Ref. No.: LIFL/SLC/2026-27/34
Date: August 22, 2026

To,
Listing Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai – 400 001(Maharashtra)
Scrip Code: 544465, 975797, 977574

To,
Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (East)
Mumbai-400051(Maharashtra)
Symbol: LAXMIINDIA

Subject: Notice of 29th Annual General Meeting and Annual Report for the Financial Year 2025-26

Dear Sir/Ma'am,

In continuation to our letter dated August 12, 2026 in relation to the date of the 29th Annual General Meeting ("AGM") of Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited) ("the Company"), pursuant to Regulation 34(1), 53(2)(a) read with Regulation 30, 50(2) and 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), please find enclosed a copy of the following:

- Notice convening the 29th AGM of the Company scheduled to be held on **Wednesday, September 16, 2026 at 04:30 P.M. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"); and
- Annual Report of the Company for the Financial Year 2025-26.

The aforesaid documents are also available on the website of the Company at www.lifc.co.in and are being sent electronically to all the Members of the Company whose e-mail addresses are registered with the Company/ MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), the Registrar and Share Transfer Agent of the Company ("RTA")/ Depositories/ Depository Participant(s).

This is for your information and record.

Thanking you,

Yours faithfully,

For Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)

SOURABH MISHRA
Digitally signed by SOURABH MISHRA
Date: 2026.08.22 15:39:36 +05'30'

Sourabh Mishra
Company Secretary & Chief Compliance Officer
M. No.: A51872

Encl.: As above




Annual Report 2025-26

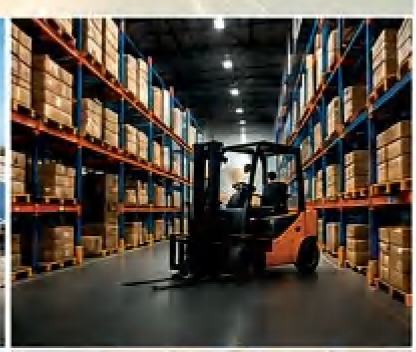
LAXMI INDIA FINANCE

LAXMI
INDIA FINANCE LIMITED

THE BUSINESS OF
EMPOWERING BHARAT








Empowering Today
Building Tomorrow

Trusted Relationships
Lasting Growth

Financing Aspirations
Fuelling Progress

Deeper Reach
Stronger Impact

Contents

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Financial Section

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AGM Date
September 16, 2026

AGM Mode
Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")

VC platform and voting
InstaMeet and InstaVote

www.lifc.co.in

Scan this QR code to navigate
Reports and other investor information

CAUTIONARY STATEMENT

Certain statements contained in this Report relating to the Company's objectives, strategies, plans, projections, outlook, expectations, estimates or future performance may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Such statements are based on assumptions and expectations considered reasonable at the time of preparation of this Report. Actual results, performance or developments may differ materially from those expressed or implied due to factors beyond the direct control of Laxmi India Finance Limited and its management, including changes in climatic and macro-economic conditions, demand and supply dynamics, government policies, regulations and taxation, natural calamities and other external developments that may influence the Company's business and operations.

In presenting the Company's business, operations and broader value-creation journey, this Report also uses illustrative visuals, themes and images to enhance communication and provide appropriate context to the information presented. These may include original photographs, representational images and certain visuals generated using artificial intelligence. Unless specifically identified as actual, such visuals should be understood as illustrative representations and not as depictions of the Company's actual facilities, assets, employees, operations or business situations. Accordingly, these visual representations should be read in conjunction with the underlying disclosures in this Report and do not alter or affect the accuracy and reliability of the financial and non-financial information presented herein.

Today, opportunity is no longer limited by geography

It is taking root in the workshops, farms, markets and neighborhoods of Bharat.

Today, an entrepreneur can acquire the machinery to grow

A shopkeeper can expand inventory.
A transport operator can put another vehicle on the road.
A family can build, improve or unlock the value of its home.

Today, finance must do more than fund a transaction

It must understand ambition, recognize effort and stand beside those building a better future.

At Laxmi India Finance, we believe every aspiration deserves a trusted partner. We believe in lending with empathy, underwriting with discipline and growing with responsibility. From Tier II and Tier III markets to emerging enterprise hubs, we enable the ambitions of MSMEs, self-employed individuals, vehicle owners, traders and families.

We will deepen relationships.
We will widen access to formal credit.
We will combine local understanding with technology-led efficiency.
We will continue to create opportunities- one customer, one enterprise and one aspiration at a time.

Because when Bharat's small dreams find the right support, they become enterprises, livelihoods and progress.

This is the business of empowering Bharat.

The year under review marked a defining chapter in the journey of Laxmi India Finance Limited. The successful completion of our Initial Public Offering and listing on the stock exchanges represented much more than a capital market milestone. It reflected the confidence placed in us by our investors and shareholders and brought with it a greater responsibility to uphold the standards of transparency, governance and accountability expected of a listed institution.

We are grateful for this trust. As we begin this new chapter, we remain committed to strengthening the institution we have built while staying true to the values and relationships that have shaped our journey this far.

Our journey has been built steadily, one market and one customer relationship at a time. From our beginnings in Rajasthan, we have evolved into a diversified retail-focused NBFC with an expanding presence across multiple states. Over the years, we have developed a deeper understanding of MSMEs, entrepreneurs, self-employed individuals and customers whose financial requirements are often closely linked to their businesses, livelihoods and productive assets.

What has remained consistent through this evolution is our approach: staying close to the customer, understanding local realities and combining accessibility with prudent lending practices. Our growing physical presence, secured lending orientation and knowledge of the markets in which we operate have progressively strengthened the foundation of the Company.

Becoming a listed company gives us an opportunity to build on this foundation with greater scale and institutional depth. It also raises the expectations we place upon ourselves. We recognize that sustainable growth must be supported by responsible lending, sound risk management, stronger governance, technology-enabled processes and an organisation capable of serving customers consistently as it expands.

As we move forward,

our endeavour will be to preserve the closeness, understanding and entrepreneurial spirit that have shaped Laxmi India Finance while progressively strengthening the systems, capabilities and governance required for a growing institution. With greater visibility comes greater responsibility, and we remain conscious of the trust placed in us by every stakeholder. We enter this next phase with a clear purpose: to grow responsibly, serve meaningfully and build an institution that creates enduring value for all those associated with us.

Introducing Laxmi India Finance

Lineage

For nearly three decades, Laxmi India Finance Limited has been building a financial services franchise focused on understanding and serving the credit requirements of customers across India's growing regional markets.

Headquartered in Jaipur the Company is a retail-focused Non-Banking Financial Company with a diversified lending portfolio spanning MSME Finance, Vehicle Finance, Construction Finance, Business Finance, Personal Finance, Loan against Property and Term Loans. At the heart of its business is secured MSME lending, through which it serves entrepreneurs, traders, self-employed professionals and small business owners seeking finance to strengthen their businesses and pursue new opportunities.

The Company's approach combines a strong on-ground presence with local market understanding, relationship-led customer engagement and disciplined credit assessment. This enables the Company to serve customers across rural, semi-urban and urban markets, including segments that may remain underserved by traditional channels.

Management bandwidth

The Company is managed by Mr. Deepak Baid (Managing Director), Mrs. Prem Devi Baid (Whole-Time Director), Mrs. Aneesha Baid (Whole-Time Director) and backed by a team of seasoned professionals. Over the years, they have taken the Company to newer heights and it has emerged as one of the most trusted financial service providers in India.

BSE Ticker	544465
NSE Ticker	LAXMIINDIA
CIN	L65929RJ1996PLC073074
ISIN No.	INE06WU01026
Market Capitalisation	₹ 40,920.52 Lakhs

Remember me Search

Mission

To empower individuals and businesses across India through accessible, customer-centric financial solutions. We are committed to responsible lending, transparent processes, and strong corporate governance, ensuring a smooth, reliable, and trustworthy experience for every customer.

Vision

To uphold the highest standards of corporate governance while building a customer-focused, technology-driven and process-oriented financial institution. We aim to enhance access to financial solutions and help our customers achieve their personal and business goals through responsible and transparent lending.

Our business approach

- Local Understanding
- Customer Proximity
- Secured Lending
- Disciplined Expansion

Enabling progress for Bharat

At Laxmi India Finance, value creation goes beyond financial performance. We seek to enable the aspirations of customers, support the growth of our people, create long-term confidence among shareholders and lending partners, and contribute meaningfully to communities.

Our branch-led model, disciplined credit practices and technology-enabled processes help us deliver responsible credit in markets where access to formal finance can transform a livelihood or a small enterprise. As we scale, we remain focused on building an institution that creates sustainable value for every stakeholder.

Maximising shareholder value

The stronger capital position following the IPO helped increase CRAR to 26.12% and reduce gross debt/equity to 2.87x while the average cost of borrowings declined to 10.80%.

₹4,968 Lakhs
Profit after Tax, up 38.33% year-on-year

₹46,547 Lakhs
Net Worth

Deepening customer relationships

We serve MSMEs, self-employed individuals, traders, transport operators and households through a diversified portfolio of nine lending products. Our branch teams combine local-market understanding with digital tools to provide responsive service, efficient turnaround and credit solutions aligned with customers' income profiles and aspirations.

42,809
Customers served across six states

₹82,144 Lakhs
Disbursements during FY2025-26

₹1,62,626 Lakhs
Assets Under Management, up 27.35% year-on-year

Growing with our people

Our people are central to responsible lending, customer engagement and prudent risk management. We invest in capability development across lending operations, underwriting, Know Your Customer (KYC)/Anti-Money Laundering (AML), risk management, technology and customer service, while fostering an inclusive workplace where employees can learn, contribute and grow.

1,805
Employees supporting our expanding franchise

Great Place to Work® certified
For the period February 2025 to February 2026

20,90,000 options
ESOS 2023 pool for eligible employees

Supporting communities

Our community investments are focused largely in Rajasthan, with education representing the largest component of our CSR spend. During the year, initiatives included school infrastructure and learning support, nutrition assistance, healthcare and eye-treatment camps, support for vulnerable groups and animal-welfare interventions

₹66.57 Lakhs
CSR expenditure in FY2025-26

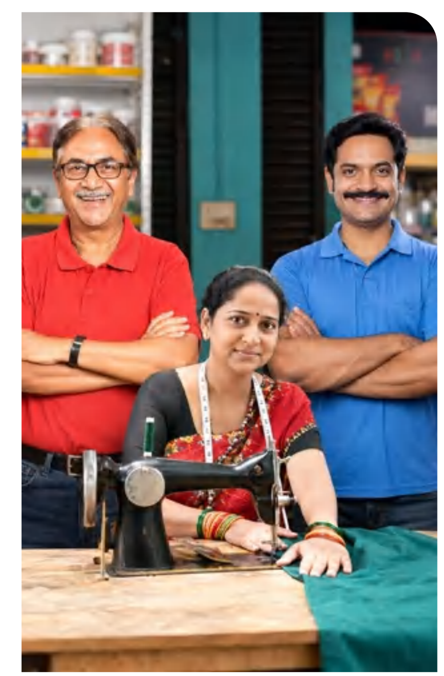
19
Projects across education, healthcare, hunger alleviation and animal welfare

Building confidence with lenders

A diversified borrowing profile, active treasury management, stronger capitalisation and the upgrade in external credit rating to Acuité A/Stable strengthened the Company's funding platform. The Company maintained a positive cumulative ALM surplus across maturity buckets, supporting liquidity discipline and long-term balance-sheet resilience.

48
Lenders across banks, small finance banks, NBFCs and financial institutions

10.80%
Average cost of borrowings, down 68 bps year-on-year



Milestones in empowering Bharat

Every journey is shaped by milestones that reflect the progress, transformation and growing capabilities of an organisation over time, marking the transition from one phase of development to another while strengthening the foundation for what lies ahead, and for Laxmi India Finance, these milestones represent a steady evolution in scale, reach, product offerings, customer relationships and institutional capabilities as the Company continues to expand its presence and build a stronger platform for sustainable growth.

1996
Incorporated as Laxmi India Finleasecap Private Limited.

2001
Received licence from the Reserve Bank of India to operate as an NBFC.

2010
Acquisition of control of the Company by the current Promoters.

2011
Launched MSME loan product.

2017
- Crossed AUM of Rs.1,000 million.
- Launched Construction Loan Product.

2018
Designated as NBFC - Investment and Credit Company.

2019
- Opened the first branch in Gujarat.

2020
- Customer base crossed 10,000.
- Opened the first branch in Madhya Pradesh.

2021
Designated as an NBFC-ND-SI by the Reserve Bank of India.

2022
Crossed 100 branches.

2022
Crossed 100 branches

2023
Crossed AUM of Rs.5,000 million.

2024
- Crossed AUM of Rs.10,000 million.
- Categorized as an NBFC-Middle Layer.
- Customer base crossed 25,000.

2025
- Opened the first branch in Uttar Pradesh.
- IPO and listing on BSE and NSE.

2026
- Started operations in Maharashtra.
- On-boarded co-lending partners.
- Started paperless documentation through e-sign.

Deepening our reach across Bharat

At Laxmi India Finance, we are expanding our presence across high-potential rural, semi-urban and urban markets, bringing responsible and responsive credit closer to individuals, entrepreneurs and small businesses. Our branch-led model combines strong local relationships with technology-enabled processes, helping us understand customer needs, assess credit responsibly and provide timely financial solutions. Through disciplined geographic expansion, we are strengthening our franchise while widening access to formal finance across Bharat.

Calibrated expansion

Our geographic expansion follows a phased hub-and-branch approach, with new markets evaluated through field surveys, competitive assessment and local delinquency trends before operations are progressively scaled. During FY2025-26, the Company strengthened its presence particularly in Uttar Pradesh and Madhya Pradesh while commencing operations in Maharashtra, helping broaden the franchise beyond its traditional Rajasthan base.

Technology-enabled branch network

Our physical distribution is supported by an integrated digital operating architecture covering customer onboarding, credit assessment, disbursement, collections and portfolio monitoring. Digital KYC, credit bureau integration, automated document workflows and real-time MIS improve turnaround time, process consistency and branch-level visibility while allowing frontline teams to remain focused on customer relationships.

Phygital led customer connect

Our operating model combines the strength of local branch relationships with technology-enabled lending processes. All branches are integrated with our digital Loan Origination and Loan Management Systems, enabling real-time workflows across customer onboarding, credit assessment, disbursement, collections and portfolio monitoring.

Mobile-enabled sourcing, eKYC, bureau integration, geo-tagged collateral verification, CRM, digital repayment modes and automated workflow controls help reduce manual intervention, improve oversight and support faster turnaround times. By combining these digital capabilities with personal, branch-led engagement, we continue to deliver a responsive and responsible customer experience as our network expands.

