1 year	2.80% - 8.19%	266.57	2.80% - 9.00%	279.52
Floating:		**2,850.77**		**3,647.42**
More than 5 years	7.50% - 8.15%	725.26	8.25% - 8.50%	1,384.11
3- 5 years	7.50% - 8.50%	796.29	8.25% - 8.60%	888.56
1-3 years	7.50% - 8.50%	959.39	8.25% - 8.60%	985.01
Less than 1 year	7.50% - 8.50%	369.83	7.07% - 8.60%	389.74
Term loans from others:**				
Fixed:		**-**		**427.58**
1 - 3 Years	-	-	-	-
Less than 1 year	-	-	8.62%	427.58
Total		**34,874.55**		**27,917.68**

*The rate of interest for the above term loans is linked to marginal cost of funds based lending rate/ treasury bills plus applicable spread. The above categorisation of loans has been based on the interest rates prevalent as on the respective reporting dates.

**The rate of interest for the above loan is linked to the benchmark plus appropriate spread.

NOTE 20.2 - TERMS OF REPAYMENT OF OTHER LOANS

Residual Maturity	As at March 31, 2026		As at March 31, 2025	
	Rate of interest / yield	Amount (₹ in crores)	Rate of interest / yield	Amount (₹ in crores)
Floating:				
Less than 1 year - CC/ ODFD ***	7.00% - 9.85%	1,542.29	6.85% - 10.55%	1,544.95
Securitisation:		**6,738.04**		**1,657.60**
Fixed:		**6,369.00**		**1,174.69**
1-3 years	8.00%-11.00%	5,387.56	9.00%-13.00%	467.33
Less than 1 year	8.00%-11.00%	981.44	9.00%-10.00%	707.36

Residual Maturity	As at March 31, 2026		As at March 31, 2025	
	Rate of interest / yield	Amount (₹ in crores)	Rate of interest / yield	Amount (₹ in crores)
Floating:		**369.04**		**482.92**
More than 5 years	7.45% - 9.25%	129.76	8.20% - 9.60%	190.88
3- 5 years	7.45% - 9.25%	93.86	8.20% - 9.60%	84.66
1-3 years	7.45% - 9.25%	97.12	8.20% - 9.60%	126.84
Less than 1 year	7.45% - 9.25%	48.30	8.20% - 9.60%	80.54
Total		**8,280.33**		**3,202.55**

***The rate of interest for the above loans is linked to base rate of Bank's plus applicable spread. The above categorisation of loans has been based on the interest rates prevalent as on the respective reporting dates.

NOTE 21. SUBORDINATED LIABILITIES

Unsecured, Subordinated Non Convertible Debentures

(₹ in crores)

Particulars		At amortised cost	
		As at March 31, 2026	As at March 31, 2025
	(A)		
(i)	Non convertible debentures- unsecured	5,159.90	3,117.22
	Less: Unamortised debenture issue expenses	85.28	49.20
(ii)	Interest accrued but not due	254.34	169.17
	Total (A)	**5,328.96**	**3,237.19**
	(B)		
	Subordinated liabilities in India	5,003.96	2,889.44
	Subordinated liabilities outside India	325.00	347.75
	Total (B)	**5,328.96**	**3,237.19**

NOTE 21.1 - TERMS OF REPAYMENT

Residual Maturity	As at March 31, 2026		As at March 31, 2025	
	Rate of interest / yield	Amount (₹ in crores)	Rate of interest / yield	Amount (₹ in crores)
Non Convertible Debenture and zero coupon bonds (Unsecured)				
Fixed:		**5,159.90**		**3,117.22**
More than 5 years	9.20% - 12.00%	2,620.00	9.20% - 11.00%	860.61
3- 5 years	10.00% - 12.00%	372.00	9.47% - 11.25%	2,039.90
1-3 years	8.70% - 12.00%	2,167.90	8.70% - 9.05%	185.00
Less than 1 years	-	-	10.00% - 10.50%	31.71
Total		**5,159.90**		**3,117.22**

Notes:

Non Convertible Debentures – Unsecured includes redeemable non convertible debentures carrying call option of ₹ 10.00 Crores (callable from February 28, 2026), ₹ 40.00 Crores (callable from June 18, 2025) and ₹ 30.00 Crores (callable from July 14, 2025) {As at March 31, 2025 ₹ 10.00 Crores (callable from February 28, 2026), ₹ 40.00 Crores (callable from June 18, 2025) and ₹ 30.00 Crores (callable from July 14, 2025)}.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 21.2 - NON CONVERTIBLE DEBENTURES - INSTRUMENT WISE DETAILS

(₹ in crores)

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
8.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series U06 Date Of Maturity 27/07/2027	8.85%	75.00	75.00
8.70% Unsecured Redeemable Non-Convertible Subordinated Debentures – Series U03 Date Of Maturity 19/11/2027	8.70%	100.00	100.00
9.05% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U08 Date Of Maturity 28/02/2028	9.05%	10.00	10.00
9.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U09 Date Of Maturity 16/06/2028	9.85%	40.00	40.00
10.00% Unsecured Rated Listed Redeemable Non Convertible Debenture. Series I Date Of Maturity 24/06/2028	10.00%	274.69	274.69
9.60% Unsecured Rated Listed Redeemable Non Convertible Debenture. Series II Date Of Maturity 24/06/2028	9.60%	328.02	328.02
10.03% Zero Coupon Unsecured Rated Listed Redeemable Non Convertible Debenture. Series Iii Date Of Maturity 24/06/2028	10.03%	68.14	68.14
9.47% India Infoline (Regs) 18-2028_Rupee Denominated Bond Date Of Maturity 28/06/2028	9.47%	325.00	325.00
9.85% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures U010 Date Of Maturity 13/07/2028	9.85%	30.00	30.00
11.25% Subordinated, Redeemable Non-Convertible Debentures Date Of Maturity 19/07/2028	11.25%	150.00	150.00
10.00% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series I Date Of Maturity 03/11/2028	10.00%	232.72	232.72
9.60% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series II Date Of Maturity 03/11/2028	9.60%	382.82	382.82
10.02% Rated Listed Unsecured Subordinated Redeemable Non-Convertible Debentures Series III Date Of Maturity 03/11/2028	10.02%	40.29	40.28
8.50% Unsecured Rated Listed Redeemable Non Convertible Debenture Series D34 Date Of Maturity 18/12/2028	8.50%	65.00	-
10.00% Unsecured Rated Listed Redeemable Non Convertible Debenture. Series V Date Of Maturity 07/02/2029	10.00%	30.77	30.77
10.50% Unsecured Rated Listed Redeemable Non Convertible Debenture. Series VI Date Of Maturity 07/02/2029	10.50%	15.45	15.45
11.25% Rated, Listed, Subordinated, Unsecured, Redeemable Non-Convertible Debentures Date Of Maturity 02/04/2029	11.25%	25.00	25.00
10.77% Rated, Listed, Subordinated, Unsecured, Transferable, Redeemable Non-Convertible Debentures Date Of Maturity 07/02/2030	10.77%	97.00	97.00
11.00% Rated, Listed, Subordinated, Unsecured, Redeemable Non-Convertible Debentures Date Of Maturity 18/05/2030	11.00%	150.00	150.00
11.00% Rated, Listed, Subordinated, Unsecured, Redeemable Non-Convertible Debentures Date Of Maturity 13/06/2030	11.00%	100.00	100.00
9.35% Unsecured Rated Listed Subordinated Redeemable Non Convertible Debenture Series D16 Option B Date Of Maturity 24/03/2032	9.35%	50.00	50.00
9.25% Unsecured Rated Listed Redeemable Non Convertible Debenture Series D33 Option B Date Of Maturity 24/06/2032	9.25%	250.00	-
9.65% Unsecured Rated Listed Subordinate Tier Ii Non Convertible Debenture. Series D18 Date Of Maturity 26/07/2032	9.65%	235.00	235.00
9.45% Unsecured Rated Listed Redeemable Non Convertible Debentures Series D22 Date Of Maturity 27/12/2032	9.45%	65.00	65.00
9.25% Unsecured Rated Listed Redeemable Non Convertible Debenture Series D35 Option A - I Date Of Maturity 30/12/2032	9.25%	300.00	-

Description of security	Coupon/ yield	As at March 31, 2026	As at March 31, 2025
9.20% Unsecured Rated Listed Redeemable Subordinate Tier 2 Non Convertible Seris D24 Date Of Maturity 08/05/2033	9.20%	35.00	35.00
9.50% Unsecured Rated Listed Redeemable Subordinated Tier 2 Non-Convertible Debenture Series D26 Date Of Maturity 16/10/2034	9.50%	125.00	125.62
9.50% Unsecured Rated Listed Redeemable Tier Ii Non Convertible Debenture Series D30 Date Of Maturity 16/10/2034	9.50%	100.00	100.00
9.30% Unsecured Rated Listed Redeemable Non Convertible Debenture Series D33 Option A Date Of Maturity 20/06/2035	9.30%	250.00	-
9.75% Senior, Rated, Listed, Subordinated, Unsecured, Redeemable Non-Convertible Debentures Date Of Maturity 20/08/2035	9.75%	110.00	-
9.50% Senior, Rated, Listed, Subordinated, Unsecured, Redeemable Non-Convertible Debentures Date Of Maturity 26/09/2035	9.50%	100.00	-
9.30% Unsecured Rated Listed Redeemable Non Convertible Debenture Series D35 Option A - II Date Of Maturity 30/12/2035	9.30%	400.00	-
9.90% Unsecured Rated Listed Redeemable Perpetual Non Convertible Debenture Series Pdi 1 FY-2026	9.90%	500.00	-
9.90% Unsecured Rated Listed Redeemable Perpetual Non Convertible Debenture Series Pdi-2 Option B	9.90%	100.00	-
10.00% Unsecured Redeemable Non Convertible Debentures. Tranche Ii. Series V Date Of Maturity 06/06/2025	10.00%	-	25.93
10.50% Zero Coupon Unsecured Redeemable Non Convertible Debentures. Tranche II. Series VI Date Of Maturity 06/06/2025	10.50%	-	5.78
Total		**5,159.90**	**3,117.22**

NOTE 22. OTHER FINANCIAL LIABILITIES

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Temporary overdrawn bank balances	184.35	826.84
Payable on account of assignment/securitisation	2,690.30	408.90
Payables towards NCD (refer note 22.1)	0.07	1.23
Unclaimed dividend and redemption proceeds of NCDs (refer note 22.1)	4.53	4.89
Accrued Salaries & Benefits	20.79	22.81
Other payables (auction proceeds, retention payable, etc.)	88.42	202.91
Total	**2,988.46**	**1,467.58**

NOTE 22.1: During the year, amount of ₹ 1.75 crores (P.Y ₹ 0.23 crores) was transferred to Investor Education and Protection Fund (IEPF). As of March 31, 2026, ₹ 0.01 crores. (PY ₹ 0.01 crores) was due for transfer to the IEPF which will be transferred within the stipulated timelines.

NOTE 23. PROVISIONS

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits	70.20	38.92
Provision for leave encashment	23.49	41.32
Provision for gratuity (refer note 33.2)	45.64	30.44
Other provisions	18.26	9.96
Expected loan loss provision on loans sanctioned but undrawn	0.12	2.04
Total	**157.71**	**122.68**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 24. OTHER NON-FINANCIAL LIABILITIES

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Income received in advance	1.29	13.13
Advances from customers	122.83	144.46
Others	6.44	17.21
Statutory remittances	64.40	49.45
Total	**194.96**	**224.25**

NOTE 25: EQUITY SHARE CAPITAL

(i) Authorised, issued, subscribed and paid-up share capital

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised Share Capital		
2,355,250,000 Equity Shares (P.Y 2,355,250,000) of ₹ 2 each	471.05	471.05
500,000,000 Preference Shares (P.Y 500,000,000) of ₹ 10 each	500.00	500.00
Total	**971.05**	**971.05**
Issued, Subscribed and Paid-up Share Capital		
42,52,89,575 Equity Shares (P.Y 42,45,16,570) of ₹ 2 each fully paid with voting rights	85.06	84.90
Total	**85.06**	**84.90**

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	₹ in crores	No. of shares	₹ in crores
Equity Shares				
At the beginning of the year	42,45,16,570	84.90	38,15,48,435	76.31
Add: Shares issued during the year	7,73,005	0.16	4,29,68,135	8.59
Outstanding at the end of the year	**42,52,89,575**	**85.06**	**42,45,16,570**	**84.90**

(iii) Rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. During the year ended March 31, 2026, equity shareholders were paid an interim dividend of ₹ 4.00/- (P.Y ₹ Nil) per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% Holdings	No. of shares	% Holdings
Equity shares of ₹ 2 each fully paid up				
FIH Mauritius Investments Limited	6,45,52,521	15.18%	6,45,52,521	15.20%
Nirmal Bhanwarlal Jain	5,34,40,570	12.57%	5,34,40,570	12.59%
Smallcap World Fund, Inc	2,56,62,705	6.03%	2,18,73,820	5.15%

(v) Details of shareholding of promoters

As at March 31, 2026

Name of the promoter	No. of shares	% of total shares	% Change during the year*
Nirmal Bhanwarlal Jain	5,34,40,570	12.57%	-0.02%
Madhu N Jain	1,35,22,764	3.18%	-0.01%
Venkataraman Rajamani	1,23,01,441	2.89%	-0.01%
Mansukhlal Jain and Pritesh Ashwin Mehta (in their capacity as Trustees of Nirmal Madhu Family Private Trust)	1,11,11,111	2.62%	0.00%
Aditi Avinash Athavankar (in her capacity as Trustee of Kalki Family Private Trust)	1,00,00,000	2.35%	-0.01%
Aditi Athavankar	2,22,222	0.05%	0.00%
Ardent Impex Pvt Ltd	36,32,115	0.86%	0.00%
Orpheus Trading Pvt Ltd	14,44,444	0.34%	0.00%
Total	**10,56,74,667**	**24.85%**	

**The change in percentage is due to dilution of share capital due to allotment under ESOP scheme(s).*

As at March 31, 2025

Name of the promoter	No. of shares	% of total shares	% Change during the year*
Nirmal Bhanwarlal Jain	5,34,40,570	12.59%	0.08%
Madhu N Jain	1,35,22,764	3.19%	0.03%
Venkataraman Rajamani	1,23,01,441	2.90%	0.02%
Mansukhlal Jain and Pritesh Ashwin Mehta (in their capacity as Trustees of Nirmal Madhu Family Private Trust)	1,11,11,111	2.62%	0.00%
Aditi Avinash Athavankar (in her capacity as Trustee of Kalki Family Private Trust)	1,00,00,000	2.36%	0.00%
Aditi Athavankar	2,22,222	0.05%	0.00%
Ardent Impex Pvt Ltd	36,32,115	0.86%	0.00%
Orpheus Trading Pvt Ltd	14,44,444	0.34%	0.00%
Total	**10,56,74,667**	**24.89%**	

**The change in percentage is due to dilution of share capital due to allotment under ESOP scheme(s).*

(vi) During the period of five years immediately preceding the Balance Sheet date, the parent Company has not issued any shares without payment being received in cash or by way of bonus shares or shares bought back.

(vii) Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestments, including the terms and amount.

Refer note 40 for details of shares reserved for issue under Employee Stock Option Plan of the Group.

NOTE 25.1: OTHER EQUITY

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Share application money	**-**	**0.23**
Capital Reserve		
Opening Balance	110.11	85.49
Add: Addition during the year	-	24.62
Closing balance	**110.11**	**110.11**
Securities Premium Reserve		
Opening Balance	4,721.92	3,450.91
Less: Share issue expenses	-	(4.50)
Add: Addition during the year	13.79	1,273.29
Add : Transfer to / from reserves	3.08	2.22
Closing balance	**4,738.79**	**4,721.92**
General Reserve		
Opening Balance	629.41	624.50

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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Particulars	As at March 31, 2026	As at March 31, 2025
Add/(Less): Change in minority	-	-
Add/(Less): Transfer to/ (from) reserves	1,816.90	4.91
Closing Balance	**2,446.31**	**629.41**
Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934		
Opening Balance	1,253.34	1,249.30
Add/(Less): Transfer to/ (from) reserves	234.93	4.04
Closing Balance	**1,488.27**	**1,253.34**
Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987		
Opening Balance	874.08	674.08
Add/(Less): Transfer to/ (from) reserves	300.00	200.00
Closing Balance	**1,174.08**	**874.08**
Capital Redemption Reserve	**230.11**	**230.11**
Debenture Redemption Reserve	**12.80**	**12.80**
Retained Earnings		
Opening Balance	4,356.63	4,184.59
Add: Profit for the year	1,660.80	378.77
Less: Interim dividend	(199.69)	-
Add: Change in minority	-	(2.69)
Add/(Less): Transfer to/ (from) reserves	(2,334.93)	(204.04)
Closing Balance	**3,482.81**	**4,356.63**
Share Options Outstanding Account		
Opening Balance	166.90	65.42
Add: Addition during the year	18.02	108.61
Add/(Less): Transfer to/ (from) reserves	(19.98)	(7.13)
Closing Balance	**164.94**	**166.90**
Effective portion of Cash Flow Hedges		
Opening Balance	(19.38)	(14.34)
Addition/(reduction) during the year	25.43	(5.04)
Closing Balance	**6.05**	**(19.38)**
Fair value of loans carried at FVTOCI		
Opening Balance	**4.24**	**7.82**
Addition/(reduction) during the year	**(4.41)**	**(3.58)**
Closing Balance	**(0.17)**	**4.24**
Remeasurements of defined benefit		
Opening Balance	(13.10)	(10.49)
Addition/(reduction) during the year	(6.10)	(2.61)
Closing Balance	**(19.20)**	**(13.10)**
Total	**13,834.90**	**12,327.29**

Non-Controlling Interest

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	1,542.78	1,419.45
Add: Profit for the year	155.90	199.39
Add/(Less) : Other comprehensive income	0.45	(2.04)
Add/(Less) Change in minority	-	(74.02)
Closing Balance	**1,699.13**	**1,542.78**

NOTE 26.1 INTEREST INCOME

(₹ in crores)

Particulars	FY 2025-26				FY 2024-25			
	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	On financial assets classified at fair value through OCI	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	On financial assets classified at fair value through OCI	Total
Interest on loans	9,616.19	2.93	1,823.12	11,442.24	8,301.07	18.42	984.18	9,303.67
Interest on investments	11.46	108.97	-	120.43	6.61	59.55	-	66.16
Interest on deposits with banks*	189.66	-	-	189.66	134.46	-	-	134.46
Interest on inter corporate deposit	1.39	-	-	1.39	-	-	-	-
Total	**9,818.70**	**111.90**	**1,823.12**	**11,753.72**	**8,442.14**	**77.97**	**984.18**	**9,504.29**

*Includes interest income on security deposits.

NOTE 26.2 DIVIDEND INCOME

The Group received dividend income amounting to ₹ 0.00 crore (P.Y ₹ 2.19 crore).

NOTE 27. FEES AND COMMISSION INCOME

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Administration Fees & Other charges	260.92	288.44
Insurance Commission	237.17	197.20
Total	**498.09**	**485.64**

NOTE 28. NET GAIN/(LOSS) ON FAIR VALUE CHANGES

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments	8.78	225.71
- Others	21.29	(6.93)
Fair value changes		
- Realised	(408.15)	241.22
- Unrealised	438.22	(22.44)
Total net gain/(loss) on fair value changes	**30.07**	**218.78**

NOTE 29. OTHER INCOME

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Profit on sale of fixed assets	1.18	0.06
Marketing, advertisement and support service fees	15.60	22.45
Miscellaneous income	6.25	3.66
Total	**23.03**	**26.17**

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NOTE 30. FINANCE COST

(₹ in crores)

Particulars	On financial liabilities measured at amortised cost	
	FY 2025-26	FY 2024-25
Interest on debt securities	1,935.48	922.77
Interest on borrowings (other than debt securities)	3,023.14	2,728.33
Interest on subordinated liabilities	422.08	311.94
Interest on inter corporate deposit	6.07	0.01
Interest expense on lease - Ind AS 116	91.96	48.03
Other borrowing cost	238.64	158.44
Total	**5,717.37**	**4,169.52**

NOTE 30.1: Includes foreign currency expenditure on accrual basis amounting to ₹ 606.51 crore (P.Y ₹ 482.90 crore)

NOTE 31. NET (GAIN)/ LOSS ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER FVTOCI

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
(A) Net (gain) / loss on derecognition of financial instruments under FVTOCI		
- Interest strip on assignment of loans	(1,068.92)	312.56

NOTE 32. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crores)

Particulars	FY 2025-26			FY 2024-25		
	On financial assets measured at amortised cost	On financial assets classified at fair value through OCI	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through OCI	Total
Loans (refer note 8.3)	(243.39)	(28.20)	(271.59)	(5.43)	(7.94)	(13.37)
Bad debts written off (net of recovery)	1,981.99	-	1,981.99	1,519.66	-	1,519.66
Other financial assets	27.79	-	27.79	(8.25)	-	(8.25)
Total	**1,766.39**	**(28.20)**	**1,738.19**	**1,505.98**	**(7.94)**	**1,498.04**

NOTE 33. EMPLOYEE BENEFIT EXPENSES

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Salaries	1,879.36	1,588.34
Contribution to provident and other funds (refer note 33.1)	97.55	92.65
Leave encashment (refer note 48)	(8.20)	17.32
Gratuity (refer note 33.2 and 48)	38.76	14.08
Staff welfare expenses*	78.74	67.95
Share based payments	24.30	108.43
Total	**2,110.51**	**1,888.77**

*Includes foreign currency expenditure on accrual basis amounting to ₹ 0.02 crore (P.Y ₹ 0.02 crore)

33.1 DEFINED CONTRIBUTION PLANS

The Group has recognised the following amounts as an expense and included in the employee benefit expenses:

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Contribution to Provident fund	59.48	57.51
Contribution to Employee State Insurance Corporation	9.50	10.95

Particulars	FY 2025-26	FY 2024-25
Contribution to Labour welfare fund	0.31	0.28
Company contribution to employee pension scheme	26.74	22.79
Contribution to NPS	1.54	1.12
Total	**97.57**	**92.65**

33.2 GRATUITY DISCLOSURE STATEMENT

Particulars	FY 2025-26			FY 2024-25		
	IIFL Finance	IIFL HFC	IIFL Samasta	IIFL Finance	IIFL HFC	IIFL Samasta
Type of Benefit	Gratuity			Gratuity		
Country	India			India		
Reporting Currency	₹			₹		
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)			Indian Accounting Standard 19 (Ind AS 19)		
Funding Status	Funded			Funded		
Starting Period	01-Apr-25			01-Apr-24		
Date of Reporting	31-Mar-26			31-Mar-25		
Period of Reporting	12 Months			12 Months		

Assumptions	FY 2025-26			FY 2024-25		
Expected Return on Plan Assets	6.89% - 7.14%			6.72% - 6.92%		
Rate of Discounting	6.89% - 7.14%			6.72% - 6.92%		
Rate of Salary Increase	7.00% - 9.00%			6.00% - 9.00%		
Rate of Employee Turnover	For service upto 2 years 40.00% p.a. For service 3 and 4 years 25.00% p.a. For service 5 years and above 15.00% p.a.	For Service upto 2 yrs 50.00% p.a., For Service 3 & 4 Years:25.00% p.a. and For Service 5 years and above: 20.00% p.a.	For service 4 years and below: 40%p.a For service 5 years and above: 10% p.a	For service 4 years and below 28.00% p.a. For service 5 years and above 2.00% p.a.	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.	For service 4 years and below: 35%p.a For service 5 years and above: 10% p.a
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Ultimate)			Indian Assured Lives Mortality 2012-14 (Ultimate)		
Mortality Rate After Employment	N.A.			N.A.		

Table Showing Change in the Present Value of Projected Benefit Obligation (₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Present Value of Benefit Obligation at the Beginning of the Year	**66.18**	**53.75**
Interest Cost	4.99	3.86
Current Service Cost	15.25	12.24
Past Service Cost	20.10	-
Liability Transferred In/ Acquisitions	0.13	0.20
(Liability Transferred Out/ Divestments)	(0.13)	(0.19)
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	-

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(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
(Benefit Paid From the Fund)	(8.81)	(7.71)
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	1.46	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	1.93	1.47
Actuarial (Gains)/Losses on Obligations - Due to experience adjustments	2.78	2.56
Present Value of Benefit Obligation at the End of the Year	**103.87**	**66.18**

(₹ in crores)

Table Showing Change in the Fair Value of Plan Assets	FY 2025-26	FY 2024-25
Fair Value of Plan Assets at the Beginning of the Year	**35.73**	**28.07**
Interest Income	2.45	2.02
Contributions by the Employer	30.57	13.00
Expected Contributions by the Employees	-	-
Assets transferred in/ acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	(8.80)	(7.71)
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	(1.63)	0.35
Fair Value of Plan Assets at the End of the Year	**58.33**	**35.73**

(₹ in crores)

Amount Recognized in the Balance Sheet	FY 2025-26	FY 2024-25
(Present Value of Benefit Obligation at the end of the Year)	**(103.87)**	**(66.18)**
Fair Value of Plan Assets at the end of the Year	58.33	35.74
Funded Status (Surplus/ (Deficit))	(45.55)	(30.44)
Net (Liability)/Asset Recognized in the Balance Sheet	(45.64)	(30.44)
Advance for Gratuity (Asset)	0.09	-
Liabilities recognised in the Balance Sheet under "Provisions"	(45.55)	(30.44)

(₹ in crores)

Net Interest Cost for Current Year	FY 2025-26	FY 2024-25
Present Value of Benefit Obligation at the Beginning of the Year	66.17	53.75
(Fair Value of Plan Assets at the Beginning of the Year)	(35.73)	(28.07)
Net Liability/(Asset) at the Beginning	**30.44**	**25.67**
Interest Cost	4.99	3.86
(Interest Income)	(2.45)	(2.02)
Net Interest Cost for Current Year	**2.54**	**1.84**

(₹ in crores)

Expenses Recognized in the Statement of Profit or Loss for Current Year	FY 2025-26	FY 2024-25
Current Service Cost	15.25	12.24
Net Interest Cost	2.54	1.84
Past Service Cost	20.10	-
Expenses Recognized	**37.89**	**14.08**

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(₹ in crores)

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Year	FY 2025-26	FY 2024-25
Actuarial (Gains)/Losses on Obligation For the Year	6.17	4.03
Return on Plan Assets, Excluding Interest Income	1.63	(0.34)
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Year Recognized in OCI	**7.80**	**3.69**

(₹ in crores)

Balance Sheet Reconciliation	FY 2025-26	FY 2024-25
Opening Net Liability	30.44	25.67
Expenses Recognized in Statement of Profit or Loss	37.89	14.08
Expenses Recognized in OCI	7.80	3.69
Net Liability/(Asset) Transfer In	0.12	0.18
Net (Liability)/Asset Transfer Out	(0.13)	(0.18)
(Benefit Paid Directly by the Employer)	-	-
Advance for gratuity	0.09	-
(Employer's Contribution)	(30.57)	(13.00)
Net Liability/(Asset) Recognized in the Balance Sheet	**45.64**	**30.44**

(₹ in crores)

Category of Assets	FY 2025-26	FY 2024-25
Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalents	0.00	0.00
Insurance fund	58.33	35.74
Asset-Backed Securities	-	-
Structured Debt	-	-
Other	-	-
Total	**58.33**	**35.74**

(₹ in crores)

Maturity Analysis of the Benefit Payments: From the Fund	FY 2025-26	FY 2024-25
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	14.42	4.51
2nd Following Year	13.18	2.10
3rd Following Year	12.67	2.68
4th Following Year	12.13	2.60
5th Following Year	11.29	2.83
Sum of Years 6 To 10	42.58	16.05
Sum of Years 11 and above	62.02	175.30

(₹ in crores)

Sensitivity Analysis	FY 2025-26	FY 2024-25
Projected Benefit Obligation on Current Assumptions	103.86	66.17
Delta Effect of +1% Change in Rate of Discounting	(5.24)	(8.40)
Delta Effect of -1% Change in Rate of Discounting	5.82	9.36

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Sensitivity Analysis	FY 2025-26	FY 2024-25
Delta Effect of +1% Change in Rate of Salary Increase	6.24	9.23
Delta Effect of -1% Change in Rate of Salary Increase	(5.64)	(7.83)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.52)	(0.26)
Delta Effect of -1% Change in Rate of Employee Turnover	0.60	0.27

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

NOTES

Actuarial gains/losses are recognised in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are in line with the industry practice considering promotion and demand and supply of the employees.

Maturity analysis of benefit payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Value of asset is considered as fair value of plan asset for the period of reporting.

Expected Rate of Return taken same as discount rate as described in Indian Accounting Standard 19.

Expected Contribution in the next year is considered as the sum of net liability/assets at the end of the current year and current service cost for next year, subject to maximum allowable contribution to the Plan Assets over the next year as per the Income Tax Rules.

QUALITATIVE DISCLOSURES

Characteristics of defined benefit plan

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. During the year, there were no plan amendments, curtailments and settlements.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset liability matching risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance entity and a default will wipe out all the assets. Although probability of this is very less as insurance Companies have to follow regulatory guidelines.

NOTE 34. DEPRECIATION, AMORTISATION AND IMPAIRMENT

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Depreciation on property, plant and equipment	79.81	72.64
Depreciation on right to use assets	125.89	111.91
Depreciation on investment property	0.15	0.14
Amortisation on other intangible assets	4.77	3.88
Total	**210.62**	**188.57**

NOTE 35. OTHER EXPENSES

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Advertisement and marketing expenses*	153.80	59.65
Direct operating expenses	68.47	74.95
Bank charges*	18.99	26.87
Communication costs	15.28	15.41
Electricity	29.20	26.73
Exchange and statutory charges*	5.51	6.17
Legal & professional fees*	232.16	169.68
Sitting fees and commission	6.95	4.40
Office expenses*	24.30	23.30
Postage & courier	7.40	5.94
Printing & stationery	7.91	7.27
Rates & taxes	1.68	1.35
Rent	61.35	52.88
Repairs & maintenance		
- Computer	1.25	1.53
- Others	26.45	24.14
Remuneration to auditors		
- Audit fees	3.26	2.60
- Certification / other services**	0.86	0.43
- Out of pocket expenses	0.44	0.38
Software charges*	161.88	106.79
Travelling & conveyance*	101.13	103.21
Corporate social responsibility expenses (refer note 44)	40.04	42.20
Miscellaneous expenses*	5.51	3.52
Insurance premium	91.11	28.01
Security expenses	123.63	98.63
Loss on sale of fixed assets	-	0.06
Total	**1,188.56**	**886.10**

*Includes below expenses incurred in foreign currency on accrual basis.

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(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Advertisement and marketing expenses	-	0.78
Legal & professional fees	14.20	2.95
Exchange and statutory charges	-	0.10
Software charges	1.30	1.99
Travelling & conveyance	0.03	0.06
Bank Charges	-	0.00
Office expenses	-	0.01
Miscellaneous expenses	(0.12)	(0.06)

0.00 denotes amount less than ₹ fifty thousand

**During the year the Group has paid ₹ 1.52 crore (P.Y. ₹ 1.33 crore) to the auditors towards certification required under its public issue of debt securities, the same has been amortised over the tenure of the borrowings.

NOTE 36. INCOME TAXES

(₹ in crores)

Amounts recognised in statement of profit or loss	FY 2025-26	FY 2024-25
Current tax expense		
Current year	395.89	365.76
Changes in estimates related to prior years	0.16	(6.55)
Deferred tax expense		
Origination and reversal of temporary differences	195.83	(230.36)
Total	**591.88**	**128.85**

(₹ in crores)

Amounts recognised in other comprehensive income	FY 2025-26		
	Before tax	Tax expense	Net of tax
Remeasurements of defined benefit liability/ (asset)	(7.80)	1.96	(5.84)
Cash flow hedge (net)	35.76	(9.00)	26.76
Fair value of loans carried at FVTOCI	(7.41)	1.86	(5.55)
Total	**20.55**	**(5.18)**	**15.37**

(₹ in crores)

Amounts recognised in other comprehensive income	FY 2024-25		
	Before tax	Tax expense	Net of tax
Remeasurements of defined benefit liability/ (asset)	(3.69)	0.93	(2.76)
Cash flow hedge (net)	(8.04)	2.03	(6.01)
Fair value of loans carried at FVTOCI	(6.01)	1.51	(4.50)
Total	**(17.74)**	**4.47**	**(13.27)**

(₹ in crores)

Reconciliation of income tax expense of the year to accounting year	FY 2025-26	FY 2024-25
Profit before tax	**2,408.59**	**707.01**
Tax using the Group's domestic tax rate	637.43	177.94
Tax effect of:		-
Non-deductible expenses	10.48	12.77
Tax-exempt income - others (includes deduction under section 80JJAA)	(26.87)	(42.58)
Tax-exempt income- dividend	(30.70)	(0.55)
Income taxed at different rates	(0.52)	(3.90)
Others	(0.28)	(11.71)

Reconciliation of income tax expense of the year to accounting year	FY 2025-26	FY 2024-25
Adjustments for current tax for prior periods	0.16	(6.55)
De-recognition of previously recognised deductible temporary differences	2.22	3.43
Past-year losses for which no deferred tax asset is recognised	(0.04)	-
Recognition of previously unrecognised deductible temporary differences	0.00	-
Total income tax expense	**591.88**	**128.85**

NOTE 37. EARNINGS PER SHARE

Basic and Diluted Earnings Per Share ["EPS"] computed in accordance with INDAS 33 "Earnings per share".