176
Branches across six states

92
Branches in Rajasthan, our core market

18
Net Branch Additions in FY2025-26

Rajasthan 92	Gujarat 23	Chhattisgarh 05
Madhya Pradesh 40	Uttar Pradesh 15	Maharashtra 01

Map not to scale. For illustrative purposes only.

Lending responsibly. Enabling Bharat.

At Laxmi India Finance, responsible lending is central to the way we create lasting value. We combine a predominantly secured, cash-flow-based lending approach with local market understanding, Centralised credit assessment and technology-enabled processes.

Our teams work closely with customers throughout their financial journey, from sourcing and appraisal to disbursement, servicing and collections. This relationship-led model helps us assess repayment capacity prudently, identify early warning signals and respond to emerging risks with agility.

As we expand across Bharat, we remain focused on maintaining disciplined underwriting, transparent customer engagement, sound liquidity and a strong capital base. Because every responsible credit decision helps protect trust, sustain livelihoods and turn aspirations into enduring progress.

93%
Own-book share of AUM

26.12%
Capital Adequacy Ratio

₹40,993 Lakhs
Positive cumulative ALM surplus up to the five-year maturity bucket

1.48x
Interest Coverage Ratio

Empowering Bharat through financial strength

India's growth journey continues to create meaningful opportunities for small businesses, self-employed individuals and aspiring households across rural, semi-urban and urban markets. As formalisation deepens and enterprise activity expands beyond major cities, the need for timely, responsible and customer-centric credit is becoming increasingly important.

NBFCs play a vital role in this transition by complementing traditional banking channels with local-market understanding, flexible product structures and relationship-led delivery. For customers with evolving income profiles, limited documentation or emerging credit histories, access to suitable finance can enable a business expansion, a productive asset purchase or the next step towards financial stability.

At Laxmi India Finance, we are focused on serving these aspirations through a diversified portfolio spanning MSME and business finance, property-backed loans, vehicle and mobility finance, personal loans and wholesale lending. Our branch-led presence, supported by digital origination, underwriting and collections capabilities, enables us to combine proximity with process discipline.

FY2025-26 marked another year of meaningful progress. We expanded our Assets Under Management and grew our income. Our capital base strengthened materially. At the same time, our debt-equity ratio reduced thereby reinforcing our financial resilience.

Going forward, we will remain focused on calibrated growth, portfolio quality, prudent liquidity management and sustainable returns. By combining a strong capital foundation with responsible lending practices, we seek to create enduring value for customers, employees, lending partners and shareholders while continuing to empower Bharat's aspirations.

Revenue
(₹ in Lakhs)

FY25-26	31,960
FY24-25	24,804
FY23-24	17,622

Net Interest Income
(₹ in Lakhs)

FY25-26	16,178
FY24-25	11,669
FY23-24	8,259

Profit after Tax
(₹ in Lakhs)

FY25-26	4,968
FY24-25	3,591
FY23-24	2,247

Net Worth
(₹ in Lakhs)

FY25-26	46,547
FY24-25	25,789
FY23-24	20,178

Return on Total Assets
(%)

FY25-26	3.08
FY24-25	2.98
FY23-24	2.52

Return on Average Net Worth
(%)

FY25-26	13.73
FY24-25	15.62
FY23-24	13.71

EPS
(₹)

FY25-26	10.20
FY24-25	8.78
FY23-24	6.11

Debt-Equity Ratio
(Times)

FY25-26	2.87
FY24-25	4.41
FY23-24	3.87

Interest Coverage Ratio
(Times)

FY25-26	1.48
FY24-25	1.41
FY23-24	1.35

FROM THE DESK OF MANAGING DIRECTOR

Empowering Bharat

“I am pleased to share another year of steady growth and progress for Laxmi India Finance Limited. Our continued focus on responsible growth, asset quality, customer-centric lending, prudent risk management, and strong governance remains at the core of our journey.

I sincerely thank our customers, employees, Board Members, shareholders, lenders, and all stakeholders’ for their continued trust and support.

Dear Shareholders,

“Every dream deserves someone who believes in it before the world does.”

That belief has guided our journey from the very beginning. Our founding philosophy is captured in a phrase our customers understand instinctively. Sapne dekho bade dekho, hamare saath unhe pura hote dekho (Dream big and watch those dreams take shape with us beside you). It continues to define who we are and how we build this institution.

This year, as our theme reminds us, we remained committed to The Business of Empowering Bharat. Not the Bharat of glossy narratives, but the Bharat that opens its shutters early in the morning, negotiates in local dialects, calculates margins on paper and works with quiet determination to secure a better tomorrow for the next generation.

Reading the economy we serve

Context matters in lending. A loan approved in a strong economic season behaves very differently from one approved in a difficult year, and any lender who ignores that distinction eventually pays for it.

India remained the fastest growing major economy through FY2025-26, with GDP growth of 7.7% for the full year compared with 7.1% in the previous year. Consumer price inflation eased to approximately 2.4%, comfortably below the medium-term target. Manufacturing expanded by 10.7% while services grew by 9.9%, and the construction sector recorded growth of 8.4% in the final quarter.

Monetary conditions turned supportive as well. The Reserve Bank of India reduced the repo rate by a further 100 basis points during the year, taking the cumulative reduction since February 2025 to 125 basis points, while the Cash Reserve Ratio was lowered by 100 basis points to 3%. Non-food bank credit growth improved to 15.9% from 10.9% in the previous year.

For a lender like us, these developments carry practical consequences. Lower funding costs allow us to price more competitively. Improved liquidity strengthens our ability to plan. Steadier rural sentiment shows up in repayment behaviour long before it appears in any report.

Where the opportunity truly lies

Our industry is undergoing a structural shift. Non-banking financial companies collectively managed assets of approximately Rs.48 Lakhs crore at the end of FY2024-25, with retail segments accounting for close to 57% of sector portfolios and projected to cross Rs.50 Lakhs crore by FY2026-27.

The more compelling signal lies beyond the metros. Credit disbursement in semi urban and rural markets recorded a three-year compound annual growth rate of 21.6% as of March 2026. Formal finance is finally travelling into districts once served largely by informal lenders, and the borrower who previously depended on a moneylender is now comparing terms across institutions.

Within this landscape, micro, small and medium enterprises remain the strongest engine. India has more than 6.4 crore Udyam registered MSMEs, of which around 99.2% are micro enterprises. It is expected that NBFC MSME assets to grow at approximately 20% to 22% annually while crossing Rs.6 trillion by FY2027. The Union Budget for FY2026-27 reinforced this direction, raising capital expenditure to Rs.12.2 Lakhs crore alongside a proposed Rs.10,000 crore SME Growth Fund and measures to strengthen receivables financing.

Regulation has evolved alongside opportunity. From March 2026, all non-banking financial companies classify advances as non performing at ninety days overdue, bringing our sector fully in line with banks. I welcome this convergence. Uniform standards make comparisons honest and reward institutions that were already conservative.

This is precisely the environment in which our franchise has been built.

Standing where our customers stand

Leadership in lending is not exercised from a distance. It requires standing where our customers stand and seeing what they see.

We ended the year serving 42,809 customers, which means roughly one in every six customers on our books today was not with us twelve months ago. Each of those additions arrived with a plan rather than merely an application. Approximately 37 out of every 100 of our customers are borrowing formally for the very first time, often becoming the first person in their family to hold a documented credit record. Nearly one in four of our borrowers is a woman from a rural or semi-rural background, a proportion that says something meaningful about who is quietly driving enterprise in Bharat today.

Walk into any of our branches and you will notice something distinctive. Conversations here are rarely transactional. A borrower speaks about a wedding in the family, a delayed payment from a buyer, a plan to add a second machine or a hope of moving from renting a shop to owning one. Behind every loan file lies a life plan.

Our teams have learned to listen carefully because credit decisions taken without context can either deny a genuine opportunity or create avoidable stress. Neither outcome serves anyone well.

A year that redefined our identity

Every enterprise experiences moments that alter its self-image. For us, becoming a listed company was one such moment.

Our initial public offering brought Rs.15,158.61 Lakhs of fresh capital into the business after expenses, capital that exists on our balance sheet for one purpose alone, which is to lend responsibly to customers who need it. The strength this created is visible in our capital adequacy ratio of 26.12%, comfortably more than one and a half times the regulatory minimum of 15%, and in our debt equity ratio easing to 2.87 times from 4.41 times. Our net worth of Rs.46,547 Lakhs grew by 80.49% during the year, effectively adding almost as much capital in twelve months as we had accumulated over the preceding decades.

Listing changes far more than a shareholding structure. It changes expectations of transparency, the rhythm of reporting and the level of scrutiny applied to every decision. What pleased me most was the absence of hesitation in how our teams adapted. Discipline stopped being a preference and quietly became a permanent obligation.

Recognition followed conviction. Our external credit rating was upgraded from Acuité A minus having Positive Outlook to Acuité A with a Stable Outlook, and we were certified a Great Place to Work for February 2025 to February 2026. One reflects how the market reads our discipline. The other reflects how our own people read our culture. An institution needs both to endure.

Expanding with intent, not impulse

Growth deserves evaluation in terms of quality and intent rather than absolute size.

During the year, we continued to expand with the same discipline that has shaped our journey so far. We opened 19 branches and closed one in Gujarat, taking our network from 158 to 176 branches, a net addition of 18. The more important point, however, is where and how this expansion happened. Uttar Pradesh accounted for 11 of the new branches, reflecting our decision to deepen presence only after spending time understanding the market, customer behaviour and operating environment. Rajasthan continues to remain the anchor of our franchise with 92 branches, giving us depth in the market where our reputation and operating experience were first built. Maharashtra, meanwhile, saw the opening of our first branch during the year, marking the beginning of what we hope will become a carefully developed long-term presence.

Our approach to expansion has therefore remained deliberate rather than opportunistic. Before committing capital and managerial bandwidth to a market, we study local business patterns, competitive behaviour, borrower profiles and repayment culture. New branches are initially allowed to operate at a measured scale, enabling us to understand customer response and portfolio behaviour before building larger clusters. This approach may appear slower at the outset but it gives us greater confidence when we eventually decide to accelerate.

The same philosophy is visible in the growth of our loan book. Disbursements of Rs.82,144 Lakhs supported an increase in assets under management to Rs.1,62,626 Lakhs, representing a CAGR of 33.29% since FY2023. These numbers reflect strong business momentum, but what gives us greater comfort is the composition and ownership of that growth. The share of AUM carried on our own balance sheet increased to 93% from 90% a year earlier, indicating a greater proportion of growth being supported through our own lending platform and funding capabilities. For us, this is an important marker of institutional maturity because growth becomes more meaningful when it is accompanied by stronger underwriting confidence, funding depth and operating control.

We therefore do not look at geographic reach or balance-sheet expansion in isolation. The objective is to ensure that every new market we enter and every additional rupee we lend is supported by adequate understanding, operating capability and financial discipline. Reach without readiness can create fragility, whereas reach built on preparation, local insight and measured execution has the potential to create lasting strength.

Serving the enterprise engine of Bharat

MSME lending continues to remain at the centre of our business, not simply because it represents our largest portfolio but because it reflects the segment where we believe our understanding, distribution strength and underwriting capabilities can create the most meaningful value. These enterprises often sit at the intersection of aspiration and limited formal credit access, making the role of a relationship-led lender particularly relevant.

Our MSME book grew to Rs.1,29,868 Lakhs during the year and now accounts for nearly eight out of every ten rupees of our overall portfolio. More than 80% of this lending qualifies as Priority Sector Lending, reinforcing the alignment between our commercial priorities and the broader objective of extending formal credit to productive sections of the economy. Alongside this core franchise, our Construction and Loan Against Property portfolio increased to Rs.8,561 Lakhs, adding greater secured depth to the book while the Wholesale and Personal Loan portfolios more than doubled to Rs.5,297 Lakhs and Rs.4,318 Lakhs respectively. These businesses remain relatively small today but their progress is important because it shows that diversification is beginning to take shape without diluting the strength of our core.

Serving small enterprises requires more than standardised credit filters. Income patterns can be uneven, documentation may not always capture the full strength of a business and repayment capacity often needs to be understood in the context of actual operating cycles. Our credit framework is therefore designed to combine local judgement with institutional discipline. Proposals above Rs.25 Lakhs are evaluated by the Credit Committee while smaller proposals move through clearly defined authority levels, creating a structure where decisions can remain responsive without compromising the depth of scrutiny.

For us, the opportunity in MSME finance is therefore not about lending more at any cost. It is about understanding enterprises closely, structuring credit appropriately and building a portfolio where customer progress and portfolio quality can advance together.

Learning from what challenges us

An institution is tested not only by how it captures opportunities but also by how decisively it responds when parts of the portfolio behave differently from expectations.

During the year, our vehicle finance portfolio experienced higher stress, with segment credit cost increasing to 9.39% from 1.63%. We responded by consciously moderating exposure rather than pursuing growth in an environment where the risk-return equation had become less favourable. The portfolio reduced to Rs.14,582 Lakhs from Rs.20,588 Lakhs while underwriting standards, collection efforts and provisioning were strengthened. This approach reflects an important principle within Laxmi India Finance: when portfolio behaviour changes, growth must give way to prudence until greater visibility and confidence return.

The impact was also reflected in asset quality, with Gross NPA at 2.13% including the specific direct assignment pool default and 0.80% excluding it. Provision coverage stood at 49.43%, demonstrating our decision to recognise stress transparently and provide for it appropriately rather than allowing near-term considerations to influence credit judgement.

Importantly, the pressure remained concentrated and did not alter the underlying quality of our core franchise. Overall credit cost improved to 1.06% from 1.20% while credit cost in our core MSME & Construction credit cost improved to 0.27% from 1.11%. For us, this provides greater confidence in the resilience of the segment that forms the foundation of our lending business and validates the underwriting discipline developed over years of operating in these markets.

Challenges are valuable when they sharpen institutional judgement. We believe the more important measure is not whether stress emerges in a lending business but how quickly it is identified, acknowledged and acted upon. Our response during the year was therefore centered on early recognition, tighter underwriting and stronger portfolio monitoring because protecting the quality of the institution must always take precedence over protecting short-term growth numbers.

Building the phygital engine

Technology has become integral to the way we scale our business, but we continue to believe that its greatest value lies in strengthening human judgement rather than replacing it. Our approach is therefore distinctly phygital, combining the consistency, speed and visibility enabled by technology with the local understanding and personal engagement that remain essential to our customer segments.

Our branch network operates through integrated Loan Origination and Loan Management Systems supported by more than 110 technology tools, digital verification, bureau integration and a technology-enabled collections infrastructure. These capabilities have progressively reduced processing timelines, with commercial vehicle proposals capable of being concluded within 24 to 48 hours and MSME cases typically within 7 to 10 days. More importantly, digitisation is helping us standardise processes across a growing network, improve the quality of information available to credit teams and strengthen oversight across the lending lifecycle.

Yet faster processing alone does not define effective financial intermediation, particularly in the markets we serve. Our collections model therefore continues to retain a strong field presence because customer circumstances, business conditions and repayment behaviour often require context that cannot always be captured through data alone. Technology helps us identify where attention is required while our people bring the judgement, empathy and local knowledge necessary to understand what is actually happening on the ground.

For us, phygital is therefore not a choice between branches and technology. It is about making each stronger through the other, enabling us to expand without losing the customer proximity and underwriting judgement on which our franchise has been built.

Earning the confidence of capital

The strength of a lending institution is determined not only by its ability to deploy capital but also by the confidence with which capital providers continue to support it. Our funding platform has progressively broadened to 48 lenders, with nine new lenders commencing relationships with us during the year and extending combined sanctions of Rs.27,000 Lakhs. The diversification of this base provides us with greater funding flexibility while reducing dependence on any individual source of capital.

More significant to us than the size of this network is the discipline underlying these relationships. Since inception, we have maintained zero repayment delays and zero defaults to lenders, a record that reflects the seriousness with which we approach our financial commitments. This consistency, together with improvements in our credit profile and balance-sheet strength, has contributed to a decline in our average cost of borrowings for sixteen consecutive quarters, reaching 10.80% during the year.

Liquidity management remains an equally important part of this discipline. Our asset-liability position remained positive across every maturity bucket, with cumulative surplus ranging from Rs.10,993 Lakhs in the shortest maturity bucket to Rs.40,993 Lakhs over the five-year horizon. This provides us with an important cushion as the balance sheet expands and reinforces our ability to approach growth without compromising liquidity prudence.

Funding strength is ultimately built through consistency rather than individual transactions. For us, maintaining adequate liquidity, honoring commitments without exception and steadily broadening institutional relationships are fundamental to ensuring that the capital supporting our growth remains as dependable as the assets we create with it.

People who carry our promise

Our promise is ultimately delivered through people. Our team stood at 1,805 colleagues at the close of the year, strengthening the frontline and support capabilities required to serve a larger customer base across an expanding branch network.

We continue to invest in structured induction, on-the-job learning and skill development across credit appraisal, documentation, collections, customer engagement and regulatory compliance, while also strengthening cross-functional and leadership capabilities as the organisation scales.

Employee ownership is another important part of this journey. The Company's ESOP framework is designed to align employees more closely with the institution they are helping to build, reinforcing a stronger sense of participation and long-term commitment.

Contributing beyond the balance sheet

For us, responsible growth also means ensuring that the progress of the institution finds meaningful expression beyond its balance sheet. During theyear, we invested Rs.66.57 Lakhs across various community projects, with nearly three-fifths directed towards education, an area we believe can create enduring impact by expanding access, strengthening capabilities and opening pathways to a better future. Our interventions also extended to hunger alleviation, healthcare and animal welfare, addressing needs that influence the everyday well-being and dignity of the communities around us. We have consciously sought to support initiatives where our contribution can translate into tangible outcomes rather than merely fulfil an obligation.

Our CSR expenditure increased substantially over the previous year, reflecting a conscious effort to allow our social contribution to grow alongside the institution. For us, the significance lies not merely in spending more but in making our participation more purposeful, relevant and closely connected with genuine community needs. As Laxmi India Finance expands its reach, serves more customers and creates greater economic value, we believe our responsibility to contribute meaningfully to society must deepen alongside that progress.

The road we intend to travel

Looking ahead, we aspire to sustain assets under management growth of approximately 30% while targeting return on assets of 3.50% to 3.75%. We will deepen district level penetration, restore discipline in vehicle finance, consolidate our borrowing mix towards banks, explore new funding avenues including external commercial borrowings and continue investing in technology that shortens turnaround without diluting judgement.

Every borrower who signs an agreement with Laxmi India Finance is making a statement of hope. That belief is the most valuable asset on our balance sheet, even though accounting standards will never record it.

To our customers, thank you for allowing us to be part of your journey. To our employees, thank you for carrying our promise with sincerity. To our lending partners and shareholders, thank you for your continued confidence in the institution we are building together.

We began with a simple belief that dreams deserve support. That belief remains unchanged. What has changed is our capacity to act on it.

With warm regards,

Deepak Baid

MESSAGE FROM THE CHIEF FINANCIAL OFFICER

The trust that funds our growth

Dear Shareholders,

A finance function in a lending institution carries an unusual responsibility. We are asked simultaneously to enable growth and to question it. Both instincts must coexist without one overwhelming the other. FY2025-26 tested that balance more than any year in our recent history, and I am pleased to report that the balance held.

Reading the year through its arithmetic

Revenue for the year stood at Rs.31,960 Lakhs compared with Rs.24,804 Lakhs in the previous year. Behind that headline sits a more instructive detail. Interest earned contributed Rs.29,912 Lakhs while other income added Rs.2,047 Lakhs, which tells you that our earnings remain overwhelmingly a function of lending rather than incidental streams. In a sector where fee-led income can occasionally flatter a profit and loss statement, we prefer this clarity.

Net interest income rose 38.65% to Rs.16,178 Lakhs. What makes this figure satisfying is that it grew considerably faster than our loan book, which is the clearest evidence that margin management contributed as much as volume did. Total income net of interest expense reached Rs.18,225 Lakhs, an increase of 36.61%.

Profit before tax closed at Rs.6,605 Lakhs and profit after tax at Rs.4,968 Lakhs, representing growth of 39.48% and 38.34% respectively. Both figures absorb Rs.255 Lakhs of one-time public issue expenditure. Adjusting mentally for that charge, the underlying operating performance was stronger still, though I would rather present the number as reported and let readers make their own allowance.

Tax expense for the year stood at Rs.1,629 Lakhs, translating into an implied rate of 24.66% against 23.97% in the preceding year. The marginal increase reflects ordinary movement in the composition of taxable income rather than any change in tax position or one-off adjustment. We have deliberately avoided structures that optimise the reported tax charge at the cost of transparency, and the consistency of this rate across periods is intentional.

Where the margin actually came from

Every lender talks about margin expansion. Fewer explain its source honestly.

Our net interest margin improved to 11.26% from 10.47%, a gain of nearly 80 basis points. Ordinarily one would assume this came from charging customers more. It did not. Yield on the average portfolio actually eased to 21.30% from 21.77%, meaning our customers paid slightly less for credit during the year, not more.

The entire improvement, and then some, came from the liability side. Average cost of borrowings declined 68 basis points to 10.80%. Spreads consequently widened to 10.50% from 10.29%. This is the most encouraging composition of margin growth available to a lender because it is sustainable, it is customer-friendly and it reflects institutional credibility rather than pricing power exercised on borrowers who have limited alternatives.

For context, our cost of borrowings stood at 12.42% three years ago. Removing 162 basis points from a liability book of this size over that period has done more for shareholder returns than almost any other single lever available to us.

Putting the public issue proceeds to work

Since this is the first Annual Report following our listing, shareholders are entitled to a clear account of what became of the capital they subscribed.

The fresh issue raised gross proceeds of Rs.16,516.7 Lakhs, with net proceeds of Rs.15,158.6 Lakhs after issue-related expenditure. These proceeds were earmarked entirely towards augmenting the Company's Tier I capital base to meet future capital requirements for onward lending. There were no allocations towards general corporate purposes beyond permitted limits, no repayment of promoter obligations and no application of funds to any purpose outside the objects stated in the offer document.

The practical consequence is visible on the balance sheet. Reserves and surplus rose to Rs.43,934 Lakhs against paid-up equity of Rs.2,613 Lakhs, taking total equity to Rs.46,547 Lakhs. Every rupee raised now sits within the capital base supporting credit creation, which was precisely the commitment made at the time of the offer.

The unglamorous work of treasury

Cost of funds does not fall on its own. It falls because someone negotiates, refinances and occasionally walks away.

During the year we secured rate reductions of between 0.20% and 1.10% per annum on sixteen facilities through direct negotiation, principally on accounts that had completed six to twelve months of unblemished repayment history. A further twenty facilities delivered savings of between 0.09% and 1.72% per annum through benchmark-linked resets. We also prepaid Rs.3,371 Lakhs of relatively expensive debt carrying a blended rate of 12.32%, releasing a blended saving of 2.32% per annum on that tranche.

None of these actions is individually dramatic. Collectively they explain why our borrowing cost has now declined for sixteen consecutive quarters. Treasury work of this nature rarely produces announcements. It produces basis points, and basis points compound.

Composition of the liability book

The structure of our borrowings matters as much as its cost. As at the year-end, public-sector banks contributed 20.41% of the mix, small finance banks 14.82%, private banks 25.75%, non-banking financial companies and financial institutions 27.32%, non-convertible debentures 4.30%, direct assignment and co-lending arrangements 7.05% with the residual in cash credit.

More revealing is the incremental picture of the borrowings raised during the year, 64.15% came from banks against 61.33% on the overall book. That gap is deliberate. We are consciously migrating the liability profile towards bank funding, which typically offers finer pricing and longer tenor, while moderating dependence on higher-cost non-banking sources. This transition will take several years to complete and we intend to pursue it patiently.

Debt securities on the balance sheet rose to Rs.6,156 Lakhs, a meaningful increase that reflects our early steps towards capital-market funding. Term borrowings stood at Rs.1,27,575 Lakhs. Total borrowings of approximately Rs.1,33,731 Lakhs now support a loan book of Rs.1,50,253 Lakhs, with the balance funded by our own capital.

Efficiency, examined without flattery

Operating expenses increased 37.73% to Rs.10,215 Lakhs, comprising employee costs of Rs.7,251 Lakhs and other expenses of Rs.2,964 Lakhs. I would not describe this as a comfortable number, and I do not intend to present it as one.

The explanation is legitimate. A branch network expanding towards 176 locations, a materially larger workforce and the compliance architecture of a newly listed company all carry front-loaded costs. New branches consume expenditure well before they contribute meaningful income, and a listed entity absorbs reporting, audit and governance costs that a private company does not.

The relevant question is whether the operating base is scaling faster than the income it supports. Here the answer is reassuring. Profit before impairment and tax grew 35.20% to Rs.8,010 Lakhs, broadly in line with operating cost growth, which means our expansion has been self-funding rather than dilutive to profitability. As the branches opened this year mature, operating leverage should begin working in the opposite direction. That is the outcome we are underwriting for FY2026-27.

Provisioning without persuasion

Impairment is the line item where a finance function either earns credibility or quietly forfeits it.

Total provisions for the year stood at Rs.1,405 Lakhs, comprising expected credit loss provisioning of Rs.1,081 Lakhs and write-offs of Rs.324 Lakhs. Provision coverage on Stage 3 assets was maintained at 49.43%, with 2.16% coverage on Stage 2 and 0.39% on Stage 1 exposures.

A significant portion of the incremental provisioning during the year, amounting to Rs.987 Lakhs, related to the vehicle finance portfolio. The accounting treatment here deserves a word of explanation. Once delinquency patterns in that segment shifted, our expected credit loss model required recalibration of loss-given-default assumptions rather than merely a mechanical ageing of accounts. We accepted the resulting charge in full within the year rather than staggering it across periods, which is why the segment credit cost appears elevated while the consolidated figure remained contained.

The stage-wise movement deserves attention. Gross carrying value rose to Rs.1,50,253 Lakhs from Rs.1,14,024 Lakhs, while Stage 3 assets increased to Rs.3,203 Lakhs from Rs.1,218 Lakhs. During the year we also transferred Rs.3,499 Lakhs of exposure to an asset reconstruction company, a decision taken to resolve stress definitively rather than carry it forward through repeated restructuring.

Our provisioning philosophy is straightforward. We provide when evidence suggests we should, not when the profit and loss statement can conveniently accommodate it. That sequencing occasionally costs us a quarter. It has never cost us credibility with a lender or a rating agency.

Collections as a financial discipline

Collection efficiency is often presented as an operational metric. In my view it belongs equally to finance, because it is the single variable that most directly determines whether the cash flows underpinning our provisioning assumptions actually materialise.

Our collections infrastructure is centralised, technology-enabled and supported by a dedicated field team that tracks repayment schedules and overdue accounts in real time. Sustained collection efficiency at the levels we have maintained gives the finance function confidence that expected credit loss modelling reflects observable behaviour rather than theoretical estimates. When collections weaken, provisioning must strengthen. Because collections held firm across the core portfolio, our overall credit cost improved to 1.06% from 1.20% despite the segment-specific pressure discussed above.

Capital, and what it is for

Capital adequacy closed at 26.12%, comprising Tier I of 25.61% and Tier II of 0.51%. The near-total concentration in Tier I is worth pausing on, because it means our capital cushion is genuine loss-absorbing equity rather than subordinated instruments that merely satisfy a regulatory ratio.

Total assets reached Rs.1,81,778 Lakhs. Interest coverage improved to 1.48 times from 1.41 times, giving us greater comfort on debt-servicing capacity as the book expands.

I am often asked whether a capital adequacy ratio of this level represents inefficiency. It is a fair question. Capital held is capital not deployed, and every percentage point above the regulatory threshold carries an opportunity cost. My response is that we regard the present position as a growth runway rather than idle protection. It gives us the ability to expand the loan book substantially without returning to shareholders for fresh equity in the near term, and it gives our lenders a reason to price us finely. Over time, as this capital is deployed into earning assets, we expect leverage to normalise and returns to improve accordingly.

Liquidity as a permanent posture

We ended the year with liquidity of Rs.18,564 Lakhs and, more importantly, a positive cumulative asset-liability position across every maturity bucket. Cumulative surplus ranged from Rs.10,993 Lakhs in the up-to-three-month bucket to Rs.40,993 Lakhs across the five-year horizon.

There is no elegant argument for running a negative gap in any bucket in this business. Asset-liability mismatches have ended more non-banking financial companies than credit losses ever have. We review this position continuously and treat a positive cumulative surplus as non-negotiable rather than aspirational.

Direct assignment transactions remain a useful complement to this discipline. Assigned portfolios do not attract balance-sheet risk weightage, which allows us to improve capital efficiency and release liquidity without expanding leverage. We use the instrument selectively and for capital management purposes rather than to manufacture growth.

The framework behind the figures

Numbers carry meaning only when the framework producing them is sound.

Our financial statements are prepared in accordance with Indian Accounting Standards notified under the Companies Act, 2013, read together with the Non-Banking Financial Company Master Directions issued by the Reserve Bank of India, on a going-concern basis. Following our transition to a listed entity, we now also operate within the full scope of the SEBI Listing Obligations and Disclosure Requirements framework, which has raised the cadence and granularity of our reporting.

Internal financial controls covering loan origination, credit appraisal, disbursement, collections, treasury and statutory compliance are reviewed periodically, with the internal audit function reporting observations directly to the Audit Committee. Based on the reviews undertaken during the year, we believe these controls were adequate and operating effectively.