Particulars	FY 2025-26	FY 2024-25
Face value of equity shares in ₹ fully paid up	2.00	2.00
BASIC		
Profit after tax as per statement of Profit and Loss (₹ in crore)	1,660.80	378.77
Profit after tax attributable to equity share holders (₹ in crore) (A)	1,660.80	378.77
Weighted average number of equity shares outstanding (B)	42,50,53,735	41,77,86,475
Basic EPS (In ₹) (A)/(B)	**39.07**	**9.07**
DILUTED		
Profit after tax attributable to equity share holders for calculating Diluted EPS (C)	1,660.80	378.77
Weighted average number of equity shares for computation of basic EPS	42,50,53,735	41,77,86,475
Add: Potential equity shares on account conversion of Employees Stock Options	35,30,978	1,59,45,282
Weighted average number of equity shares for computation of diluted EPS	42,85,84,713	43,37,31,756
Diluted EPS (In ₹)	**38.75**	**8.73**

NOTE 38. RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk.

Risk management is integral to the Group's strategy. An enterprise wide risk management framework is in place to govern the Group's risk management processes. A strong risk management team and an effective credit operations structure ensures that risks are properly identified and timely addressed to ensure minimal impact on the Group's growth and performance. The Group has developed the necessary competency to identify early stress signals and has also defined processes, including corrective and remedial actions as regards people and processes, for mitigation to ensure minimum damage. A stress testing mechanism is put in place to carry out the event based sensitivity analysis and identify the accounts under stress due to expected market movement.

The comprehensive understanding of risk management throughout the various levels of an organization aids in driving key decisions related to risk-return balance, capital allocation and product pricing. The Group operates under the guidance of the Board approved risk appetite statement that covers business composition, guidance around gross non-performing assets and net non-performing assets, leverage, funding and liquidity, etc. Additionally, it is also ensured that appropriate focus is on managing risk proactively by ensuring business operations are in accordance with laid-down risk. A strong risk management team and an effective credit operations structure ensures that risks are properly identified and timely addressed, to ensure minimal impact on the Group's growth and performance.

Risk Management Structure

The Group has established multi-level risk governance for monitoring & control of product and entity level risks. The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Risk Management Committee (""RMC"") which is responsible for monitoring the overall risk process within the Group. The RMC is empowered to develop an independent risk strategy comprising of principles, frameworks, policies and limits and ensuring its effective implementation. Independent function of Risk management is in place headed by the Chief Risk Officer (""CRO"") who reports to the Managing Director (""MD"") with oversight of RMC of the Board reports to the Chairman and independently to RMC of the Board. The Risk department primarily operationalises risk management framework approved by RMC.

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The group has a well –defined risk framework constituting various lines of defence – the first line of defence, consisting of management, is responsible for seamless integration of risk principles across all businesses. Additionally, it ensures adequate managerial and supervisory controls to ensure compliance and highlight inadequate processes and unexpected events. The Group has well-defined internal control measures in every process. Independent risk and policy team constitutes second line of defence which is responsible for identification and assessment of entity-wide risks. Post its identification, it aims to mitigate risks either through portfolio trigger and caps (Credit risk) or through ongoing risk control and self assessment (Operational risk) Internal Audit function is the third line of defence that independently reviews activities of the first two lines of defence and reports to the Audit Committee of the Board.

Risk Management Practices

The Group has developed the necessary competency to identify early stress signals and has also defined processes, including corrective and remedial actions as regards people and processes, for mitigation to ensure minimum damage. A stress testing mechanism is put in place to carry out the event based sensitivity analysis and identify the accounts under stress due to expected market movement. In event of susceptibility to external triggers, appropriate risk mitigation would be undertaken and thereby minimize the losses to the Group.

The Group has initiated a detailed portfolio quality review mechanism which enables analysis of portfolio along various behavioural, demographic and financial parameters. Additionally, through tie-ups with external bureaus, an analysis of collection performance coupled with continuous credit assessment for various key segments is undertaken. The practices aid in proactive course correction thereby modifying credit or sourcing mechanisms, if required. Additionally, application scorecard has been developed enabling the Group to standardize credit underwriting & improve sourcing quality in the long run.

The Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities. Information pertaining to different type of risks are identified, analysed and tested on timely basis. The same is presented to Risk Management Committee at periodic intervals.

In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as cross currency interest rate swaps are entered to hedge certain foreign currency risk exposures and variable interest rate exposures.

The Group's treasury department identifies, evaluates and hedges financial risks in close co- operation with the Group's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. The Group's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

38A.1. CREDIT RISK

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, investments, derivative financial instruments, other balances with banks, loans and other receivables.

Credit quality analysis

The following tables sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

(₹ in crores)

Particulars	As at March 31, 2026				
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured using simplified approach	Total
Cash and cash equivalents	-	-	-	3,328.23	**3,328.23**
Bank Balance other than above	-	-	-	3,045.27	**3,045.27**
Receivables					
(i) Trade Receivables	-	0.04	-	98.07	**98.11**

Particulars	As at March 31, 2026				
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured using simplified approach	Total
(ii) Other Receivables	-	-	-	22.09	**22.09**
Loans*	55,088.10	1,790.78	1,095.34	-	**57,974.22**
Investments	-	-	-	1,437.51	**1,437.51**
Other Financial assets	-	-	-	2,298.43	**2,298.43**

*Loans comprises of outstanding principal, interest accrued but not due and principal and interest overdue.

(₹ in crores)

Particulars	As at March 31, 2025				
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured using simplified approach	Total
Cash and cash equivalents	-	-	-	2,066.63	**2,066.63**
Bank Balance other than above	-	-	-	2,125.15	**2,125.15**
Receivables					
(i) Trade Receivables	-	0.51	-	107.53	**108.04**
Loans*	43,587.73	2,322.22	1,217.74	-	**47,127.69**
Investments	-	-	-	369.66	**369.66**
Other Financial assets	-	-	-	1,164.09	**1,164.09**

*Loans comprises of outstanding principal, interest accrued but not due and principal and interest overdue.

Financial Assets measured using simplified approach:

The Group follows 'simplified approach' for recognition of impairment loss allowance on Cash and Cash Equivalents, Bank Balances, Trade Receivables, other receivables and Other Financial Assets. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

38A.2. COLLATERAL HELD

The Group holds collateral and other credit enhancements against certain of its credit exposures. The loans are collateralised against equitable mortgage of property, pledge of shares, hypothecation of assets, physical gold, undertaking to create security.

In normal course of business, the Group does not physically repossess properties or collaterals. Once contractual loan repayments are more than 90 days past due, repossession of property(ies) may be initiated under the provisions of the SARFAESI Act, 2002. Repossessed property(ies) is disposed of in the manner prescribed in the SARFAESI Act, 2002, to recover outstanding debt.

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38A.3. LOSS ALLOWANCE AND EXPOSURE AT DEFAULT

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

(₹ in crores)

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Others	Principal	Others	Principal	Others	Principal	Others
Opening ECL Apr-2025	**378.68**	**34.61**	**190.46**	**34.69**	**658.46**	**(73.06)**	**1,227.60**	**(3.76)**
New loans disbursed during the year	282.08	25.04	11.86	1.85	195.95	-	489.89	26.89
Loans closed/written off during the year	(167.12)	(27.38)	(86.66)	(13.77)	(553.19)	(16.45)	(806.97)	(57.60)
Movement in provision without change in asset staging	(66.56)	(1.11)	(0.12)	(0.27)	(2.57)	-	(69.25)	(1.38)
Movement in provision due to change in asset staging	(18.72)	(0.68)	(52.88)	(15.41)	219.39	16.44	147.79	0.35
Closing ECL Mar-2026	**408.36**	**30.48**	**62.66**	**7.09**	**518.04**	**(73.07)**	**989.06**	**(35.50)**

The Group has a management overlay of ₹ 24.27 crores included in total ECL provision.

(₹ in crores)

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Others	Principal	Others	Principal	Others	Principal	Others
Opening ECL Apr-2024	**414.08**	**41.45**	**165.62**	**32.26**	**580.37**	**0.02**	**1,160.07**	**73.73**
New loans disbursed during the year	232.70	22.85	49.82	3.01	278.99	-	561.51	25.86
Loans closed/written off during the year	(174.56)	(29.32)	(15.54)	3.48	(413.05)	(77.58)	(603.15)	(103.42)
Movement in provision without change in asset staging	(76.72)	(1.20)	(0.55)	(0.06)	(9.50)	-	(86.77)	(1.26)
Movement in provision due to change in asset staging	(16.82)	0.83	(8.89)	(4.00)	221.65	4.50	195.94	1.33
Closing ECL Mar-2025	**378.68**	**34.61**	**190.46**	**34.69**	**658.46**	**(73.06)**	**1,227.60**	**(3.76)**

The Group has a management overlay of ₹ 47.11 crores included in total ECL provision.

The following tables show reconciliations from opening to closing balance of the exposure at default (EAD) by class of financial instrument.

(₹ in crores)

Reconciliation of exposure at default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Others	Principal	Others	Principal	Others	Principal	Others
Opening EAD Apr-2025	**51,482.20**	**3,281.92**	**2,262.69**	**173.60**	**1,217.00**	**(4.50)**	**54,961.89**	**3,451.02**
New loans disbursed during the year	46,450.10	3,709.43	525.12	41.98	302.95	-	47,278.17	3,751.41
Loans closed/written off during the year	(23,345.07)	(1,726.16)	(1,074.50)	(69.71)	(1,906.44)	(144.08)	(26,326.01)	(1,939.95)
Movement in EAD without change in asset staging	(5,092.01)	(31.89)	(3.27)	(0.11)	(13.86)	-	(5,109.14)	(32.00)
Movement in EAD due to change in asset staging	(2,113.82)	(139.72)	(20.31)	(14.73)	1,421.06	147.08	(713.07)	(7.37)
Closing EAD Mar-2026	**67,381.40**	**5,093.58**	**1,689.73**	**131.03**	**1,020.71**	**(1.50)**	**70,091.84**	**5,223.11**

(₹ in crores)

Reconciliation of exposure at default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Others	Principal	Others	Principal	Others	Principal	Others
Opening EAD Apr-2024	**47,320.45**	**4,377.25**	**2,347.36**	**247.69**	**1,181.33**	**(2.70)**	**50,849.14**	**4,622.24**
New loans disbursed during the year	31,848.21	1,895.66	268.79	17.93	122.58	-	32,239.58	1,913.59
Loans closed/written off during the year	(19,085.72)	(2,792.50)	(1,390.86)	(169.25)	(1,006.21)	(52.39)	(21,482.79)	(3,014.14)
Movement in EAD without change in asset staging	(5,866.72)	(62.05)	(5.59)	(0.11)	(12.27)	-	(5,884.58)	(62.16)
Movement in EAD due to change in asset staging	(2,734.02)	(136.44)	1,042.99	77.34	931.57	50.59	(759.46)	(8.51)
Closing EAD Mar-2025	**51,482.20**	**3,281.92**	**2,262.69**	**173.60**	**1,217.00**	**(4.50)**	**54,961.89**	**3,451.02**

38A.4. WRITE OFF

Contractual amount outstanding on financial assets that were written off during the reporting period is ₹ 1,981.99 crore (P.Y ₹ 1,519.66 crore)

38A.5. MODIFIED FINANCIAL INSTRUMENTS

For financial assets, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the Group has recorded a modification gain or loss based on the change in cash flows discounted at the original EIR (Effective Interest Rate).

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Carrying amount of Modified financial assets	141.28	222.21

The terms of the assets have been modified in accordance with NHB (Directions)/RBI (HFC) Directions and as per RBI Notification "Resolution Framework for COVID-19-related Stress".

38A.6. CREDIT RISK GRADING OF LOANS

Credit Risk Grading is an important tool for credit risk management as it helps in understanding and evaluating risks for different credit transactions.

The Group has established overall credit limits at the level of individual borrowers and counterparties, and groups of connected counterparties. It manages and controls credit risk by confining the amount of risk it is willing to accept for individual counterparties, for geographical concentrations, and by closely monitoring such exposures.

The Group has a Credit Risk Policy which is board approved and shared with all credit approving authorities. All customers will be evaluated on a set of pre-defined parameters as detailed below and accordingly classified into any of the following categories:

1. Low Risk
2. Medium Risk
3. High Risk

The high risk category of customers will not be actively sourced by the Group. Any customer, identified as High Risk, can be funded by the Group basis exceptional comfort and availability of justifying mitigates. The extent and nature of due diligence will be the highest for this category. The assessment of a customer being classified into high, medium or low is based on various parameters at the time of on-boarding which are captured in the Credit Approval Memorandum by the credit manager and validated by the relevant approving authority. The parameters are as follows:

1. Customer Profile
2. Financial health
3. Business vintage
4. Credit history
5. Industry feedback
6. Other qualitative/ quantitative factors as mentioned in the policy

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Every customer once being stamped into a risk category on a periodic basis would further be subjected to change of his risk profile depending on any Unusual Transaction volumes as reported in STR or CTR reporting or change in PEP status, or for customers flagged as fraud, Spurious Gold or those against whom legal action has been initiated or any adverse media and sanctions related to customer or basis any findings from Anti-money laundering (AML) or Counter-terrorist financing reviews indicating increased risk.

Credit Grading details :

(₹ in crores)

Period	Stage 1	Stage 2	Stage 3	Total EAD
March 31, 2026	72,474.97	1,820.76	1,019.21	75,314.94
March 31, 2025	54,764.12	2,436.29	1,212.50	58,412.91

38A.7. CONCENTRATION OF CREDIT RISK

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/ states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Group does not have concentration risk.

38B LIQUIDITY RISK

Liquidity risk refers to the risk that the Group may not be able to meet its short-term financial obligations. The Group manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of credit lines. Further, the Group has well defined Asset Liability Management (ALM) framework with an appropriate organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Group seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

(i) Maturities of financial liabilities

(₹ in crores)

Contractual maturities of financial liabilities (including financial guarantee) As at March 31, 2026	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	**0.60**	-	-	-	0.60	-	-
Trade payables	**246.68**	246.68	-	-	-	-	-
Finance lease obligation (refer note 1)	**694.97**	38.40	34.67	70.34	231.89	135.92	183.75
Debt securities	**20,747.97**	5,559.13	1,153.02	2,662.63	4,973.19	5,915.39	484.61
Borrowings (other than debt securities) (refer note 2)	**43,098.95**	4,630.15	2,738.23	6,960.54	20,463.63	5,605.47	2,700.93
Subordinated liabilities	**5,328.96**	119.48	98.45	40.85	2,153.23	540.31	2,376.64
Other financial liabilities	**2,988.46**	2,977.39	8.80	-	2.27	-	-
Financial guarantee contracts	**162.75**	162.75	-	-	-	-	-
Total	**73,269.35**	**13,733.98**	**4,033.17**	**9,734.36**	**27,824.81**	**12,197.10**	**5,745.93**

(₹ in crores)

Contractual maturities of financial liabilities (including financial guarantee) As at March 31, 2025	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	**110.90**	2.41	74.11	16.23	18.15	-	-
Trade payables	**185.64**	185.64	-	-	-	-	-
Other payables	**34.28**	34.28	-	-	-	-	-

Contractual maturities of financial liabilities (including financial guarantee) As at March 31, 2025	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Finance lease obligation (refer note 1)	**635.34**	42.81	38.56	65.64	201.60	129.41	157.32
Debt securities	**16,772.24**	3,208.61	580.74	2,272.91	3,897.47	5,892.91	919.60
Borrowings (other than debt securities) (refer note 2)	**31,058.60**	2,417.94	2,502.51	5,358.50	12,625.47	4,557.69	3,596.49
Subordinated liabilities	**3,237.19**	90.68	46.72	10.09	89.37	1,440.27	1,560.06
Other financial liabilities	**1,467.58**	1,403.32	16.39	31.81	16.06	-	-
Financial guarantee contracts	**260.33**	260.33	-	-	-	-	-
Total	**53,762.10**	**7,646.02**	**3,259.03**	**7,755.18**	**16,848.12**	**12,020.28**	**6,233.47**

Note 1: The amount represent undiscounted cash flows.

Note 2: Borrowings includes cash credit facilities, has been slotted in ""over 6 months to 1 year"" and ""over 1 year to 3 years"" in the ratio of 40% and 60% respectively.

(ii) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	1,049.98	1,687.61

(iii) Change in liabilities arising from financing activities as per IND AS 7 "Statement of cash flows":

(₹ in crores)

Particulars	As at March 31, 2025	Cash flows	Others*	As at March 31, 2026
Debt Securities (Including subordinated liabilities)	20,009.43	6,098.34	(30.84)	26,076.93
Borrowings (Other than debt securities)	31,058.60	12,110.13	(69.77)	43,098.95
Total Liabilities from Financial Activities	**51,068.03**	**18,208.47**	**(100.61)**	**69,175.89**

(₹ in crores)

Particulars	As at March 31, 2024	Cash flows	Others*	As at March 31, 2025
Debt Securities (Including subordinated liabilities)	12,576.00	7,538.25	(104.82)	20,009.43
Borrowings (Other than debt securities)	34,098.20	(3,078.60)	39.00	31,058.60
Total Liabilities from Financial Activities	**46,674.20**	**4,459.65**	**(65.82)**	**51,068.03**

*includes the effect of amortisation of borrowing cost, interest accrued on borrowings, and exchange differences.

38C MARKET RISK

Market Risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

Financial institutions may be exposed to Market Risk in variety of ways. Market risk exposure may be explicit in portfolios of securities / equities and instruments that are actively traded. Conversely it may be implicit such as interest rate risk due to mismatch of loans and deposits. Besides, market risk may also arise from activities categorized as off-balance sheet item. Therefore market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices.

The Group's exposure to market risk is primarily on account of interest rate risk and Foreign exchange risk.

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38C.1 INTEREST RATE RISK

(a) The principal exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Variable rate borrowings	28,776.19	23,254.78
Fixed rate borrowings	40,174.45	27,630.46
Total borrowings	**68,950.64**	**50,885.24**

The Group had the following variable rate borrowings outstanding:

(₹ in crores)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Balance	% of total borrowings	Balance	% of total borrowings
Borrowings (including bank OD, loans, etc.)	28,776.19	41.73%	23,254.78	45.70%
Net exposure to cash flow interest rate risk	**28,776.19**	**41.73%**	**23,254.78**	**45.70%**

An analysis by maturities is provided in note 38(B)(i) above. The percentage of total loans shows the proportion of loans that are currently at floating rates in relation to the total amount of borrowings.

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates (assuming other variable constant)

(₹ in crores)

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2025
Interest rates – increase by 50 basis points	(107.67)	(87.01)	-	-
Interest rates – decrease by 50 basis points	107.67	87.01	-	-

38C.2. EXPOSURE TO CURRENCY RISKS

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from banks and External Commercial Borrowings (ECB) and foreign bond markets. The Group follows a conservative policy of hedging its foreign currency exposure through Forwards / Futures / and / or Cross Currency Interest Rate Swaps (CCRIS) in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Group's profit before tax (PBT) and equity. However for the unhedged foreign currency exposure(s) there would be an impact on Group's profitability.

The Group's currency position is as under

(₹ in crores)

Particulars	USD	EUR	CHF	JPY	SGD	Other Currencies
Foreign Currency Assets (in INR)	727.14	-	-	13.65	-	-
Foreign Currency Liabilities (in INR)	0.60	-	-	-	-	-
Net Gap as at March 31, 2026	**726.54**	**-**	**-**	**13.65**	**-**	**-**

(₹ in crores)

Particulars	USD	EUR	CHF	JPY	SGD	Other Currencies
Foreign Currency Assets (in INR)	50.25	-	-	-	-	-
Foreign Currency Liabilities (in INR)	99.67	-	-	11.24	-	-
Net Gap as at March 31, 2025	**(49.42)**	**-**	**-**	**(11.24)**	**-**	**-**

38C.3. PRICE RISK

(a) Exposure

The Group's exposure to assets having price risk is as under

(₹ in crores)

Particulars	Equity Share	Mutual Funds /AIF/ others	Bonds / Debt securities	Security Receipts	Total
Market Value as on March 31, 2026	56.84	1,190.01	974.78	3,870.82	6,092.45
Market Value as on March 31, 2025	227.16	657.35	260.05	3,293.42	4,437.99

To manage its price risk arising from investments in equity securities/other assets, the Group diversifies its portfolio.

(b) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Group's equity/other assets and profit for the period. The analysis is based on the assumption that the instrument index has increased by 5% or decreased by 5% with all other variables held constant.

(₹ in crores)

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2025
Increase by 5%	227.96	166.05	-	-
Decrease by 5%	(227.96)	(166.05)	-	-

38D.CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value. The Group monitors capital in accordance with the capital adequacy ratio prescribed by the Reserve Bank of India ("RBI")/ National Housing Bank ("NHB") as applicable.

38E. FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer an liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

The following table shows an analysis of financial instruments recorded at Fair Value hierarchy:

(₹ in crores)

Particulars	As at March 31, 2026		
	Fair Value through profit or loss	Fair value through Other Comprehensive Income	Amortised cost / Cost
Financial assets			
Cash and cash equivalents	-	-	3,328.23
Bank Balance other than (a) above	-	-	3,045.27
Derivative financial instruments	-	740.79	-
Receivables			
(i) Trade receivables	-	-	98.11
(ii) Other receivables	-	-	22.09
Loans	-	13,358.51	57,552.56
Investments	4,682.81	-	1,409.64
Other financial assets	-	-	2,280.50
Total financial assets	**4,682.81**	**14,099.30**	**67,736.40**

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Particulars	As at March 31, 2026		
	Fair Value through profit or loss	Fair value through Other Comprehensive Income	Amortised cost / Cost
Financial liabilities			
Derivative financial instruments	-	0.60	-
Trade payables	-	-	246.68
Finance lease obligation	-	-	522.19
Debt securities	-	-	20,747.97
Borrowings (other than debt securities)	-	-	43,098.95
Subordinated liabilities	-	-	5,328.96
Other financial liabilities	-	-	2,988.46
Total financial liabilities	**-**	**0.60**	**72,933.21**

(₹ in crores)

Particulars	As at March 31, 2025		
	Fair Value through profit or loss	Fair value through Other Comprehensive Income	Amortised cost / Cost
Financial assets			
Cash and cash equivalents	-	-	2,066.63
Bank Balance other than (a) above	-	-	2,125.15
Derivative financial instruments	-	50.25	-
Receivables			
(i) Trade receivables	-	-	107.53
Loans	611.52	8,559.83	46,192.91
Investments	4,069.23	-	368.76
Other financial assets	-	-	1,142.97
Total financial assets	**4,680.75**	**8,610.08**	**52,003.94**
Financial liabilities			
Derivative financial instruments	-	110.90	-
Trade payables	-	-	185.64
Other Payables	-	-	34.28
Finance lease obligation	-	-	465.33
Debt securities	-	-	16,772.24
Borrowings (other than debt securities)	-	-	31,058.60
Subordinated liabilities	-	-	3,237.19
Other financial liabilities	-	-	1,467.58
Total financial liabilities	**-**	**110.90**	**53,220.86**

38E. 1. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE – FAIR VALUE HIERARCHY

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

38E.2. VALUATION METHODOLOGIES OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

(i) Quoted equity/instruments are measured based on the last traded price in the exchange and are classified as level 1.

(ii) Mutual Funds are measured based on the published net asset value (NAV) by AMFI and are classified as level 1.

(iii) Alternate Investment Funds are measured based on the latest NAV provided by the fund house and are classified as level 3.

(iv) Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued by external independent valuer and classified as Level 3.

(v) Preference shares (unquoted) are classified as Level 2, based on the fair valuation conducted by an external independent valuer.

(vi) Government Securities are valued based on the closing price published by CCIL/ FIMMDA and are classified as level 2.

(vii) Unquoted debt securities are measured based on average of security level prices received from AMFI appointed/designated agencies viz: CRISIL and ICRA and are classified as level 2.

(viii) The fair value of interest rate swaps is calculated as the present value of the net of Pay and Receive side estimated future cash flows based on observable appropriate yield curve inputs.

(ix) Fair value of loans measured at FVOCI approximates its carrying value and are classified as level 3.

(x) Fair value of forward foreign exchange contracts is determined by computing present value of payoff between contractual rate (Strike) and forward exchange rates at the testing date and are classified as Level 2.

(xi) The fair value principal swap is calculated as the present value of the net of Pay and Receive side estimated future cash flows based on observable appropriate yield curve inputs and spot exchange rate as of the testing date and are classified as Level 2.

(₹ in crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total	Carrying Value
As at March 31, 2026					
Financial assets					
Forward rate agreements and interest rate swaps	-	740.79	-	740.79	740.79
Call option included under Debt securities & Subordinated liabilities	-	-	-	-	-
Loans - classified under FVOCI	-	-	13,358.51	13,358.51	13,358.51
Investments	**1,263.98**	**331.73**	**3,087.10**	**4,682.81**	**4,682.81**
(i) Mutual Funds/Alternate Investment fund / Others	293.99	-	30.10	324.09	324.09
(ii) Security Receipts	-	-	3,057.00	3,057.00	3,057.00
(iii) Debt Securities	913.15	-	-	913.15	913.15
(iv) Government Securities	-	291.50	-	291.50	291.50
(v) Preference Shares	-	40.23	-	40.23	40.23
(vi) Equity shares	56.84	-	-	56.84	56.84
Total financial assets	**1,263.98**	**1,072.52**	**16,445.61**	**18,782.11**	**18,782.11**
Financial liabilities					
Forward rate agreements /CCIRS	-	0.60	-	0.60	0.60
Total financial liabilities	**-**	**0.60**	**-**	**0.60**	**0.60**

(₹ in crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total	Carrying Value
As at March 31, 2025					
Financial assets					
Forward rate agreements and interest rate swaps	-	50.25	-	50.25	50.25
Call option included under Debt securities & Subordinated liabilities	-	-	-	-	-
Loans - classified under FVOCI / FVTPL	-	-	9,171.35	9,171.35	9,171.35

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Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total	Carrying Value
Investments	**500.60**	**249.31**	**3,319.32**	**4,069.23**	**4,069.23**
(i) Mutual Funds/Alternate Investment fund / Others	75.28	-	25.00	100.28	100.28
(ii) Security Receipts	-	-	3,294.32	3,294.32	3,294.32
(iii) Debt Securities	198.21	-	-	198.21	198.21
(iv) Government Securities	-	209.08	-	209.08	209.08
(v) Preference Shares	-	40.23	-	40.23	40.23
(vi) Equity shares	227.11	-	-	227.11	227.11
Total financial assets	**500.60**	**299.56**	**12,490.67**	**13,290.83**	**13,290.83**
Financial liabilities					
Forward rate agreements /CCIRS	-	88.70	-	88.70	88.70
Forward exchange contract	**-**	**22.20**	**-**	**22.20**	**22.20**
Total financial liabilities	**-**	**110.90**	**-**	**110.90**	**110.90**

38E.3. VALUATION METHODOLOGIES OF FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term nature, the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and bank balances, Trade receivables, other receivables, balances other than cash and cash equivalents and trade payables.

Loans, Debts, Borrowings and Subordinated Debts

The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/proxy yields of identitical or similar instruments through the discounting factor. For instruments, having contractual residual maturity less than one year, the carrying value has been considered as fair value. Loans and advances are presented net of provisions for impairment.

(₹ in crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Total fair value	Carrying Value	Valuation Hierarchy
As at March 31, 2026			
Financial assets			
Cash and cash equivalents	3,328.23	3,328.23	
Bank Balance other than included above	3,045.27	3,045.27	
Receivables			
(i) Trade Receivables	98.11	98.11	
(ii) Other Receivables	22.09	22.09	
Loans	57,373.40	57,552.56	Level 3
Investment in debt securities	1,409.64	1,409.64	
Other Financial assets	2,280.50	2,280.50	
Total financial assets	**67,557.24**	**67,736.40**	
Financial Liabilities			
Trade Payables	246.68	246.68	
Finance lease obligation	522.19	522.19	

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Total fair value	Carrying Value	Valuation Hierarchy
Debt Securities*	20,857.01	20,747.97	Level 3
Borrowings (Other than debt securities)	43,098.95	43,098.95	Level 3
Subordinated Liabilities	5,487.47	5,328.96	Level 3
Other financial liabilities	2,988.46	2,988.46	
Total financial liabilities	**73,200.76**	**72,933.21**	

(₹ in crores)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Total fair value	Carrying Value	Valuation Hierarchy
As at March 31, 2025			
Financial assets			
Cash and cash equivalents	2,066.63	2,066.63	
Bank Balance other than included above	2,125.15	2,125.15	
Receivables			
(i) Trade Receivables	107.53	107.53	
(ii) Other Receivables	-	-	
Loans	46,749.16	46,192.91	Level 3
Investment in debt securities	368.76	368.76	
Other Financial assets	1,142.97	1,142.97	
Total financial assets	**52,560.20**	**52,003.94**	
Financial Liabilities			
Trade Payables	185.64	185.64	
Other payables	34.28	34.28	
Finance lease obligation	465.33	465.33	
Debt Securities *	16,712.20	16,772.24	Level 3
Borrowings (Other than Debt Securities)	31,058.60	31,058.60	Level 3
Subordinated Liabilities	3,306.00	3,237.19	Level 3
Other financial liabilities	1,467.58	1,467.58	
Total financial liabilities	**53,229.64**	**53,220.87**	

*For MTN Bond book value is considered as fair value.

38.E.4 MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE :

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(₹ in crores)

Particulars	Loans - Classified under FVOCI
Balances as at April 1, 2025	**8,616.11**
Issuances	29,407.40
Sale of financial instrument classified as level 3 at the beginning of the financial year	(24,566.05)
Total gain /losses recognised in profit and loss	(28.20)
Balances As at March 31, 2026	**13,429.26**
Carrying amount of Impairment loss related to balances held at the end of financial year	70.75

(₹ in crores)

Particulars	Loans - Classified under FVOCI
Balances as at April 1, 2024	4,534.63
Issuances	9,989.20
Sale of financial instrument classified as level 3 at the beginning of the financial year	(5,899.78)
Total gain /losses recognised in profit and loss	(7.94)
Balances As at March 31, 2025	**8,616.11**
Carrying amount of Impairment loss related to balances held at the end of financial year	56.28

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38 F. TRANSFERRED FINANCIAL ASSETS THAT ARE DERECOGNISED IN THEIR ENTIRETY

The Group has sold some loans and advances measured at FVTOCI as per assignment deals, as a source of finance. As per the terms of deal, since the derecognition criteria as per IND AS 109, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognised. The management has evaluated the impact of the assignment transactions done during the year for its business model. Based on the future business plans, the Group's business model remains to hold the assets for collecting contractual cash flows.

The following table provide a summary of the amount of the derecognised financial assets during the year and the gain/(loss) on derecognition, which qualify for derecognition:

(₹ in crores)

Particulars	FY 2025-26	FY 2024-25
Financial assets derecognised during the year	26,892.27	7,795.40
Net loss / (gain) on derecognition of financial instruments under FVTOCI category	(1,068.92)	312.56

38 G. TRANSFERRED FINANCIAL ASSETS THAT ARE RECOGNISED IN THEIR ENTIRETY:

The Group uses securitisations as a source of finance. Such transaction resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Group retains substantial risks and rewards. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities

(₹ in crores)

Securitisations	As at March 31, 2026	As at March 31, 2025
Carrying amount of transferred assets measured at amortised cost	7,041.75	1,818.65
Carrying amount of associated liabilities	6,675.61	1,657.60
Fair value of assets	7,041.75	1,818.65
Fair value of associated liabilities	6,675.61	1,657.60

NOTE 39. CAPITAL, OTHER COMMITMENTS AND CONTINGENT LIABILITIES AT BALANCE SHEET DATE:

Contingent Liabilities

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Claim against the Company not acknowledged as debt:		
In respect of Income tax demands (refer note a and b)	345.09	359.74
In respect of Service tax/ GST demands (including interest accrued and refer note c)	153.95	131.21
In respect of Profession Tax demands (refer note d)	0.16	0.16
In respect of legal case/ penalties/others	0.78	488.64
In respect of Stamp Duty (refer note e)	16.66	16.66
Bank Guarantee:		
In respect of Bank guarantees given (refer note f)	162.75	260.33
Other money for which the company is contingently liable:		
In respect of Corporate guarantees given	23.34	23.34
Contingent liability in respect of credit enhancement for securitisation transaction	100.74	75.54

(a) The Group has filed appeal against the said demands raised by the Income Tax Department.

(b) Amount paid under protest with respect to income tax demand is ₹ 20.25 crores (P.Y ₹ 76.32 crores).

(c) Amount paid under protest with respect to service tax and GST demands are ₹ 5.26 crores (P.Y ₹ 3.62 crores).

(d) Amount paid under protest with respect to profession tax demand ₹ 0.05 crores (P.Y ₹ 0.05 crores).

(e) The Group had received demand towards stamp duty on account of the Composite Scheme of Arrangement.The demand had been raised for a sum of ₹ 75.00 crores. As per the scheme document any incidental expenses will be borne by the resulting companies i.e IIFL Finance Limited, IIFL Capital Services Limited (formerly IIFL Securities Limited) and 360 ONE

WAM Limited equally. The Group has appealed against the same and paid ₹ 8.34 crores under protest towards its share of the liability and shown ₹ 16.66 crores as Contingent.The matter is pending before the court.

(f) Guarantee has been given on behalf of subsidiary Company (IIFL Home Finance Limited) by the parent Company i.e. IIFL Finance Limited.

(g) Apart from the above, group is subject to legal proceedings and claims which have arisen in the ordinary course of the business. The Group's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Group's financial position.

Commitments not provided for:

(₹ in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Commitments related to loans sanctioned but undrawn	3,980.44	2,753.33
Estimated amount of contracts remaining to be executed on capital and operating account	31.19	16.90
Commitments related to investments	25.13	19.83

NOTE 40. EMPLOYEE STOCK OPTION

40.1 STOCK OPTION SCHEMES OF THE PARENT COMPANY (IIFL FINANCE LIMITED)

The Company has implemented various Employee Stock Option Schemes (ESOP Schemes) and has outstanding options granted under the said Schemes. The options vest in graded manner and must be exercised within a specified period as per the terms of the grants made by the Nomination and Remuneration Committee and ESOP Schemes.

The details of various Employee Stock Option Schemes are as under:

i. ESOP-2008

Particulars	As at March 31, 2026	As at March 31, 2025
Number of Option outstanding	31,80,604	35,58,866
Method of accounting	Fair Value	Fair Value
Vesting Plan	Options granted would vest over a period of five years subject to a minimum period of one year from the date of grant of options.	
Exercise Period	Seven/ five years from the date of grant	
Grant Date	06- May 2021, 20- Aug 2021, 22- Dec 2021, 26- Aug 2022, 15- Oct 2022, 04- Aug 2023, 05- Jan 2024, 30- Oct 2025	06- May 2021, 20- Aug 2021, 22- Dec 2021, 26- Aug 2022, 15- Oct 2022, 04- Aug 2023, 05- Jan 2024
Grant Price (₹ Per Share)	₹252.00, ₹252.00, ₹271.40, ₹341.65, ₹350.00, ₹10.00, ₹625.00 , ₹523.00	₹252.00, ₹252.00, ₹271.40, ₹341.65, ₹350.00, ₹10.00, ₹625.00

(b) (i) Movement of options during the year ended March 31, 2026

Particulars	Option Outstanding	Range of exercise price (in ₹)	Weighted average exercise price (in ₹)	Weighted average remaining contractual life (Years)
Outstanding as on April 01, 2025	**35,58,866**	**10.00-625.00**	**134.31**	**5.14**
Granted during the year	44,000	10.00 -523.00	243.18	-
Expired/ forfeited during the year	2,66,508	10.00-625.00	141.72	-
Exercised during the year	1,55,754	252.00-350.00	263.44	-
Outstanding as on March 31, 2026	**31,80,604**	**10.00-625.00**	**128.87**	**4.24**
Exercisable as on March 31, 2026	**4,35,404**	**252.00-625.00**	**378.22**	**3.17**

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b) (ii) Movement of options during year ended March 31, 2025

Particulars	Option Outstanding	Range of exercise price (in ₹)	Weighted average exercise price (in ₹)	Weighted average remaining contractual life (Years)
Outstanding as on April 01, 2024	**40,80,321**	**10.00-625.00**	**130.21**	**6.07**
Granted during the year	-	-	-	-
Expired/ forfeited during the year	4,01,435	10.00-625.00	55.68	-
Exercised during the year	1,20,020	252.00-350.00	257.95	-
Outstanding as on March 31, 2025	**35,58,866**	**10.00-625.00**	**134.31**	**5.14**
Exercisable as on March 31, 2025	**2,52,622**	**252.00-625.00**	**337.35**	**3.91**

Fair Value Methodology:

The fair value of the shares are measured using Black scholes formulae. Measurement inputs include share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, dividend yield, expected volatility .

Key Assumptions used in Black-Scholes model for calculating fair value as on the date of grant are as follows:

Particulars	30-Oct-25	30-Oct-25	05-Jan-24	04-Aug-23
Stock price (₹)	523.00	523.00	641.65	575.50
Volatility	45.02%	45.02%	10.00%	52.22%
Risk-free Rate	7.04%	7.04%	7.00%	7.04%
Exercise price (₹)	523.00	10.00	625.00	10.00
Time to Maturity (Years)	4.00	4.00	5.00	4.00
Dividend yield	1.25%	1.43%	3.00%	1.43%
Weight Average Value (₹)	211.21	489.93	89.05	535.83

Particulars	15-Oct-22	26-Aug-22	22-Dec-21	20-Aug-21	06-May-21
Stock price (₹)	350.00	341.65	271.40	252.00	252.00
Volatility	10.00%	10.00%	10.00%	10.00%	10.00%
Risk-free Rate	7.37%	7.02%	5.81%	5.77%	5.66%
Exercise price (₹)	350.00	341.65	271.40	252.00	252.00
Time to Maturity (Years)	5.00	5.00	5.00	5.00	5.00
Dividend yield	3.00%	3.00%	3.00%	3.00%	3.00%
Weight Average Value (₹)	45.31	42.15	35.40	35.40	34.72

Stock Price: The closing market price on NSE one day prior to the date of grant has been considered for the purpose of Option valuation.

Volatility: The daily volatility of the stock prices on BSE, over a period prior to the date of grant, corresponding with the expected life of the Options has been considered to calculate the fair value.

Risk-free rate of return: The risk-free rate being considered for the calculation is the India Government Bond Generic Bid Yield with a maturity about equal to the expected life of the options.

Exercise Price: Price of each specific grant has been considered.

Time to Maturity: Time to Maturity / Expected Life of Options is the period for which the Company expects the Options to be live. The minimum life of a stock option is the minimum period before which the Options cannot be exercised and the maximum life is the period after which the Options cannot be exercised.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for the three financial years preceding the date of the grant. The dividend yield for the year is derived by dividing the dividend per share by the average price per share of the respective period.

ii. ESOP-2020

a) The details of various Employee Stock Option Schemes are as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Number of Option outstanding	-	12,01,536
Method of accounting	Fair Value	Fair Value
Vesting Plan	Options granted would vest over a period of five years subject to a minimum period of one year from the date of grant of options.	
Exercise Period	Seven years from the date of grant	
Grant Date	02- May 2018, 21- Nov 2018 and 18- Jan 2019	02- May 2018, 21- Nov 2018 and 18- Jan 2019
Grant Price (₹ Per Share)	₹142.22, ₹177.04, ₹182.22	₹142.22, ₹177.04, ₹182.22

(b) (i) Movement of options during the year ended March 31, 2026

Particulars	Option Outstanding	Range of exercise price (in ₹)	Weighted average exercise price (in ₹)	Weighted average remaining contractual life (Years)
Outstanding as on April 01, 2025	**12,01,536**	**142.22 - 182.22**	**152.35**	**0.25**
Granted during the year	-	-	-	-
Expired/ forfeited during the year	5,84,285	177.04 - 182.22	144.91	-
Exercised during the year	6,17,251	106.67- 182.22	159.39	-
Outstanding as on March 31, 2026	**-**	**-**	**-**	**-**
Exercisable as on March 31, 2026	**-**	**-**	**-**	**-**

(b) (ii) Movement of options during the year ended March 31, 2025

Particulars	Option Outstanding	Range of exercise price (in ₹)	Weighted average exercise price (in ₹)	Weighted average remaining contractual life (Years)
Outstanding as on April 01, 2024	**16,71,891**	**106.67- 182.22**	**152.90**	**1.25**
Granted during the year	-	-	-	-
Expired/ forfeited during the year	16,510	177.04 - 182.22	178.62	-
Exercised during the year	4,53,845	106.67- 182.22	153.42	-
Outstanding as on March 31, 2025	**12,01,536**	**142.22 - 182.22**	**152.35**	**0.25**
Exercisable as on March 31, 2025	**6,61,536**	**142.22 - 182.22**	**160.61**	**0.38**

Fair Value Methodology:

The fair value of the shares are measured using Black scholes formulae. Measurement inputs include share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, dividend yield, expected volatility.

Key Assumptions used in Black-Scholes model for calculating fair value as on the date of grant are as follows:

Particulars	18-Jan-19	18-Jan-19	21-Nov-18	02-May-18
Stock price (₹)	179.63	179.63	179.63	179.63
Volatility	59.00%	59.00%	59.00%	59.00%
Risk-free Rate	7.28% - 7.49%	7.28% - 7.49%	7.21% - 7.40%	7.13% - 7.40%
Exercise price (₹)	182.22	182.22	177.04	142.22
Time to Maturity (Years)	5.80	5.55	5.39	5.09
Dividend yield	1.00%	1.00%	1.00%	1.00%
Weight Average Value (₹)	161.25	102.16	102.29	106.78

Particulars	02-May-18
Stock price (₹)	179.63
Volatility	59.00%

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Particulars	02-May-18
Risk-free Rate	7.13% - 7.34%
Exercise price (₹)	142.22
Time to Maturity (Years)	4.84
Dividend yield	1.00%
Weight Average Value (₹)	106.90

Stock Price: The fair value of stock as on Appointed Date, i.e., April 1, 2018 ("the Effective date" or the "Date of Modification") has been used to value the outstanding grants based on Merchant Banker's Report.

Volatility: The daily volatility of the stock prices on BSE, based on post demerger traded prices, has been considered to calculate the fair value.

Risk-free rate of return: The risk-free rate being considered for the calculation is the India Government Bond Generic Bid Yield with a maturity about equal to the expected life of the options.

Exercise Price: Price of each specific grant has been considered based on equity swap ratio of the Composite Scheme of Arrangement.

Time to Maturity: Time to Maturity / Expected Life of Options is the period for which the Company expects the Options to be live. The minimum life of a stock option is the minimum period before which the Options cannot be exercised and the maximum life is the period after which the Options cannot be exercised.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for the three financial years preceding the date of the grant. The dividend yield for the year is derived by dividing the dividend per share by the average price per share of the respective period.

40.2 STOCK OPTION SCHEMES OF THE SUBSIDIARY COMPANIES:

a. IIFL Home Finance Limited

The Company has IIFL HFL ESOP PLAN-2022, under which options have been granted to eligible employees to be vested from time to time. The plan is established as per the approval granted by the shareholders by a special resolution on August 4, 2022. The Plan is amended vide Board resolution dated June 17, 2023 and approved by shareholders vide resolution dated June 29, 2023.

ESOP will vest to eligible employees as per vesting schedule and vesting ratio. All options will vest with minimum vesting period of 1year and maximum vesting period of 4 years having Graded vesting @ 25%p.a.(vesting ratio of 25:25:25:25).

ESOPs Granted as of April 01, 2024 are performance based grants which will vest to eligible employees as per performance rating in the company over the vesting period every year of graded vesting with option of carry forward benefit for 1 year if employee match target performance rating in next year.

As per ESOP Plan, the Vested Options can be exercised by the Option grantees only in connection with or upon the happening of a Liquidity Event and within such period as prescribed by the Board in this regard.

The Nomination and Remuneration Committee may at any time proceed to settle any or all the unexercised Vested Options held by the Option Grantees, either continuing or separated, by way of cash payment.

Particulars Grant Date	November 07, 2025	October 30, 2025	October 30, 2025	October 08, 2025
Option Price Model	Black Scholes Method			
Exercise Price	1,338.00	1,338.00	1,338.00	1,338.00
Share Price on Grant Date	4,100.00	4,100.00	4,100.00	4,100.00
Number of options granted	750	38,000	67,500	8,500
Expected Volatility	50%	50%	50%	50%

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Particulars / Grant Date	November 07, 2025	October 30, 2025	October 30, 2025	October 08, 2025
Expected life of options (Years)	4	1	4	4
Risk-free rate of return	6.18%	6.22%	6.22%	6.16%
Dividend Yield	0.74%	0.74%	0.74%	0.74%
Fair Value of ESOP at Grant Date	3,014.04	3,015.37	3,015.37	3,013.37
Weighted average remaining contractual life of the options (Years)	3.61	0.58	3.58	3.52
Weighted Average Fair Value of ESOP at Grant Date (in ₹)	3,014.04	3,015.37	3,015.37	3,013.37

Particulars / Grant Date	October 04, 2025	August 29, 2025	May 06, 2025	April 01, 2025
Option Price Model	Black Scholes Method			
Exercise Price	1,338.00	1,338.00	1,338.00	1,338.00
Share Price on Grant Date	4,100.00	4,802.00	4,802.00	4,802.00
Number of options granted	8,000.00	11,750.00	375.00	7,550.00
Expected Volatility	1	1	1	1
Expected life of options (Years)	400%	400%	400%	400%
Risk-free rate of return	0	0	0	0
Dividend Yield	0.74%	0.74%	0.74%	0.74%
Fair Value of ESOP at Grant Date	3,014.04	3,685.47	3,676.37	3,689.64
Weighted average remaining contractual life of the options (Years)	3.51	3.41	3.10	3.00
Weighted Average Fair Value of ESOP at Grant Date (in ₹)	3,014.04	3,685.47	3,676.37	3,689.64

Particulars / Grant Date	January 24, 2025	April 01, 2024	October 01, 2023
Option Price Model	Black Scholes Method		
Exercise Price	1,338.00	1,338.00	1,338.00
Share Price on Grant Date	4,504.02	4,007.49	4,513.38
Number of options granted	7,550	2,38,627	2,42,563
Expected Volatility	50%	50%	50%
Expected life of options (Years)	4	4	4
Risk-free rate of return	6.75%	7.18%	7.37%
Dividend Yield	0.74%	0.98%	0.86%
Fair Value of ESOP at Grant Date	3,414.08	2,923.78	3,423.18
Weighted average remaining contractual life of the options (Years)	2.82	2.00	1.50
Weighted Average Fair Value of ESOP at Grant Date (in ₹)	3,414.08	2,923.78	3,423.18

Fair Value Methodology:

The fair value of the employee share options has been measured using Black-Scholes Option pricing model. The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year.

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Table Showing options movement during year:

(in numbers)

Particulars	For the year ended March 31, 2026 (Time based)	For the year ended March 31, 2026 (Performance based)	For the year ended March 31, 2025 (Time based)	For the year ended March 31, 2025 (Performance based)
Outstanding at the beginning of the year	2,24,033.00	2,20,333.00	2,38,628.00	-
Granted during the year	1,34,875.00	7,550.00	7,550.00	2,38,627.00
Forfeited during the year	1,18,714.00	1,69,747.60	22,145.00	18,294.00
Surrendered during the year*	41,180.00	957.00	-	-
Outstanding at the end of the year	**1,99,014.00**	**57,178.40**	**2,24,033.00**	**2,20,333.00**
Exercisable at the end of the year	**36,000.00**	**9,399.40**	**57,973.00**	**-**

*During the year ended March 31, 2026, the Group has settled 42,137 Unexercised Vested Options for those Grantees who are separated from the Company by way of cash payment.

Weighted-average exercise prices of options granted during the year is ₹ 1,338.00 (March 31, 2025 : ₹ 1,338.00)/- option.

Weighted average share price at the date of exercise date : Not applicable as no ESOP exercise durung the current and previous year.

Weighted average share price at the date of exercise date : N.A. as no ESOP exercise in year

Table showing reconcillation of Share Options Outstanding Account:

Particulars	For the year ended March 31, 2026 (Time based)	For the year ended March 31, 2026 (Performance based)
Opening ESOP Outstanding Reserve Balance	77.69	19.77
Expense Recognised/ (Reversed) during the year	(21.83)	57.92
Total Amount paid for Cash Settled of ESOP	(6.49)	-
Transfer to General Reserve	(7.96)	-
Closing ESOP Outstanding Reserve Balance	**41.41**	**77.69**

b. IIFL Samasta Finance Limited

The Company's Employee Stock Option Plan - 2023 ("ESOP Plan") provide for the grant of stock options to eligible employees. The ESOPs are administered through Direct route by the company. The company transfers share to the eligible employees upon exercise of the options by such employees.

The Company had an ESOP scheme called ESOP Plan 2023. The ESOP plan 2023 came into force on March 24, 2023.

During the financial year 2022-23, the Company has introduced a new stock option scheme namely "ESOS 2023" effective from March 24, 2023. The grant price shall be as decided by the Nomination and Remuneration Committee ('N&RC') of the Company. The number of options and terms could vary at the discretion of the N&RC.

The total number of Employee Stock Options to be granted, which shall not exceed 5% of the Paid up share Capital of the Company, as expanded from time to time, comprising 3,34,21,867 (Three Crores Thirty Four Lakhs Twenty One Thousand Eight Hundred and Sixty Seven) Options which shall be convertible into equal number of Shares.

The Company has established share option plans that entitle the employees of the Company to purchase the shares of the Company. Under these plans, holders of the vested options are entitled to purchase shares at the exercise price of the shares determined at the respective date of grant of options.

Particulars	Grant	Grant Date	Exercise price	Vesting period	Vesting Conditions
ESOP Scheme 2023	Grant I	31-03-2023	20.96	3 Years	20%,40% and 40% vests every year subject to continuance of services.
ESOP Scheme 2023	Grant II	21-07-2023	23.38		
ESOP Scheme 2023	Grant III	15-01-2024	26.74		
ESOP Scheme 2025	Grant IV	02-05-2025	31.30		

Grant	ESOPs Granted	Number of ESOPs as on 31-3-2025	Granted during the year	Forfeited during the year	Number of ESOPs as on 31-3-2026	Exercisable as on 31-03-26
Grant I	84,41,758	58,49,479	-	10,19,435	48,30,044	-
Grant II	8,17,662	4,92,409	-	2,56,644	2,35,765	-
Grant III	60,37,500	47,08,000	-	14,11,000	32,97,000	-
Grant IV	62,71,000	-	62,71,000	20,15,000	42,56,000	-
		1,10,49,888	**62,71,000**	**47,02,079**	**1,26,18,809**	-

Exercise period for all the above schemes is 3 years from the date of grant of the options.

Measurement of fair values

The fair value of the employee share options has been measured using Black-Scholes Option pricing model. For ESOP granted till previous year(s) fair value of each ESOP will remain same as per grant date fair value as determined earlier at time of Grant of options. For Modified options (if any), incremental fair value is calculated on date of modification.

The Fair value (Cost of ESOP) of Equity-settled share-based payment are tabulated below:

Grant Date	Number of ESOPs granted	Number of ESOPs outstanding on 31-03-2026	Fair Value of Vesting Tranche 1	Fair Value of Vesting Tranche 2	Fair Value of Vesting Tranche 3
31-03-2023	84,41,758	48,30,044	6.77	8.35	9.61
21-07-2023	8,17,662	2,35,765	7.54	9.28	10.69
15-01-2024	60,37,500	32,97,000	8.62	10.61	12.21
02-05-2025	62,71,000	42,56,000	9.98	12.24	14.06

Grant Date	Number of ESOPs granted	Number of ESOPs outstanding on 31-03-2024	Fair Value of Vesting Tranche 1	Fair Value of Vesting Tranche 2	Fair Value of Vesting Tranche 3
31-03-2023	84,41,758	58,49,479	6.77	8.35	9.61
21-07-2023	8,17,662	4,92,409	7.54	9.28	10.69
15-01-2024	60,37,500	47,08,000	8.62	10.61	12.21

Table showing Weighted-average exercise prices of options:

Particulars	FY 2025-26	FY 2024-25
Grant Date	21-07-2023	21-07-2023
	02-05-2025	15-01-2024
Option price Model	Black Scholes Method	
Exercise Price	23.38 - 31.30	23.38 - 26.74
Share Price on Grant Date	23.38 - 31.50	23.38 - 26.74
Expected Volatility	50%	50%
Expected time to exercise shares	2 to 4 years	
Risk-free rate of return	6.08% - 6.17%	7.13% - 7.21%
Dividend Yield	0.50%	0.50%
Fair Value of ESOP at Grant Date	9.98 - 14.06	7.54 - 12.21
Weighted Average Fair Value of ESOP at Grant Date	12.52	10.69
Method used to determine expected volatility	The expected volatility is based on similar listed companies in finance sector.	

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Table showing options movement during year:

Particulars	FY 2025-26	FY 2024-25
Outstanding at the beginning of the year	1,10,49,888.00	1,37,52,747.00
Granted during the year	62,71,000.00	-
Forfeited during the year	47,02,079.00	27,02,859.00
Expired during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	1,26,18,809.00	1,10,49,888.00
Exercisable at the end of the year	50,17,685.00	22,09,978.00

Table showing Weighted-average exercise prices of options (Amount in INR)

Particulars	FY 2025-26	FY 2024-25
Outstanding at the beginning of the year	23.53	23.62
Granted during the year	31.30	N.A.
Forfeited during the year	27.26	24.01
Expired during the year	N.A.	N.A.
Exercised during the year	N.A.	N.A.
Outstanding at the end of the year	26.00	23.53
Exercisable at the end of the year	23.31	23.53

Table Showing Stock Options outstanding at the end of period

Particulars	31-Mar-26	31-Mar-25
Exercise Price (INR)		
Grant Date: 31-03-2023	20.96	20.96
Grant Date: 21-07-2023	23.38	23.38
Grant Date: 15-01-2024	26.74	26.74
Grant Date: 02-05-2025	31.30	-
Weighted average remaining contractual life (Years)		
Grant Date: 31-03-2023	2.20	3.20
Grant Date: 21-07-2023	2.51	3.51
Grant Date: 15-01-2024	3.00	4.00
Grant Date: 02-05-2025	4.29	0.00

No ESOP exercised during the year.

Total Expense recognised (FY25-26) is as follows:

Grant Date	Number of ESOPs outstanding on 31-03-2026	Opening ESOP O/s Reserve Balance as of 01-Apr-2025	Total Expense Charged in P&L for FY 2025-26	Transfer to General Reserve for Vested Forfeited	Closing ESOP O/s Reserve Balance as of 31- Mar-2026
31-03-2023	48,30,044	4.02	0.44	(0.35)	4.12
21-07-2023	2,35,765	0.32	-0.01	(0.10)	0.21
15-01-2024	32,97,000	2.56	0.74	(0.29)	3.01
02-05-2025	42,56,000	-	2.07	-	2.07
Total	**1,26,18,809**	**6.90**	**3.24**	**(0.73)**	**9.41**

Total Expense recognised (FY24-25) is as follows:

Grant Date	Number of ESOPs outstanding on 31-03-2025	Opening ESOP O/s Reserve Balance as of 01-Apr-2024	Total Expense Charged in P&L for FY 2024-25	Transfer to General Reserve for Vested Forfeited	Closing ESOP O/s Reserve Balance as of 31- Mar-2025
31-03-2023	58,49,479	2.43	1.74	(0.14)	4.02
21-07-2023	4,92,409	0.21	0.12	(0.01)	0.32
15-01-2024	47,08,000	0.47	2.13	(0.04)	2.56
Total	**1,10,49,888**	**3.11**	**3.99**	**(0.19)**	**6.90**

Table Showing movement of ESOP Outstanding Reserve:

Particulars	FY 2025-26	FY 2024-25
Opening ESOP Outstanding Reserve Balance	6.90	3.11
Expense Recognised/ (Reversed) during the year	3.24	3.99
Transfer to general reserve for vested forfeited	(0.73)	(0.19)
Closing ESOP Outstanding Reserve Balance	**9.41**	**6.90**

NOTE 41. ADDITIONAL DISLCOURE REQUIREMENTS

(i) Relationship with Struck off Companies

During the year, the Group has not entered into any transactions with the Companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956, except with the parties as disclosed below:

Name of the struck off Company	Balance outstanding as at		Relationship with Struck off Group	Name of IIFL group Company
	March 31, 2026	March 31, 2025		
Loans and Advances and others:				
Hemkunt Network Private Limited	0.00	0.00	None	IIFL Finance Limited
Dsb Properties Private Limited	0.06	0.05	None	IIFL Finance Limited
Siddh Sai Realty Private Limited	0.05	-	None	IIFL Finance Limited
Unicorn Hospitality Services Private Limited	-	0.01	None	IIFL Finance Limited
9 Media Networks Private Limited	-	0.24	None	IIFL Finance Limited
Fedify Technologies Private Limited	-	0.07	None	IIFL Finance Limited
Niche Events and Promotions Private Limited	-	0.14	None	IIFL Finance Limited
Gopikrishna Engineers and Contractors Private Limited	-	0.05	None	IIFL Finance Limited
CP Hydro Projects India Private Limited	-	0.06	None	IIFL Finance Limited
Pushpa Clinic Private Limited	-	0.02	None	IIFL Finance Limited
Corporate Rooms Hospitality Private Limited	-	0.03	None	IIFL Finance Limited
Multitask Excel Hi Care (opc) Private Limited	-	0.07	None	IIFL Finance Limited
Apm Air Travels (India) Private Limited	-	0.04	None	IIFL Finance Limited
Pan Club Hotels Private Limited	-	0.10	None	IIFL Finance Limited
Patidar EXIM Private Limited	-	0.33	None	IIFL Finance Limited
GNM Holidays Private Limited	-	0.07	None	IIFL Finance Limited

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Name of the struck off Company	Balance outstanding as at		Relationship with Struck off Group	Name of IIFL group Company
	March 31, 2026	March 31, 2025		
The Next Automotive ERA Private Limited	-	0.23	None	IIFL Finance Limited
Dialus India Solutions Private Limited	-	0.04	None	IIFL Finance Limited
JPM Exports Private Limited	-	0.37	None	IIFL Finance Limited
Seven Oaks Engineering Private Limited	-	0.06	None	IIFL Finance Limited
Jasmin Infraproject Group Private Limited	-	0.47	None	IIFL Home Finance Limited
Beauty Channel Salon & Spa Private Limited	1.40	1.41	None	IIFL Home Finance Limited
Iconic Products India Private Limited	2.66	2.76	None	IIFL Home Finance Limited
Positive Minds Life Skills Private Limited	0.70	-	None	IIFL Home Finance Limited
Shares held by the Company:				
Unicon Finca Private Limited	0.00	0.00	None	IIFL Finance Limited
Vaishak Shares Limited	0.00	0.00	None	IIFL Finance Limited
Future Bonds and Holdings Private Limited	0.00	0.00	None	IIFL Finance Limited
Ethopps Advisory Services Private Limited	-	0.00	None	IIFL Finance Limited
Kothari Intergroup Limited	-	0.00	None	IIFL Finance Limited
Unclaimed dividend:				
Unicon Finca Private Limited	0.00	0.00	None	IIFL Finance Limited
Kothari Intergroup Limited	-	0.00	None	IIFL Finance Limited

*0.00 denotes amount less than ₹ fifty thousand

(ii) Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

(iii) Compliance with number of layers of companies

The clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Group.

(iv) Utilisation of Borrowed funds and share premium

(A) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) 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:-

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) Undisclosed income

The Group has disclosed all its Income appropriately and in the ongoing Tax Assessments as well there has not been any such undisclosed income recognised by the relavant tax authorities. (refer note 46)

(vi) Details of Crypto Currency or Virtual Currency

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) Disclosure of Benami Property

The Group does not possess any benami property under the Benami Transactions (Prohibition) Act, 1985 and rules made thereunder.

(viii) Disclosure of Borrowings

(a) The quarterly returns and statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

(b) The Group has utilised the borrowings from banks and financial institutions for the specific purpose for which it was taken as at March 31, 2026.

(ix) Wilful Defaulter

The Group has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.

(x) Title Deeds Of Immovable Properties Not Held In Name Of The Group

Except the details as disclosed below all the title deeds of immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Group. Also refer note 12.

Title deeds of Immovable Property not held in name of the Group

As at March 31, 2026 (₹ in crores)

Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Group
Investment Property	Building	2.75	Borrower to whom loan has been given	No	January 10, 2020	Company holds a Sale Certificate
Assets Held for Sale	Building	23.90	Borrower to whom loan has been given	No	June 30, 2025	Properties repossessed under SARFAESI Act.

As at March 31, 2025 (₹ in crores)

Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Group
Investment Property	Building	2.75	Borrower to whom loan has been given	No	January 10, 2020	Company holds a Sale Certificate

Note: Due to the voluminous nature of transactions and sensitivity of the information, individual borrower wise details, in whose name the title deeds are held are not disclosed.

(xi) Disclosure on Loans and Advances

The Group has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.

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NOTE 42. LIST OF RELATED PARTIES

Nature of relationship	Name of party *
Key managerial personnel (KMP)	Mr. Kapish Jain
	Ms. Mauli Agarwal (upto March 13, 2024)
	Mr. Samrat Sanyal
	Directors:
	Mr. Nirmal Jain
	Mr. Venkataraman Rajamani
	Mr. Vijay Kumar Chopra (upto May 20, 2024)
	Ms. Geeta Mathur (upto September 17, 2024)
	Mr. Ramakrishnan Subramanian
	Mr. Arun Kumar Purwar (up to July 18, 2025)
	Mr. T. S. Ramakrishnan (Nominee Director)
	Mr. Bijou Kurien
	Ms. Nirma Anil Bhandari
	Mr. Gopalakrishnan Soundarajan
	Mr. Bibhu Prasad Kanungo (w.e.f. June 16, 2025)
	Mr. Nihar Niranjan Jambusaria
	Mr. Girish Kousgi (IIFL Home Finance Limited)
	Ms. Mehekka Pawan Oberai (IIFL Fintech Private Limited)
Close members of KMP	Mr. Shankar Subramanian (close member of Mr. Ramakrishnan Subramanian)
	Ms. Madhu N Jain (close member of Mr. Nirmal Jain)
	Ms. Kalpita Jain (close member of Mr. Nirmal Jain)
	Ms. Aditi Athavankar (close member of Mr. Venkataraman Rajamani)
	Ms. Syamala (close member of Mr. Venkataraman Rajamani)
	Mr. Mansukh Jain (close member of Mr. Nirmal Jain)
	Ms. Pushpa Jain (close member of Mr. Nirmal Jain)
	Ms. Manisha Jain (close member of Mr. Kapish Jain)
	Ms. Anushka Jain(close member of Mr. Kapish Jain)
	Ms. Ishita Jain(close member of Mr. Kapish Jain)
Other related parties	IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)
	IIHFL Sales Limited
	5paisa Capital Limited
	IIFL Facilities Services Limited
	India Infoline Employee Trust
	IIFL Management Services Limited
	Livlong Protection & Wellness Solutions Limited
	Livlong Insurance Brokers Limited
	Open Financial Technologies Private Limited (upto March 28, 2025)
	FIH Mauritius Investments Limited
	IIFL Capital Asset Management Limited
	Arcon Techsolutions Private Limited
	Grey Swift Private Limited
	India Infoline Foundation
	Mr. Mansukhlal Jain and Pritesh Ashwin Mehta (in their capacity as Trustees of Nirmal Madhu Family Private Trust)
	Ms. Aditi Avinash Athavankar (in her capacity as Trustee of Kalki Family Private Trust)
	Ardent Impex Private Limited
	Orpheus Trading Private Limited
	Platinum Owl C 2018 RSC Limited
	360 ONE WAM Limited (Formerly known as IIFL Wealth Management Limited)
	360 One Distribution Services Limited (Erstwhile IIFL Wealth Distribution Services Limited)

*The above list includes related parties with whom transactions have been carried out.