I should also note that per-share metrics for the year require careful reading, since the weighted-average share count reflects only part-year impact of the enlarged capital base. These measures will present a more comparable picture from the coming year onwards, and we will report them without adjustment or embellishment.

Returns, honestly framed

Return on total assets improved to 3.08% while return on average net worth stood at 13.73%. The latter figure declined optically from the previous year, and I want to address that directly rather than allow it to pass unexamined.

The moderation is a mathematical consequence of the equity infusion, not a deterioration in operating performance. When net worth expands by 80.49% mid-year while profit accrues across twelve months, the denominator temporarily outpaces the numerator. This is the arithmetic of every successful capital raise. As the new capital is deployed into earning assets over the coming periods, we expect return on equity to recover towards our medium-term target range of 13.50% to 14.00%, with return on assets targeted at 3.50% to 3.75%.

The year ahead

Our financial priorities for FY2026-27 are deliberately unspectacular. We will continue consolidating the borrowing mix towards banks, pursue further rate reductions as facilities season, evaluate external commercial borrowings and credit-guarantee structures as additional funding avenues, deepen our use of direct assignment for capital efficiency and work towards the next rating milestone.

Alongside this, we will maintain capital adequacy comfortably above regulatory requirements, protect the positive liquidity gap across all buckets and hold provisioning discipline steady regardless of how any individual quarter appears.

A lender is ultimately a custodian of other people's money. Depositors do not fund us, but banks, financial institutions and shareholders do, and each of them has alternatives. They choose us because our numbers have been reliable, our disclosures have been complete and our commitments have been honoured without exception since inception.

That trust is what funds our growth. Protecting it remains the first responsibility of this office.

With warm regards,

Gopal Krishan Sain

How we build every relationship

At Laxmi India Finance, distribution is not merely about presence. It is about proximity. Our branch-led, relationship-driven model keeps sourcing, customer assessment and engagement close to the markets we serve, supported by centralised credit oversight and technology-enabled processes. Dedicated Relationship Officers embedded within branches help us understand borrower cash flows, local business conditions and customer requirements more closely, strengthening both customer connect and credit judgement.

Distribution at scale

176
Touchpoints across Tier II and Tier III markets

Cluster-based
Expansion model that deepens presence before widening it.

A three-tier distribution architecture

Our network is structured to balance reach with control, allowing us to serve customers at their doorstep while retaining centralised oversight from Jaipur.

Hub branches

Located in major city centres, these branches handle routing, supervision and oversight for the cluster around them. Hub-based credit teams typically cover two to three branches each, bringing consistency to underwriting decisions across the region.

Spoke branches

Positioned in district towns, spoke branches carry out day-to-day transactions, customer servicing and support. They form the operational backbone of our presence in Tier II and Tier III markets.

Collection centres

Village-level touchpoints that make repayment convenient for customers who may otherwise need to travel considerable distances. These centres bring the Company physically closer to the borrower's own environment.

Who we serve

Our customers are largely self-employed, informally documented and underbanked. They are people whose income is real and demonstrable, even when it does not always appear in a conventional credit file.

Customer segment	What they need from us
MSME and self-employed borrowers	Working capital and business expansion finance aligned to business cash flows.
Small traders and shop owners	Business finance addressing working capital and expansion requirements.
Vehicle owners and transport operators	Financing for income-generating commercial assets with visible cash flows.
Salaried customers in smaller cities	Small-ticket, secured or cash-flow-backed loans supported by stable monthly income.

We concentrate deliberately on middle-income and lower-income households, segments where formal credit access remains thin and where a single well-structured loan can meaningfully change a family's trajectory.

The relationship officer at the centre

Every branch has dedicated Relationship Officers embedded within it. Crucially, the same individual carries responsibility across sourcing, assessment and ongoing engagement rather than passing the customer through disconnected departments.

This single-point ownership produces three outcomes that matter to us.

- Better judgement at origination, because the person recommending the loan is the person who has met the customer, visited the premises and understood the business.
- Higher repeat business, since customers return to a familiar face rather than an anonymous process.
- Lower delinquency risk, as early signs of stress are noticed by someone who already knows what normal looks like for that borrower.

The advantage of local knowledge

Formal documentation tells only part of a small borrower's story. Our teams supplement it with something harder to replicate, which is genuine familiarity with the market they operate in.

Branch staff understand local borrower profiles, seasonal cash-flow patterns and realistic collateral values in their own towns. They draw on neighborhood references and community reputation during appraisal, and they apply the same knowledge during collections. The result is faster decisions without weaker judgement, and stronger asset quality without slower service.

What makes our offering different

Fast approvals with low documentation: Commercial vehicle proposals can be concluded within 24 to 48 hours, while MSME cases typically complete within 7 to 10 days.

Cash-flow based, risk-aligned pricing

Credit assessment begins with the borrower's actual earning capacity rather than paperwork alone, and pricing reflects the risk profile fairly.

Digital-first journey with branch-level support

Customers benefit from digital onboarding and repayment convenience while retaining access to a person they can walk in and speak to.

A model built for smaller markets

Cluster-based expansion keeps operating costs contained, builds customer stickiness and creates a community connect that limits competitive intensity in our core geographies.

Sourcing through multiple channels

While branches remain our primary origination engine, they are supported by direct sales associates and the **Laxmi Mitra** referral application, which enables real-time lead tracking at minimal acquisition cost. Around 37.1% of our customers are first-time borrowers, a reflection of how far this combined sourcing model reaches into under-served segments.

BUSINESS SEGMENT REVIEW

Empowering Bharat by lifting and fulfilling others dreams

Our product portfolio has evolved around the diverse financing needs and circumstances of the customers we serve. Over three decades, those questions have shaped a portfolio of nine lending products, organised under four broad heads, each designed around a distinct purpose, security structure and repayment reality.

Our customer-centric approach encompasses

- Personalised touch
- Quick credit decisions
- Speedy approval and disbursement
- Utmost transparency
- Simple documentation
- Easy and flexible repayment terms

MSME and Business Finance

If India has an unsung hero of economic growth, it is the small enterprise. The workshop that never makes headlines yet employs the neighbourhood. The trading unit that keeps a local supply chain moving. We entered this segment in 2011 and it has anchored our portfolio ever since, offering secured loans that help enterprises sustain and expand operations, purchase equipment, upgrade capacity and bridge the gap between an order received and a payment realised. Our average ticket size ranges up to Rs.25 Lakhs under MSME, extending to Rs.50 Lakhs under MSME Prime.

Lending here is distinguished not by the product but by the assessment. Income patterns are uneven, documentation rarely captures the full strength of a business and repayment capacity must be read against real operating cycles. Our efficient team comprising credit managers, legal professionals and empanelled valuers adds value to this growth.

Our focus areas comprise

- Micro and small manufacturers and service enterprises
- Traders, wholesalers, distributors and retailers
- Self-employed professionals with informal documentation
- First-time borrowers entering formal credit

Key highlights, FY2025-26

- Over 80% of MSME loans qualify as Priority Sector Lending
- Average loan-to-value maintained at a conservative 60%
- Segment credit cost improved to 0.27% from 1.11%
- Hub-based credit teams covering two to three branches each
- Proposals above Rs.25 Lakhs evaluated by the Credit Committee
- CERSAI registration and independent valuation on secured case

Road ahead

- Deepen district-level penetration within existing states
- Expand MSME Prime for larger established enterprises
- Strengthen cross-sell into existing customer relationships

AUM	Y-o-Y growth	Credit cost
FY2024-25 Rs.1,03,700 Lakhs	FY2024-25 35.68%	FY2024-25 1.11%
FY2025-26 Rs.1,36,322 Lakhs	**FY2025-26 31.46%**	**FY2025-26 0.27%**

Voice of our Customer

Timely financial support has helped me invest in my business, meet growing orders, and expand with confidence. The process was simple, responsive, and aligned with my business needs.

Property-backed Finance

There is something quietly reassuring about a loan secured against a home or a shop. It tends to be among the most resilient forms of credit through any economic cycle, because both borrower and lender hold real stake in the outcome. India's loan against property market is growing at faster pace over the past five years, with NBFCs growing their books considerably faster than banks in this space.

For a lender rooted in semi-urban markets, this division offers a natural hedge. Property-backed lending adds secured diversification to the overall portfolio. For our customers, a house or shop built over years of effort finally works as an asset, funding construction, renovation or acquisition without the family parting with what it already owns. Ticket sizes extend up to Rs.25 Lakhs against residential property.

Our focus areas comprise

- Property-owning households in semi-urban and rural markets
- Customers seeking house construction and renovation finance
- Borrowers requiring longer-tenure secured credit
- Self-employed individuals with property collateral

Key highlights, FY2025-26

- Independent valuation and legal title chain verification on every case
- Physical inspection with geo-tagging of collateral
- Lower delinquency profile providing stability to the overall book
- Division scaled alongside MSME within the same branch infrastructure

Road ahead

- Grow the division through existing branch capacity
- Use property-backed structures to build longer customer relationships
- Strengthen technical and legal vendor panels in newer geographies

AUM	Y-o-Y growth	Security
FY2024-25 Rs.6,215 Lakhs	FY2024-25 16.23%	Residential property
FY2025-26 Rs.8,561 Lakhs	**FY2025-26 37.76%**	**Fully secured**

Voice of our Customer

Getting the right financial support helped me turn my property into an opportunity. The process was straightforward, transparent, and gave me the confidence to move ahead with my plans.

Vehicle and Mobility Finance

Few asset classes tell India's growth story as literally as the commercial vehicle. Every truck on the highway and every three-wheeler weaving through a mandi is a small business on wheels. For most customers in this division, the vehicle is not a possession but the primary source of household income, which makes both the financing decision and the collection conversation unusually consequential. We finance commercial vehicles up to Rs.15 Lakhs, electric three-wheelers up to Rs.4 Lakhs and two-wheelers up to Rs.1.5 Lakhs.

This is also where India's energy transition is unfolding fastest, with electric three-wheelers now accounting for the majority of retail sales in their category. FY2025-26 was a year of deliberate restraint here. When delinquency patterns changed, we chose to moderate exposure rather than defend volume, tightening underwriting and provisioning fully within the year.

Our focus areas comprise

- Small road transport operators and first-time buyers
- Self-employed drivers and small fleet owners
- Three-wheeler and electric three-wheeler operators
- Two-wheeler customers across smaller towns

Key highlights, FY2025-26

- Underwriting deliberately tightened following elevated delinquency
- Portfolio exposure was consciously moderated as underwriting was tightened
- Segment credit cost provisioned in full within the year
- Technology-assisted vehicle valuation as part of underwriting
- Turnaround of 24 to 48 hours maintained on approved cases

Road ahead

- Restore growth only once portfolio behaviour stabilises
- Build presence in electric three-wheeler financing
- Strengthen valuation grids and resale-market intelligence

AUM	Credit cost	Loan-to-value
FY2024-25 Rs.20,588 Lakhs	FY2024-25 1.63%	FY2024-25 80-90%
FY2025-26 **Rs.14,582 Lakhs**	**FY2025-26** **6.26%**	**FY2025-26** **80-90%**

Retail and Partnership Finance

Not every loan buys a machine or a vehicle. Sometimes it funds a wedding, a medical bill or a child's school admission. Personal loans of up to Rs.4 Lakhs allow us to serve the smaller, everyday credit needs of borrowers we already know well, turning a single customer touchpoint into a longer relationship. Because these customers arrive with an established repayment record, the underwriting question shifts from who they are to what they now need.

Wholesale lending works differently. Through ticket sizes ranging from Rs.25 Lakhs to Rs.500 Lakhs, we channel capital to partner institutions that on-lend for MSME and vehicle purposes, extending our participation in credit creation without extending our physical network. Both divisions remain small in absolute terms, yet both scaled fastest in percentage terms during the year.

Our focus areas comprise

- Existing customers with established repayment records
- Partner NBFCs and institutions for on-lending
- Household requirements including education, medical and family events
- Secured wholesale exposures backed by loan portfolios

Key highlights, FY2025-26

- Both books more than doubled during the year
- Wholesale exposures secured against underlying loan portfolios
- Personal loans extended primarily to known borrowers
- Fastest-growing divisions in percentage terms

Road ahead

- Grow selectively while preserving the secured character of the overall book
- Deepen partner relationships within wholesale lending
- Continue positioning personal loans as a relationship-extension product

Term Loan AUM	Business Loan AUM	Personal Loan AUM	Combined growth
FY2024-25 Rs.1,898 Lakhs	FY2024-25 Rs. 547 Lakhs	FY2024-25 Rs.968 Lakhs	FY2024-25 Rs.3,413 Lakhs
FY2025-26 Rs.5,297 Lakhs	**FY2025-26 Rs. 2,107 Lakhs**	**FY2025-26 Rs.4,318 Lakhs**	**FY2025-26 Rs.11,722 Lakhs**

Voice of our Customer

Your timely support helped me meet important family needs without disrupting my business. The process was smooth, transparent, and gave me confidence when I needed financial assistance.

Empowering Bharat responsibly

Every approval carries a judgement about someone's ability to repay, and that judgement deserves structure.

Underwriting philosophy

Many of our customers operate viable enterprises whose economic strength may not always be fully reflected through conventional documentation alone. Our assessment therefore begins with earning capacity, business activity and repayment ability, supported by collateral rather than substituted by it. Credit decisions are backed by independent assessment and defined approval authorities, ensuring appropriate separation between origination and sanction.

Six appraisal pillars

Product selection

Experience across asset and business finance guides the proposals we pursue and those we decline at the outset.

Cash-flow underwriting

Earning capacity and repayment ability are validated through field investigation and a structured Credit Assessment Memorandum.

Documentation scrutiny

Identity records, collateral papers and relevant vehicle or property documents are examined alongside field and reference checks.

Credit infrastructure

Hub-based credit teams cover two to three branches each, supported by dedicated credit professionals.

Multi-level assessment

Proposals are evaluated through defined branch and Head Office processes, with higher exposures receiving progressively higher approval scrutiny.

Assisted validation

Bureau and verification systems are combined with independent external valuation and legal checks where applicable.

Defined approval architecture

Credit authority progressively increases with ticket size, from Credit Manager-level approvals for smaller exposures to Credit Committee evaluation for proposals above Rs.25 Lakhs, ensuring that larger exposures receive progressively higher levels of scrutiny.

How we assess a borrower

Collateral verification

Residence and business premises visits, supported by independent valuation, legal title examination and CERSAI registration where applicable.

Business assessment

Evaluation of cash flows, margins and end use, together with product-policy and negative-list screening.

Reference validation

Neighbourhood and reference enquiries, bureau records, bank statements and existing obligation assessment.

11 INPUTS THAT SHAPE THE CREDIT SCORE

- Seasonality
- Loan-to-Value
- Business Margin
- Bureau Score
- Internal Rate of Return
- Fixed Obligation to Income Ratio
- Third-Party Check
- Existing Loans
- Cash Generation
- Source of Equity
- Sector

Protecting portfolio quality after sanction

Responsible lending does not end at approval. Product-specific safeguards, close customer engagement and early identification of stress help us protect both the borrower relationship and the quality of the portfolio.

Product-specific safeguards

- Co-borrower or guarantor support where required by product and risk profile
- Product-wise loan-to-value discipline
- Independent collateral valuation and legal verification where applicable
- Bureau, bank statement and existing-obligation checks
- Fraud-control and verification checks across the lending process
- Borrower insurance and other risk mitigants where applicable

A dedicated vehicle appraisal route

Vehicle finance follows a product-specific appraisal process combining policy-based lead screening, field documentation, bureau and obligation checks, vehicle valuation, borrower assessment and approval through defined authority levels. The process is supported by technology-assisted valuation and field verification, while approved commercial vehicle cases can achieve turnaround times of 24 to 48 hours.

Collections

Recovery begins long before an account becomes overdue. Our field-intensive and branch-led approach is built around early engagement, close understanding of customer circumstances and timely intervention when repayment behaviour changes. For many customers, the financed asset is also a source of livelihood, making constructive engagement and realistic resolution particularly important. Legal recourse remains available where necessary, but the first emphasis is on understanding the cause of stress and restoring repayment discipline.

Four collection pillars

Field-intensive engagement

High branch density in core markets supports regular on-ground customer contact and early identification of repayment stress.

Preventive detection

Branch-level monitoring, field follow-ups and physical verification help identify emerging concerns before they become prolonged delinquencies.

Conservative underwriting foundation

Collateral-backed lending and local credit expertise provide an important first layer of portfolio protection.

Prudent provisioning

Provisioning and portfolio monitoring provide financial buffers against identified credit stress.

When judgement was tested

Our vehicle finance portfolio came under pressure during FY2025-26 as delinquency patterns changed and the risk-return balance weakened. Rather than allowing near-term growth considerations to influence our response, we consciously moderated the portfolio, tightened underwriting, intensified collection efforts and strengthened provisioning within the year.

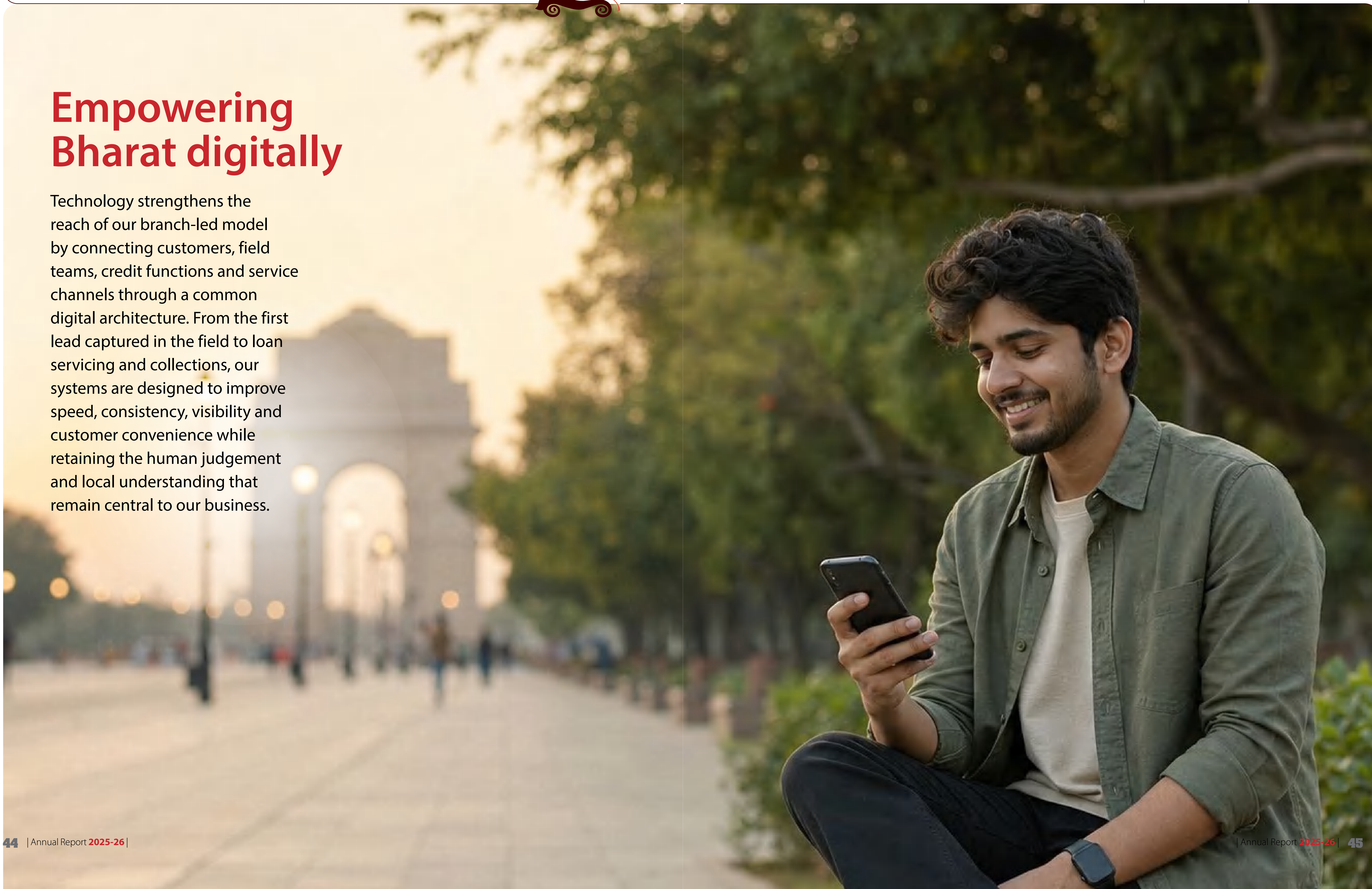
Importantly, the stress remained concentrated. Overall credit cost improved to 1.06% from 1.20%, while credit cost in the core MSME and Construction portfolio declined to 0.27% from 1.11%. For us, the significance lies in the ability of the broader portfolio to remain resilient while corrective action was taken in the affected segment.

Governance and independent oversight

Our credit and risk framework operates within defined policies, delegated authorities and Board-level oversight. Internal audit follows a risk-based plan covering credit appraisal, loan documentation, collections and branch operations, with observations and corrective actions reviewed through the governance framework. The broader internal control environment extends across origination, appraisal, disbursement, collections, treasury, technology and compliance, providing an additional layer of assurance as the business scales.

Empowering Bharat digitally

Technology strengthens the reach of our branch-led model by connecting customers, field teams, credit functions and service channels through a common digital architecture. From the first lead captured in the field to loan servicing and collections, our systems are designed to improve speed, consistency, visibility and customer convenience while retaining the human judgement and local understanding that remain central to our business.



Focus Areas
– Digital access
– Operational efficiency
– Customer experience

Key Risk
Information technology and cyber security

Business Enabler
Responsible lending at scale

Digital Lending Architecture

Our technology stack brings loan origination, customer onboarding, credit assessment, disbursement, servicing, collections and portfolio monitoring into an increasingly connected workflow. Cloud-based LOS and LMS platforms, CRM, mobile applications and automated verification tools provide a common operating layer across the branch network, helping reduce manual intervention and improve the quality and timeliness of information available for decision-making.

Lead generation

Field teams use tab and mobile-enabled sourcing to capture leads closer to the customer. Real-time bureau retrieval and digital preparation of the Credit Assessment Memorandum improve visibility at the point of origination and reduce dependence on paper-led movement of information.

Customer onboarding

Digital onboarding combines OKYC/eKYC, PAN and ITR verification, banking checks, bureau checks, Udyam verification, legal verification and property valuation where applicable. The mobile sales application supports instant data capture at customer locations, GPS-tagged collateral documentation and reduced paperwork.

Credit underwriting

Credit evaluation is supported by bureau integration, data-driven checks, personal discussion, CAM assessment,

Digital Scale

110+
Technology Tools

6
Connected lending stages

176
Branches on real-time systems

2
Laxmi Mitra Version

title and ownership-chain verification and EWS and AML controls. System-based deviation and approval workflows strengthen consistency across branches while retaining defined credit authority and human judgement.

Pre-disbursal

Pre-disbursal processes include e-NACH and e-sign-based documentation. During FY2025-26, the Company introduced e-sign-based paperless documentation for onboarding and loan execution, supporting a simpler and more efficient documentation journey.

Digital disbursal

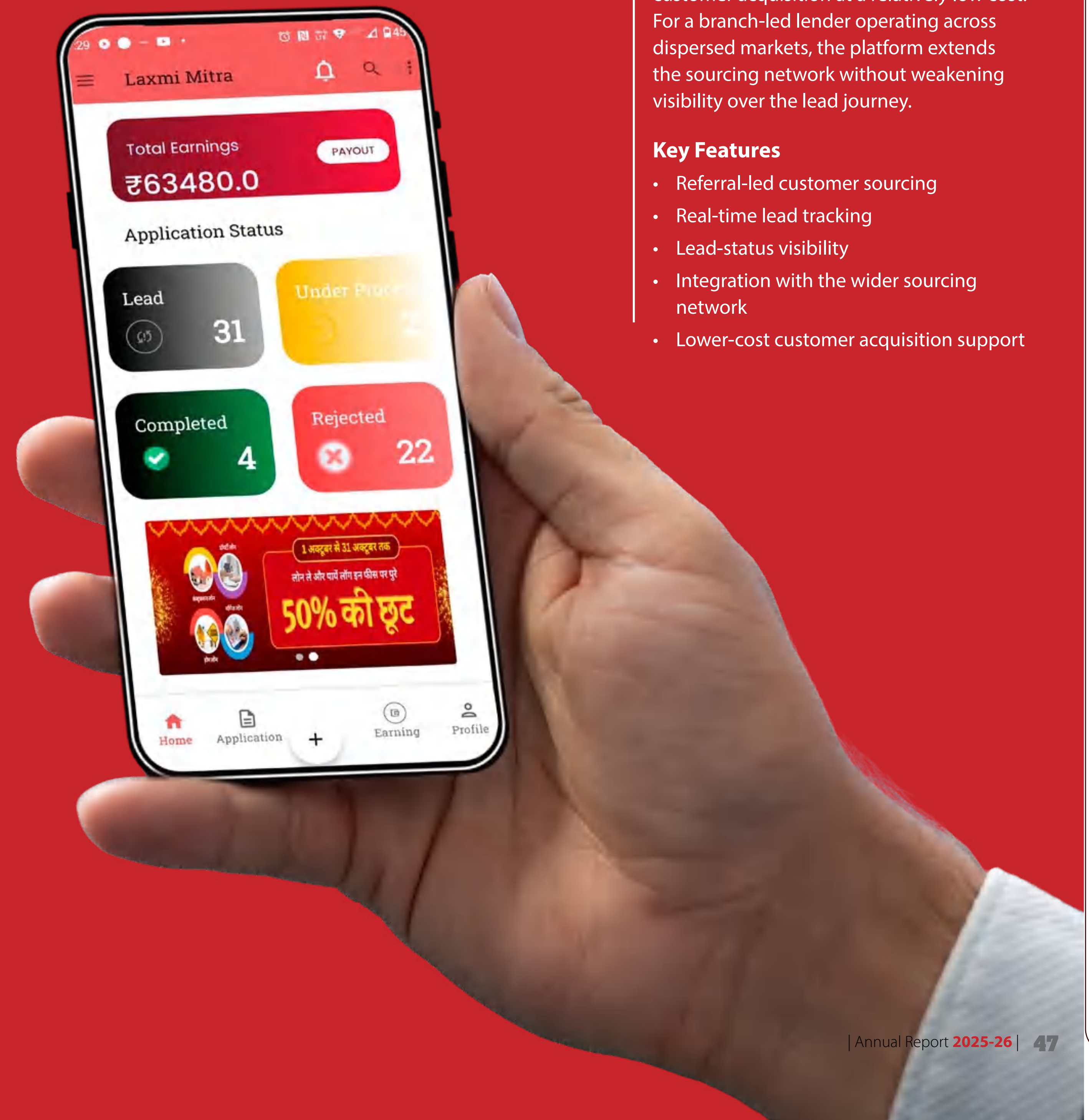
Approved loans can be disbursed through IMPS, RTGS and NEFT. Digital and physical document-storage processes support record management while WhatsApp-based welcome-kit delivery adds convenience at the point where the customer relationship moves from approval to servicing.

Loan servicing

The servicing layer combines the Customer App, CRM platform, call centre, WhatsApp, digital collections, the collection application and payment aggregators. This multi-channel architecture allows customers and field teams to interact through a mix of digital and assisted channels rather than depending on a single point of service.

Platform Availability

Platform	Availability
Laxmi Mitra	Android
Laxmi Loan	Android
Laxmi Seva	Web access



Laxmi Mitra

Laxmi Mitra is the Company's referral application and forms an important part of its multi-channel sourcing model alongside branches and direct sales associates. The application was upgraded to Version 2.0 during FY2025-26 and is designed to provide real-time lead tracking while supporting customer acquisition at a relatively low cost. For a branch-led lender operating across dispersed markets, the platform extends the sourcing network without weakening visibility over the lead journey.

Key Features

- Referral-led customer sourcing
- Real-time lead tracking
- Lead-status visibility
- Integration with the wider sourcing network
- Lower-cost customer acquisition support

Customer portal

The customer portal extends servicing beyond the branch by giving customers digital access to selected post-disbursal requirements. The current functionality disclosed by the Company includes loan tracking, statement downloads and service requests, creating a more convenient self-service layer while branch and call-centre support remain available for assisted interaction.

Portal Features

- Loan tracking
- Statement downloads
- Service requests
- Digital access to loan-related information

WhatsApp Service

WhatsApp forms part of the Company's digital servicing architecture and is also used for welcome-kit delivery after disbursal. Its role complements the Customer App, CRM platform, call centre and branch network, giving customers an additional digital touchpoint within the overall service journey.

Digital Payments

Technology also supports movement of funds across the lending lifecycle. E-NACH is integrated into pre-disbursal and repayment processes, loan disbursals can be executed through IMPS, RTGS and NEFT and digital collection channels are supported by payment aggregators including Paytm, PayU and Airtel Payments Bank. This reduces dependence on cash handling and improves convenience, traceability and transaction visibility.