42.1 SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

(₹ in crores)

Nature of Transaction	Other related parties	KMP and close members of KMP	Total
Interest income			
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	1.39	-	1.39
	-	-	-
Mr. Shankar Subramanian	-	-	-
		(0.00)	(0.00)
Interest expense			
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	2.06	-	2.06
	-	-	-
360 ONE WAM LIMITED	-	-	-
	(0.01)	-	(0.01)
Donation paid			
India Infoline Foundation	26.48	-	26.48
	(33.60)	-	(33.60)
Arranger/ processing fees /brokerage on non convertible debenture			
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	0.58	-	0.58
	(0.84)	-	(0.84)
Rent expenses			
IIFL Facilities Services Limited	5.80	-	5.80
	(8.16)	-	(8.16)
Mr. Nirmal Jain	-	0.30	0.30
		-	-
Referral fees income/Other charges Income			
Livlong Protection & Wellness Solutions Limited	84.45	-	84.45
	(67.97)	-	(67.97)
Mr. Shankar Subramanian	-	-	-
		(0.02)	(0.02)
Referral fees /Other expenses			
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	21.19	-	21.19
		-	-
Commission / brokerage expense			
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	16.90	-	16.90
	(3.29)	-	(3.29)
360 One Distribution Services Limited	-	-	-
	(0.11)	-	(0.11)
Open Financial Technologies Private Limited	-		-
	(5.91)	-	(5.91)
Equity dividend paid			
Mr. Nirmal Jain	-	21.38	21.38
	-	-	-
Mr. Venkataraman Rajamani	-	4.92	4.92
	-	-	-
Ardent Impex Private Limited	1.45	-	1.45
	-	-	-

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Nature of Transaction	Other related parties	KMP and close members of KMP	Total
Orpheus Trading Private Limited	0.58	-	0.58
	-	-	-
Ms. Madhu N Jain	-	5.41	5.41
	-	-	-
Mr. Mansukhlal Jain and Mr. Pritesh Ashwin Mehta (Trustees of Nirmal Madhu Family Private Trust)	4.44	-	4.44
	-	-	-
Ms. Aditi Avinash Athavankar (in her capacity as Trustee of Kalki Family Private Trust)	4.00	-	4.00
	-	-	-
Ms. Aditi Athavankar	-	0.09	0.09
	-	-	-
FIH Mauritius Investments Limited	25.82	-	25.82
	-	-	-
India Infoline Employee Trust	0.03	-	0.03
	-	-	-
Mr. Mansukh Jain	-	1.18	1.18
	-	-	-
Ms. Pushpa Jain	-	0.12	0.12
	-	-	-
Mr. Girish Kousgi	-	0.00	0.00
	-	-	-
Ms. Mehekka Pawan Oberai	-	0.00	0.00
	-	-	-
Platinum Owl C 2018 RSC Limited	29.58	-	29.58
		-	-
ICD/loan taken			
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	375.00	-	375.00
	-	-	-
ICD/loan returned			
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	375.00	-	375.00
	-	-	-
Interest Expenses on NCD's			
IIFL Management Services Limited	0.43	-	0.43
	-	-	-
Mr. Mansukh Jain	-	0.10	0.10
	-	-	-
Ms. Syamala	-	0.00	0.00
		-	-
ICD/loan given			
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	350.00	-	350.00
	-	-	-
ICD/loan received back			
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	350.00	-	350.00
	-	-	-

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Nature of Transaction	Other related parties	KMP and close members of KMP	Total
Mr. Shankar Subramanian	-	-	-
		(0.04)	(0.04)
Allocation / reimbursement of expenses paid			
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	7.45	-	7.45
	(11.15)	-	(11.15)
IIFL Management Services Limited	0.06	-	0.06
	(0.03)	-	(0.03)
IIFL Facilities Services Limited	2.66	-	2.66
	(3.03)	-	(3.03)
5paisa Capital Limited	0.58	-	0.58
	(0.46)	-	(0.46)
Livlong Protection & Wellness Solutions Limited	-	-	-
	(0.00)	-	(0.00)
IIFL Capital Asset Management Limited	-	-	-
	(0.00)	-	(0.00)
Allocation / reimbursement of expenses received			
IIFL Facilities Services Limited	0.26	-	0.26
	(0.13)	-	(0.13)
5paisa Capital Limited	1.25	-	1.25
	(1.63)	-	(1.63)
IIFL Management Services Limited	0.26	-	0.26
	(0.17)	-	(0.17)
Livlong Insurance Brokers Limited	0.00	-	0.00
	-	-	-
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	4.37	-	4.37
	(3.67)	-	(3.67)
Livlong Protection & Wellness Solutions Limited	0.87	-	0.87
	(0.70)	-	(0.70)
IIFL Capital Asset Management Limited	0.13	-	0.13
	(0.06)	-	(0.06)
India Infoline Foundation	-	-	-
	(0.08)	-	(0.08)
Security deposit paid			
IIFL Facilities Services Limited	-	-	-
	(0.30)	-	(0.30)
Mr. Nirmal Jain	-	0.11	0.11
	-	-	-
Security deposit received			
IIFL Facilities Services Limited	-	-	-
	(1.18)	-	(1.18)
Purchase of investment			
FIH Mauritius Investments Limited	-	-	-
	(284.40)	-	(284.40)

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Nature of Transaction	Other related parties	KMP and close members of KMP	Total
Open Financial Technologies Private Limited	-	-	-
	(52.08)	-	(52.08)
Sale of investment			
IIFL Management Services Limited	134.82	-	134.82
	-	-	-
Mr. Kapish Jain	-	-	-
	-	(0.87)	(0.87)
Ms. Manisha Jain	-	-	-
	-	(0.49)	(0.49)
Ms. Anushka Jain	-	-	-
	-	(0.49)	(0.49)
Ms. Ishita Jain	-	-	-
	-	(0.25)	(0.25)
Non convertible debenture Issued			
360 ONE WAM LIMITED	-	-	-
	(2.04)	-	(2.04)
Branding Income			
Livlong Insurance Brokers Limited	14.57	-	14.57
	(13.79)	-	(13.79)
Cross charge, platform fees and marketing Spends			
Open Financial Technologies Private Limited	-	-	-
	(1.55)	-	(1.55)
Short term employee benefit			
Mr. Nirmal Jain	-	17.51	17.51
	-	(12.24)	(12.24)
Mr. Kapish Jain	-	2.27	2.27
	-	(1.86)	(1.86)
Ms. Mauli Agarwal	-	-	-
	-	(0.16)	(0.16)
Mr. Samrat Sanyal	-	0.75	0.75
	-	(0.42)	(0.42)
Ms. Kalpita Jain	-	0.01	0.01
		-	-
Long term employee benefit			
Mr. Nirmal Jain	-	-	-
	-	(0.02)	(0.02)
Mr. Kapish Jain	-	0.00	0.00
	-	(0.05)	(0.05)
Ms. Mauli Agarwal	-	-	-
	-	(0.00)	(0.00)
Mr. Samrat Sanyal	-	0.00	0.00
	-	(0.01)	(0.01)

Nature of Transaction	Other related parties	KMP and close members of KMP	Total
Long term employee benefit (reversal)			
Mr. Nirmal Jain	-	1.06	1.06
	-	-	-
Share based payments			
Mr. Kapish Jain	-	-	-
	-	(0.02)	(0.02)
Post employment benefits			
Mr. Kapish Jain	-	0.09	0.09
	-	(0.08)	(0.08)
Sitting fees and commission			
Mr. Arun Kumar Purwar	-	0.64	0.64
	-	(0.39)	(0.39)
Mr. Bibhu Prasad Kanungo	-	0.79	0.79
	-	-	-
Mr. Ramakrishnan Subramanian	-	0.94	0.94
	-	(0.40)	(0.40)
Mr. Vijay Kumar Chopra	-	-	-
	-	(0.02)	(0.02)
Ms. Geeta Mathur	-	-	-
	-	(0.10)	(0.10)
Mr. T. S. Ramakrishnan	-	0.07	0.07
	-	(0.11)	(0.11)
Mr. Bijou Kurien	-	0.39	0.39
	-	(0.30)	(0.30)
Mr. Nihar Niranjan Jambusaria	-	0.65	0.65
	-	(0.46)	(0.46)
Ms. Nirma Anil Bhandari	-	0.39	0.39
		(0.18)	(0.18)
Purchase of Fixed assets			
IIFL Facilities Services Limited	0.00	-	0.00
	(0.00)	-	(0.00)
IIFL Management Services Limited	0.00	-	0.00
	(0.01)	-	(0.01)
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	0.03	-	0.03
	(0.18)	-	(0.18)
5paisa Capital Limited	0.00	-	0.00
	(0.09)	-	(0.09)
Livlong Protection & Wellness Solutions Limited	-	-	-
	(0.00)	-	(0.00)
India Infoline Foundation	0.00	-	0.00
	(0.01)	-	(0.01)
IIFL Capital Asset Management Limited	0.00	-	0.00
	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Nature of Transaction	Other related parties	KMP and close members of KMP	Total
Livlong Insurance Brokers Limited	0.02	-	0.02
	(0.00)	-	(0.00)
Sale of Fixed assets			
5paisa Capital Limited	0.02	-	0.02
	(0.04)	-	(0.04)
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	0.02	-	0.02
	(0.18)	-	(0.18)
IIFL Management Services Limited	-	-	-
	(0.01)	-	(0.01)
IIFL Facilities Services Limited	0.01	-	0.01
	(0.50)	-	(0.50)
India Infoline Foundation	0.02	-	0.02
	(0.00)	-	(0.00)
IIFL Capital Asset Management Limited	0.00	-	0.00
	(0.00)	-	(0.00)
Livlong Insurance Brokers Limited	0.01	-	0.01
	-	-	-
Livlong Protection & Wellness Solutions Limited	0.00	-	0.00
	(0.00)	-	(0.00)
Availment of technical services			
Arcon Techsolutions Private Limited	0.02	-	0.02
	(0.03)	-	(0.03)
Grey Swift Private Limited	0.96	-	0.96
	(0.12)	-	(0.12)

NOTE 42.2 CLOSING BALANCES WITH RELATED PARTIES

(₹ in crores)

Nature of Transaction	Other related parties	KMP and close members of KMP	Total
Other payable			
IIFL Facilities Services Limited	0.13	-	0.13
	(0.00)	-	(0.00)
IIFL Management Services Limited	-	-	-
	(0.00)	-	(0.00)
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	25.45	-	25.45
	(0.04)	-	(0.04)
Other receivable			
Livlong Insurance Brokers Limited	1.41	-	1.41
	(1.41)	-	(1.41)
Livlong Protection & Wellness Solutions Limited	9.19	-	9.19
	(6.47)	-	(6.47)
5paisa Capital Limited	0.05	-	0.05
	(0.33)	-	(0.33)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Nature of Transaction	Other related parties	KMP and close members of KMP	Total
IIFL Management Services Limited	0.01	-	0.01
	-	-	-
India Infoline Foundation	0.07	-	0.07
	(23.70)	-	(23.70)
IIFL Capital Asset Management Limited	0.01	-	0.01
	(0.03)	-	(0.03)
Security Deposit receivable			
Mr. Nirmal Jain	-	0.11	0.11
	-	-	-
IIFL Facilities Services Limited	3.00	-	3.00
	(3.00)	-	(3.00)
Outstanding NCD's			
IIFL Management Services Limited	4.79	-	4.79
	-	-	-
Mr. Mansukh Jain	-	1.70	1.70
	-	-	-
Ms. Syamala	-	0.03	0.03
	-	-	-
Mr. Venkataraman Rajamani	-	3.00	3.00
	-	-	-
Mr. Mansukhlal Jain and Mr. Pritesh Ashwin Mehta (Trustees of Nirmal Madhu Family Private Trust)	10.00	-	10.00
	-	-	-
Investment in PTC			
IIFL Management Services Limited	2.29	-	2.29
	-	-	-
Gratuity payable*			
Mr. Nirmal Jain	-	0.19	0.19
	-	(0.18)	(0.18)
Mr. Kapish Jain	-	0.11	0.11
	-	(0.07)	(0.07)
Mr. Samrat Sanyal	-	0.01	0.01
	-	(0.00)	(0.00)
Leave encashment payable*			
Mr. Nirmal Jain	-	0.05	0.05
	-	(1.12)	(1.12)
Mr. Kapish Jain	-	0.02	0.02
	-	(0.06)	(0.06)
Mr. Samrat Sanyal	-	0.00	0.00
	-	(0.01)	(0.01)
Short term employee benefits payable			
Mr. Nirmal Jain	-	-	-
	-	(0.42)	(0.42)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Nature of Transaction	Other related parties	KMP and close members of KMP	Total
Sitting Fees and Commission payable			
Mr. Arun Kumar Purwar	-	0.60	0.60
	-	(0.15)	(0.15)
Mr. Bibhu Prasad Kanungo	-	0.60	0.60
	-	-	-
Mr. Ramakrishnan Subramanian	-	0.41	0.41
	-	(0.28)	(0.28)
Mr. Bijou Kurien	-	0.20	0.20
	-	(0.15)	(0.15)
Mr. Nihar Niranjan Jambusaria	-	0.20	0.20
	-	(0.15)	(0.15)
Ms. Nirma Anil Bhandari	-	0.20	0.20
	-	(0.08)	(0.08)

* Based on acturial valuation report

#0.00 denotes amount less than ₹ fifty thousand

(Figure in bracket represents previous year figures)

NOTE 43.1. MATURITY ANALYSIS OF ASSETS AND LIABILITIES AS AT MARCH 31, 2026

(₹ in crores)

Sr. No	Particulars	Within 12 months	After 12 months	Total
Assets				
[1]	**Financial assets**			
(a)	Cash and cash equivalents	3,328.23	-	3,328.23
(b)	Bank balance other than (a) above	2,390.58	654.69	3,045.27
(c)	Derivative financial instruments	255.26	485.53	740.79
(d)	Receivables			
	(i) Trade receivables	98.11	-	98.11
	(ii) Other receivables	22.09	-	22.09
(e)	Loans	33,982.54	36,928.53	70,911.07
(f)	Investments	1,441.43	4,651.02	6,092.45
(g)	Other financial assets	713.22	1,567.28	2,280.50
[2]	**Non-financial assets**			
(a)	Current tax assets (net)	44.33	244.14	288.47
(b)	Deferred tax assets (net)	-	256.85	256.85
(c)	Investment property	-	870.58	870.58
(d)	Property, plant and equipment	-	176.69	176.69
(e)	Capital work-in-progress	-	5.75	5.75
(f)	Intangible assets under development	-	0.08	0.08
(g)	Right to use assets	-	459.11	459.11
(h)	Other intangible assets	-	7.27	7.27
(i)	Other non-financial assets	359.26	92.57	451.83
(j)	Assets held for sale	23.90	-	23.90
Total Assets		**42,658.95**	**46,400.09**	**89,059.04**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Sr. No	Particulars	Within 12 months	After 12 months	Total
Liabilities And Equity				
Liabilities				
[1]	**Financial liabilities**			
(a)	Derivative financial instruments	-	0.60	0.60
(b)	Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	19.02	-	19.02
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	227.66	-	227.66
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(c)	Finance lease obligation	117.58	404.61	522.19
(d)	Debt securities	9,374.78	11,373.19	20,747.97
(e)	Borrowings (other than debt securities)	14,328.93	28,770.02	43,098.95
(f)	Subordinated liabilities	258.79	5,070.17	5,328.96
(g)	Other financial liabilities	2,984.47	3.99	2,988.46
[2]	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	79.70	1.32	81.02
(b)	Provisions	116.93	40.78	157.71
(c)	Deferred tax liabilities (net)	-	72.45	72.45
(d)	Other non-financial liabilities	174.17	20.79	194.96
[3]	**EQUITY**			
(a)	Equity share capital	-	85.06	85.06
(b)	Other equity	-	13,834.90	13,834.90
(c)	Non-controlling interest	-	1,699.13	1,699.13
Total Liabilities and Equity		**27,682.03**	**61,377.01**	**89,059.04**

NOTE 43.2. MATURITY ANALYSIS OF ASSETS AND LIABILITIES AS AT MARCH 31, 2025

(₹ in crores)

Sr. No	Particulars	Within 12 months	After 12 months	Total
Assets				
[1]	**Financial assets**			
(a)	Cash and cash equivalents	2,066.63	-	2,066.63
(b)	Bank balance other than (a) above	1,276.22	848.93	2,125.15
(c)	Derivative financial instruments	-	50.25	50.25
(d)	Receivables			
	(i) Trade receivables	107.53	-	107.53
	(ii) Other receivables	-	-	-
(e)	Loans	25,487.45	29,876.81	55,364.26
(f)	Investments	687.53	3,750.46	4,437.99
(g)	Other financial assets	316.39	826.58	1,142.97

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Sr. No	Particulars	Within 12 months	After 12 months	Total
[2]	**Non-financial assets**			
(a)	Current tax assets (net)	57.04	212.15	269.19
(b)	Deferred tax assets (net)	-	385.41	385.41
(c)	Investment property	-	870.76	870.76
(d)	Property, plant and equipment	-	162.66	162.66
(e)	Capital work-in-progress	-	22.29	22.29
(f)	Intangible assets under development	-	0.99	0.99
(g)	Right to use assets	-	445.53	445.53
(h)	Other intangible assets	-	7.59	7.59
(i)	Other non-financial assets	131.10	53.89	184.99
Total Assets		**30,129.89**	**37,514.30**	**67,644.19**
Liabilities And Equity				
Liabilities				
[1]	**Financial liabilities**			
(a)	Derivative financial instruments	92.75	18.15	110.90
(b)	Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	10.39	-	10.39
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	175.21	0.04	175.25
	(II) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	34.28	-	34.28
(c)	Finance lease obligation	97.80	367.53	465.33
(d)	Debt securities	6,062.26	10,709.98	16,772.24
(e)	Borrowings (other than debt securities)	10,278.94	20,779.66	31,058.60
(f)	Subordinated liabilities	147.49	3,089.70	3,237.19
(g)	Other financial liabilities	1,451.52	16.06	1,467.58
[2]	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	10.53	-	10.53
(b)	Provisions	78.32	44.36	122.68
(c)	Deferred tax liabilities (net)	-	-	-
(d)	Other non-financial liabilities	203.47	20.78	224.25
[3]	**EQUITY**			
(a)	Equity share capital	-	84.90	84.90
(b)	Other equity	-	12,327.29	12,327.29
(c)	Non-controlling interest	-	1,542.78	1,542.78
Total Liabilities and Equity		**18,642.96**	**49,001.23**	**67,644.19**

NOTE 44. CORPORATE SOCIAL RESPONSIBILITY:

During the financial year 2025-26, the Group has spent ₹ 49.16 crore (P.Y. ₹ 20.25 crore) towards corporate social responsibility. There is a shortfall of ₹ 8.77 crore (P.Y. ₹ 28.86 crore), which pertains to the ongoing projects.

The unspent amount towards the ongoing projects have been transferred to separate bank accounts as per the regulation.

NOTE 45. ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATIONS OF CONSOLIDATED FINANCIAL STATEMENTS:

Name of entity in the Group	Net Assets i.e Total Assets less Total Liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in crores)	As % of consolidated profit or loss	Amount (₹ in crores)	As % of consolidated other comprehensive income	Amount (₹ in crores)	As % of consolidated total comprehensive income	Amount (₹ in crores)
IIFL Finance Limited	34.56%	5,398.67	56.66%	1,029.38	87.15%	13.39	56.92%	1,042.77
Indian Subsidiaries								
IIFL Home Finance Limited	40.77%	6,367.98	33.44%	607.57	11.42%	1.75	33.26%	609.32
Samasta Microfinance Limited	13.08%	2,042.82	1.17%	21.20	(1.42%)	(0.22)	1.14%	20.98
IIFL Fintech Private Limited	0.71%	110.49	0.15%	2.65	0.00%	-	0.14%	2.65
Subtotal	**89.12%**	**13,919.96**	**91.42%**	**1,660.80**	**97.08%**	**14.92**	**91.47%**	**1,675.72**
Non Controlling interest in subsidiaries	10.88%	1,699.13	8.58%	155.90	2.92%	0.45	8.53%	156.35
Total		**15,619.09**		**1,816.70**		**15.37**		**1,832.07**

*0.00 denotes amount less than ₹ fifty thousand.

NOTE 46. The Income-tax Department had conducted a search under Section 132 of the Income-tax Act, 1961 at the registered office and certain other premises of IIFL Finance Limited (the Holding Company) and IIFL Home Finance Limited (the Subsidiary Company) in January 2025. On receipt of notice under Section 158BC of the Act, the Holding and Subsidiary Company filed return for the block period from April 01, 2018 to February 03, 2025 on December 3, 2025. Without prejudice to its rights and contentions, the Holding Company offered income of ₹ 2.35 crore on ad-hoc basis on account of potential additions / disallowances relating to legal claim of expenses / allowances made earlier and has paid taxes aggregating to ₹ 1.47 crore which has been accounted as expenditure during the year. Since such increase in taxable income is purely consequent to potential adjustments and do not result in recognition of any assets, no entries are required to be passed in the books. The assessment proceedings are currently in progress, and the Holding and the Subsidiary Company continues to extend full cooperation to the Income-tax authorities. The Holding and Subsidiary Company has not received any orders / demand notices till date. The Management, after considering all available records and facts, is of the view that there would not be any material adverse impact on the financial position of the Holding Company and the Subsidiary Company and hence no material adjustments are required to be made in the financial statements of the Holding Company and the Subsidiary Company.

NOTE 46A. Pursuant to the advisory issued by the National Housing Bank (NHB), the subsidiary Company (IIFL Home Finance Limited) reviewed its accounting policy for crediting customer payments to ensure that the customer accounts are credited only upon bank realisation of funds and not on a cheque-receipt basis. The subsidiary Company's existing accounting treatment has now been aligned with the NHB advisory and, accordingly, there is no financial or operational impact for the year ended March 31, 2026. Accordingly, NPA levels as on March 31, 2025 were re-assessed (GNPA ₹645.85 crore; NNPA ₹498.62 crore) from earlier reported (GNPA ₹ 457.74 crore; NNPA ₹ 310.51 crore).

NOTE 46B. During the inspection of the subsidiary Company (IIFL Home Finance Limited) with respect to its position as March 31, 2025 as well as reverification exercise carried out by NHB in the months of March 2026, it has been observed that in certain loan accounts, the subsidiary Company has not started EMI/carried out amortisation of loans and has kept the loans in Pre-EMI stage which has resulted into extension of loan tenure. The said practice of the has been viewed seriously, and the subsidiary Company is hereby cautioned to desist from such practice, frame a board approved policy with respect to amortisation of loans in Pre-EMI stage within a stipulated time-period and not grant Pre-EMI facility in non-housing loans sanctioned for business/personal use.

NOTE 47. SHARED SERVICES

The Group operates from and uses the premises, infrastructure and other facilities and services as provided to it by its group companies, which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the Group were identified and recovered/recoverable from them based on reasonable management

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

NOTE 48. THE CODE ON SOCIAL SECURITY, 2020 : On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Company has assessed and disclosed the incremental impact of these changes on the basis of the best information available and actuarial valuation obtained, consistent with the guidance provided by the Institute of Chartered Accountants of India. The incremental impact consisting of gratuity of ₹ 20.10 crore primarily arises due to change in wage definition. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Codes and would provide appropriate accounting effect on the basis of such developments as needed, if any.

NOTE 49. SEGMENT REPORTING

The Group's primary business segments are reflected based on the principal business carried out, i.e. financing. All other activities of the Group revolve around the main business. The risk and returns of the business of the Group is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments as per the Indian Accounting Standard 108 on 'Segment Reporting'.

NOTE 50. Previous year's figures are regrouped, reclassified and rearranged wherever considered necessary to confirm to current year's presentation.

For and on behalf of the Board of Directors of IIFL FINANCE LIMITED

B. P. Kanungo
Chairperson & Independent Director
DIN : 07820090

Nirmal Jain
Managing Director
DIN : 00010535

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary & Compliance Officer

Place : Mumbai
Dated: April 29, 2026

IIFL FINANCE

Form AOC-I

Salient features of financial statements of Subsidiaries as per Companies Act, 2013 as on March 31, 2026

(₹ in crores)

Sr. No.	Particulars	IIFL Home Finance Limited	IIFL Samasta Finance Limited	IIFL Fintech Private Limited (formerly known as IIFL Open Fintech Private Limited)	IIHFL Sales Limited
1	Share Capital	26.34	668.44	16.84	0.55
2	Other Equity	8,038.34	1,383.12	97.21	17.27
3	Total Assets	31,444.05	10,036.65	114.07	33.58
4	Total Liabilities	23,379.37	7,985.09	0.02	15.76
5	Investments	1,546.00	842.81	50.41	-
6	Total Turnover (Total income)	3,807.61	2,264.58	3.31	32.53
7	Profit/ (loss) before taxation	974.09	26.07	3.44	1.65
8	Provision for taxation (including deferred tax)	228.28	4.77	0.79	0.09
9	Total Comprehensive Income	747.58	21.08	2.65	2.00
10	Proposed preference dividend	-	-	-	-
11	Extent of interest in subsidiary	79.59%	99.56%	100.00%	100.00%

Note: Reporting period for the subsidiaries are the same as holding Company.

For and on behalf of the Board of Directors of IIFL FINANCE LIMITED

B. P. Kanungo
Chairperson & Independent Director
DIN : 07820090

Nirmal Jain
Managing Director
DIN : 00010535

Kapish Jain
Chief Financial Officer

Samrat Sanyal
Company Secretary & Compliance Officer

Place : Mumbai
Dated: April 29, 2026

IIFL Finance Limited

CIN: L67100MH1995PLC093797

Registered Office:

IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23,
Thane Industrial Area, Wagle Estate, Thane - 400 604

Corporate Office:

802, 8th Floor, Hubtown Solaris, N. S. Phadke Marg, Vijay Nagar,
Andheri East, Mumbai - 400 069

Tel: +91 22 6788 1000

Email: shareholders@iifl.com | ir@iifl.com

Website: www.iifl.com

/indiainfoline

/IIFLCorporate

IIFL (India Infoline Group)

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IIFL Finance Limited
CIN: L67100MH1995PLC093797
Regd. Office – IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23,
Thane Industrial Area Wagle Estate, Thane – 400 604
Tel: (91-22) 4103 5000, **Fax:** (91-22) 2580 6654
E-mail: shareholders@iifl.com, **Website:** www.iifl.com

NOTICE

Notice is hereby given that the 31st (Thirty-First) Annual General Meeting ("AGM/Meeting") of the Members of IIFL Finance Limited (the "Company") will be held on Friday, July 24, 2026 at 11:30 a.m. (IST) through Video Conferencing/ Other Audio Visual Means to transact the following businesses:

ORDINARY BUSINESSES:

1. Adoption of Financial Statements

To consider and adopt:

a. The Audited Standalone Financial Statement(s) of the Company for the Financial Year ended March 31, 2026, together with the Directors' and Auditors' Reports thereon; and

b. The Audited Consolidated Financial Statement(s) of the Company for the Financial Year ended March 31, 2026, together with Auditors' Report thereon.

2. Appointment of Mr. Gopalakrishnan Soundarajan (DIN: 05242795) as a Director, liable to retire by rotation

To appoint a Director in place of Mr. Gopalakrishnan Soundarajan (DIN: 05242795), who retires by rotation and being eligible, offers himself for re-appointment.

3. Appointment of M/s. Shah Gupta & Co., Chartered Accountants, as a Joint Statutory Auditor of the Company and 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 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014, RBI Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025 dated November 28, 2025, and the Reserve Bank of India guidelines for Appointment of Statutory Central Auditors/ Statutory Auditors of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021, ("RBI Guidelines"), including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time, and basis the approval and recommendation of Audit Committee and Board of Directors (the "Board"), the consent of the Members be and is hereby accorded for appointment of M/s. Shah Gupta & Co., Chartered Accountants (Firm Registration No.: 109574W), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditor in terms of Section 141 of the Act and RBI Guidelines, as the Joint Statutory Auditor of the Company, from the conclusion of the 31st (Thirty-First) Annual General Meeting ("AGM") till the conclusion of the 34th (Thirty-Fourth) AGM, for a continuous period of three financial years beginning from April 01, 2026 and ending on March 31, 2029, on such remuneration plus out of pocket expenses, if any, as may be mutually agreed upon between the Board and the Joint Statutory Auditor, and as provided in the explanatory statement forming part of this Notice;

RESOLVED FURTHER THAT the Board and/or any Committee thereof, be and are hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, desirable, or expedient to give effect to this resolution."

SPECIAL BUSINESSES:

4. Approval of issuance of Non-Convertible Securities on a private placement basis

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 42, 71, 179 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014,

the Companies (Share Capital and Debentures) Rules, 2014 and subject to the relevant provisions of the Memorandum of Association and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025 dated November 28, 2025, Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 dated November 28, 2025 and the Directions referred therein, and other applicable regulations, to the extent applicable, including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (the "Board", which shall be deemed to include any Committee that the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), to offer or invite subscriptions for Non-Convertible Securities ("NCS") including but not limited to Secured/ Unsecured/ Listed/ Unlisted/ Rated/ Unrated/ Non-Convertible/ Market Linked/ Subordinate Debt/ Perpetual Securities/ Fixed Maturity Securities/ Sustainability or Securitized Social Bonds, in one or more series/tranches, either at par, premium or discount, up to ₹10,000 Crore (Rupees Ten Thousand Crore Only), on a private placement basis, to such eligible persons and on such terms and conditions as the Board and/or any Committee thereof, may, from time to time, determine and consider proper and beneficial to the Company, including, but without limitation, consideration for the issue, mode of payment, coupon rate, redemption period, utilization of the issue proceeds and all matters connected therewith or incidental thereto, provided that the borrowings by way of issue of NCS be within the overall limit of borrowing approved by the Members of the Company from time to time;

RESOLVED FURTHER THAT the Board and/or any Committee thereof be and are hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, desirable, or expedient to give effect to this resolution."

5. **Approval of payment of commission to Non-Executive Directors 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 149, 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013 (the "Act") and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time and basis the approval and recommendation of the Nomination and Remuneration Committee and Board of Directors (the "Board"), consent of the Members be and is hereby accorded for payment of commission to the Non-Executive Directors ("NEDs"), including Independent Directors of the Company, to be determined by the Board for each such financial year and distributed between such NEDs in such manner as may be determined from time to time;

RESOLVED FURTHER THAT the commission shall be in addition to fees payable to the NEDs for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other meetings;

RESOLVED FURTHER THAT the commission paid to NEDs shall be within the overall maximum limit of 1% of the net profits of the Company for that financial year computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified by the Act from time to time in this regard for a period of five years, commencing from April 01, 2026;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the term mentioned above, the NEDs shall be paid remuneration by way of commission as may be decided by the Board and/or any Committee thereof, notwithstanding that it may exceed 1% of the net profits of the Company and subject to such restrictions, if any, as may be set out in the applicable provisions and Schedule V of the Act, from time to time;

RESOLVED FURTHER THAT the Board and/or any Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things including deciding

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on the manner of payment of commission and settle all questions or difficulties that may arise with regard to the aforesaid resolution as it may deem fit and to execute any agreements, documents, instructions, etc. as may be considered necessary, desirable, or expedient to give effect to the aforesaid resolution."

6. **Approval of material related party transactions with IIFL Home Finance Limited**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23 and all other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and all applicable provisions of the Companies Act, 2013 (the "Act") and Rules made thereunder, including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time, Company's Policy on Related Party Transactions and basis the approval and recommendation of the Audit Committee and Board of Directors, the consent of the Members be and is hereby accorded to the Board of Directors (the "Board", which shall be deemed to include a Committee of the Board) to enter into and/or continue arrangement(s)/ transaction(s)/ contract(s) or otherwise with IIFL Home Finance Limited, a subsidiary of the Company and a related party, as defined in the Listing Regulations and the Act, whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier arrangement(s) / transaction(s)/ contract(s) or as fresh and independent transaction(s) or otherwise, for specific period, as detailed in the explanatory statement forming part of this Notice, whether taken individually and/or in aggregate shall not exceed ₹4,886 Crore (Rupees Four Thousand Eight Hundred and Eighty Six Crore Only), notwithstanding that such transactions are in the ordinary course of business and will be undertaken on an arm's length basis;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation(s)/ renegotiation(s)/ modification(s)/ ratification(s)/ amendment(s) to or termination(s) thereof, of subsisting arrangement(s)/ transaction(s)/ contract(s) or any future arrangement(s)/ transaction(s)/ contract(s) and to make or receive/ pay monies or to perform all other obligations in terms of such arrangement(s)/ transaction(s)/ contract(s), filing of necessary forms/documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may, in its sole and absolute discretion, deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution be and is hereby approved, ratified and confirmed in all respect."