Platform Stack

Platform	Role
Synofin LOS/LMS	Loan origination and loan management
Synno CRM	Customer relationship management
Mobile Sales App	Field sourcing, instant data capture and collateral documentation
Laxmi Mitra 2.0	Referral sourcing and lead tracking
Customer App	Digital loan servicing
Customer Portal	Loan tracking, statement downloads and service requests
Collection App - CLU	Technology-enabled collection activity
WhatsApp / Call Centre	Assisted and digital customer interaction

Technology backbone

The operating architecture is supported by a broader technology backbone comprising cloud and API integration, security controls, web and data layers, document management, regulatory and compliance monitoring, system logging, accounting interfaces and data backup infrastructure. Together, these layers provide the foundation required to connect applications, preserve data integrity and support a growing branch network.

Data and Analytics

Data is increasingly used to improve the quality of business decisions rather than merely report outcomes. The Company tracks lead-generation rates, sales-funnel conversion and drop-off points to understand where customer journeys are progressing and where intervention is required. Bureau data integration supports underwriting while real-time MIS and dashboards give management visibility into portfolio performance, asset quality and branch-level productivity.

Process Improvements

- Paperless Documentation: E-sign-based onboarding and loan execution introduced during FY2025-26.
- Field Mobility: Mobile-enabled sourcing and instant data capture at customer locations.
- Automated Workflows: System-driven approval, deviation, document and collection workflows.
- Real-time Monitoring: MIS and dashboards for portfolio, asset-quality and branch-level visibility.
- Digital Collections: E-NACH, collection applications, auto-dialer and payment aggregators.
- Lower Manual Intervention: Digital verification, geo-tagging and automated controls across key stages.

Cybersecurity

As technology becomes more deeply embedded across sourcing, underwriting, servicing and collections, information security becomes integral to operating resilience. The Company's IT governance framework is supported by application and endpoint security, encryption of data in transit, multi-factor authentication and periodic internal and external security audits. A Board-approved Disaster Recovery Policy further supports continuity and preparedness, while data-privacy practices are aligned with applicable regulatory requirements.

The hands behind the dreams to empower Bharat

At Laxmi India Finance, people are the operating strength behind a branch-led and relationship-driven business. Our frontline teams translate policy into judgement, technology into service and financial access into meaningful customer relationships. As the organisation expands across markets, our focus is to build a workforce that is capable, responsible, connected and prepared to grow with the institution.

1,805
Employees As at March 31, 2026

1,434
Employees As at March 31, 2025

People focus

Learning & Capability

Strengthening credit, operations, technology, compliance and customer-facing capabilities.

Inclusion & Well-being

Creating a safe, respectful and supportive workplace with opportunities to learn and progress.

Engagement & Recognition

Building participation, ownership and appreciation across branches and corporate functions.

Workforce expansion

Our employee base increased to 1,805 from 1,434 during FY2025-26, reflecting the capabilities required to support a larger branch network, a growing customer franchise and a broader operating footprint. The emphasis is not simply on adding people, but on ensuring that new capacity is accompanied by stronger processes, clearer accountability and consistent customer service across locations.

Frontline strength

Relationship Managers, credit officers, collection teams and branch staff remain the closest link between Laxmi India Finance and its customers. Their understanding of local borrower profiles, business conditions and repayment behaviour adds context to credit assessment and customer engagement. This local knowledge is particularly valuable in semi-urban and emerging markets where the strength of a business may not always be fully visible through conventional documentation alone.

People strategy

Our people strategy is built around four priorities: attracting the right talent, strengthening functional capability, creating opportunities for growth and building a culture of responsibility and participation. As the business becomes more technology-enabled and geographically diversified, these priorities help ensure that organisational capability develops alongside business scale.

Learning & Capability

Capability development is a continuous requirement in lending, where customer expectations, technology, products and regulation evolve together. Our learning framework therefore combines structured induction, on-the-job development and regular functional training for branch and credit teams.

Training Coverage

- Lending operations
- Credit appraisal, underwriting and due diligence
- Documentation and collections
- KYC and anti-money-laundering requirements
- Risk management
- Information technology
- Customer engagement
- Grievance redressal
- Fair Practices Code and responsible lending
- Data protection and workplace conduct

Frontline Capability

Training is designed to strengthen the quality and consistency of decisions made closest to the customer. Frontline employees are equipped to understand borrower circumstances, improve documentation quality, identify early signs of stress and communicate more effectively with customers, including first-time borrowers with limited exposure to formal credit.

Leadership Development

Leadership development and cross-functional skilling remain important as the organisation grows across products and geographies. The focus is on building managers who can combine functional competence with people leadership, customer orientation and disciplined execution, while creating a stronger internal pipeline for future responsibilities.

Employee Voice

Learning within the organisation also moves upward from the field. Feedback from branch and credit teams is considered in process simplification, turnaround-time improvement and customer-service enhancement. This enables practical operating experience to influence the way systems and processes evolve, while creating a stronger sense of participation among employees.

Learning Metrics

1,793
Total Employees Joined During FY2025-26

40,153
Training hours

1,579
Employees covered

25.43
Average training hours per employee

58
Employees - Upskill Programs*

88.06%
Training Coverage of New Joiners

**SDP (BM Development Program-Time Management, Pressure & Team Handling, Soft Skills, etc.), MS Excel – Upskilling*

Inclusion & Well-being

A growing organisation needs an environment in which people can contribute with confidence, dignity and a sense of belonging. Our workplace practices therefore focus on respect, safety, open communication and fair opportunities for development.

POSH Framework

Laxmi India Finance follows a zero-tolerance approach towards sexual harassment at the workplace. A formal POSH Policy and Internal Complaints Committee are in place to provide employees with an appropriate mechanism to raise concerns and seek fair redressal.

Nil
POSH complaints received during FY2025-26

Nil
POSH complaints pending at year-end

1
Internal Complaints Committee meeting during FY2025-26

Workplace Well-being

Employee welfare remains an important part of the Company's people practices. The emphasis is on maintaining a supportive environment through appropriate welfare measures, open communication and structured grievance-resolution mechanisms. As the branch network expands, consistent workplace standards across locations remain integral to sustaining employee confidence and organisational cohesion.

Diversity and inclusion

The Company endeavours to maintain a safe, inclusive and respectful workplace across its branch and corporate functions. Particular emphasis is placed on the safety, development and career progression of women employees, while grievance-resolution mechanisms and open channels of communication support a workplace where concerns can be raised and addressed appropriately.

Women at Work

The Company's people practices seek to support women employees through a combination of workplace safety, development opportunities and compliance with applicable employment requirements. The Company remains committed to compliance with provisions of the Maternity Benefit Act, 1961 and other relevant employment regulations for eligible employees.

Great Place to Work

The Company was certified as a Great Place to Work in the Mid-Size Organisations category by the Great Place to Work Institute, India, for the period February 2025 to February 2026.The recognition provides external validation of the workplace culture being built as the organisation grows in scale and complexity.

Diversity Metrics during FY 2025-26

66
Women employees

29
Women in managerial roles

31
New women hire

28.5 Years
Average employee age (women)

1,805
Overall Employees

30 Years
Average employee age (overall)

Engagement and Recognition

Engagement is strongest when employees can see that contribution is noticed, feedback is heard and performance creates opportunity. Our approach combines recognition, participation and longer-term alignment to strengthen connection with the organisation.

Recognition

Employee recognition programmes provide visible appreciation for individual and team contributions. The Dhruvtara Certificate, Laxmi Champion Awards and Laxmi Synergy Star Awards, together with employee engagement celebrations, recognise performance and reinforce a culture in which effort, collaboration and achievement are acknowledged across the organisation.

Honoured with the Laxmi Synergy Star Award

Honoured with the Laxmi Champion Award

Awarded the Dhruvtara Certificate

Employee Engagement

Engagement initiatives are intended to strengthen connection across branches and functions as the organisation becomes larger and more geographically dispersed. Regular celebrations and recognition activities provide employees with opportunities to connect beyond day-to-day execution, while open communication and frontline feedback help maintain a more participative workplace culture.

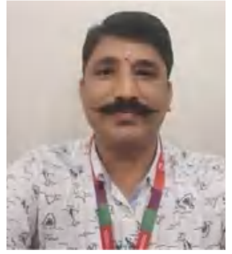
Employee Ownership

The Employee Stock Option Scheme 2023 provides eligible employees with a mechanism for longer-term alignment with the institution. By linking employees with the value they help create, the ESOS framework supports retention, performance orientation and a stronger sense of ownership in the Company's growth journey.

Industrial Relations

Industrial relations remained cordial and harmonious throughout FY2025-26. Constructive engagement, mutual respect, discipline and collaboration continued across the branch network and corporate functions, with no material industrial-relations development adversely affecting operations during the year.

Employee Voices



Amit Mathur
Territory Sales Manager-
Gopinath Marg, Jaipur

"I am proud to have been part of Laxmi India Finance for the past nine years. My journey from Assistant Branch Manager to Territory Sales Manager has given me many opportunities to learn, grow and take on greater responsibilities. During this period, I have served over 10,000 customers across different loan products. I have learnt that sales is not just about achieving targets. It is about understanding customers, offering the right solutions and building lasting relationships. I thank my seniors, colleagues, team members and customers for their continued support. I am proud to be part of Laxmi India Finance and look forward to growing with the organisation."

Gaindi Lal Kumawat
Zonal Business Head,
Rajasthan

"I am proud to have been associated with Laxmi India Finance for the past 22 years. I began my journey as a Relationship Officer and today serve as the Zonal Business Head for Rajasthan. During this journey, I have had the opportunity to engage with more than 2 lakh customers and help address their financial needs. I have learnt that sales is not only about business. It is about understanding customers, offering the right solutions and building lasting relationships. My progression from RO to ZBH reflects continuous learning, hard work and trust. I sincerely thank my seniors, colleagues, team members and customers for supporting me throughout this journey. I am proud to be a part of Laxmi India Finance and remain committed to contributing to its continued growth."

Empowering Bharat beyond finance

At Laxmi India Finance, empowerment extends beyond providing access to finance. We believe that as the institution grows, its ability to contribute to the communities around it should grow alongside it. Our CSR initiatives therefore focus on areas where relatively targeted interventions can improve access to education, basic healthcare, food support and community well-being while also extending care to animals and the environment around us.

Focus areas

Education
Learning, infrastructure and skill development

Community Welfare
Food support and community assistance

Healthcare
Awareness, eye care and patient facilities

Animal Welfare
Treatment, rescue and shelter support

CSR snapshot

₹66.57 Lakhs
Actual CSR expenditure

₹63.68 Lakhs
Board-approved CSR budget

~61.30%
Education share

~44.7%
Increase in CSR spend

~16.09%
Community welfare share

19
CSR projects

~4.51%
Animal welfare share

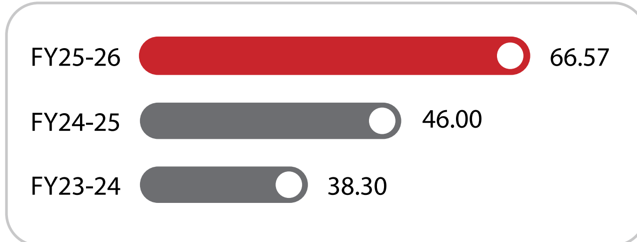
~18.10%
Healthcare Share

Growing contribution

The Company's CSR expenditure has increased for two consecutive years, broadly in step with the growth of the institution. The progression from Rs.38.30 Lakhs in FY2023-24 to Rs.46.00 Lakhs in FY2024-25 and Rs.66.57 Lakhs in FY2025-26 reflects a strengthening capacity to contribute alongside rising business scale.

CSR Expenditure

(₹ in Lakhs)



Education

Learning infrastructure

A child's ability to learn depends on more than what is written in a textbook. A safe classroom, a functional roof, clean sanitation and reliable transport can determine whether education remains within reach.

During the year, our support included the construction and repair of school infrastructure, improvements to roofs and sanitation facilities, and the provision of a school van. These interventions addressed practical barriers that often affect attendance, safety and continuity of learning.

Student support

We supported the distribution of books, stationery, tracksuits and children's garments, alongside mid-day meals and other learning-related assistance. By combining educational material with basic support, the programmes sought to create an environment in which students could participate with greater regularity and dignity.

Skills and confidence

Our educational support extended beyond schools to individuals rebuilding their lives after severe personal adversity. Through Chhanv Foundation, the Company supported skill and personality development for survivors of acid attacks and burn injuries, helping participants strengthen confidence and improve their prospects for greater social and economic independence.

Education allocation

₹40.80 Lakhs

Spent on education-related initiatives

Healthcare

Cancer awareness

Early awareness can materially change the course of serious illness. Through Rhythm for a Cause, the Company supported a cancer-awareness initiative intended to encourage informed health choices and timely screening.

Eye care

In partnership with Gulab Kaushalya Charitable Trust, the Company supported a free eye-treatment camp. The programme sought to make basic eye care accessible to people who may otherwise delay examination or treatment because of cost or distance.

Healthcare facilities

The Company supported the provision of seating and other practical requirements for healthcare institutions. While modest in form, such improvements can make waiting and treatment environments more accessible and dignified for patients and their accompanying family members.

Healthcare allocation

₹12.05 Lakhs

Spent on healthcare initiatives

Community welfare

Food security

Access to food remains one of the most immediate forms of community support. In association with Terapanth Yuvak Parishad and other local efforts, the Company supported food distribution for people facing economic vulnerability.

Blood donation

Blood-donation initiatives brought employees, volunteers and community members together around a need that is universal and time-sensitive. The programme complemented the Company's broader healthcare and welfare commitments.

Elderly support

The Company extended assistance to elderly individuals requiring material and community support. The initiative recognised that ageing with dignity depends not only on healthcare, but also on continued social attention and access to everyday necessities.

Welfare allocation

₹10.71 Lakhs

Spent on hunger eradication, poverty alleviation and community welfare

Animal Welfare

Rescue and treatment

Through Eco Rescuers Foundation and Go Nirvana, the Company supported the rescue and rehabilitation of animals in distress. Assistance included a treatment camp for injured birds and infrastructure for organisations providing shelter and continuing care.

Shelter support

Animal welfare requires facilities that remain useful after an individual rescue is completed. By supporting shelter infrastructure, the Company sought to strengthen the capacity of partner organisations to respond to future cases and provide safer rehabilitation environments.

Animal Welfare allocation

₹3.00 Lakhs

Spent on animal welfare

CSR implementation partners

Approximately half of the projects were undertaken directly, while the balance was delivered through implementation partners.