7. **Approval of material related party transactions with IIFL Samasta Finance Limited**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23 and all other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and all applicable provisions of the Companies Act, 2013 (the "Act") and Rules made thereunder, including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time, Company's Policy on Related Party Transactions and basis the approval and recommendation of the Audit Committee and Board of Directors, the consent of the Members be and is hereby accorded to the Board of Directors (the "Board", which shall be deemed to include a Committee of the Board) to enter into and/or continue arrangement(s)/ transaction(s)/ contract(s) or otherwise with IIFL Samasta Finance Limited, a subsidiary of the Company and a related party, as defined in the Listing Regulations and the Act, whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier arrangement(s) / transaction(s)/ contract(s) or as fresh and independent transaction(s) or otherwise, for specific period, as detailed in the explanatory statement forming part of this Notice, whether taken individually and/or in aggregate shall not exceed ₹12,348 Crore (Rupees Twelve Thousand Three Hundred and Forty Eight Crore Only), notwithstanding that such transactions are in the ordinary course of business and will be undertaken on an arm's length basis;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board, be and is hereby authorized to do all such acts, deeds,

matters and things as may be necessary, expedient or desirable including any negotiation(s)/ renegotiation(s)/ modification(s)/ ratification(s)/ amendment(s) to or termination(s) thereof, of subsisting arrangement(s)/ transaction(s)/ contract(s) or any future arrangement(s)/ transaction(s)/ contract(s) and to make or receive/ pay monies or to perform all other obligations in terms of such arrangement(s)/ transaction(s)/ contract(s), filing of necessary forms/documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may, in its sole and absolute discretion, deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution be and is hereby approved, ratified and confirmed in all respect."

8. **Approval of material related party transactions with IIFL Facilities Services Limited**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23 and all other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and all applicable provisions of the Companies Act, 2013 (the "Act") and Rules made thereunder, including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time, Company's Policy on Related Party Transactions and basis the approval and recommendation of the Audit Committee and Board of Directors, the consent of the Members be and is hereby accorded to the Board of Directors (the "Board", which shall be deemed to include a Committee of the Board) to enter into and/or continue arrangement(s)/ transaction(s)/ contract(s) or otherwise with IIFL Facilities Services Limited, a related party, as defined in the Listing Regulations and the Act, whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier arrangement(s) / transaction(s)/ contract(s) or as fresh and independent transaction(s) or otherwise, for specific period, as detailed in the explanatory statement forming part of this Notice, whether taken individually and/or in aggregate shall not exceed ₹2,103 Crore (Rupees Two Thousand One Hundred and Three Crore Only), notwithstanding that such transactions are in the ordinary course of business and will be undertaken on an arm's length basis;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board, be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation(s)/ renegotiation(s)/ modification(s)/ ratification(s)/ amendment(s) to or termination(s) thereof, of subsisting arrangement(s)/ transaction(s)/ contract(s) or any future arrangement(s)/ transaction(s)/ contract(s) and to make or receive/ pay monies or to perform all other obligations in terms of such arrangement(s)/ transaction(s)/ contract(s), filing of necessary forms/documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may, in its sole and absolute discretion, deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution be and is hereby approved, ratified and confirmed in all respect."

9. **Approval of material related party transactions with IIFL Management Services Limited**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23 and all other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and all applicable provisions of the Companies Act, 2013 (the "Act") and Rules made thereunder, including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time, Company's Policy on Related Party Transactions and basis the approval and recommendation of the Audit Committee and Board of Directors, the consent of the Members be and is hereby accorded to the Board of Directors (the "Board", which shall be deemed to include a Committee of the Board) to enter into and/or continue arrangement(s)/ transaction(s)/ contract(s) or otherwise with IIFL Management Services Limited, a related party, as defined in the Listing Regulations and the Act, whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier arrangement(s) /

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transaction(s)/ contract(s) or as fresh and independent transaction(s) or otherwise, for specific period, as detailed in the explanatory statement forming part of this Notice, whether taken individually and/or in aggregate shall not exceed ₹4,099.50 Crore (Rupees Four Thousand Ninety Nine Crore and Fifty Lakhs Only), notwithstanding that such transactions are in the ordinary course of business and will be undertaken on an arm's length basis;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board, be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation(s)/ renegotiation(s)/ modification(s)/ ratification(s)/ amendment(s) to or termination(s) thereof, of subsisting arrangement(s)/ transaction(s)/ contract(s) or any future arrangement(s)/ transaction(s)/ contract(s) and to make or receive/ pay monies or to perform all other obligations in terms of such arrangement(s)/ transaction(s)/ contract(s), filing of necessary forms/documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may, in its sole and absolute discretion, deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution be and is hereby approved, ratified and confirmed in all respect."

10. Approval of material related party transactions with IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23 and all other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and all applicable provisions of the Companies Act, 2013 (the "Act") and Rules made thereunder, including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time, Company's Policy on Related Party Transactions and basis the approval and recommendation of the Audit Committee and Board of Directors, the consent of the Members be and is hereby accorded to the Board of Directors (the "Board", which shall be deemed to include a Committee of the Board) to enter into and/or continue arrangement(s)/ transaction(s)/ contract(s) or otherwise with IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*, a related party, as defined in the Listing Regulations and the Act, whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier arrangement(s) / transaction(s)/ contract(s) or as fresh and independent transaction(s) or otherwise, for specific period, as detailed in the explanatory statement forming part of this Notice, whether taken individually and/ or in aggregate shall not exceed ₹4,188 Crore (Rupees Four Thousand One Hundred and Eighty Eight Crore Only), notwithstanding that such transactions are in the ordinary course of business and will be undertaken on an arm's length basis;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board, be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation(s)/ renegotiation(s)/ modification(s)/ ratification(s)/ amendment(s) to or termination(s) thereof, of subsisting arrangement(s)/ transaction(s)/ contract(s) or any future arrangement(s)/ transaction(s)/ contract(s) and to make or receive/ pay monies or to perform all other obligations in terms of such arrangement(s)/ transaction(s)/ contract(s), filing of necessary forms/documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may, in its sole and absolute discretion, deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution be and is hereby approved, ratified and confirmed in all respect."

11. Approval of material related party transactions between IIFL Home Finance Limited and IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23 read with Schedule XII and other relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended, Sections 177,

188 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time, Company's Policy on Related Party Transactions and basis the approval and recommendation of the Audit Committee and Board of Directors (the "Board"), the consent of the Members be and is hereby accorded for material related party transactions proposed to be entered into by IIFL Home Finance Limited, a subsidiary of the Company, with IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*, a related party of the Company, such transactions constituting related party transactions of the Company in terms of Regulation 2(1)(zc) of the Listing Regulations, for the relevant period as detailed in the explanatory statement forming part of this Notice, provided that the aggregate value of such transactions shall not exceed ₹ 2,760 Crore (Rupees Two Thousand Seven Hundred and Sixty Crore Only);

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable, including negotiation(s), renegotiation(s), modification(s) or amendment(s) of the terms of such arrangements/ transactions/ contracts, filing of necessary forms and documents with the appropriate authorities, and to execute all such deeds, documents, agreements, letters, instruments and writings as they may, in their sole and absolute discretion, deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto."

12. Approval of material related party transactions between IIFL Samasta Finance Limited and IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 23 read with Schedule XII and other relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended, Sections 177, 188 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time, Company's Policy on Related Party Transactions, and basis the approval and recommendation of the Audit Committee and Board of Directors (the "Board"), the consent of the Members be and is hereby accorded for material related party transactions proposed to be entered into by IIFL Samasta Finance Limited, a subsidiary of the Company, with IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*, a related party of the Company, such transactions constituting related party transactions of the Company in terms of Regulation 2(1)(zc) of the Listing Regulations, for the relevant period as detailed in the explanatory statement forming part of this Notice, provided that the aggregate value of such transactions shall not exceed ₹3,199 Crore (Rupees Three Thousand One Hundred and Ninety-Nine Crore Only);

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable, including negotiation(s), renegotiation(s), modification(s) or amendment(s) of the terms of such arrangements/ transactions/ contracts, filing of necessary forms and documents with the appropriate authorities, and to execute all such deeds, documents, agreements, letters, instruments and writings as they may, in their sole and absolute discretion, deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto."

13. Consideration and approval for the enhancement of borrowing limits of the Company under section 180(1)(c) of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of earlier resolution and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 (the "Act"), rules made thereunder and other applicable provisions, if any, of the Act including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time and the Memorandum of Association and Articles of Association of the Company, the consent of Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to borrow any sum or sum of monies from time to time, including but not limited to borrowings by way of loans, financial facilities, non-fund based banking facilities as may result in

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funded exposure upon invocation, through the issuance of securities, commercial papers, bonds or such other form(s), upon such terms and conditions as to interest, repayment, or otherwise, whether secured or unsecured, as the Board may think fit for the purposes of the business of the Company, from one or more banks, financial institutions and other persons, firms, bodies corporates, whether in India or abroad, notwithstanding that the monies so borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may at any time exceed the aggregate of the paid-up share capital, free reserves (reserves not set apart for any specific purpose) and securities premium provided that the total principal amount that may be borrowed, including any change on account of fluctuation in the exchange rate, (exclusive of interest, additional interest, compound interest, commitment charges, and other costs) by the Board and outstanding at any point of time, shall not exceed ₹75,000 Crore (Rupees Seventy-Five Thousand Crore Only);

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized, in its absolute discretion, to take all necessary, proper, expedient or desirable actions in connection with the borrowings approved herein, including but not limited to negotiating, finalizing and executing all agreements, deeds, documents and instruments with lender(s), agent(s), trustee(s) and other parties, determining and varying the terms and conditions of such borrowings including interest rate, tenure, repayment schedule, security and covenants, obtaining and complying with all statutory, and regulatory approvals, consents and permissions as may be required under applicable laws, and to undertake all acts, deeds, matters and things incidental, consequential or connected thereto;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred under this resolution to any Committee, or Officer(s) of the Company as it may deem fit, and to empower such persons to take all necessary steps, sign, execute and deliver agreements, deeds, documents and instruments, and to perform all acts, deeds, matters and things as may be incidental, consequential or connected thereto."

14. Consideration and approval for the enhancement of limits under Section 180(1)(a) of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the earlier resolution and pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (the "Act"), rules made thereunder, relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and other applicable provisions, if any, of the Act including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time and the Memorandum of Association and Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company, or where the Company owns more than one undertaking, the whole or substantially the whole of any such undertaking(s), and/or to mortgage, hypothecate, pledge and/or charge, whether existing or to be created hereinafter, in such form, manner and ranking including first charge, second charge, subordinate charge or pari-passu charge, and on such terms as the Board may deem fit in the interest of the Company, on all or any of the movable and/or immovable properties of the Company (both present and future), and/or any other assets or properties, whether tangible or intangible, and/or the whole or any part of any undertaking of the Company, in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings availed or to be availed by the Company, by way of loans, debentures or any other securities or otherwise, whether in Indian Rupees or foreign currency, including any change on account of fluctuation in the rate of exchange, from time to time, together with or without the power to take over the management of the business or any undertaking of the Company in case of specified events of default, provided that the aggregate amount of such sell, lease or otherwise disposal of the whole or substantially the whole of the undertaking(s) of the Company, or, where the Company owns more than one undertaking, the whole or substantially the whole of any such undertaking(s), shall not, at any point of time, exceed ₹75,000 Crore (Rupees Seventy-Five Thousand Crore Only);

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized, with full power and authority, to decide, determine and finalize all terms and conditions in relation to the creation of mortgage, hypothecation, pledge and/or charge, and/or sale, lease or disposal of the undertaking(s), including the form, manner, ranking and other provisions, at its absolute discretion, and to do all such acts, deeds, matters and things as may be necessary, proper or desirable, and to execute, sign and deliver all agreements, deeds, documents, instruments and writings as may be required, together with all matters incidental, consequential and connected thereto;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred under this resolution to any Committee, or Officer(s) of the Company as it may deem fit, and to empower such persons to take all necessary steps, sign, execute and deliver agreements, deeds, documents and instruments, and to perform all acts, deeds, matters and things as may be incidental, consequential or connected thereto."

15. **Consideration and Approval for the raising of funds through Issue of Equity Shares or Other Eligible Securities by way of Qualified Institutions Placement (QIP), Follow-On Public Offer (FPO) or through any other permissible mode**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Sections 23(1)(b), 42, 62(1)(c), 71 and 179 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the applicable rules made thereunder (including the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014), and other applicable rules made thereunder each including any statutory amendment(s), modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force and as amended from time to time and the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Foreign Exchange Management Act, 1999 and the rules made thereunder including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India from time to time, each as amended, the listing agreements entered into by the Company with the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") ("BSE" and "NSE" together referred as "Stock Exchanges") where the equity shares of face value of Rs. 2/- each (Rupee Two Only) of the Company are listed and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, and any other provisions of applicable law (including all other applicable statutes, clarifications, rules, regulations, circulars, notifications, and guidelines issued by the Government of India ("GOI"), Ministry of Corporate Affairs ("MCA"), Reserve Bank of India ("RBI"), Securities and Exchange Board of India ("SEBI"), Stock Exchanges, Jurisdictional Registrar of Companies ("RoC") and/or such other statutory/ regulatory authorities in India or abroad) (hereinafter singly or collectively referred to as the "Appropriate Authorities"), and subject to all approvals, permissions, consents, and/or sanctions as may be necessary or required from Appropriate Authorities and subject to such terms, conditions, or modifications as may be prescribed or imposed while granting such approvals, permissions, consents, and/or sanctions by any of the Appropriate Authorities, which may be agreed to by the Board of Directors (the "Board", which term shall include any Committee which the Board may have constituted or may hereinafter) constitute to exercise its powers, including the powers conferred by this resolution and subject to any other alterations, modifications, conditions, changes and variations that may be decided by the Board, the consent of the Members be and is hereby accorded to create, offer, issue and allot (including with provisions for reservations on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted) such number of Securities (as defined hereinafter), for cash, with or without green shoe option, by way of an issue of fully paid-up Equity Shares, fully or partly convertible Debentures, any other equity based instruments or securities, convertible Preference Shares of any kind or type, Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs"), and/or any other financial instruments/ securities convertible into and/or linked to equity shares (including warrants (detachable or not), or otherwise, in registered or bearer form) (all of which are hereinafter referred to as "Securities"), or any combination thereof of any of the aforementioned Securities in one or more tranches and/or one or more issuances simultaneously or otherwise for an aggregate amount of up to and not exceeding ₹10,000 Crore

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(Rupees Ten Thousand Crore) (inclusive of such premium to face value as may be fixed on such Securities) which may include a discount of up to not more than 5% of the floor price calculated as per Regulation 176 of the SEBI ICDR Regulations, at such time or times, whether Rupee denominated or denominated in one or more foreign currencies, through one or more public issue(s) or rights issue(s), including by way of preferential issue(s), private placement(s), qualified institutions placement(s) ("QIP") and/or any combination thereof or any other method as may be permitted under applicable laws to eligible investors in the course of domestic or international offerings, through issue of prospectus, and/or letter of offer and/or preliminary placement document, placement document and/or other permissible/ requisite offer documents or other permissible/requisite documents/ writings/ circulars/memoranda in such a manner to any eligible person, including qualified institutional buyers in accordance with Chapter VI of the SEBI ICDR Regulations, or otherwise, foreign/ resident investors (whether institutions, banks, incorporated bodies, mutual funds, individuals, trustees, stabilizing agent or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign portfolio investors, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, pension funds, accredited investors and/or any other categories of investors, who are authorized to invest in the Securities of the Company as per extant regulations/guidelines or any combination of the above, whether they being existing holders of the Securities or not (collectively referred to as the "Investors"), as may be decided by the Board/Committee in its absolute discretion and permitted under applicable laws and regulations, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws, with authority to retain over subscription up to such percentage as may be permitted under applicable laws/regulations, in such manner and on such terms and conditions including the discretion to determine the categories of Investors to whom the offer, issue and allotment of Securities shall be made to the exclusion of others, in such manner, including allotment to stabilising agent in terms of green shoe option, if any, exercised by the Company, in such manner and on such terms and conditions as may be deemed appropriate by the Board/Committee in its absolute discretion and as may be prescribed under applicable laws, including the discretion to determine the categories of Investors to whom to offer, issue and allot such Securities, and without requiring any further approval or consent from the Members at the time of such issuance and allotment considering the prevailing market conditions and other relevant factors in consultation with the merchant banker(s) to be appointed by the Company so as to enable the Company to list its Securities on any Stock Exchange in India or overseas jurisdictions.

RESOLVED FURTHER THAT in the event the Company proposes to issue and allot any Securities by way of QIP to Qualified Institutional Buyers ("QIBs") in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning of SEBI ICDR Regulations):

I. the allotment of Securities shall only be made to QIBs as defined in the SEBI ICDR Regulations;

II. no partly paid-up equity shares shall be issued/ allotted;

III. the allotment of the Eligible Securities shall be completed within 365 days from the date of passing of the special resolution or such other time as may be allowed under the Act and/ or SEBI ICDR Regulations, and/or applicable and relevant laws/ guidelines from time to time;

IV. the Eligible Securities to be so created, offered, issued, and allotted, shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company;

V. the relevant date for determination of the floor price of the Eligible Securities to be issued shall be:

   (i) in case of allotment of equity shares, the date of meeting in which the Board/ any Committee authorized by the Board decides to open the issue, and/or;

   (ii) in case of allotment of eligible convertible Securities, either the date of the meeting in which the Board/ any Committee authorized by the Board decides to open the issue of such convertible securities and/ or warrants, or the date on which the holders of such convertible securities become entitled to apply for the equity shares, as may be determined by the Board/ any Committee authorized by the Board;

VI. the Eligible Securities (excluding warrants) shall be allotted as fully paid up and in dematerialised form;

VII. the issuance and allotment of the Securities by way of the QIP shall be made at such price that is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations ("Floor Price"), the Act and

other applicable laws, and the price determined for the QIP shall be subject to appropriate adjustments as per the provisions of the applicable laws, including SEBI ICDR Regulations. However, the Board, at its absolute discretion and in consultation with the book running lead manager(s), may offer a discount of not more than 5% or such other percentage as may be permitted under applicable law on the Floor Price;

VIII. the number and/or price of the Eligible Securities or the underlying equity shares issued on conversion of eligible convertible securities shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split or consolidation of shares, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of shares issue of equity shares by way of capitalisation of profit or reserves, or any such capital or corporate restructuring;

IX. the Eligible Securities shall not be eligible to be sold by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time;

X. no single allottee shall be allotted more than 50% of the issue size and the minimum number of allottees shall be in a manner as may be prescribed from time to time under the SEBI ICDR Regulations and a minimum of 10% of the Eligible Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs. QIBs belonging to same group or under same control shall be deemed to be single allottee;

XI. the Company shall not undertake any subsequent QIP until the expiry of two weeks or such other time as may be prescribed by the SEBI ICDR Regulations, from the date of the prior QIP made pursuant to one or more special resolution;

XII. the tenure of the convertible or exchangeable Eligible Securities issued through the QIP shall not exceed sixty months from the date of allotment;

XIII. no allotment shall be made, either directly or indirectly, to any person who is a promoter, or any person related to the promoters of the Company in terms of the SEBI ICDR Regulations; and

XIV. the credit rating agency will monitor the use of proceeds and submit its report in the specified format of Schedule XI of SEBI ICDR Regulations on quarterly basis till hundred percent of the proceeds have been utilized;

RESOLVED FURTHER THAT the Securities to be created, offered, issued, and allotted, in pursuance of the aforesaid resolution, shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and any equity shares that may be, offered, issued and allotted by the Company shall rank pari-passu with the existing equity shares of the Company in all respects (including with respect to entitlement to dividend, voting rights or otherwise) from the date of respective allotment thereof, in accordance with the applicable laws;

RESOLVED FURTHER THAT the Board or duly constituted Committee thereof, be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering. All such equity shares shall rank pari-passu with the existing equity shares in all respects;

RESOLVED FURTHER THAT in case of offering of any Securities, including but without limitation any GDRs/ ADRs or other securities convertible into equity shares, consent of the Members of the Company be and is hereby accorded to the Board and/or any Committee thereof, to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above in accordance with the terms of issue/ offering in respect of such Securities and such equity shares shall rank pari-passu with the existing equity shares of the Company in all respects, except as may be provided otherwise under the terms of issue/ offering and in the offer document and/or placement document and/or offer letter and/or offering circular and/or listing particulars;

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as GDRs or ADRs, the terms and conditions including the pricing of the Securities and the relevant date, if any, for the purpose of pricing of the Securities to be issued pursuant to such issue shall be determined in accordance with the provisions of applicable law including the provisions of the Depository Receipts Scheme, 2014, as amended (the "2014 Scheme"), the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, Framework for issue of Depository Receipts dated October 10, 2019 issued by the SEBI, as amended and such other

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notifications, clarifications, circulars, guidelines, rules and regulations issued by relevant authorities (including any statutory modifications, amendments or re-enactment thereof);

RESOLVED FURTHER THAT there would be no change in control pursuant to the said issue of equity shares. The equity shares will be offered and issued to such Investors who are eligible to acquire such equity shares in accordance with the applicable laws, rules, regulations and guidelines;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or a Committee thereof, in consultation with the book running lead manager(s), advisors and/or other intermediaries as may be appointed in relation to the Issue, be and is hereby authorized to do such acts, deeds, matters and take all steps as may be necessary including but without limitation, the determination of the terms and conditions of the issue/QIP including among other things, the date of opening and closing of the QIP, the class of investors to whom the Securities are to be issued, determination of the number of Securities, tranches, issue price, finalisation and approval of preliminary and final offer document(s), interest rate, listing, premium/discount, permitted under applicable law (now or hereafter), conversion of Securities, if any, redemption, record date, allotment of Securities, listing of Securities at Stock Exchanges and to sign and execute all deeds, documents, undertakings, agreements, papers, declarations and writings as may be required in this regard including without limitation, the letter of offer (along with the application form), private placement offer letter (along with the application form), information memorandum, disclosure documents, the preliminary placement document and the placement document, placement agreement, escrow agreement, monitoring agency agreement and any other documents as may be required, approve and finalise the bid cum application form and confirmation of allocation notes, seek any consents and approvals as may be required, provide such declarations, affidavits, certificates, consents and/or authorities as required from time to time, finalize utilisation of the proceeds of the QIP, give instructions or directions and/or settle all questions, difficulties or doubts that may arise at any stage from time to time, and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the MCA, the book running lead manager(s), or other authorities or intermediaries involved in or concerned with the issue/QIP and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the Members or otherwise, and that all or any of the powers conferred on the Company and the Board pursuant to this resolution may be exercised by the Board to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and all actions taken by the Board or any Committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects;

RESOLVED FURTHER THAT the Board or duly constituted Committee thereof be and is hereby authorized to approve, finalise, execute, ratify, an/or amend/modify agreements and documents, including any power of attorney, lock up letters, and agreements in connection with the appointment of any intermediaries and/ or advisors (including for marketing, listing, trading and appointment of book running lead managers/ legal counsel/ bankers/ advisors/ registrars/monitoring agency and other intermediaries as required) and to pay any fees, commission, costs, charges and other expenses in connection therewith;

RESOLVED FURTHER THAT the Board or duly constituted Committee thereof is authorized to seek the listing of Eligible Securities on any Stock Exchanges submitting the listing applications to such Stock Exchanges and taking all actions that maybe necessary in connection with obtaining such listing approvals (both in-principle and final listing and trading approvals), filing of requisite documents/making declarations with the MCA, RoC, RBI, SEBI and any other statutory/regulatory authority(ies), and any other deed(s), document(s), declaration(s) as may be required under the applicable laws as maybe necessary to give effect to this resolution;

RESOLVED FURTHER THAT the Board or duly constituted Committee thereof is authorized to open one or more bank accounts in the name of the Company, as may be required, subject to requisite approvals, if any, and to give such instructions including closure thereof as may be required and deemed appropriate by the Board;

RESOLVED FURTHER THAT the Board, shall have the authority and power to accept any modification in the proposal as may be required or imposed by SEBI/ Stock Exchanges where the shares of the Company are listed or such other appropriate authorities at the time of according/ granting their approvals for issuance,

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allotment and listing thereof and as agreed to by the Board;

RESOLVED FURTHER THAT the Board be and is hereby authorized to open one or more bank accounts, including escrow account(s), in the name of the Company, in Indian currency or foreign currency(ies) as may be required, subject to requisite approvals, if any, and to give such instructions including closure thereof as may be required and deemed appropriate by the Board/ Committee and the said bank(s) be and is/ are hereby authorized to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the Board/ Committee on behalf of the Company;

RESOLVED FURTHER THAT subject to applicable law, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any director(s), committee(s), executive(s), officer(s) or representatives(s) of the Company or to any other person to do all such acts, deeds, matters and things and also to execute such documents, writings etc., and to represent the Company before any governmental authorities, as may be necessary to give effect to this resolution.

By Order of the Board of Directors
For **IIFL Finance Limited**

Samrat Sanyal
Company Secretary & Compliance Officer
ACS - 13863

Registered Office:
IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23,
Thane Industrial Area, Wagle Estate, Thane - 400 604
CIN: L67100MH1995PLC093797
E-mail: shareholders@iifl.com
Telephone No.: (91-22) 4103 5000

Date: June 27, 2026
Place: Mumbai

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NOTES:

1. The General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020 and various subsequent Circulars latest being 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM/ Meeting") through Video Conferencing/Other Audio Visual Means ("VC/ OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the "Act"), Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the MCA Circulars, the Meeting of the Company is being held through VC/OAVM. The venue of the Meeting shall be deemed to be the Registered Office of the Company.

2. A statement pursuant to Section 102(1) of the Act (Explanatory Statement), setting out the material facts in respect of Item Nos. 3 to 15 proposed to be transacted at the Meeting, is annexed hereto. Further, additional information relating to Item Nos. 2 and 5 is provided in **Annexure A** and **Annexure B**.

3. A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on its behalf and the proxy need not be a Member of the Company. However, pursuant to MCA Circulars, the Meeting will be held through VC/OAVM and the physical attendance of Members in any case has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. Pursuant to the provisions of Section 113 of the Act, Corporate Members are entitled to appoint authorized representatives to attend and vote on their behalf at the Meeting, including for remote e-voting and voting during the AGM conducted through VC/OAVM.

   Corporate Members intending to attend the Meeting through their authorized representatives are requested to send a Certified True Copy of the Board Resolution and if applicable, a Power of Attorney, authorizing such representative to attend and vote at the Meeting. The said documents should be submitted in PDF or JPEG format from their registered e-mail address to shareholders@iifl.com.

   Institutional Investors are encouraged to attend and vote at the Meeting.

5. In compliance with the aforesaid MCA Circulars and Listing Regulations, Notice of the Meeting along with the Annual Report for FY 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories as on Friday, June 26, 2026. Further, a letter providing a weblink and QR Code for accessing the Notice of the AGM and Annual Report for the FY 2025-26 will be sent to those Members who have not registered their email address. Members may note that the Notice of the AGM and Annual Report for FY 2025-26 will also be available on the website of the Company i.e. www.iifl.com, and the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The Notice of the AGM and Annual Report is also available on the website of MUFG Intime India Private Limited *(Formerly known as Link Intime India Private Limited)* ("MUFG Intime"), Registrar to an Issue and Share Transfer Agent ("RTA") of the Company at https://instavote.linkintime.co.in. Members who wish to obtain hard copy of the Notice of the Meeting along with Annual Report for FY 2025-26 can send a request to the Company at shareholders@iifl.com mentioning their DP ID and Client ID/Folio No. or raise a service request with MUFG Intime at https://web.in.mpms.mufg.com/helpdesk/Service_Request.html.

6. The businesses set out in this Notice shall be transacted through electronic voting, and the Company is pleased to provide its Members with the facility of voting by electronic means. The instructions and other information relating to remote e-voting are provided in Note No. 19 of this Notice. The procedure for joining the AGM through VC/ OAVM can be accessed at https://storage.googleapis.com/iifl-finance-storage/files/investor/financials/InstaMeet_VC_Instructions.pdf.

7. Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

8. Relevant documents referred to in the Notice, Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode up to the date of the Meeting i.e. Friday, July 24, 2026. Members can inspect the same by sending an email to the Company at shareholders@iifl.com.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of

attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

For shares held in electronic form: to their Depository Participants ("DPs").

For shares held in physical form: to the Company/ RTA with details such as Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhaar (self-attested scanned copy of Aadhaar Card) by email to shareholders@iifl.com or to raise an email query at investor.helpdesk@in.mpms.mufg.com.

10. The Company has designated an exclusive email ID i.e. shareholders@iifl.com, for redressal of Members' complaints, grievances and seeking resolution of any queries or concerns. Members may write to us at the aforesaid email ID.

11. Members seeking any information/desirous of asking any questions at the Meeting with regard to the Financial Statements or any matter to be placed at the Meeting are requested to send email mentioning their names, DP ID and Client ID/Folio No. and Mobile No. to the Company at shareholders@iifl.com, at least 7 days before the Meeting. The same will be replied by the Company suitably.

12. Share transfer documents and all correspondence relating thereto, should be addressed to MUFG Intime, at C101, 247 Park, 1st Floor, L.B.S. Marg, Vikhroli West, Mumbai - 400083 or at their designated email ID i.e. investor.helpdesk@in.mpms.mufg.com.

13. Pursuant to the provisions of Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time (IEPF Rules), any dividend on equity shares and any interest or principal amount on Non-Convertible Debentures ("NCDs") that remains unclaimed for a period of seven years as per the relevant provisions of IEPF in the Company's Unpaid Dividend Account or Unpaid Interest Account, as applicable, is required to be transferred to the Investor Education and Protection Fund ("IEPF"). Furthermore, the shares in respect of which the dividend has remained unclaimed for seven consecutive years are also liable to be transferred to the demat account of the IEPF Authority, in accordance with the IEPF Rules.

    Accordingly, the Company has transferred to IEPF ₹ 10,73,225 on April 4, 2025 being the unclaimed dividend amount pertaining to the FY 2017-18 and ₹ 5,86,680 on March 17, 2026, being the unclaimed dividend amount pertaining to interim dividend declared for the FY 2018-19. Further, during FY 2025-26, the Company transferred the unclaimed interest and principal on NCDs amounting to ₹ 1,16,13,278 to IEPF.

    In accordance with the above provisions, the Company transferred 8,652 equity shares pertaining to the FY 2017-18 and 3,433 equity shares pertaining to the FY 2018-19 to the demat account of the IEPF Authority, in respect of which the dividend has remained unclaimed for seven consecutive years.

    In view of the above, Members are requested to claim any unclaimed dividend, interest, or shares from the Company within the prescribed timeline. Members whose unclaimed dividend, interest, or shares have been transferred to the IEPF may claim the same by submitting an online application e-Form IEPF-5, which can be accessed from www.iepf.gov.in.

14. To prevent fraudulent transactions, Members are advised to exercise due diligence by notifying the Company promptly of any change in their address or the demise of any Member. Members are also encouraged not to leave their demat account(s) dormant for extended periods. It is advisable to periodically obtain statements of holdings from the concerned DP and verify the accuracy of the holdings.

15. SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated Listed Companies to issue securities in demat form only while processing service requests such as the issue of duplicate securities certificates, claims from unclaimed suspense accounts, renewal/ exchange of securities certificates, endorsement, sub-division/splitting of securities certificates, consolidation of securities certificates/folios, transmission, and transposition. Furthermore, SEBI, through Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated May 18, 2022, simplified the procedure and standardized the format of documents for the transmission of securities. Accordingly, Members are requested to submit service requests by duly filling and signing Form ISR-4 or Form ISR-5 (for transmission). The formats of these forms are available on the Company's website at https://www.iifl.com/finance/investor-information and on the website of MUFG Intime.

    Members holding equity shares of the Company in physical form are requested to get their equity shares converted into demat/electronic form to avail the inherent benefits of dematerialization. Please note that, as per SEBI Regulations, physical transfer of equity

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shares and issuance of equity shares in physical form has been disallowed.

Members are accordingly requested to get in touch with any DP having registration with SEBI to open a Demat account or alternatively, contact MUFG Intime to seek guidance in relation to the demat procedure. Members may also visit website of depositories viz. National Securities Depository Limited at https://nsdl.co.in/faqs/faq.php or Central Depository Services (India) Limited at https://www.cdslindia.com/Investors/faqs.html for further understanding the demat procedure.

16. Pusuant to provisions of the Act, Rules made thereunder and SEBI Circular Nos. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, and SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated March 16, 2023, SEBI has mandated the furnishing of PAN, KYC details (including postal address with pin code, email address, mobile number, bank account details, and specimen signature), and nomination details (including cancellation or variation of nomination) by holders of securities. Relevant details and forms prescribed by SEBI are available on the website of MUFG Intime. In light of the above, Members holding shares in physical form are requested to submit the required forms, along with the supporting documents. Form ISR-1/ Form ISR-2/ Form ISR-3/ Form SH-13 and Form SH-14 can be downloaded from the Company's website at https://www.iifl.com/finance/investor-information. Members holding shares in dematerialized form and wishing to update their PAN, KYC, bank details, and nomination are requested to contact their respective DPs.