Partner	Area of association
Chhanv Foundation	Skills and confidence building for acid-attack and burn survivors
Eco Rescuers Foundation	Animal rescue and rehabilitation
Go Nirvana	Animal shelter and welfare
Round Table India Trust	Education and community infrastructure
Terapanth Yuvak Parishad	Food distribution and blood donation
Gulab Kaushalya Charitable Trust	Eye care and treatment
Jain Vishva Bharati	Education and community support
Shri Brahmrishi Ashram	Food distribution for poor people
Serve Human and Love Nature Shalon Foundation	Promotion of Healthcare Activities
Shri Vidya Vinod Kala Memorial Trust	Cancer awareness & support program titled "Rhythm for a Cause"

As the institution grows, our approach to community investment will continue to be guided by relevance, responsible deployment and the ability to create tangible benefit. We will continue to focus on areas where targeted support can strengthen access, dignity and well-being while ensuring that CSR remains appropriately governed and connected with genuine community needs.

Empowering Bharat with integrity

At Laxmi India Finance, governance is not treated as a layer added after business decisions are made. It is embedded in the way responsibilities are defined, risks are assessed, decisions are reviewed and stakeholder interests are protected. As a listed NBFC, our governance framework combines Board oversight, independent judgement, defined policies and regulatory discipline to support responsible growth.

Governance Priorities

Responsible growth

Aligning scale with capital, risk and operational readiness.

Independent judgement

Ensuring appropriate challenge and oversight of material decisions.

Risk discipline

Identifying emerging risks early and responding through defined controls.

Regulatory alignment

Keeping governance practices aligned with evolving RBI and SEBI requirements.

Transparent conduct

Strengthening customer, lender, shareholder and employee trust.

Digital governance

Maintaining oversight of technology, cyber security and data risks as digital adoption expands.

7
Directors

3
Executive Directors

4
Independent Directors

Governance Philosophy

Our governance approach is anchored in fairness, transparency, accountability and ethical conduct. The Board provides strategic direction and oversight while management remains accountable for execution within clearly defined policies, delegated authorities and operating controls. This balance allows the institution to pursue opportunity without weakening discipline.

Board Oversight

The Board oversees strategy, financial performance, risk, compliance, technology and stakeholder interests, supported by committees with defined responsibilities. The objective is not to duplicate management decision-making but to ensure that material matters receive appropriate challenge, independent perspective and timely escalation.

Board Independence

Four of the seven Directors are Non-Executive Independent Directors, providing a majority independent presence on the Board, Independent Directors meet separately, participate in Board and Committee evaluation and contribute external perspective to matters of strategy, risk, governance and management accountability.

Board Expertise

The Board brings together experience across accounting and finance, legal and compliance, information technology and digital transformation, strategic development, financial services and the NBFC sector. This breadth is particularly relevant for a lending institution where growth, credit judgement, regulation, technology and customer conduct need to be considered together.

Governance in Practice

The effectiveness of governance is ultimately reflected in the quality of everyday decisions. Our framework therefore focuses on clear accountability, transparent escalation and independent assurance rather than on process for its own sake.

Risk & Compliance

Risk management is integrated into business planning and portfolio oversight, with key risks periodically assessed and reported to the Board.The framework covers credit, liquidity, operational, regulatory, technology and conduct-related risks, supported by defined policies and specialised oversight at Board and management levels.

Ethical Conduct

The Company maintains Board-approved policies covering corporate governance, risk management, related-party transactions, fair practices, whistle-blower protection, conduct and succession planning. The Vigil Mechanism provides employees and Directors with a confidential channel to report genuine concerns, with oversight by the Audit Committee.

Stakeholder Protection

Our governance framework also extends to transparent customer conduct, grievance redressal, responsible lending, fair disclosure and protection of shareholder interests. As a listed entity, the Company operates within the enhanced disclosure and governance requirements applicable under SEBI regulations alongside the regulatory framework governing NBFCs.

Independent Assurance

Statutory, internal and secretarial assurance provide independent review of financial reporting, controls and regulatory compliance. The Secretarial Audit for FY2025-26 reported that the Company had proper Board processes and compliance mechanisms in place and did not contain any qualification, reservation, adverse remark or disclaimer.

Governance Markers

Nil
Whistle-blower events reported in FY2025-26

100%
Committee recommendations accepted by the Board of Directors

Nil
Regulatory penalties or strictures reported for FY2025-26

Board of Directors Profile

Mr. Deepak Baid

Managing Director

Mr. Deepak Baid, aged about 45 years, is one of the Promoters and Managing Director of the Company. He holds a Bachelor's degree in Commerce and has been associated with the Company since February 04, 2011. He has over 20 years of experience in the finance industry.He provides strategic leadership in the areas of finance, corporate planning and risk management. His sound financial expertise, business acumen, and visionary leadership have significantly contributed to the Company's business expansion, profitability and operational excellence. He has also played a key role in building and maintaining strong relationships with banks, financial institutions, and other stakeholders.

He also serves as a Director on the Boards of various companies such as Hirak Vinimay Private Limited, Deepak Hitech Motors Private Limited, Dreamland Buildmart Private Limited and Jain International Trade Organisation.

Mr. Deepak Baid is a member of the Audit Committee and the Stakeholders' Relationship Committee of the Company and is actively associated with several social and charitable organizations, including Jain Terapanth Samaj, Mother Teresa Home, Round Table India, and Jain International Trade Organization.

Mrs. Prem Devi Baid

Whole -Time Director

Mrs. Prem Devi Baid, aged about 76 years, is one of the Promoters and the Whole-Time Director of the Company. She has been associated with the Company since February 04, 2011, and was appointed as Whole-Time Director with effect from August 06, 2022. She has over 13 years of experience with the Company and has been actively involved in supporting its growth and governance, with a particular focus on overseeing the Company's Corporate Social Responsibility (CSR) initiatives.

She also serves as a Director on the Boards of various companies such as Prem Dealers Private Limited, Deepak Hitech Motors Private Limited and Dreamland Buildmart Private Limited. Her experience, commitment to ethical business practices, and focus on sustainable growth and community welfare have contributed significantly to the Company's development and the continued expansion of the promoter group's business interests.

Mrs. Aneesha Baid

Whole -Time Director

Mrs. Aneesha Baid, aged about 44 years, is one of the Promoters and the Whole-Time Director of the Company. She has been associated with the Company since December 31, 2016, and was appointed as Whole-Time Director with effect from August 06, 2022. With over 9 years of experience, she is involved in human resource management of the Company. She holds a bachelor's degree in commerce from the University of Bangalore.

She plays a key role in overseeing operations, human resource management, and contributing to the company's growth strategy. Mrs. Aneesha Baid also serves as a Director on the Boards of various companies such as Prem Dealers Private Limited and Hirak Vinimay Private Limited. Mrs. Aneesha Baid is a member of the Stakeholders' Relationship Committee of the Company.

Mr. Anil Balkrishna Patwardhan

Independent Director

Mr. Anil Balkrishna Patwardhan, aged about 71 years, has been associated with the Companyas an Independent Director since December 23, 2021. He holds Bachelor's and Master's degrees in Commerce from the University of Mumbai and has over 40 years of extensive experience in the banking and finance sectors.

He has extensive expertise in corporate banking, international syndication, credit management, and large corporate relationships. He has served as the Head of the International Syndication Team, Head of Large Corporates managing an asset portfolio of approximately Rs.18,000 cores and as General Manager overseeing large and medium corporate business. Following his superannuation, he headed the Syndication Team at Centrum Broking Limited.

Mr. Anil Balkrishna Patwardhan is the Chairperson of the Audit Committee of the Company. His rich industry experience, strategic perspective, and strong understanding of banking and financial services provide valuable guidance to the Board and contributed significantly to the Company's governance framework.

Mr. Brijmohan Sharma

Independent Director

Mr. Brijmohan Sharma, aged about 62 years, has been associated with the Company as an Independent Director since September 28, 2024. He has over 40 years of rich experience in the banking and financial services sector. He has extensive expertise in banking operations, credit, corporate banking, branch management and business administration.

He is serving as an Independent Director on the Board of T.T. Limited. Over the course of his career, he has successfully led key business and support functions across various regions and has made significant contributions to corporate banking and strategic management.

Mr. Brijmohan Sharma holds a Master's degree in business administration from University of Rajasthan and holds a Bachelor's degree in Commerce from Guru Nanak Dev University. He has previously been associated with Canara Bank as an Executive Director and Punjab National Bank as a Chief General Manager. He is the Member of the Audit Committee of the Company.

His extensive industry knowledge, leadership experience, and strategic insights provide valuable guidance to the Board and contribute significantly to the Company's governance framework.

Mr. Kalyanaraman Chandrachoodan

Independent Director

Mr. Kalyanaraman Chandrachoodan, aged about 70 years, has been associated with the Company as an Independent Director since February 10, 2025. He has over 47 years of extensive experience in the banking and financial services sector. He is also serving as a Director on the Board of Auriolus Finvest Private Limited.

He possesses deep expertise in banking regulation, supervision, compliance, risk management, and payment systems. He has served in several key leadership roles, including as Banking Ombudsman for Gujarat, Karnataka, and Tamil Nadu, Director of Supervision at the Bank of Mauritius, and Regional Advisor in Banking Supervision with the International Monetary Fund (IMF), providing technical assistance to central banks across West Africa.

His extensive domestic and international experience, coupled with his expertise in banking regulation and governance, provides valuable strategic guidance to the Board and strengthens the Company's governance framework.

Mr. Surendra Mehta
Independent Director

Mr. Surendra Mehta, aged about 80 years, has been associated with the Company as an Independent Director since December 31, 2016. He holds a bachelor's degree in arts from Rajasthan University. He has 40 years of experience in finance and business management. He is the Chairperson of the Stakeholders' Relationship Committee of the Company.He is also serving as a Director on the Board of Sushma Mercantiles Private Limited.

Corporate Information

KEY MANAGERIAL PERSONNEL

Mr. Gopal Krishan Sain
Chief Financial Officer

Mr. Sourabh Mishra
Company Secretary and Chief Compliance Officer

REGISTERED OFFICE OF THE COMPANY

2 DFL, Gopinath Marg, M.I. Road
Jaipur – 302 001, Rajasthan
Website: www.lifc.co.in
E-mail: cs@lifc.in
Phone: +91-141-4031166
CIN: L65929RJ1996PLC073074

STATUTORY AUDITORS

S. C. Bapna & Associates
Chartered Accountants
305, Lodha Supremus
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Andheri (East), Mumbai – 400 069
Maharashtra
Phone: +91 7738007589
E-mail: mumbai@scbapna.in

INTERNAL AUDITOR

Mrs. Priya Kadyan
Chartered Accountant

SECRETARIAL AUDITORS

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Company Secretaries
Royal World, 403, Sansar Chandra Road
Jaipur – 302 001, Rajasthan
Phone: +91-141-4106355
E-mail: cs.vmanda@gmail.com

DEBENTURE TRUSTEES

Mitcon Credentia Trusteeship Services Limited
1402/03, B-Wing, 14th Floor,
Dalamal Towers, Free Press Journal Marg
211 Nariman Point, Mumbai – 400 021
Maharashtra
E-mail: compliance@mitconcredentia.in
Tel No.: +91-9930430993

IDBI Trusteeship Services Limited
Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Road
Fort, Mumbai – 400 001, Maharashtra
E-mail: compliance@idbitrustee.com
Phone: +91-22-40807000/7060

REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai – 400 083, Maharashtra
Email: investor.helpdesk@in.mpms.mufg.com
Website: www.in.mpms.mufg.com
Phone: +022-49186000

BANKS & FINANCIAL INSTITUTIONS

NBFCs:

AK Capital
Anand Rathi Global Finance
Bajaj Finance
Credit Saison (Kisetsu Saison Finance (India) Private Limited
Hinduja Leyland Finance Ltd
IKF Finance
Maanaveeya Development Finance Ltd
MAS Financial Services Ltd
Nabkisan Finance Ltd
Northern Arc capital
Paul Merchants Finance Pvt. Ltd
Poonawalla Fincorp
Protium Finance
PTC India Financial Services Limited
STCI Finance Limited
Sundaram Finance Limited
Ambium Finserve Limited

PRIVATE BANKs AND SMALL FINANCE BANKs:

AU Small Finance Bank
Bandhan Bank
Capital Small Finance Bank Ltd
CSB Bank
DCB Bank
Equitas Small Finance Bank
ESAF Small Finance Bank
IDFC FIRST Bank Ltd.
IndusInd Bank
Jana Small Finance Bank
KarurVysya Bank
Kotak Mahindra Bank
SBM Bank
South Indian Bank
Suryoday Small Finance Bank
Utkarsh Small Finance Bank
Federal Bank
IDBI Bank

PUBLIC SECTOR UNDERTAKINGS:

Bank of Baroda
Bank of Maharashtra
Canara Bank
Indian Bank
Indian Overseas Bank
State Bank of India
UCO Bank
Union Bank of India

FINANCIAL INSTITUTIONS:

Small Industries Development Bank of India

Notice

NOTICE is hereby given that the **29th Annual General Meeting ("AGM"/ "Meeting")** of the members of **Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited) ("the Company")** will be held on **Wednesday, September 16, 2026 at 04:30 P.M. (IST)** through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business:

ITEM NO. 01: To adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2026, together with the reports of the Board of Directors and Auditors thereon.

ITEM NO. 02: To appoint a director in place of Mrs. Aneesha Baid (DIN: 07117678) who retires by rotation and being eligible, has offered herself for re-appointment.

Special Business:

ITEM NO. 03: TO APPROVE THE LIMIT FOR ISSUANCE OF NON-CONVERTIBLE DEBENTURES ON 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, 180 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the Reserve Bank of India Act, 1934, the rules, regulations, circulars, directions and guidelines issued by the Reserve Bank of India ("RBI") from time to time, the Securities and Exchange Board of India ("SEBI") including the Securities Contracts (Regulation) Act, 1956, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and all other relevant provisions of applicable law(s) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and SEBI Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated October 15, 2025 each as amended, modified, or restated from time to time, or any other regulatory authority, and in accordance with the provisions of Memorandum of Association and Articles of Association of the Company and the Listing Agreement entered into with the Stock Exchanges, where the securities of the Company may be listed and subject to such approvals, consents, sanctions and permissions as may be required from any appropriate statutory and regulatory authorities, and subject to such conditions as may be prescribed by any of the statutory and regulatory authorities while granting such approvals, consents, permissions and sanctions as may be applicable, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "**the Board**" which term shall be deemed to include any Committee of the Board constituted / reconstituted or hereinafter to be constituted / reconstituted to exercise its powers including the powers conferred by this resolution) to offer/invite/issue and allot secured/unsecured, listed, with or without green shoe option, redeemable, non–convertible debentures ("NCDs") on private placement basis in one or more series/ tranches for a period of one year from the date hereof for an amount not exceeding **Rs. 400,00,00,000/- (Rupees Four Hundred Crores Only)** for raising debt for the general corporate purposes of the Company and for meeting/fulfilling the funding requirements for expanding the growth of the loan portfolio of the Company and for such other purposes as may be agreed, on such terms and conditions, as may be decided by the Board, to such person(s), including but not limited to one or more company(ies), bodies corporate, statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be, or such other person(s) as the Board may in its absolute discretion decide and on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including, without limitation, as to when the said debentures are to be issued, the face value of debentures to be issued, the 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 aggregate amount of funds to be raised by issue of NCDs, subordinate debts, bonds, and/or other debt securities shall not exceed the overall borrowing limits of the Company as approved by the members from

Notice *(Contd.)*

time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the aforesaid resolution as it may in its sole discretion deem fit and to delegate all or any of its powers herein conferred to any Committee of Directors and/or any Director(s) and/or Officer(s) of the Company, to give effect to this resolution."