17. Information of Director seeking appointment or re-appointment at the Meeting, as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India, is annexed to the Notice as **Annexure A**.

18. Information and other instructions relating to e-voting are as under:

    I. Pursuant to the provisions of Section 108 and other applicable provisions of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the Listing Regulations read with MCA Circulars, the Company is pleased to provide its Members the facility to exercise their right to vote on resolutions proposed to be passed at the Meeting by electronic means.

    II. The remote e-voting facility will be available during the following period:

    Commencement of remote e-voting period: From 09:00 a.m. (IST) on Monday, July 20, 2026

    Conclusion of remote e-voting period: Up to 05:00 p.m. (IST) on Thursday, July 23, 2026

    The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled upon expiry of the aforesaid period.

    III. The Company has engaged the services of MUFG Intime to provide e-voting facility to the Members.

    IV. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Friday, July 17, 2026 only shall be entitled to avail the facility of e-voting.

    V. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member /Beneficial Owner (in case of electronic shareholding) as on the cut-off date i.e. Friday, July 17, 2026. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

    VI. Members who are holding shares in physical form or non-individual Members who acquire shares of the Company and become a Member of the Company after the Notice has been sent electronically by the Company, and hold shares as on the cut-off date i.e. Friday, July 17, 2026 may obtain the User ID and Password by sending a request at investor.helpdesk@in.mpms.mufg.com.

    Note: To raise an email query following is the link: https://web.in.mpms.mufg.com/helpdesk/Service_Request.html. However, if they are already registered with MUFG Intime for remote e-voting, then they can use their existing User ID and Password for casting the vote.

    VII. In case of individual Member holding securities in demat mode and who acquires shares of the Company after the Notice has been sent electronically by the Company and holds shares as on the cut-off date i.e. Friday, July 17, 2026 may follow steps mentioned in the Notice of the Meeting

under "Information and other instructions relating to remote e-voting."

VIII. Members will be provided with the facility for voting through an electronic voting system during the Meeting and Members participating at the Meeting, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote during the Meeting. Members who have cast their vote by remote e-voting prior to the Meeting will also be eligible to participate at the Meeting but shall not be entitled to cast their vote again on such resolutions for which the Member has already cast the vote through remote e-voting.

IX. Once the vote on a resolution is cast by the Member, the Member will not be allowed to change it subsequently or cast the vote again.

X. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the Meeting.

XI. Pursuant to Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Board of Directors have appointed CS Nilesh Shah (FCS - 4554) or failing him CS Mahesh Darji (FCS - 7175) or failing him CS Hetal Shah (FCS - 8063), Partners of M/s. Nilesh Shah and Associates, Mumbai as Scrutinizer for conducting the e-voting process in a fair and transparent manner. They have communicated their willingness for appointment and availability for the said purpose. The decision of the Scrutinizer on the validity of the votes cast, process of e-voting, and the declaration of results shall be final and binding on the Company and the Members.

XII. The Scrutinizer, after scrutinizing the votes, within two working days from the conclusion of the Meeting; make a consolidated scrutinizer's report which shall be placed on the website of the Company i.e. www.iifl.com. The results shall simultaneously be communicated to the Stock Exchanges.

XIII. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e. Friday, July 24, 2026.

19. Information and other instructions relating to remote e-voting are as under:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-voting facility.

Login method for Individual Shareholders holding securities in Demat mode:

Type of Members	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**METHOD 1 - NSDL OTP based login** a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP. c) Enter the OTP received on your registered email ID/ mobile number and click on login. d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services. e) Click on "**MUFG InTime**" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period. **METHOD 2 - NSDL IDeAS facility** **Shareholders registered for IDeAS facility:** a) Visit URL: https://eservices.nsdl.com and click on "**Beneficial Owner**" icon under "**IDeAS Login Section**". b) Enter IDeAS User ID, Password, Verification code & click on "**Log-in**". c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "**Access to e-Voting**" under e-Voting services. d) Click on "**MUFG InTime**" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

NOTICE

Type of Members	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**Shareholders not registered for IDeAS facility:** a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "**Submit**". c) Enter the last 4 digits of your bank account / generate 'OTP' d) Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d). Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. Google Play App Store **METHOD 3 - NSDL e-voting website** a) Visit URL: https://www.evoting.nsdl.com b) Click on the "**Login**" tab available under 'Shareholder/Member' section. c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen and click on login. d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services. e) Click on "**MUFG InTime**" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.
Individual Shareholders holding securities in demat mode with CDSL	**METHOD 1 - CDSL e-Voting Page** a) Visit URL: https://www.cdslindia.com b) Go to e-voting tab. c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "**Submit**". d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account. e) Post successful authentication, user will be able to see e-voting option. The e-voting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "e-voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period. **METHOD 2 - CDSL Easi/ Easiest facility:** **Shareholders registered for Easi/ Easiest facility:** a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)" b) Enter existing username, Password & click on "**Login**". c) Post successful authentication, user will be able to see e-voting option. The e-voting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "e-voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period. **Shareholders not registered for Easi/ Easiest facility:** a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Home/EasiRegistration / https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration b) Proceed with updating the required fields for registration. c) Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

NOTICE

<table>
<tr><th>Type of Members</th><th>Login Method</th></tr>
<tr><td>Individual Shareholders holding securities in demat mode with Depository Participant</td><td>Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.
a) Login to DP website
b) After Successful login, user shall navigate through “e-voting” option.
c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
d) Post successful authentication, click on “MUFG InTime” or “e-voting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.</td></tr>
<tr><td>Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode</td><td>Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:
STEP 1: LOGIN / SIGNUP on InstaVote
Shareholders registered for INSTAVOTE facility:
a) Visit URL: https://instavote.linkintime.co.in & click on “Login” under ‘SHARE HOLDER’ tab.
b) Enter details as under:
1. User ID: Enter User ID
2. Password: Enter existing Password
3. Enter Image Verification (CAPTCHA) Code
4. Click “Submit”.
(Home page of e-voting will open. Follow the process given under “Steps to cast vote for Resolutions”)
<table><tr><td rowspan="3">InstaVote USER ID</td><td>NSDL</td><td>User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).</td></tr><tr><td>CDSL</td><td>User ID is 16 Digit Beneficiary ID.</td></tr><tr><td>Shares held in physical form</td><td>User ID is Event No Folio no, registered with the Company</td></tr></table>
Shareholders not registered for INSTAVOTE facility:
a) Visit URL: https://instavote.linkintime.co.in & click on “Sign Up” under ‘SHARE HOLDER’ tab & register with details as under:
1. User ID: Enter User ID
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.
■ Shareholders holding shares in NSDL form, shall provide ‘point 4’ above
■ Shareholders, holding shares in CDSL form, shall provide ‘point 3’ or ‘point 4’ above.
■ Shareholders holding shares in physical form but have not recorded ‘point 3’ and ‘point 4’, shall provide their Folio number in ‘point 4’ above
5. Set the password of your choice.
(The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click “Submit” (You have now registered on InstaVote).
Post successful registration, click on “Login” under ‘SHARE HOLDER’ tab & follow steps given above in points (a-b).
<table><tr><td rowspan="3">InstaVote USER ID</td><td>NSDL</td><td>User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).</td></tr><tr><td>CDSL</td><td>User ID is 16 Digit Beneficiary ID.</td></tr><tr><td>Shares held in physical form</td><td>User ID is Event No Folio no, registered with the Company</td></tr></table></td></tr>
</table>

NOTICE

Type of Members	Login Method
Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode	**STEP 2: Steps to cast vote for Resolutions through InstaVote** A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "**Notification for e-voting**". B. Select '**View**' icon. E-voting page will appear. C. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link). D. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. E. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on '**No**' and accordingly modify your vote. NOTE: Shareholders may click on "**Vote as per Proxy Advisor's Recommendation**" option and view proxy advisor recommendations for each resolution before casting vote. "**Vote as per Proxy Advisor's Recommendation**" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission. Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently. **Non-Individual Body corporate shareholders** shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration	A. Visit URL: https://instavote.linkintime.co.in B. Click on "**Sign Up**" under "**Custodian / Corporate Body/ Mutual Fund**" C. Fill up your entity details and submit the form. D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorized Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in. E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)
STEP 2 – Investor Mapping	A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials. B. Click on "**Investor Mapping**" tab under the Menu Section C. Map the Investor with the following details: 1) '**Investor ID**' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID. 2) '**Investor's Name** - Enter Investor's Name as updated with DP. 3) '**Investor PAN**' - Enter your 10-digit PAN. 4) '**Power of Attorney**' - Attach Board resolution or Power of Attorney. NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures. D. Click on **Submit** button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "**Report Section**".

NOTICE

STEP 3 – Steps to cast vote for Resolutions through InstaVote	The corporate shareholder can vote by two methods, during the remote e-voting period. **METHOD 1 - VOTES ENTRY** a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials. b) Click on "**Votes Entry**" tab under the Menu section. c) Enter the "**Event No.**" for which you want to cast vote. Event No. can be viewed on the home page of InstaVote under "**On-going Events**". d) Enter "**16-digit Demat Account No.**". e) Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link). After selecting the desired option i.e. Favour / Against, click on '**Submit**'. f) A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on '**No**' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently). **METHOD 2 - VOTES UPLOAD** a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials. b) After successful login, you will see "**Notification for e-voting**". c) Select "**View**" icon for "**Company's Name / Event number**". d) E-voting page will appear. e) Download sample vote file from "**Download Sample Vote File**" tab. f) Cast your vote by selecting your desired option '**Favour / Against**' in the sample vote file and upload the same under "**Upload Vote File**" option. g) Click on '**Submit**'. '**Data uploaded successfully'** message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently). **NOTE: Non-Individual Body corporate shareholders** shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

NOTICE

Forgot Password:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on **"Login"** under 'SHARE HOLDER' tab.
- Further Click on **"forgot password?"**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "**SUBMIT**".

InstaVote USER ID	
NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
CDSL	User ID is 16 Digit Beneficiary ID.
Shares held in physical form	User ID is Event No Folio no, registered with the Company

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "**Forgot Password**" option available on: https://instavote.linkintime.co.in

- Click on '**Login**' under "Custodian / Corporate Body/ Mutual Fund"` tab
- Further Click on **"forgot password?"**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "**SUBMIT**".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, ALONG WITH INFORMATION PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS

Item No. 3

Reserve Bank of India ("RBI") vide its Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025 dated November 28, 2025 and Circular dated April 27, 2021, issued guidelines for appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) ("RBI Guidelines"). In terms of the said RBI Guidelines, the Statutory Auditor is required to be appointed for a term of 3 years.

Accordingly, the Members of the Company at the 28th Annual General Meeting ("AGM") held on July 31, 2023 had approved the appointment of M/s. Sharp & Tannan Associates, Chartered Accountants (ICAI Firm Registration No. 109983W), as the Joint Statutory Auditor of the Company for a period of 3 years from the conclusion of 28th AGM till the conclusion of 31st AGM of the Company.

In view of the above, on completion of the tenure of M/s. Sharp & Tannan Associates, Chartered Accountants, and on the approval and recommendation of the Audit Committee, the Board of Directors (the "Board") at its meeting held on April 29, 2026, approved and recommended the appointment of M/s. Shah Gupta & Co., Chartered Accountants (Firm Registration No.: 109574W), as Joint Statutory Auditor of the Company, to hold office for a period of 3 years from the conclusion of 31st AGM till the conclusion of the 34th AGM of the Company as may be mutually agreed upon between the Board and the Joint Statutory Auditor.

The Audit Committee and the Board on their meeting held on April 28, 2026 and April 29, 2026, respectively, approved and recommended the aforementioned appointment based on the credentials of the firm and partners, asset size of the Company, eligibility criteria prescribed under the Companies Act, 2013 (the "Act"), RBI Guidelines and the Policy on Appointment of Statutory Auditors of the Company.

M/s. Shah Gupta & Co., established in 1976, is a Category-I Accountancy Firm with nearly five decades of professional experience. The firm offers comprehensive services in audit & assurance, taxation, financial and management consultancy, regulatory compliance, and business valuation. It serves a diverse clientele across multiple industries, including the financial sector. It operates through four offices in Mumbai and a branch office in Delhi, supported by robust technological and research infrastructure. With a team of over 100 professionals, including experienced partners and qualified experts, the firm is committed to delivering objective, ethical, and client-focused professional services.

M/s. Shah Gupta & Co., Chartered Accountants, shall be paid overall audit fees of ₹ 37,50,000/- for the FY 2026-27 on the recommendation of the Audit Committee, the Board and in accordance with the Policy on Appointment of Statutory Auditors, with authority to the Board (including any other Committee thereof) to determine the remuneration as may be mutually agreed between the Company and the said Joint Statutory Auditor and additionally reimbursements of out of pocket expenses, outlays and taxes as applicable.

There is no material change in the fee to be paid to the Joint Statutory Auditor proposed to be appointed for the FY 2026-27.

The Company has received the consent letter and eligibility certificate from M/s. Shah Gupta & Co., Chartered Accountants, along with confirmation that their appointment, if made, would be within the limits prescribed under the Act.

In view of the aforesaid, the Board recommends the Ordinary Resolution set out in Item No. 3 of the Notice for approval of Members.

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

Item No. 4

Pursuant to Section 42 of the Act, read with the Rules framed thereunder, a Company offering or making an invitation to subscribe to Non-Convertible Securities ("NCS") on a private placement basis is required to obtain the prior approval of the Members by way of Special Resolution. Such an approval may be obtained once a year for all the offers and invitations made for such NCS during the year.

The Company is registered as a Non-Banking Financial Company ("NBFC") with the Reserve Bank of India and the lending book of the Company consists of diversified products, customer segments, geographies and varying tenors (Short Term and Long Term). To meet the business requirements, the Company has been using various sources of raising funds, *inter alia,* Commercial Paper, Bank Term Loan/Over Drafts, Public Issues and Private Placement of NCS, etc.

The Members of the Company at the AGM held on July 18, 2025, approved the issuance of NCS on a private placement basis. The present resolution is being placed to seek fresh approval.

In view of the above and considering the nature of business of the Company, the approval of the Members is being sought by way of a Special Resolution under Sections 42

NOTICE

and 71 of the Act read with the Rules made thereunder, to enable the Company to offer or invite subscriptions of NCS on a private placement basis, in one or more series/ tranches to eligible persons for limit up to ₹ 10,000 Crore during the period of one year from the date of passing of the resolution set out in Item No.4. The aforesaid is within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Board accordingly recommends the Special Resolution set out in Item No. 4 of the Notice for approval of the Members.

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

Item No. 5

Section 197 of the Act permits payment of remuneration to Non-Executive Directors of a Company by way of commission, if the Company authorizes such payment by approval of Members. The Members of the Company at the 26th AGM held on June 30, 2021, approved the remuneration payable to Non-Executive Directors of the Company by way of commission not exceeding 1% of the net profits of the Company for each year for a period of five years commencing from April 01, 2021 till March 31, 2026.

With the enhanced corporate governance requirements under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") coupled with the size, complexity and operations of the Company, the role and responsibilities of the Board, particularly Non-Executive Directors have become more onerous, requiring greater time commitments, attention and a higher level of oversight. In view of the above, the Nomination and Remuneration Committee ("NRC") and the Board at their meetings held on April 27, 2026 and April 29, 2026, respectively, recommended and approved payment of commission not exceeding 1% of the net profits of the Company for each year for a period of five years commencing from April 1, 2026 till March 31, 2031 in terms of Section 197 of the Act, computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified from time to time. Further, Schedule V of the Act, *inter alia*, provides that if, in any financial year, a Company has no profits or its profits are inadequate, the Company shall not pay to its Non-Executive Directors, including an Independent Director, any remuneration except in accordance with the provisions of Schedule V of the Act. The remuneration thresholds as prescribed in Schedule V of the Act can be exceeded by passing of Special Resolution by the Members of the Company.

Regulation 17(6) of the Listing Regulations authorises the Board to recommend all fees and compensation, if any, paid to Non-Executive Directors, including Independent Directors and the same would require approval of Members in General Meeting. This commission will be distributed amongst all or some of the Non-Executive Directors, taking into consideration parameters such as attendance at Board and Committee meetings, contribution at or other than at meetings, etc. in accordance with the directions given by the Board and as prescribed under the Nomination and Remuneration Policy of the Company.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

Disclosures required under Schedule V of the Act are provided in Annexure B to this Notice.

The Board accordingly recommends the Special Resolution set out in Item No. 5 of this Notice for approval of the Members.

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

Item Nos. 6 to 12

In terms of Regulation 23(1) of the Listing Regulations read with Schedule XII thereof, a transaction with a related party shall be considered material if the transaction(s) to be entered into, individually or taken together with previous transactions during a financial year, exceed the thresholds specified in Schedule XII of the Listing Regulations.

Such material related party transactions ("RPTs"), and any material modifications thereto, shall require prior approval of the Members of the Company by way of an Ordinary Resolution under Regulation 23(4) of the Listing Regulations. The said materiality threshold shall apply equally to transactions between subsidiaries of the Company and related party where Company is not a party, and such transactions of the subsidiaries crossing the said threshold shall be treated as material RPTs of the Company requiring Members' approval under applicable provisions of the Listing Regulations.

The annual consolidated turnover of the Company for FY 2025-26 is ₹13,373.83 Crore. Accordingly, pursuant to Schedule XII of the Listing Regulations, the applicable materiality threshold for the Company is 10% of its annual consolidated turnover, amounting to ₹1,337.38 Crore, hence, the prior approval of the Members would be required to undertake transactions in a financial year exceeding ₹1,337.38 Crore with any related party of the Company.

NOTICE

The Company as a consolidated entity is one of the leading NBFC, primarily engaged in the business of financing Gold loans, Business loans to MSMEs, Construction and Real Estate Financing and Capital Market Financing.

Given the nature of the Company's business and operational requirements, the Company may occasionally enter into Related Party Transactions in the ordinary course of business.

The maximum value of the transactions with each related party, as may be disclosed in the notes forming part of the financial statements for the relevant period on an ongoing basis, whether taken individually and/or in aggregate shall not exceed amount specified in **Annexure C** during financial year 2026-27 and financial year 2027-28, and shall be valid from the date of passing of the resolution set out in Item Nos. 6 to 12 up to the date of the next AGM to be held in the financial year 2027-28.

As per Regulation 23 of the Listing Regulations, approval of the Members is sought to enter into and/or continue arrangement(s)/ transaction(s)/ contract(s) or otherwise to be undertaken whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier arrangement(s) / transaction(s)/ contract(s) or as fresh and independent transaction(s) or otherwise, as provided in **Annexure C**.

The Company proposes to obtain approval of its Members to authorize the Board for carrying out and/ or continuing with the arrangement(s)/ transaction(s)/ contract(s) or otherwise. These transactions are in the ordinary course of business and on an arm's length basis.

Further, pursuant to Circular(s) issued by SEBI in relation to Industry Standards on "Minimum information to be provided to the Audit Committee and Members for approval of Related Party Transactions" ("RPT Industry Standards"), the details as required in the aforesaid Circular(s) is as under:

Sr. No.	Particulars	Details
1.	Information as placed before the Audit Committee in the format as specified in the RPT Industry Standards, to the extent applicable	Refer **Annexure C**
2.	Justification as to why the proposed transaction is in the interest of the listed entity, basis for determination of price and other material terms and conditions of RPT	
3.	Disclose the fact that the Audit Committee has reviewed the certificates provided by the CEO/ Managing Director/ Whole Time Director/ Manager and CFO of the Listed Entity as required under the RPT Industry Standards	The Audit Committee on April 28, 2026, reviewed the certificate issued by the Managing Director and CFO of the Company, as required under the RPT Industry Standards
4.	Disclosure that the material RPT or any material modification thereto, has been approved by the Audit Committee and the Board of Directors recommends the proposed transaction to the shareholders for approval	The proposed material RPT has been approved by the Audit Committee on April 28, 2026 and has also been approved by the Board of Directors at its meeting held on April 29, 2026. The Board has accordingly recommended the proposed material RPT for approval of the Members
5.	Provide web-link and QR Code, through which shareholders can access the valuation report or other reports of external party, if any, considered by Audit Committee while approving the RPT	NA
6.	The Audit Committee and Board of Directors, while providing information to the shareholders, can approve redaction of commercial secrets and such other information that would affect competitive position of listed entity and affirm that, in its assessment, the redacted disclosures still provides all the necessary information to the public shareholders for informed decision making	NA
7.	Any other information that may be relevant	NA

The Board accordingly recommends the Ordinary Resolutions set out in Item Nos. 6 to 12 of this Notice for approval of the Members.

The Members may note that in terms of the provisions of the Regulation 23 of Listing Regulations, related parties of the Company as defined thereunder whether such related party(ies) is a party to the transactions mentioned herein or not, shall not vote to approve Resolution Nos. 6 to 12.

Except the above Directors and their relatives as mentioned in Annexure C, none of the Directors/Key Managerial Personnel/ their relatives is in any way, concerned or interested, financially or otherwise in the Resolutions set out in Item Nos. 6 to 12.

NOTICE

Item Nos. 13 & 14

The Members of the Company, by way of Special Resolutions through Postal Ballot under Sections 180(1)(a) and 180(1)(c) of the Act, approved:

(i) The power of the Board of Directors to borrow monies in excess of the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount of such borrowings, together with the amounts already borrowed and outstanding at any point of time, did not exceed ₹60,000 Crore (Rupees Sixty Thousand Crore only); and

(ii) The power of the Board to create mortgage, hypothecate, pledge and/or charge on the assets and properties of the Company, present and future, in order to secure such borrowings.

The Members of the Company are hereby apprised that, pursuant to the provisions of Section 180(1)(c) of the Act requires their consent, by way of a Special Resolution, for the Board to borrow monies in excess of the aggregate of the paid-up share capital, free reserves and securities premium of the Company, apart from temporary loans obtained from the Company's bankers in the ordinary course of business. Further, Section 180(1)(a) of the Act read with Regulation 37A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires the approval of the Members for the Board to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or to create security over such undertaking. It may be noted that, as per the explanation to Regulation 37A, such approval where the sale, lease or disposal is carried out pursuant to a covenant in an agreement with a financial institution registered with the Reserve Bank of India or with a Debenture Trustee registered with Securities and Exchange Board of India, shall not apply. However, Item Nos. 13 & 14 is being placed before the Members for their consideration and approval, since these transactions still require approval under the Act.

The Members of the Company are further apprised that, in view of the Company's growth plans, expansion of operations, need for financial flexibility and to maintain sufficient headroom for opportunistic fund raising through various instruments, it is proposed to increase the borrowing limit from ₹60,000 Crore (Rupees Sixty Thousand Crore only) to ₹75,000 Crore (Rupees Seventy-Five Thousand Crore only) and to authorize the Board to create mortgage, hypothecate, pledge and/or charge on the Company's movable and immovable properties, present and future, and/or any other assets or undertakings of the Company, in favour of lender(s), agent(s), trustee(s) and such other parties, on such terms and conditions as the Board may deem fit, for securing such borrowings. These authorizations are of an enabling nature and are intended to provide adequate flexibility to the Board to avail financial assistance as and when required for the Company's business needs, without seeking Members' approval afresh on each occasion, thereby ensuring that the Company can respond promptly to funding requirements and market opportunities. The enhanced borrowing limit shall enable the Company to raise funds through various modes, including but not limited to loans, financial facilities, non-fund based banking facilities, issuance of debentures, commercial papers, bonds, structured instruments, and other fund based or non-fund based facilities from banks, financial institutions, lender(s) and other parties, both in India and abroad, as may be required from time to time.

Accordingly, the approval of the Members is sought to pass the Special Resolutions set out at Item Nos. 13 & 14 of the Notice. The Board recommends both the Special Resolutions set out in this Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolutions.

Item No. 15

The Company foresees growth opportunities in its existing market and continues to evaluate options to improve its market share and accelerate its business growth. In order to strengthen the balance sheet, enhance financial flexibility and support scalable growth, the Company intends to undertake a fund raising by way of issue of equity shares, equity-based instruments or through any other mode (more specifically mentioned below) for achieving such growth and expansion, in compliance with applicable laws. The proposed fund raise intends to optimize the Company's liability profile, provide growth capital through an enhanced capital base and to meet the general corporate requirements. Accordingly, the enabling resolution seeks approval from the Members to raise funds, at an appropriate time by the Company, keeping in view the business needs of the Company.

Particulars of the issuance of Securities: The Company proposes to raise funds by issuing fully paid-up Equity Shares or any other equity based instruments or securities, convertible Preference Shares of any kind or type, Global Depository Receipts, American Depository Receipts, Foreign Currency Convertible Bonds, and/or any other financial instruments/ securities convertible into and/or linked to Equity Shares (including warrants (detachable or not), or otherwise, in registered or bearer form) (all of which are hereinafter referred to as "Securities"), or any combination thereof of any of the aforementioned Securities in one or more tranches and/or one or more issuances simultaneously or otherwise for an aggregate amount of up to and not exceeding ₹10,000 Crore (Rupees Ten Thousand Crore only) (inclusive of such premium to face value as may be fixed on

such Securities) which may include a discount as specified in Regulation 176 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018 ("ICDR Regulations"), at such time or times, whether Rupee denominated or denominated in one or more foreign currencies, through one or more public issue(s) or rights issues(s), including by way of preferential issue(s), private placement(s), qualified institutions placement(s) and/or any combination thereof or any other method as may be permitted under applicable laws to eligible investors in the course of domestic or international offerings, through issue of prospectus, and/or letter of offer and/or preliminary placement document, placement document and/or other permissible/ requisite offer documents or other permissible/ requisite documents/writings/ circulars/memorandum in such a manner to any eligible person, including qualified institutional buyers in accordance with Chapter VI of the SEBI ICDR Regulations, or otherwise, foreign/ resident investors (whether institutions, banks, incorporated bodies, mutual funds, individuals, trustees, stabilizing agent or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign portfolio investors, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, pension funds, accredited investors and/or any other categories of investors, who are authorized to invest in the Securities of the Company as per extant regulations/ guidelines or any combination of the above. The proposed special resolution seeks the enabling authorisation of the Members of the Company to the Board, to issue and allot Securities in accordance with applicable laws.

The equity shares to be offered, issued and allotted pursuant to the Issue or upon conversion of any Securities shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari passu *inter se* and with the then existing equity shares of the Company, in all respects, including dividend. The equity shares allotted as above would be listed on the stock exchanges where the equity shares are already listed.

Pricing: As the pricing of the Issue cannot be decided except at a later stage, it is not possible to state the price of the Securities to be issued. However, the same would be in accordance with the provisions of the Act, ICDR Regulations, Listing Regulations, the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 or any other guidelines/ regulations/ consents, each as amended, as may be applicable or required.

For the issuance of the Securities undertaken by way of qualified institutions placement: (a) the allotment of the Securities shall be completed within a period of 365 days from passing this resolution or such other time as may be allowed under the ICDR Regulations or other applicable law from time to time; (b) the pricing of the Securities that may be issued to QIBs shall be determined by the Board subject to such price not being less than the floor price calculated in accordance with the pricing formula provided under Chapter VI of the ICDR Regulations, the Act and other applicable law, provided that the Company may offer a discount of not more than 5% (five per cent) on such floor price or such other discount as may be permitted under the ICDR Regulations and other applicable law; (c) the 'relevant date' for the purpose of pricing the Securities shall be: (i) in case of allotment of equity shares, the date of the meeting in which the Board decides to open the Issue; and/ or (ii) in case of allotment of eligible convertible Securities, either the date of the meeting in which the Board decides to open the issue of such convertible Securities or the date on which the holders of such convertible Securities become entitled to apply for the Equity Shares, as may be determined by the Board; (d) the Equity Shares of the same class, which are proposed to be allotted through the Issue or pursuant to conversion or exchange of eligible Securities being offered through Issue, have been listed on a stock exchange for a period of at least 1 (One) year, prior to the date of issuance of this notice to Members of the Company; (e) no partly paid-up Securities will be issued/allotted; (f) no allotment shall be made, either directly or indirectly, to any QIB who is a promoter of the Company or any person related to the promoters, in terms of the ICDR Regulations; (g) no single allottee shall be allotted more than 50% of the total Issue size or such other limits as may be prescribed under applicable law and the minimum number of allottees shall be in accordance with ICDR Regulations and other applicable law; (h) a minimum of 10% of the Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs; (i) the Securities shall not be sold for a period of 1 (One) year from the date of allotment, except on the floor of the stock exchange(s) or except as may be permitted under the ICDR Regulations and other applicable law from time to time; (j) the Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to the special resolution passed at this meeting; (k) the tenure of the convertible or exchangeable Securities issued through the Issue shall not exceed such period as permissible under applicable law, to be decided by the Board; and (l) the Securities to be offered and allotted shall be in dematerialized form and shall be allotted on fully paid up basis.

The Company shall utilize the proceeds from such issue towards one or more of any of the following or any combination of the objects *inter alia*: (a) repayment/ prepayment of indebtedness of the Company and/or Subsidiaries; (b) infusion of funds into Subsidiaries *inter-*

NOTICE

alia financing Subsidiaries for growth of its business and operations; (c) augmenting the capital base of the Company and/or its subsidiaries, (d) for any other general corporate purposes as may be permissible under the applicable law and approved by their Board/its duly constituted Committee thereof. The proposed schedule of deployment shall be outlined in the offering documents of the QIP and shall, *inter alia*, be dependent on the timing of the QIP.

In terms of applicable circulars of the BSE Limited, the National Stock Exchange of India Limited in this regard as well as the ICDR Regulations as amended, (a) the details for deployment of the net proceeds, as approved by the Board thereof, will be specifically mentioned in the preliminary placement document/ placement document, and (b) the funds to be used for general corporate purposes, if any, shall not exceed 25% of the funds to be raised through such issue. If the size of the Issue exceeds ₹ 100 Crore (Rupees One Hundred Crore only) or such other amount as may be prescribed under applicable law, a credit rating agency registered with the Securities and Exchange Board of India will monitor the use of proceeds and submit its report in the specified format of Schedule XI of the ICDR Regulations on quarterly basis till 100% of the proceeds have been utilized, in accordance with the ICDR Regulations.

The resolution proposed is an enabling resolution and the exact price, proportion and timing of the issue of the Securities in one or more tranches and the remaining detailed terms and conditions for the Issue will be decided by the Board/ its duly constituted Committee, in accordance with the ICDR Regulations and such other applicable laws, in consultation with book running lead manager and/or other advisor(s) appointed in relation to the Issue and such other authorities and agencies as may be required to be consulted by the Company, considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

Further, the Company is yet to identify the investor(s), decide the quantum of Securities to be issued to them, and proposed timeline within which the allotment will be completed. Hence, the details of the proposed allottees, percentage of their post Issue shareholding and the shareholding pattern of the Company, and timeline of the completion of allotment are not provided. The proposal, therefore, seeks to confer upon the Board/ its duly constituted Committee, the absolute discretion and adequate flexibility to determine the terms of the Issue, including but not limited to the identification of the proposed investors in the Issue and quantum of Securities to be issued and allotted to each such investor, in accordance with the provisions of the Act, ICDR Regulations, the Listing Regulations as amended, the Foreign Exchange Management Act, 1999 and the rules made thereunder, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department for Promotion of Industry & Internal Trade, Ministry of Commerce and Industry, Government of India from time to time, each as amended; and other applicable law.

The proposed special resolution may result in the issue of equity shares of the Company to existing holders of Securities or not, may be decided by the Board/ its duly constituted Committee in its absolute discretion and permitted under applicable laws and regulations.

In view of the aforesaid, the Company recommends the Special Resolution set out in Item No.15 of the Notice for approval of Members.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 15 of the Notice.

This Notice does not constitute an offer or invitation or solicitation of an offer of securities to the public within or outside India. Nothing in this notice constitutes an offer of securities for sale or solicitation in any jurisdiction in which such offer or solicitation is not authorized or where it is unlawful to do so.

By Order of the Board of Directors
For **IIFL Finance Limited**

Samrat Sanyal
Company Secretary & Compliance Officer
ACS - 13863

Registered Office:
IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23,
Thane Industrial Area, Wagle Estate, Thane - 400 604
CIN: L67100MH1995PLC093797
E-mail: shareholders@iifl.com
Telephone No.: (91-22) 4103 5000

Date: June 27, 2026
Place: Mumbai

Annexure A

INFORMATION AS REQUIRED UNDER REGULATION 36(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS WITH RESPECT TO APPOINTMENT OF MR. GOPALAKRISHNAN SOUNDARAJAN, WHO RETIRES BY ROTATION

Name	Mr. Gopalakrishnan Soundarajan
Date of birth/age	20/05/1962 (65 years)
Nationality	Indian
Date of first appointment on the board	11/05/2024
Shareholding in the Company (as on March 31, 2026) (including beneficial ownership)	-
Board meetings attended during the Financial Year 2025-26	6 out of 8 meetings
Expertise/Experience in specific functional area	Finance and Insurance Industry
Qualification(s)	1. B.Com 2. Chartered Accountant 3. Chartered Financial Analyst
Last drawn remuneration	Nil
Sitting Fees and commission	Nil
Relationship with other directors and key managerial personnel	Not related to any Director /Key Managerial Personnel
Directorship in other Companies (As on March 31, 2026) along with listed entities from which the person has resigned in the past three years	1. Bangalore International Airport Limited 2. Anchorage Infrastructure Investments Holdings Limited 3. Quess Corp Limited 4.Thomas Cook (India) Limited 5. Go Digit Life Insurance Limited 6. Go Digit General Insurance Limited 7. Digitide Solutions Limited 8. Bluspring Enterprises Limited 9. Valueattics Reinsurance Limited 10. Go Digit Solutions Private Limited
Chairperson/Member in the committees of the other public Companies [Includes only Audit Committee and Stakeholders Relationship Committee] (As on March 31, 2026)	Quess Corp Limited – Audit Committee Go Digit General Insurance Limited – Audit Committee Go Digit General Insurance Limited – Stakeholders Relationship Committee
Remuneration sought to be paid	Nil
Brief Profile	Gopalakrishnan Soundarajan is the Chief Executive Officer and a Director of Fairfax India Holdings Corporation and the Managing Director, India, at Hamblin Watsa Investment Counsel Ltd. (Hamblin Watsa), a wholly owned subsidiary of Fairfax Financial Holdings Limited (Fairfax). Prior to his roles with Fairfax and Hamblin Watsa, Gopalakrishnan Soundarajan was the Chief Investment Officer of ICICI Lombard, the largest private sector property and casualty insurance company in India from 2001 to 2018 and was a member of the investment committee. Gopalakrishnan Soundarajan is currently serving as a Director on the boards of FIH Mauritius Investments Ltd, FIH Private Investments Ltd, 10955230 Canada Inc., Primary Real Estate Investments, Thomas Cook (India) Limited, Bangalore International Airport Limited, Go Digit Solutions Private Limited, Anchorage Infrastructure Investments Holdings Limited, Quess Corp Limited, Bluspring Enterprises Limited, Digitide Solutions Limited, Go Digit General Insurance Limited, Go Digit Life Insurance Limited, Valueattics Reinsurance Limited and Fairfirst Insurance Limited, Sri Lanka. Gopalakrishnan Soundarajan holds a Bachelor of Commerce degree from the University of Madras, is a member of the Institute of Chartered Accountants of India and is a Qualified Chartered Financial Analyst and Member of the CFA Institute in the United States.

Annexure B

INFORMATION AS REQUIRED TO BE DISCLOSED UNDER SECTION 197 OF COMPANIES ACT, 2013 (THE "ACT") READ WITH SCHEDULE V OF THE ACT.

General Information

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Information</th></tr>
<tr><td>i.</td><td>Nature of Industry</td><td>The Company is engaged in providing Non-Banking Financial Services</td></tr>
<tr><td>ii.</td><td>Date or expected date of commencement of commercial production</td><td>The Company has already been in operation for 31 years</td></tr>
<tr><td>iii.</td><td>In the case of new companies, the expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus</td><td>Not applicable</td></tr>
<tr><td>iv.</td><td>Financial performance based on given indicators (Standalone)</td><td>₹ (in crore)
<table><tr><th>Particulars</th><th>2025-26</th></tr><tr><td>Revenue from operations</td><td>7,447.94</td></tr><tr><td>Profit/(Loss) before tax</td><td>1,506.09</td></tr><tr><td>Profit/(Loss) after tax</td><td>1,153.52</td></tr></table></td></tr>
<tr><td>v.</td><td>Foreign investments or collaborators, if any</td><td>The Company has not entered into any foreign collaboration</td></tr>
</table>

Annexure C

MINIMUM INFORMATION AS REQUIRED UNDER RELATED PARTY TRANSACTIONS ("RPT") INDUSTRY STANDARDS

RPT OF IIFL FINANCE LIMITED WITH IIFL HOME FINANCE LIMITED

PART A: Minimum information of the proposed RPT

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Home Finance Limited
2	Country of incorporation of the related party	India
3	Nature of business of the related party	The Company is a housing finance company registered with National Housing Bank. It is one of the India's leading affordable housing finance Companies.

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship with the related party	- IIFL Home Finance Limited is a subsidiary of IIFL Finance Limited. IIFL Finance Limited holds 79.59% (2,09,67,681 equity shares) of paid up share capital of IIFL Home Finance Limited. - Nature of interest: Financial

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year ie.: FY 2024-25.	

S. No.	Nature of Transactions	₹ (in crore)
1	Interest expense	6.38
2	Inter Corporate Deposit (ICD) / loan taken	800.00
3	ICD / loan returned	800.00
4	Purchase of Investment	109.50
5	Allocation / reimbursement of expenses paid	1.16
6	Allocation / reimbursement of expenses paid others	0.11
7	Allocation / reimbursement of expenses received	5.11
8	Allocation / reimbursement of expenses received others	0.30
9	Purchase of Fixed assets	0.20
10	Sale of Fixed assets	0.20
11	Assignment/Securitisation transactions paid on behalf	27.61
12	Commission/ fees on corporate guarantee given	3.61
	Total	**1,754.18**

2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought ie.: FY 2025-26	

S. No.	Nature of Transactions	₹ (in crore)
1	Interest expense	22.24
2	ICD / loan taken	1,300.00
3	ICD / loan returned	1,300.00
4	Allocation / reimbursement of expenses paid	1.22
5	Allocation / reimbursement of expenses received	6.68
6	Allocation / reimbursement of expenses received others	0.03
7	Purchase of Fixed assets	0.01
8	Sale of Fixed assets*	0.00
9	Assignment/Securitisation transactions paid on behalf	13.48
10	Commission/ fees on corporate guarantee given	2.21
11	Dividend Income	115.32
12	ESOP Reimbursement	0.06
	Total	**2,761.25**

*amount less than ₹ fifty thousand

S. No.	Particulars of the information	Information provided by the management
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No

A(4). Amount of proposed transactions

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders for FY 2026-27.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of Transactions</th><th>₹ (in crore)</th></tr>
<tr><td>1</td><td>ICD / loan given</td><td>1,300.00</td></tr>
<tr><td>2</td><td>ICD / loan taken</td><td>1,300.00</td></tr>
<tr><td>3</td><td>Allocation / reimbursement of expenses paid</td><td>15.00</td></tr>
<tr><td>4</td><td>Allocation / reimbursement of expenses received</td><td>15.00</td></tr>
<tr><td>5</td><td>Referral Fees paid</td><td>1.00</td></tr>
<tr><td>6</td><td>Referral Fees received</td><td>1.00</td></tr>
<tr><td>7</td><td>Payout /Servicing Fee on loans assigned</td><td>51.00</td></tr>
<tr><td>8</td><td>Purchase of fixed assets</td><td>1.00</td></tr>
<tr><td>9</td><td>Sale of fixed assets</td><td>1.00</td></tr>
<tr><td>10</td><td>Loan / Direct Assignment (DA) purchase</td><td>500.00</td></tr>
<tr><td>11</td><td>Loan / Direct Assignment (DA) sale</td><td>500.00</td></tr>
<tr><td>12</td><td>Purchase of investment and other securities</td><td>500.00</td></tr>
<tr><td>13</td><td>Sale of investment and other securities</td><td>500.00</td></tr>
<tr><td>14</td><td>Corporate guarantee</td><td>200.00</td></tr>
<tr><td>15</td><td>Interest Income / expense</td><td>As per ICD pricing terms</td></tr>
<tr><td>16</td><td>Commission on Corporate Guarantee (CG)</td><td>1% of quarterly average of CG outstanding</td></tr>
<tr><td>17</td><td>Other transactions</td><td>1.00</td></tr>
<tr><td></td><td>Total</td><td>4,886.00</td></tr>
</table>
</td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year i.e., FY 2024-25</td><td>48%</td></tr>
<tr><td>4</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year.</td><td>NA</td></tr>
</table>

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>5</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year i.e., FY 2024-25</td><td>132%</td></tr>
<tr><td>6</td><td>Financial performance of the related party for the immediately preceding financial year i.e FY 2024-25</td><td>
<table>
<tr><th>Particulars</th><th>₹ (in crore)</th></tr>
<tr><td>Turnover</td><td>3,711.56</td></tr>
<tr><td>Profit After Tax</td><td>995.16</td></tr>
<tr><td>Net worth</td><td>7,490.32</td></tr>
</table>
</td></tr>
</table>

A(5). Basic details of the proposed transactions

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1&2</td><td>Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.) and details of each type of the proposed transaction</td><td>
<table>
<tr><th>Nature of Transactions</th><th>Details</th></tr>
<tr><td>ICD / loan given</td><td rowspan="2">Working Capital, Treasury Management and General Corporate Purpose</td></tr>
<tr><td>ICD / loan taken</td></tr>
<tr><td>Allocation / reimbursement of expenses paid</td><td rowspan="2">Allocations / reimbursements in nature of employee cost i.e. gratuity, leave encashment, ESOPs, etc., common office overhead expenses such as technology, rent, electricity etc.</td></tr>
<tr><td>Allocation / reimbursement of expenses received</td></tr>
<tr><td>Referral Fees paid</td><td rowspan="2">Arrangement for Providing Leads/ clients</td></tr>
<tr><td>Referral Fees received</td></tr>
<tr><td>Payout / Servicing Fee on loans assigned</td><td>Payment on behalf of subsidiary with respect to direct assignment deals</td></tr>
<tr><td>Loan / Direct Assignment (DA) purchase</td><td rowspan="2">Purchase / sale of loans from / to related party</td></tr>
<tr><td>Loan / Direct Assignment (DA) sale</td></tr>
<tr><td>Purchase of fixed assets</td><td rowspan="2">Purchase / Sale of fixed assets between the Companies</td></tr>
<tr><td>Sale of fixed assets</td></tr>
<tr><td>Corporate guarantee - given (inclusing commission)</td><td>Guarantee given on behalf of related party and commission thereof</td></tr>
<tr><td>Purchase of investment and other securities</td><td rowspan="2">Includes investments/sale in shares (other than own equity), debentures, or other instruments of the related party.</td></tr>
<tr><td>Sale of investment and other securities</td></tr>
<tr><td>Other transactions</td><td>Transactions other than above</td></tr>
</table>
</td></tr>
<tr><td>3</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td>Till next AGM</td></tr>
<tr><td>4</td><td>Whether omnibus approval is being sought?</td><td>Yes</td></tr>
<tr><td>5</td><td>Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.</td><td>NA</td></tr>
</table>

S. No.	Particulars of the information	Information provided by the management
6	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed Related Party Transactions are in the interest of the Company as it provides clear strategic and commercial advantages, including assured availability of required goods/services, improved operational efficiency, and measurable cost or margin benefits compared to available third-party alternatives. The pricing and terms have been benchmarked against independent market comparables and are confirmed to be on an arm's-length basis, with no preferential treatment. Adequate safeguards—including defined SLAs, penalties for non-performance, audit/inspection rights, and termination options—ensure protection of the Company's interests. The transactions are in the ordinary course of business, complies with the Company's RPT Policy and applicable regulatory requirements, and has been evaluated without the participation of interested directors. Accordingly, the RPT is considered fair, reasonable, and beneficial to the Company.
7	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	Mr. Nirmal Jain, Mr. R Venkataraman and Mr. Ramakrishnan Subramanian are Directors in IIFL Home Finance Limited
	a. Name of the director / KMP	
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	NA
9	Other information relevant for decision making.	

PART B: Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A

B(2). Disclosure in case of transactions relating to loans and advances(other than trade advances)or ICD given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	SBI 3 month MCLR plus upto 2% spread to be aligned to recent pricing of borrowing of similar paper from non related entities
2	Maturity / due date	Upto 1 year
3	Repayment schedule & terms	Bullet or part repayment on demand not exceeding the due date.
4	Whether secured or unsecured?	Unsecured
5	If secured, the nature of security & security coverage ratio	NA
6	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	Working Capital, Treasury management and general corporate purpose

B(3). Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Purpose for which funds shall be utilized by the investee company.	Working Capital and general corporate purpose
2	Material terms of the proposed transaction	NA

B(5). Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Material covenants of the proposed transaction	NA
2	Interest rate (in terms of numerical value or base rate and applicable spread)	SBI 3 month MCLR plus upto 2% spread to be aligned to recent pricing of borrowing of similar paper from non related entities
3	Cost of borrowing	Nil
4	Maturity / due date	Upto 1 year
5	Repayment schedule & terms	Bullet or part repayment on demand not exceeding the due date.
6	Whether secured or unsecured	Unsecured
7	If secured, the nature of security & security coverage ratio	NA
8	The purpose for which the funds will be utilized by the listed entity / subsidiary	Working Capital, Treasury management and general corporate purpose

PART C: Information to be provided only if a specific type of RPT proposed to be undertaken is a material RPT and is in addition to Part A and B

C(1). Disclosure only in case of transactions relating to any loans and advances (other than trade advances), ICD given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party	CRISIL Ratings : AA/ Stable
2	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.	No
	a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;	
	b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting;	
	c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	
	d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.	
	FY 2022-2023	
	FY 2023-2024	
	FY 2024-2025	

RPT OF IIFL FINANCE LIMITED WITH IIFL SAMASTA FINANCE LIMITED

PART A: Minimum information of the proposed RPT

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Samasta Finance Limited
2	Country of incorporation of the related party	India
3	Nature of business of the related party	IIFL Samasta Finance Limited is a Non Banking Finance Company - Micro Finance Institution (NBFC MFI). The Company is engaged in providing micro finance services to women who are enrolled as members and organized as Joint Liability Group ('JLG'), Small business loans and loans against property.

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship with the related party	- IIFL Samasta Finance Limited is a subsidiary of IIFL Finance Limited. IIFL Finance Limited holds 99.56% (66,55,10,372 equity shares) of paid up share capital of IIFL Samasta Finance Limited. - Nature of interest: Financial

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year ie.: FY 2024-25.	

S. No.	Nature of Transactions	₹ (in crore)
1	Interest expense	13.75
2	Inter Corporate Deposit (ICD) / loan taken	735.00
3	ICD / loan returned	735.00
4	Referral Fees Expense/other charges	231.79
5	Allocation / reimbursement of expenses received	0.01
	Total	**1,715.56**

2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought ie.: FY 2025-26	

S. No.	Nature of Transactions	₹ (in crore)
1	Interest expense	18.34
2	ICD / loan taken	1,500.00
3	ICD / loan returned	1,500.00
4	Referral Fees Expense/other charges	160.08
5	Allocation / reimbursement of expenses received	0.80
6	Direct Assignment (DA) purchased	42.18
7	DA sold	829.68
8	Interest income on DA purchased	2.16
9	Interest expenses on DA sold	44.07
10	Dividend Income	6.66
	Total	**4,103.96**

3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No

A(4). Amount of the proposed transaction(s)

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders for FY 2026-27.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of Transactions</th><th>₹ (in crore)</th></tr>
<tr><td>1</td><td>ICD given</td><td>1,500.00</td></tr>
<tr><td>2</td><td>ICD taken</td><td>1,500.00</td></tr>
<tr><td>3</td><td>Allocation / reimbursement of expenses paid</td><td>20.00</td></tr>
<tr><td>4</td><td>Allocation / reimbursement of expenses received</td><td>20.00</td></tr>
<tr><td>5</td><td>Referral Fees paid</td><td>250.00</td></tr>
<tr><td>6</td><td>Loan / Direct Assignment (DA) purchase</td><td>1,500.00</td></tr>
<tr><td>7</td><td>Loan / Direct Assignment (DA) sale</td><td>1,500.00</td></tr>
<tr><td>8</td><td>Purchase of fixed assets</td><td>1.00</td></tr>
<tr><td>9</td><td>Sale of fixed assets</td><td>1.00</td></tr>
<tr><td>10</td><td>Purchase of investment and other securities</td><td>500.00</td></tr>
<tr><td>11</td><td>Sale of investment and other securities</td><td>500.00</td></tr>
<tr><td>12</td><td>Co-lending arrangement</td><td>5,000.00</td></tr>
<tr><td>13</td><td>Co-lending arrangement Service Fees</td><td>5.00</td></tr>
<tr><td>14</td><td>Co-lending arrangement Sharing of Charges/fees etc</td><td>50.00</td></tr>
<tr><td>15</td><td>Interest Income / expense</td><td>As per ICD / Colending pricing terms</td></tr>
<tr><td>16</td><td>Other transactions</td><td>1.00</td></tr>
<tr><td></td><td>Total</td><td>12,348.00</td></tr>
</table>
</td></tr>
<tr><td>2</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year i.e., FY 2024-25</td><td>121%</td></tr>
<tr><td>4</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year</td><td>NA</td></tr>
<tr><td>5</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year i.e., FY 2024-25</td><td>480%</td></tr>
<tr><td>6</td><td>Financial performance of the related party for the immediately preceding financial year. i.e FY 2024-25</td><td>
<table>
<tr><th>Particulars</th><th>₹ (in crore)</th></tr>
<tr><td>Turnover</td><td>2,575.11</td></tr>
<tr><td>Profit After Tax</td><td>20.40</td></tr>
<tr><td>Net worth</td><td>1,955.78</td></tr>
</table>
</td></tr>
</table>

A(5). Basic details of the proposed transactions

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th colspan="2">Information provided by the management</th></tr>
<tr><td rowspan="13">1&2</td><td rowspan="13">Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.) and details of each type of the proposed transaction</td><td>Nature of Transactions</td><td>Details</td></tr>
<tr><td>ICD given</td><td rowspan="2">Loans given and taken to effectively manage the working capital, treasury management and general corporate purpose</td></tr>
<tr><td>ICD taken</td></tr>
<tr><td>Allocation / reimbursement of expenses paid</td><td rowspan="2">Allocations / reimbursements in nature of employee cost i.e. gratuity, leave encashment, ESOPs, etc., common office overhead expenses such as technology, rent, electricity etc.</td></tr>
<tr><td>Allocation / reimbursement of expenses received</td></tr>
<tr><td>Referral Fees paid</td><td>Arrangement for Providing Leads/clients including business correspondent deals</td></tr>
<tr><td>Loan / Direct assignment purchase</td><td rowspan="2">Purchase / sale of loans from / to related party</td></tr>
<tr><td>Loan / Direct assignment sale</td></tr>
<tr><td>Purchase of fixed assets</td><td rowspan="2">Purchase / Sale of fixed assets between the Companies</td></tr>
<tr><td>Sale of fixed assets</td></tr>
<tr><td>Co-lending arrangements, service fees on co-lending and sharing of charges etc.</td><td>Co-lend loans as per the agreement within the broader Co-lending guidelines of RBI</td></tr>
<tr><td>Purchase of investment and other securities</td><td rowspan="2">Includes investments/sale in shares (other than own equity), debentures, or other instruments of the related party.</td></tr>
<tr><td>Sale of investment and other securities</td></tr>
<tr><td>Other transactions</td><td>Transactions other than above</td></tr>
<tr><td>3</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td colspan="2">Till next AGM</td></tr>
<tr><td>4</td><td>Whether omnibus approval is being sought?</td><td colspan="2">Yes</td></tr>
<tr><td>5</td><td>Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.</td><td colspan="2">NA</td></tr>
<tr><td>6</td><td>Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity</td><td colspan="2">The proposed Related Party Transactions are in the interest of the Company as it provides clear strategic and commercial advantages, including assured availability of required goods/services, improved operational efficiency, and measurable cost or margin benefits compared to available third-party alternatives. The pricing and terms have been benchmarked against independent market comparables and are confirmed to be on an arm's-length basis, with no preferential treatment. Adequate safeguards—including defined SLAs, penalties for non-performance, audit/inspection rights, and termination options—ensure protection of the Company's interests. The transactions are in the ordinary course of business, complies with the Company's RPT Policy and applicable regulatory requirements, and has been evaluated without the participation of interested directors. Accordingly, the RPT is considered fair, reasonable, and beneficial to the Company.</td></tr>
</table>

S. No.	Particulars of the information	Information provided by the management
7	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	Mr. R Venkataraman and Mr. Nihar Niranjan Jambusaria are Directors in IIFL Samasta Finance Limited
	a. Name of the director / KMP	
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	NA
9	Other information relevant for decision making.	

PART B: Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A

B(2). Disclosure in case of transactions relating to loans and advances(other than trade advances)or ICD given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	SBI 3 month MCLR plus upto 2% spread to be aligned to recent pricing of borrowing of similar paper from non related entities
2	Maturity / due date	Upto 1 year
3	Repayment schedule & terms	Bullet or part repayment on demand not exceeding the due date.
4	Whether secured or unsecured?	Unsecured
5	If secured, the nature of security & security coverage ratio	NA
6	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	Working Capital, Treasury management and general corporate purpose

B(3). Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Purpose for which funds shall be utilized by the investee company.	Working Capital and general corporate purpose
2	Material terms of the proposed transaction	NA

B(5). Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Material covenants of the proposed transaction	Bullet or part repayment on demand not exceeding the due date.
2	Interest rate (in terms of numerical value or base rate and applicable spread)	SBI 3 month MCLR plus upto 2% spread to be aligned to recent pricing of borrowing of similar paper from non related entities
3	Cost of borrowing Note: This shall include all costs associated with the borrowing	Nil
4	Maturity / due date	Upto 1 year
5	Repayment schedule & terms	Bullet or part repayment on demand not exceeding the due date.
6	Whether secured or unsecured	Unsecured
7	If secured, the nature of security & security coverage ratio	NA
8	The purpose for which the funds will be utilized by the listed entity/ subsidiary	Working Capital, Treasury management and general corporate purpose

PART C: Information to be provided only if a specific type of RPT proposed to be undertaken is a material RPT and is in addition to Part A and B

C(1). Disclosure only in case of transactions relating to any loans and advances (other than trade advances), ICD given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party	CRISIL Ratings : AA-/ Stable
2	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.	No
	a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;	
	b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting;	
	c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	
	d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.	
	FY 2022-23	
	FY 2023-24	
	FY 2024-25	

RPT OF IIFL FINANCE LIMITED WITH IIFL FACILITIES SERVICES LIMITED

PART A: Minimum information of the proposed RPT

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Facilities Services Limited
2	Country of incorporation of the related party	India
3	Nature of business of the related party	The Company is into providing office and related infrastructure and facility services, providing property advisory, consultancy and allied services.

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship with the related party	- IIFL Facilities Services Limited is a related party of IIFL Finance Limited and is a wholly-owned subsidiary of IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*. IIFL Finance Limited and IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* has common Promoter & Promoter Group. - Nature of interest: Financial

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year ie.: FY 2024-25.	

S. No.	Nature of Transactions	₹ (in crore)
1	Rent expenses	5.46
2	Allocation / reimbursement of expenses paid	1.72
3	Allocation / reimbursement of expenses received	0.13
4	Purchase of Fixed assets*	0.00
5	Sale of Fixed assets	0.01
6	Security deposit paid towards rent	0.30
	Total	**7.61**

*amount less than ₹ fifty thousand

S. No.	Particulars of the information	Information provided by the management
2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought ie.: FY 2025-26	

S. No.	Nature of Transactions	₹ (in crore)
1	Rent expenses	5.48
2	Allocation / reimbursement of expenses paid	1.76
3	Allocation / reimbursement of expenses received	0.26
4	Purchase of Fixed assets*	0.00
5	Sale of Fixed assets	0.01
	Total	**7.51**

*amount less than ₹ fifty thousand

3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	NA

A(4). Amount of the proposed transaction(s)

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders for FY 2026-27</td><td>
<table>
<tr><th>S. No.</th><th>Nature of Transactions</th><th>₹ (in crore)</th></tr>
<tr><td>1</td><td>ICD given</td><td>500.00</td></tr>
<tr><td>2</td><td>ICD taken</td><td>500.00</td></tr>
<tr><td>3</td><td>Allocation / reimbursement of expenses paid</td><td>15.00</td></tr>
<tr><td>4</td><td>Allocation / reimbursement of expenses received</td><td>15.00</td></tr>
<tr><td>5</td><td>Rental expenses</td><td>10.00</td></tr>
<tr><td>6</td><td>Purchase of fixed assets</td><td>1.00</td></tr>
<tr><td>7</td><td>Sale of fixed assets</td><td>1.00</td></tr>
<tr><td>8</td><td>Purchase of investment and other securities</td><td>500.00</td></tr>
<tr><td>9</td><td>Sale of investment and other securities</td><td>500.00</td></tr>
<tr><td>10</td><td>Referral Fees paid</td><td>25.00</td></tr>
<tr><td>11</td><td>Referral Fees received</td><td>25.00</td></tr>
<tr><td>12</td><td>Security deposit on rental premises</td><td>10.00</td></tr>
<tr><td>13</td><td>Interest Income / expense</td><td>As per ICD pricing terms</td></tr>
<tr><td>14</td><td>Other transactions</td><td>1.00</td></tr>
<tr><td></td><td>Total</td><td>2,103.00</td></tr>
</table>
</td></tr>
<tr><td>2</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year i.e., FY 2024-25</td><td>21%</td></tr>
<tr><td>4</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year.</td><td>NA</td></tr>
<tr><td>5</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year i.e., FY 2024-25</td><td>1920%</td></tr>
<tr><td>6</td><td>Financial performance of the related party for the immediately preceding financial year. i.e FY 2024-25</td><td>
<table>
<tr><th>Particulars</th><th>₹ (in crore)</th></tr>
<tr><td>Turnover</td><td>109.52</td></tr>
<tr><td>Profit After Tax</td><td>61.10</td></tr>
<tr><td>Net worth</td><td>240.72</td></tr>
</table>
</td></tr>
</table>

A(5). Basic details of the proposed transaction

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1&2</td><td>Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.) and details of each type of the proposed transaction</td><td>
<table>
<tr><th>Nature of Transactions</th><th>Details</th></tr>
<tr><td>ICD given</td><td rowspan="2">Loans given and taken to effectively manage the working capital, treasury management and general corporate purpose</td></tr>
<tr><td>ICD taken</td></tr>
<tr><td>Allocation / reimbursement of expenses paid</td><td rowspan="2">Allocations / reimbursements in nature of employee cost i.e. gratuity, leave encashment, ESOPs, etc., common office overhead expenses such as technology, rent, electricity etc.</td></tr>
<tr><td>Allocation / reimbursement of expenses received</td></tr>
<tr><td>Referral Fees paid</td><td rowspan="2">Arrangement for Providing Leads/clients including business correspondent deals</td></tr>
<tr><td>Referral Fees received</td></tr>
<tr><td>Rent expenses</td><td>It covers rent expenses including infrastructure cost for the office premises</td></tr>
<tr><td>Security deposit on rental premises</td><td>Security deposit paid towards the rented premises</td></tr>
<tr><td>Purchase of fixed assets</td><td rowspan="2">Purchase / Sale of fixed assets between the Companies</td></tr>
<tr><td>Sale of fixed assets</td></tr>
<tr><td>Purchase of investment and other securities</td><td rowspan="2">Includes investments in equity, debentures, or instruments of similar nature of the related party or the other party.</td></tr>
<tr><td>Sale of investment and other securities</td></tr>
<tr><td>Other transactions</td><td>Transactions other than above</td></tr>
</table>
</td></tr>
<tr><td>3</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td>Till next AGM</td></tr>
<tr><td>4</td><td>Whether omnibus approval is being sought?</td><td>Yes</td></tr>
<tr><td>5</td><td>Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.</td><td>NA</td></tr>
<tr><td>6</td><td>Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity</td><td>The proposed Related Party Transactions are in the interest of the Company as it provides clear strategic and commercial advantages, including assured availability of required goods/services, improved operational efficiency, and measurable cost or margin benefits compared to available third-party alternatives. The pricing and terms have been benchmarked against independent market comparables and are confirmed to be on an arm's-length basis, with no preferential treatment. Adequate safeguards—including defined SLAs, penalties for non-performance, audit/inspection rights, and termination options—ensure protection of the Company's interests. The transactions are in the ordinary course of business, complies with the Company's RPT Policy and applicable regulatory requirements, and has been evaluated without the participation of interested directors. Accordingly, the RPT is considered fair, reasonable, and beneficial to the Company.</td></tr>
<tr><td rowspan="3">7</td><td>Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.</td><td rowspan="3">IIFL Facilities Services Limited is a subsidiary of IIFL Capital Services Limited. IIFL Finance Limited and IIFL Capital Services Limited (formerly known as IIFL Securities Limited) has common Promoter & Promoter Group, which holds 9,61,43,214 equity shares, representing 30.87% of the total paid up capital of IIFL Capital Services Limited (formerly known as IIFL Securities Limited), as on March 31, 2026.</td></tr>
<tr><td>a. Name of the director / KMP</td></tr>
<tr><td>b. Shareholding of the director / KMP, whether direct or indirect, in the related party</td></tr>
</table>

S. No.	Particulars of the information	Information provided by the management
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	NA
9	Other information relevant for decision making.	

PART B: Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A

B(2). Disclosure in case of transactions relating to loans and advances(other than trade advances) or ICD given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	SBI 3 month MCLR plus upto 2% spread to be aligned to recent pricing of borrowing of similar paper from non related entities
2	Maturity / due date	Upto 1 year
3	Repayment schedule & terms	Bullet or part repayment on demand not exceeding the due date.
4	Whether secured or unsecured?	Unsecured
5	If secured, the nature of security & security coverage ratio	NA
6	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	Working Capital, Treasury management and general corporate purpose

B(3). Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary:

S. No.	Particulars of the information	Information provided by the management
1	Purpose for which funds shall be utilized by the investee company.	Working Capital and general corporate purpose
2	Material terms of the proposed transaction	NA

B(5). Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Material covenants of the proposed transaction	NA
2	Interest rate (in terms of numerical value or base rate and applicable spread)	SBI 3 month MCLR plus upto 2% spread to be aligned to recent pricing of borrowing of similar paper from non related entities
3	Cost of borrowing	Nil
4	Maturity / due date	Upto 1 year
5	Repayment schedule & terms	Bullet or part repayment on demand not exceeding the due date.
6	Whether secured or unsecured	Unsecured
7	If secured, the nature of security & security coverage ratio	NA
8	The purpose for which the funds will be utilized by the listed entity / subsidiary	Working Capital, Treasury management and general corporate purpose

RPT OF IIFL FINANCE LIMITED WITH IIFL MANAGEMENT SERVICES LIMITED

PART A: Minimum information of the proposed RPT

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Management Services Limited
2	Country of incorporation of the related party	India
3	Nature of business of the related party	The Company is into providing office and related infrastructure and facility services, providing property advisory, consultancy and allied services.

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship with the related party	- IIFL Management Services Limited is a related party of IIFL Finance Limited and is wholly-owned subsidiary of IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*. IIFL Finance Limited and IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* has common Promoter & Promoter Group. - Nature of interest: Financial

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year ie.: FY 2024-25	S. No. / Nature of Transactions / ₹ (in crore) 1 Allocation / reimbursement of expenses paid 0.03 2 Allocation / reimbursement of expenses paid others* 0.00 3 Allocation / reimbursement of expenses received 0.05 4 Allocation / reimbursement of expenses received others 0.08 5 Purchase of Fixed assets 0.01 6 Sale of Fixed assets 0.01 **Total 0.18** *amount less than ₹ fifty thousand
2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought ie.: FY 2025-26	S. No. / Nature of Transactions / ₹ (in crore) 1 Allocation / reimbursement of expenses paid 0.06 2 Allocation / reimbursement of expenses received 0.20 3 Allocation / reimbursement of expenses received others 0.01 4 Purchase of Fixed assets* 0.00 5 Interest paid on NCDs 0.43 6 Sale of investments 134.82 **Total 135.52** *amount less than ₹ fifty thousand
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	NA

A(4). Amount of the proposed transaction(s)

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders for FY 2026-27</td><td>
<table>
<tr><th>S. No.</th><th>Nature of Transactions</th><th>₹ (in crore)</th></tr>
<tr><td>1</td><td>ICD given</td><td>500.00</td></tr>
<tr><td>2</td><td>ICD taken</td><td>500.00</td></tr>
<tr><td>3</td><td>Allocation / reimbursement of expenses paid</td><td>20.00</td></tr>
<tr><td>4</td><td>Allocation / reimbursement of expenses received</td><td>20.00</td></tr>
<tr><td>5</td><td>Purchase of fixed assets</td><td>1.00</td></tr>
<tr><td>6</td><td>Sale of fixed assets</td><td>1.00</td></tr>
<tr><td>7</td><td>Purchase of investment and other securities</td><td>1,500.00</td></tr>
<tr><td>8</td><td>Sale of investment and other securities</td><td>1,500.00</td></tr>
<tr><td>9</td><td>Rent expenses</td><td>1.00</td></tr>
<tr><td>10</td><td>Referral Fees paid</td><td>25.00</td></tr>
<tr><td>11</td><td>Referral Fees received</td><td>25.00</td></tr>
<tr><td>12</td><td>Security deposit on rental premises</td><td>0.50</td></tr>
<tr><td>13</td><td>Interest Income / expense</td><td>As per ICD pricing terms</td></tr>
<tr><td>14</td><td>Brokerage/referral Commission paid on NCD's/ structured product/any financial product</td><td>5.00</td></tr>
<tr><td>15</td><td>Other transactions</td><td>1.00</td></tr>
<tr><td></td><td>Total</td><td>4,099.50</td></tr>
</table>
</td></tr>
<tr><td>2</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year i.e., FY 2024-25</td><td>40%</td></tr>
<tr><td>4</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year.</td><td>NA</td></tr>
<tr><td>5</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year i.e., FY 2024-25</td><td>5265%</td></tr>
<tr><td>6</td><td>Financial performance of the related party for the immediately preceding financial year. i.e FY 2024-25</td><td>
<table>
<tr><th>Particulars</th><th>₹ (in crore)</th></tr>
<tr><td>Turnover</td><td>77.86</td></tr>
<tr><td>Profit After Tax</td><td>29.76</td></tr>
<tr><td>Net worth</td><td>47.99</td></tr>
</table>
</td></tr>
</table>

A(5). Basic details of the proposed transaction

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th colspan="2">Information provided by the management</th></tr>
<tr><td rowspan="15">1&2</td><td rowspan="15">Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.) and details of each type of the proposed transaction</td><td>Nature of Transactions</td><td>Details</td></tr>
<tr><td>ICD given</td><td rowspan="2">Loans given and taken to effectively manage the working capital, treasury management and general corporate purpose</td></tr>
<tr><td>ICD taken</td></tr>
<tr><td>Allocation / reimbursement of expenses paid</td><td rowspan="2">Allocations / reimbursements in nature of employee cost i.e. gratuity, leave encashment, ESOPs, etc., common office overhead expenses such as technology, rent, electricity etc.</td></tr>
<tr><td>Allocation / reimbursement of expenses received</td></tr>
<tr><td>Referral Fees paid</td><td rowspan="2">Arrangement for Providing Leads/clients including business correspondent deals</td></tr>
<tr><td>Referral Fees received</td></tr>
<tr><td>Rent expenses</td><td>It covers rent expenses including infrastructure cost for the office premises</td></tr>
<tr><td>Security deposit on rental premises</td><td>Security deposit paid towards the rented premises</td></tr>
<tr><td>Purchase of fixed assets</td><td rowspan="2">Purchase / Sale of fixed assets between the Companies</td></tr>
<tr><td>Sale of fixed assets</td></tr>
<tr><td>Purchase of investment and other securities</td><td rowspan="2">Includes investments in equity, debentures, or instruments of similar nature of the related party or the other party.</td></tr>
<tr><td>Sale of investment and other securities</td></tr>
<tr><td>Brokerage expenses</td><td>Fees charged for facilitating transactions involving financial securities</td></tr>
<tr><td>Other transactions</td><td>Transactions other than above</td></tr>
<tr><td>3</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td colspan="2">Till next AGM</td></tr>
<tr><td>4</td><td>Whether omnibus approval is being sought?</td><td colspan="2">Yes</td></tr>
<tr><td>5</td><td>Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.</td><td colspan="2">NA</td></tr>
<tr><td>6</td><td>Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity</td><td colspan="2">The proposed Related Party Transactions are in the interest of the Company as it provides clear strategic and commercial advantages, including assured availability of required goods/services, improved operational efficiency, and measurable cost or margin benefits compared to available third-party alternatives. The pricing and terms have been benchmarked against independent market comparables and are confirmed to be on an arm's-length basis, with no preferential treatment. Adequate safeguards—including defined SLAs, penalties for non-performance, audit/inspection rights, and termination options—ensure protection of the Company's interests. The transactions are in the ordinary course of business, complies with the Company's RPT Policy and applicable regulatory requirements, and has been evaluated without the participation of interested directors. Accordingly, the RPT is considered fair, reasonable, and beneficial to the Company.</td></tr>
<tr><td rowspan="3">7</td><td>Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.</td><td colspan="2" rowspan="3">IIFL Management Services Limited is a Subsidiary of IIFL Capital Services Limited. IIFL Finance Limited and IIFL Capital Services Limited (formerly known as IIFL Securities Limited) has common Promoter & Promoter Group, which holds 9,61,43,214 equity shares, representing 30.87% of the total paid up capital of IIFL Capital Services Limited (formerly known as IIFL Securities Limited), as on March 31, 2026.</td></tr>
<tr><td>a. Name of the director / KMP</td></tr>
<tr><td>b. Shareholding of the director / KMP, whether direct or indirect, in the related party</td></tr>
</table>

S. No.	Particulars of the information	Information provided by the management
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	NA
9	Other information relevant for decision making.	

PART B: Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A

B(2). Disclosure in case of transactions relating to loans and advances(other than trade advances) or ICD given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	SBI 3 month MCLR plus upto 2% spread to be aligned to recent pricing of borrowing of similar paper from non related entities
2	Maturity / due date	Upto 1 year
3	Repayment schedule & terms	Bullet or part repayment on demand not exceeding the due date.
4	Whether secured or unsecured?	Unsecured
5	If secured, the nature of security & security coverage ratio	NA
6	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	Working Capital, Treasury management and general corporate purpose

B(3). Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary:

S. No.	Particulars of the information	Information provided by the management
1	Purpose for which funds shall be utilized by the investee company.	Working Capital and general corporate purpose
2	Material terms of the proposed transaction	NA

B(5). Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary:

S. No.	Particulars of the information	Information provided by the management
1	Material covenants of the proposed transaction	NA
2	Interest rate (in terms of numerical value or base rate and applicable spread)	SBI 3 month MCLR plus upto 2% spread to be aligned to recent pricing of borrowing of similar paper from non related entities
3	Cost of borrowing	Nil
4	Maturity / due date	Upto 1 year
5	Repayment schedule & terms	Bullet or part repayment on demand not exceeding the due date.
6	Whether secured or unsecured	Unsecured
7	If secured, the nature of security & security coverage ratio	NA
8	The purpose for which the funds will be utilized by the listed entity / subsidiary	Working Capital, Treasury management and general corporate purpose

PART C: Information to be provided only if a specific type of RPT proposed to be undertaken is a material RPT and is in addition to Part A and B

C(2). Disclosure only in case of transactions relating to any investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party	NA
2	Whether any regulatory approval is required. If yes, whether the same has been obtained.	

RPT OF IIFL FINANCE LIMITED WITH IIFL CAPITAL SERVICES LIMITED *(FORMERLY KNOWN AS IIFL SECURITIES LIMITED)*

PART A: Minimum information of the proposed RPT

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*
2	Country of incorporation of the related party	India
3	Nature of business of the related party	IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* is in financial services spaces offering equity, currency and commodity broking, depository participant services, merchant banking, distribution of financial product and Wealth Managament.

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship with the related party	- IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* is a related party of IIFL Finance Limited. IIFL Finance Limited and IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* has common Promoter & Promoter Group, which holds 9,61,43,214 equity shares, representing 30.87% of the total paid up capital of IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*, as on March 31, 2026. - Nature of interest: Financial

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year ie.: FY 2024-25.	

S. No.	Nature of Transactions	₹ (in crore)
1	Brokerage expenses (share broker arrangement)	0.04
2	Allocation / reimbursement of expenses paid	7.42
3	Allocation / reimbursement of expenses received	2.81
4	Purchase of Fixed assets	0.07
5	Sale of Fixed assets	0.06
	Total	**10.41**

2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought ie.: FY 2025-26	

S. No.	Nature of Transactions	₹ (in crore)
1	Interest expense	2.06
2	ICD / loan taken	375.00
3	ICD / loan returned	375.00
4	Brokerage expenses (share broker arrangement)	0.23
5	Brokerage and Commission	16.60
6	Allocation / Reimbursement of Expenses Paid	5.87
7	Purchase of Fixed Assets	0.03
8	Allocation / Reimbursement of Expenses Received	3.36
9	Allocation / Reimbursement of Expenses Received Others	0.01
10	Sale of Fixed Assets	0.01
	Total	**778.17**

3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	NA

A(4). Amount of the proposed transaction(s)

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders for FY 2026-27</td><td>
<table>
<tr><th>S. No.</th><th>Nature of Transactions</th><th>₹ (in crore)</th></tr>
<tr><td>1</td><td>ICD given</td><td>1,500.00</td></tr>
<tr><td>2</td><td>ICD taken</td><td>1,500.00</td></tr>
<tr><td>3</td><td>Allocation / reimbursement of expenses paid</td><td>15.00</td></tr>
<tr><td>4</td><td>Allocation / reimbursement of expenses received</td><td>15.00</td></tr>
<tr><td>5</td><td>Brokerage expenses (share broker arrangement)</td><td>5.00</td></tr>
<tr><td>6</td><td>Brokerage / Commission paid on NCDs</td><td>100.00</td></tr>
<tr><td>7</td><td>Purchase of fixed assets</td><td>1.00</td></tr>
<tr><td>8</td><td>Sale of fixed assets</td><td>1.00</td></tr>
<tr><td>9</td><td>Purchase of investment and other securities</td><td>500.00</td></tr>
<tr><td>10</td><td>Sale of investment and other securities</td><td>500.00</td></tr>
<tr><td>11</td><td>Referral Fees paid</td><td>25.00</td></tr>
<tr><td>12</td><td>Referral Fees received</td><td>25.00</td></tr>
<tr><td>13</td><td>Interest Income / expense</td><td>As per ICD pricing terms</td></tr>
<tr><td>14</td><td>Other transactions</td><td>1.00</td></tr>
<tr><td></td><td>Total</td><td>4,188.00</td></tr>
</table>
</td></tr>
<tr><td>2</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year i.e., FY 2024-25</td><td>41%</td></tr>
<tr><td>4</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year.</td><td>NA</td></tr>
<tr><td>5</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year i.e., FY 2024-25</td><td>163%</td></tr>
<tr><td>6</td><td>Financial performance of the related party for the immediately preceding financial year. i.e FY 2024-25</td><td>
<table>
<tr><th>Particulars</th><th>₹ (in crore)</th></tr>
<tr><td>Turnover</td><td>2,158.50</td></tr>
<tr><td>Profit After Tax</td><td>602.98</td></tr>
<tr><td>Net worth</td><td>2,219.54</td></tr>
</table>
</td></tr>
</table>

A(5). Basic details of the proposed transaction

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th colspan="2">Information provided by the management</th></tr>
<tr><td rowspan="14">1&2</td><td rowspan="14">Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.) and details of each type of the proposed transaction</td><td>Nature of Transactions</td><td>Details</td></tr>
<tr><td>ICD given</td><td rowspan="2">Loans given and taken to effectively manage the working capital, treasury management and general corporate purpose</td></tr>
<tr><td>ICD taken</td></tr>
<tr><td>Allocation / reimbursement of expenses paid</td><td rowspan="2">Allocations / reimbursements in nature of employee cost i.e. gratuity, leave encashment, ESOPs, etc., common office overhead expenses such as technology, rent, electricity etc.</td></tr>
<tr><td>Allocation / reimbursement of expenses received</td></tr>
<tr><td>Referral Fees paid</td><td rowspan="2">Arrangement for Providing Leads/clients including business correspondent deals</td></tr>
<tr><td>Referral Fees received</td></tr>
<tr><td>Purchase of fixed assets</td><td rowspan="2">Purchase / Sale of fixed assets between the Companies</td></tr>
<tr><td>Sale of fixed assets</td></tr>
<tr><td>Brokerage expenses (share broker arrangement)</td><td>Fees charged by a broker for facilitating transactions involving financial securities</td></tr>
<tr><td>Brokerage / Commission paid on NCDs</td><td>Fee/commission charged on dealing in the listed NCDs</td></tr>
<tr><td>Purchase of investment and other securities</td><td rowspan="2">Includes investments in equity, debentures, or instruments of similar nature of the related party or the other party.</td></tr>
<tr><td>Sale of investment and other securities</td></tr>
<tr><td>Other transactions</td><td>Transactions other than above</td></tr>
<tr><td>3</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td colspan="2">Till next AGM</td></tr>
<tr><td>4</td><td>Whether omnibus approval is being sought?</td><td colspan="2">Yes</td></tr>
<tr><td>5</td><td>Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.</td><td colspan="2">NA</td></tr>
<tr><td>6</td><td>Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity</td><td colspan="2">The proposed Related Party Transactions are in the interest of the Company as it provides clear strategic and commercial advantages, including assured availability of required goods/services, improved operational efficiency, and measurable cost or margin benefits compared to available third-party alternatives. The pricing and terms have been benchmarked against independent market comparables and are confirmed to be on an arm's-length basis, with no preferential treatment. Adequate safeguards—including defined SLAs, penalties for non-performance, audit/inspection rights, and termination options—ensure protection of the Company's interests. The transactions are in the ordinary course of business, complies with the Company's RPT Policy and applicable regulatory requirements, and has been evaluated without the participation of interested directors. Accordingly, the RPT is considered fair, reasonable, and beneficial to the Company.</td></tr>
<tr><td rowspan="3">7</td><td>Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.</td><td colspan="2" rowspan="3">Mr. R Venkataraman is a Managing Director of IIFL Capital Services Limited (formerly known as IIFL Securities Limited). IIFL Finance Limited and IIFL Capital Services Limited (formerly known as IIFL Securities Limited) has common Promoter & Promoter Group, which holds 9,61,43,214 equity shares, representing 30.87% of the total paid up capital of IIFL Capital Services Limited (formerly known as IIFL Securities Limited), as on March 31, 2026.</td></tr>
<tr><td>a. Name of the director / KMP</td></tr>
<tr><td>b. Shareholding of the director / KMP, whether direct or indirect, in the related party</td></tr>
</table>

S. No.	Particulars of the information	Information provided by the management
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	NA
9	Other information relevant for decision making.	

PART B: Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A

B(2). Disclosure in case of transactions relating to loans and advances(other than trade advances) or ICD given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	SBI 3 month MCLR plus upto 2% spread to be aligned to recent pricing of borrowing of similar paper from non related entities
2	Maturity / due date	Upto 1 year
3	Repayment schedule & terms	Bullet or part repayment on demand not exceeding the due date.
4	Whether secured or unsecured?	Unsecured
5	If secured, the nature of security & security coverage ratio	NA
6	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	Working Capital, Treasury management and general corporate purpose

B(3). Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Purpose for which funds shall be utilized by the investee company.	Working Capital and general corporate purpose
2	Material terms of the proposed transaction	NA

B(5). Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Material covenants of the proposed transaction	NA
2	Interest rate (in terms of numerical value or base rate and applicable spread)	SBI 3 month MCLR plus upto 2% spread to be aligned to recent pricing of borrowing of similar paper from non related entities
3	Cost of borrowing	Nil
4	Maturity / due date	Upto 1 year
5	Repayment schedule & terms	Bullet or part repayment on demand not exceeding the due date.
6	Whether secured or unsecured	Unsecured
7	If secured, the nature of security & security coverage ratio	NA
8	The purpose for which the funds will be utilized by the listed entity / subsidiary	Working Capital, Treasury management and general corporate purpose

PART C: Information to be provided only if a specific type of RPT proposed to be undertaken is a material RPT and is in addition to Part A and B

C(1). Disclosure only in case of transactions relating to any loans and advances (other than trade advances), ICD given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party	CRISIL Ratings : AA-/ Stable
2	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.	No
	a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;	
	b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting;	
	c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	
	d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.	
	FY 2022-2023	
	FY 2023-2024	
	FY 2024-2025	

RPT OF IIFL HOME FINANCE LIMITED WITH IIFL CAPITAL SERVICES LIMITED *(FORMERLY KNOWN AS IIFL SECURITIES LIMITED)*

PART A: Minimum information of the proposed RPT

A(1): Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*
2	Country of incorporation of the related party	India
3	Nature of business of the related party	IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* was incorporated on March 21, 1996. IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* is in financial services spaces offering equity, currency and commodity broking, depository participant services, merchant banking, distribution of financial product and Wealth Managament besides holding investments in subsidiaries.

A(2): Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise and the following: (a). Shareholding of the listed entity, whether direct or indirect, in the related party. (b). Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (c). Shareholding of the related party, whether direct or indirect, in the listed entity	**Relationship** 1. The entity and the reporting entity are members of the same group. 2. Public Company in which a director or manager holds along with his relatives, more than two per cent of its paid-up share capital 3. Public companies in which Director holds Directorship **Shareholding** : NA

A(3): Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	
2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	NA

S. No.	Nature of Transactions	₹ (in crore)
1	Arranger fees expense	0.84
2	Commission / Brokerage expense	1.65
3	Allocation of expenses paid	3.72
4	Reimbursement paid	0.00
5	Allocation of expenses received	0.86
6	Sale of Fixed Assets	0.12
7	Purchase of Fixed Assets	0.10

S. No.	Nature of Transactions	₹ (in crore)
1	Arranger fees expense	0.47
2	Commission / Brokerage expense	0.07
3	Allocation of expenses paid	1.18
4	Allocation of expenses received	0.77
5	Sale of Fixed Assets	0.01
6	Purchase of Fixed Assets	0.00

A(4): Amount of the proposed transaction(s)

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of Transactions</th><th>₹ (in crore)</th></tr>
<tr><td>1</td><td>Interest Income / expense</td><td>As per ICD pricing terms</td></tr>
<tr><td>2</td><td>ICD Given / repayment</td><td>1,300.00</td></tr>
<tr><td>3</td><td>ICD taken / repayment</td><td>1,300.00</td></tr>
<tr><td>4</td><td>Brokerage, Commission, Advisory Service</td><td>50.00</td></tr>
<tr><td>5</td><td>Referral and Arranger fees paid</td><td>1.00</td></tr>
<tr><td>6</td><td>Purchase of Investment and other securites</td><td>50.00</td></tr>
<tr><td>7</td><td>Sale of Investment and other securites</td><td>50.00</td></tr>
<tr><td>8</td><td>Allocation of expenses paid</td><td>5.00</td></tr>
<tr><td>9</td><td>Reimbursement of expenses paid</td><td>1.00</td></tr>
<tr><td>10</td><td>Allocation of expenses received</td><td>1.00</td></tr>
<tr><td>11</td><td>Reimbursement of expenses received</td><td>1.00</td></tr>
<tr><td>12</td><td>Other transactions</td><td>1.00</td></tr>
<tr><td></td><td>Total</td><td>2,760.00</td></tr>
</table>
</td></tr>
<tr><td>2</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td>74.28%</td></tr>
<tr><td>4</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>NA</td></tr>
<tr><td>5</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>107.50%</td></tr>
<tr><td>6</td><td>Financial performance of the related party for the immediately preceding financial year:

Turnover
Profit after tax
Net worth

The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.</td><td>
<table>
<tr><th>Particulars</th><th>₹ (in crore)</th></tr>
<tr><td>Turnover</td><td>2,158.50</td></tr>
<tr><td>Profit After Tax</td><td>602.98</td></tr>
<tr><td>Net worth</td><td>2,219.54</td></tr>
</table>
</td></tr>
</table>

A(5). Basic details of proposed transactions

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1&2</td><td>Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.) Details of each type of proposed transactions</td><td>
<table>
<tr><th>Nature of Transactions</th><th>Details</th></tr>
<tr><td>ICD Given / repayment</td><td rowspan="2">Loans given and taken to effectively manage the working capital, treasury management and general corporate purpose</td></tr>
<tr><td>ICD taken / repayment</td></tr>
<tr><td>Interest income/ expense on ICD</td><td>Income earned / interest paid on the ICD given / taken respectively</td></tr>
<tr><td>Allocation of expenses paid</td><td rowspan="2">Allocations of common office overhead expenses such as technology, rent, electricity etc. on actual basis</td></tr>
<tr><td>Allocation of expenses received</td></tr>
<tr><td>Reimbursement of expenses paid</td><td rowspan="2">Reimbursements in nature of employee cost i.e. gratuity, leave encashment, etc.,</td></tr>
<tr><td>Reimbursement of expenses received</td></tr>
<tr><td>Referral and Arranger Fees paid</td><td>Arrangement for Providing Leads/clients including business correspondent deals for generating business.</td></tr>
<tr><td>Purchase of investment and other securities</td><td rowspan="2">Includes investments in equity, debentures, or instruments of similar nature of the related party or the other party.</td></tr>
<tr><td>Sale of investment and other securities</td></tr>
<tr><td>Other transactions</td><td>Any transactions which are unforeseen and whose details are not available.</td></tr>
<tr><td>Brokerage, Commission, Advisory Service</td><td>Broking/Advisory service for purchase/issue of securities in Market</td></tr>
</table>
</td></tr>
<tr><td>3</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td>Till next AGM</td></tr>
<tr><td>4</td><td>Whether omnibus approval is being sought?</td><td>Yes</td></tr>
<tr><td>5</td><td>Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.</td><td>NA</td></tr>
<tr><td>6</td><td>Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity</td><td>These transactions are regular business transactions of the Company and carried out at an arm's length and in accordance with the applicable laws. These transactions assist in running the business operations effectively.</td></tr>
<tr><td>7</td><td>Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. Explanation: Indirect interest shall mean interest held through any person over which an individual has control
a. Name of the director / KMP
b. Shareholding of the director / KMP, whether direct or indirect, in the related party"</td><td>1. Venkataraman Rajamani (Director of IIFL Home Finance Limited)
- Managing Director and Promoter of IIFL Capital Services Limited (formerly known as IIFL Securities Limited)

- Holding 1,11,84,432 shares in the IIFL Capital Services Limited (formerly known as IIFL Securities Limited)

2. Mr. Nirmal Jain (Director of IIFL Home Finance Limited)
- Promoter and holds 4,69,64,282 shares in the IIFL Capital Services Limited (formerly known as IIFL Securities Limited)</td></tr>
<tr><td>8</td><td>A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.</td><td rowspan="2">NA</td></tr>
<tr><td>9</td><td>Other information relevant for decision making.</td></tr>
</table>

PART B: Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A

B(1): Disclosure only in case of transactions relating to Sale, purchase or supply of goods or services or any other similar business transaction and trade advances.

S. No.	Particulars of the information	Information provided by the management
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	NA
2	Basis of determination of price.	On Actual basis
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: Amount of Trade Advance Tenure Whether same is self-liquidating?	NA

B(2). Disclosure only in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	SBI 3 months MCLR + Spread capped at 2%
2	Maturity / due date	Upto 1 year
3	Repayment schedule & terms	Bullet repayment on demand. Interest repayment on monthly basis Maximum outstanding cannot exceed ₹1,300 crore.
4	Whether secured or unsecured?	Unsecured
5	If secured, the nature of security & security coverage ratio	NA
6	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	Working Capital, Treasury management and general corporate purpose

B(5):Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Material covenants of the proposed transaction	Maximum outstanding cannot exceed ₹1,300 crore.
2	Interest rate (in terms of numerical value or base rate and applicable spread)	SBI 3 months MCLR + Spread capped at 2%
3	Cost of borrowing Note: This shall include all costs associated with the borrowing	8.39%
4	Maturity / due date	Upto 1 year
5	Repayment schedule & terms	Bullet repayment on demand. Interest repayment would be on monthly basis. Maximum outstanding cannot exceed ₹1,300 crore.
6	Whether secured or unsecured	Unsecured
7	If secured, the nature of security & security coverage ratio	NA
8	The purpose for which the funds will be utilized by the listed entity / subsidiary	Working Capital, Treasury management and general corporate purpose

PART C: Information to be provided only if a specific type of RPT mentioned below proposed to be undertaken is a material RPT and is in addition to Part A and B

C(1): Disclosure only in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party Note: Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any	CRISIL Ratings : AA-/ Stable
2	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default. Note: This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request. In addition, state the following: a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting; b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting; c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation; d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016. Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.	There is no default on borrowings over the last three financial years by the related party from the listed entity or any other person as confirmed to us.

RPT OF IIFL SAMASTA FINANCE LIMITED WITH IIFL CAPITAL SERVICES LIMITED *(FORMERLY KNOWN AS IIFL SECURITIES LIMITED)*

PART A: Minimum information of the proposed RPT

A(1): Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)*
2	Country of incorporation of the related party	India
3	Nature of business of the related party	IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* provides retail and institutional brokerage in equities, commodities, and currencies, along with depository services and financial product distribution like mutual funds, bonds, and alternative investment funds. IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* offers portfolio management, investment banking, wealth advisory, and research for institutional clients, high-net-worth individuals, and retail investors.

A(2): Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship with the related party	- IIFL Samasta Finance Limited is a related party of IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* and is subsidiary of IIFL Finance Limited. IIFL Capital Services Limited *(formerly known as IIFL Securities Limited)* and IIFL Finance Limited has common Promoter & Promoter Group. - Nature of interest: Financial

A(3): Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year i.e FY 2024-25	S. No. | Nature of Transactions | ₹ (in crore) 1 | Brokerage / Commission expense on structured product | 1.61 **Total** | **1.61**
2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	S. No. | Nature of Transactions | ₹ (in crore) 1 | ICD / loan taken | 100.00 2 | ICD / loan repaid | 100.00 **Total** | **200.00**
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	NA

A(4): Amount of the proposed transaction(s)

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders for FY 2026-27</td><td>
<table>
<tr><th>S. No.</th><th>Nature of Transactions</th><th>₹ (in crore)</th></tr>
<tr><td>1</td><td>Interest Income / expense</td><td>As per ICD pricing terms</td></tr>
<tr><td>2</td><td>ICD Given / repayment</td><td>1,500.00</td></tr>
<tr><td>3</td><td>ICD taken / repayment</td><td>1,500.00</td></tr>
<tr><td>4</td><td>Allocation / reimbursement of expenses paid</td><td>5.00</td></tr>
<tr><td>5</td><td>Allocation / reimbursement of expenses received</td><td>5.00</td></tr>
<tr><td>6</td><td>Brokerage Income (secondary market)</td><td>1.00</td></tr>
<tr><td>7</td><td>Brokerage / Commission expense on structured product</td><td>35.00</td></tr>
<tr><td>8</td><td>Purchase of investment and other securities</td><td>50.00</td></tr>
<tr><td>9</td><td>Sale of investment and other securities</td><td>50.00</td></tr>
<tr><td>10</td><td>Investment Banking/Advisory fees received</td><td>25.00</td></tr>
<tr><td>11</td><td>Investment Banking/Advisory fees paid</td><td>25.00</td></tr>
<tr><td>12</td><td>Sale of Fixed Assets</td><td>1.00</td></tr>
<tr><td>13</td><td>Purchase of Fixed Assets</td><td>1.00</td></tr>
<tr><td>14</td><td>Other transactions</td><td>1.00</td></tr>
<tr><td></td><td>Total</td><td>3,199.00</td></tr>
</table>
</td></tr>
<tr><td>2</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td>124%</td></tr>
<tr><td>4</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>NA</td></tr>
<tr><td>5</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>148%</td></tr>
<tr><td>6</td><td>Financial performance of the related party for the immediately preceding financial year:
Turnover
Profit after tax
Net worth
The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.</td><td>
<table>
<tr><th>Particulars</th><th>₹ (in crore)</th></tr>
<tr><td>Turnover</td><td>2,158.50</td></tr>
<tr><td>Profit After Tax</td><td>602.98</td></tr>
<tr><td>Net worth</td><td>2,219.54</td></tr>
</table>
</td></tr>
</table>

A(5). Basic details of proposed transactions

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th colspan="2">Information provided by the management</th></tr>
<tr><td rowspan="12">1&2</td><td rowspan="12">Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.) Details of each type of proposed transactions</td><td>Nature of Transactions</td><td>Details</td></tr>
<tr><td>ICD Given / repayment</td><td rowspan="2">Loans given and taken to effectively manage the working capital, treasury management and general corporate purpose</td></tr>
<tr><td>ICD taken / repayment</td></tr>
<tr><td>Interest income/ expense on ICD</td><td>Income earned / interest paid on the ICD given / taken respectively</td></tr>
<tr><td>Allocation / reimbursement of expenses paid</td><td rowspan="2">Allocations of common office overhead expenses such as technology, rent, electricity etc. on actual basis. Reimbursements in nature of employee cost i.e. gratuity, leave encashment, etc.,</td></tr>
<tr><td>Allocation / reimbursement of expenses received</td></tr>
<tr><td>Brokerage / Commission expense on structured product</td><td>Fee/commission income on dealing in the structured product</td></tr>
<tr><td>Brokerage income (secondary market)</td><td>Fees received by a broker for facilitating transactions involving secondary Market</td></tr>
<tr><td>Purchase/ sale of investment and other securities</td><td>Includes investments in equity, debentures, or instruments of similar nature of the related party or the other party.</td></tr>
<tr><td>Sale of Fixed Assets</td><td rowspan="2">Purchase / Sale of fixed assets between the Companies</td></tr>
<tr><td>Purchase of Fixed Assets</td></tr>
<tr><td>Investment Banking/ Advisory fees paid</td><td>Arrangement for Providing Leads/clients including business correspondent deals</td></tr>
<tr><td>Other transactions</td><td>Any transactions which are unforeseen and whose details are not available.</td></tr>
<tr><td>3</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td colspan="2">Till next AGM</td></tr>
<tr><td>4</td><td>Whether omnibus approval is being sought?</td><td colspan="2">Yes</td></tr>
<tr><td>5</td><td>Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.</td><td colspan="2">NA</td></tr>
<tr><td>6</td><td>Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity</td><td colspan="2">These transactions are regular business transactions of the Company and carried out at an arm's length and in accordance with the applicable laws. These transactions assist in running the business operations effectively.</td></tr>
<tr><td>7</td><td>Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. Explanation: Indirect interest shall mean interest held through any person over which an individual has control
a. Name of the director / KMP
b. Shareholding of the director / KMP, whether direct or indirect, in the related party</td><td colspan="2">Mr. R Venkataraman is the Managing Director in IIFL Capital Services Limited (formerly known as IIFL Securities Limited). Mr. R Venkataraman holds 1,11,84,432 (3.59%) equity shares in IIFL Capital Services Limited (formerly known as IIFL Securities Limited), as on March 31, 2026.</td></tr>
</table>

S. No.	Particulars of the information	Information provided by the management
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	NA
9	Other information relevant for decision making.	

PART B: Information to be provided only if a specific type of RPT as mentioned below is proposed to be undertaken and is in addition to Part A

B(1): Disclosure only in case of transactions relating to Sale, purchase or supply of goods or services or any other similar business transaction and trade advances.

S. No.	Particulars of the information	Information provided by the management
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	NA
2	Basis of determination of price.	On Actual basis
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following Amount of Trade Advance Tenure Whether same is self-liquidating?	NA

B(2). Disclosure only in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	SBI 3 month MCLR plus upto 2% spread. The interest on inter corporate deposit/ loans shall not exceed INR 100Cr during the FY
2	Maturity / due date	Upto 1 year
3	Repayment schedule & terms	Bullet repayment on demand. Maximum outstanding cannot exceed 700 crore
4	Whether secured or unsecured?	Unsecured
5	If secured, the nature of security & security coverage ratio	NA
6	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	Working Capital, Treasury management and general corporate purpose

B(5):Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Material covenants of the proposed transaction	Maximum outstanding cannot exceed 700 crs
2	Interest rate (in terms of numerical value or base rate and applicable spread)	SBI 3 month MCLR plus upto 2% spread. The interest on inter corporate deposit/ loans shall not exceed INR 100Cr during the FY
3	Cost of borrowing Note: This shall include all costs associated with the borrowing	Nil
4	Maturity / due date	Upto 1 year
5	Repayment schedule & terms	Bullet repayment on demand. Maximum outstanding cannot exceed 1,300 crs.
6	Whether secured or unsecured	Unsecured
7	If secured, the nature of security & security coverage ratio	NA
8	The purpose for which the funds will be utilized by the listed entity / subsidiary	Working Capital, Treasury management and general corporate purpose

PART C: Information to be provided only if a specific type of RPT mentioned below proposed to be undertaken is a material RPT and is in addition to Part A and B

C(1): Disclosure only in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party Note: Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any	CRISIL Ratings : AA-/ Stable
2	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default. Note: This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request. In addition, state the following: a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting; b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting; c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation; d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016. Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.	There is no default on borrowings over the last three financial years by the related party from the listed entity or any other person as confirmed to us.