ITEM NO. 04: TO CONSIDER AND APPROVE THE APPOINTMENT OF M/S V.M. & ASSOCIATES, COMPANY SECRETARIES AS SECRETARIAL AUDITORS OF THE COMPANY

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 Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s), amendment(s) thereto or re-enactment(s) thereof, for the time being in force) and other rules, guidelines and circulars issued in this regard, from time to time, and based on the recommendation of the Audit Committee and Board of Directors of the Company, **M/s V.M. & Associates, Practicing Company Secretaries, Jaipur (Firm Registration No.: P1984RJ039200 and Peer Review Certificate No.: 5447/ 2024)**, be and is hereby appointed as Secretarial Auditors of the Company to hold office for a **term of 5 (five) consecutive financial years commencing from April 01, 2026 to March 31, 2031**, at an annual audit fee as mentioned in the explanatory statement annexed hereto, with an authority to the Board of Directors to revise the terms and conditions of appointment, including any increase in remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditors.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto and to settle any questions, difficulties or doubts that may arise in this regard."

By Order of the Board of Directors
For **Laxmi India Finance Limited**
(Formerly known as Laxmi India Finance Private Limited)
Sd/-
Sourabh Mishra
Company Secretary and Chief Compliance Officer
M. No.: A51872

Date: August 12, 2026
Place: Jaipur

Registered Office: 2, DFL, Gopinath Marg,
M.I. Road, Jaipur, 302001 (Rajasthan)
CIN: L65929RJ1996PLC073074
Website: www.lifc.co.in
E-mail: investors@lifc.in
Tel.: 0141-4031166

Notice *(Contd.)*

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the "Act") read with the rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), setting out all material facts in respect of the Special Business as stated under **Item No. 3 and 4** are annexed hereto and forms part of this Notice. Further, the relevant details as required pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment and Regulation 36(5) of the SEBI Listing Regulations in respect of appointment of Secretarial Auditors at this AGM forms part of this Notice.
2. The Ministry of Corporate Affairs ("MCA"), vide its Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 09/2024 dated September 19, 2024 and subsequent circulars issued in this regard from time to time, in relation to "Clarification on holding of AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM)" the latest being circular No. 03/2025 dated September 22, 2025 (collectively referred to as "MCA Circulars") has permitted the holding of the AGM through VC/OAVM, without the physical presence of the Shareholders at a common venue. In compliance with the aforesaid MCA Circulars, the AGM of the Company is being held through VC. The Registered Office of the Company shall be deemed to be the venue for the AGM.
3. Pursuant to the MCA Circulars and Regulation 44(4) of the SEBI Listing Regulations, the AGM is being held through VC and physical presence of Members to the AGM venue is not required. Accordingly, in terms of Section 105 of the Act, the facility for appointment of proxies is not available and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, Institutional/Corporate Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate and vote through e-voting.
4. In compliance with the relevant MCA Circulars and Regulation 36(1)(a) of the SEBI Listing Regulations, the Notice of the AGM and the Annual Report for the Financial Year 2025-26 are being sent only through electronic mode to those Members of the Company whose names appear on the Register of Members/List of Beneficial Owners, as received from National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") on Friday, August 14, 2026 and whose e-mail addresses are registered with the Company/Depository Participants ("DPs")/Depositories/Registrar and Share Transfer Agent ("RTA") . The Notice of the AGM and the Annual Report for the Financial Year 2025-26 are also available on the Company's website at **www.lifc.co.in**, the website of MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) ("MIIPL") at **https://instavote.linkintime.co.in**, and on the websites of the Stock Exchanges, i.e., BSE Limited at **www.bseindia.com** and National Stock Exchange of India Limited at **www.nseindia.com**. Members who wish to obtain a physical copy of the Annual Report may send a request to the Company at **investors@lifc.in**, mentioning their name, DP ID and Client ID.
5. In terms of the applicable provisions of the SEBI Listing Regulations, a Letter providing the web-link (including the exact path) and QR Code for accessing the Annual Report for the Financial Year 2025-26 will be dispatched to those Members whose e-mail addresses are not registered with the Company / DPs / Depositories / RTA.
6. In case of joint holders attending the meeting, only such joint holder 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, provided the votes are not already cast by remote e-voting by the first holder.
7. Pursuant to the provisions of Section 72 of the Act read with SEBI Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. SH-14 as the case may be. The said forms can be downloaded from the Company's website at **www.lifc.co.in**. As the equity shares of the Company are held in dematerialised form, Members are requested to submit the duly completed nomination forms directly to their DPs.

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8. SEBI, vide its Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023, has established a common Online Dispute Resolution Portal ("ODR Portal") to facilitate resolution of disputes arising in the Indian securities market. Pursuant to this, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at **https://smartodr.in/login** and the same can also be accessed through the Company's website at **www.lifc.co.in**.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Act, a certificate from Secretarial Auditor certifying that the Employee Stock Option Scheme of the Company is being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and all relevant documents referred to in this Notice will be available electronically for inspection by the Members during the AGM.

   All documents referred to in this Notice will also be available electronically for inspection on all working days without any fee by the Members from the date of circulation of this Notice up to the date of AGM.

   Members seeking to inspect such documents can send an e-mail to the Company at investors@lifc.in mentioning their name, DP ID and Client ID.
10. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 29th AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID and mobile number, to reach the Company's e-mail address at **investors@lifc.in** from Wednesday, September 09, 2026 to Saturday, September 12, 2026. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.

    Further, Members who would like to ask questions during the AGM with regards to the financial statements or any other matter to be placed at the AGM, need to register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID and mobile number, to reach the Company's e-mail address at **investors@lifc.in** from Wednesday, September 09, 2026 to Saturday, September 12, 2026.

    Those Members who have registered themselves as a speakers shall only be allowed to speak/ask questions during the AGM, depending upon the availability of time.
11. The Company has provided two-way facility of VC/OAVM and live webcast of the proceedings of the AGM shall be available on Wednesday, September 16, 2026 from 04:30 p.m. (IST) onwards at the **https://instavote.linkintime.co.in**. **Members are requested to join the 29th AGM from 04:00 p.m. (IST)** i.e. , 30 minutes before the time scheduled to start the AGM and the Company may close the window for joining the VC Facility, 30 minutes after the scheduled time to start the AGM. The Attendance of Members will be counted as the Members who have successfully logged in through VC or OAVM and shall be counted for the purpose of reckoning of the quorum under Section 103 of the Act. Please refer the detailed instructions for attending the AGM through VC covered under this Notice.
12. Members are requested to register/update their e-mail ids with their DPs with whom they are maintaining their demat account by following the procedure prescribed by the DPs. These members may also cast their vote by following the e-voting process given in this notice.
13. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holds shares as on the **cut-off date, i.e. Wednesday, September 09, 2026**, may obtain the login ID and password by sending a request to **insta.vote@linkintime.co.in** or contact RTA of the Company.
14. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTABM/P/CIR/2022/8 dated 25 January 2022 has mandated the listed companies to issue securities in demat only while processing service request i.e. issue of duplicate certificates, claim from unclaimed suspense account, renewal/exchange of securities certificates, sub-division/split and consolidation of securities certificate/folio, transmission, and transposition. Accordingly, Members are requested to make the mentioned service

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requests by submitting duly filled ISR forms which is also available on the website of the Company at **www.lifc.co.in**.

15. Members are requested to address all correspondence to the Registrar and Share Transfer Agent ("RTA") of the Company, i.e., MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), at the information given below:

    Address: C-101, 1st floor, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400083 Maharashtra, India

    Tel: +91 81081 18484

    Email: investor.helpdesk@in.mpms.mufg.com

    Website: www.in.mpms.mufg.com

    Link to register queries- https://web.in.mpms.mufg.com/helpdesk/Service_Request.html

16. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

17. As per the provisions of Regulation 40 of the SEBI Listing Regulations, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. For this purpose, Members can contact the Company for assistance in this regard.

18. All the Members are requested to update the residential status, registered email address, mobile number, category and other details with their relevant depositories through their depository participants, if the shareholding is in demat form or with the Company, if the shareholding is held in physical form, as may be applicable.

    DETAILS OF E-VOTING AND JOINING AGM THROUGH VC

19. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has engaged the services of MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) ("MIIPL") for facilitating voting through electronic means, as the authorized agency.

20. The remote e-voting period commences from **Saturday, September 12, 2026 [09:00 a.m. (IST)]** and ends on **Tuesday, September 15, 2026 [05:00 p.m. (IST)]**. During this period, members holding shares as on the **Cut-off date i.e., Wednesday, September 09, 2026** may cast their vote electronically. The e-voting module shall be disabled by MIIPL for voting after, **Tuesday, September 15, 2026 [05:00 p.m. (IST)]**. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast vote again.

    Voting rights of the Members shall be reckoned in proportion to the paid-up equity shares registered in the name of the Member / beneficial owner as on the Cut-off date.

    A person who is not a member as on the cut-off date should treat this notice for information purpose only.

21. The Board of Directors of the Company has appointed CS Manoj Maheshwari (FCS: 3355; COP: 1971), Practicing Company Secretary, as Scrutinizer and failing him CS Kamla Choudhary (ACS: 46577; COP: 26628), Practicing Company Secretary as the Alternate Scrutinizer to scrutinize the e-voting at the AGM and remote e-voting process in a fair and transparent manner.

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22. The Scrutinizer/Alternate Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting on the date of the AGM and prepare and submit, not later than 2 working days from the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Managing Director or Company Secretary and Chief Compliance Officer of the Company and the Results shall be declared by the Managing Director or Company Secretary and Chief Compliance Officer.

    The voting results, along with the Scrutinizer's Report, shall be placed on the website of the Company at **www.lifc.co.in** and on the website of MIIPL at **https://instavote.linkintime.co.in**, and shall also be communicated to BSE Limited and National Stock Exchange of India Limited within stipulated time period as prescribed in this regard. The resolutions shall be deemed to have been passed on the date of the AGM, subject to receipt of the requisite majority of votes in favour of the respective resolutions.

23. To exercise vote by using e-voting facility, please carefully follow the instructions given below:

REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS

In terms of SEBI Master Circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

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:

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.

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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.

e) 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 & 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 evoting option will have links of e-voting service providers i.e., MUFG InTime. 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 - 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 evoting option will have links of e-voting service providers i.e., MUFG InTime. 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 *(Contd.)*

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).

Individual Shareholders holding securities in demat mode with Depository Participant

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 "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.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

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")

InstaVote USER ID		
	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) 8 digit Client ID (eg. 12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Even No. + Follo no. registered with the Company.

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.

InstaVote USER ID		
	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) 8 digit Client ID (eg. 12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Even No. + Follo no. registered with the Company.

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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.
   - o Shareholders, holding shares in **NSDL form**, shall provide 'point 4' above.
   - o Shareholders, holding shares in **CDSL form**, shall provide 'point 3' or 'point 4' above.
   - o 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).

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 Authorised 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)

Notice (Contd.)

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".

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.

Notice *(Contd.)*

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

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) 8 digit Client ID (eg. 12345678).
CDSL	User ID is 16 Digit Beneficiary ID.
Shares held in physical form	User ID is Even No. + Follo 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.*

Notice *(Contd.)*

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".

By Order of the Board of Directors
For **Laxmi India Finance Limited**
(Formerly known as Laxmi India Finance Private Limited)
Sd/-
Sourabh Mishra
Company Secretary and Chief Compliance Officer
M. No.: A51872

Date: August 12, 2026
Place: Jaipur

Registered Office: 2, DFL, Gopinath Marg,
M.I. Road, Jaipur, 302001 (Rajasthan)
CIN: L65929RJ1996PLC073074
Website: www.lifc.co.in
E-mail: investors@lifc.in
Tel.: 0141-4031166

Notice *(Contd.)*

Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013

The following statement sets out all the material facts concerning the special business mentioned in the accompanying notice to be transacted at the AGM:

Item No. 3

Your Company has been issuing debentures, which may be referred to as one of the option for raising money from time to time, for the general corporate purposes of the Company and for meeting/fulfilling the funding requirements for expanding the growth of the loan portfolio of the Company and for such other purposes as may be agreed, on such terms and conditions, as may be decided by the Board and in due compliance with the applicable provisions of the Companies Act, 2013 (the 'Act'), Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Guidelines as issued by the Reserve Bank of India etc. Accordingly, the Company, proposes to issue secured/unsecured, listed, redeemable Non-Convertible Debentures ("NCDs"), including NCDs with or without green shoe option, and/or other debt securities as per Section 2(30) of the Act to various person(s) on private placement basis, at such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any, and as may be finalized by the Board and/or Committee of Board. The amount to be raised by way of issue of listed, secured/unsecured redeemable Non-convertible Debentures on a private placement basis shall not exceed **Rs. 400,00,00,000/- (Rupees Four Hundred Crores Only)** in aggregate, in one or more series/ tranches on private placement basis.

In terms of Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, a company shall not make an offer or invitation to subscribe to securities through private placement unless the proposal has been previously approved by the Members of the company by way of a Special Resolution. In case of an offer or invitation for Non-Convertible Debentures, it shall be sufficient if the Company passes a prior Special Resolution only once in a year for all the offers or invitations for such Non-Convertible Debentures to be made during the year in one or more tranches.

The Members of the Company, at the Annual General Meeting held on June 19, 2025, had authorised the Company to issue Non-Convertible Debentures on a private placement basis up to an amount not exceeding **Rs. 200,00,00,000/- (Rupees Two Hundred Crores Only)** in aggregate, in one or more tranches. The validity of the said approval is for a period of one year from the date of passing of the said Special Resolution.

Accordingly, it is proposed to seek fresh approval of the Members by way of a Special Resolution to authorise the Board of Directors of the Company to make an offer or invitation to subscribe to secured/unsecured, listed, redeemable Non-Convertible Debentures ("NCDs"), including NCDs with or without green shoe option, and/or other debt securities as may be permitted under Section 2(30) of the Act, on a private placement basis, in one or more series/tranches, up to an aggregate amount not exceeding **Rs. 400,00,00,000/- (Rupees Four Hundred Crores Only)**, during the period of one year from the date of passing of the Special Resolution set out at Item No. 3 of this Notice.

The issue of NCDs and/or other debt securities shall be made on such terms and conditions, including the issue price, coupon rate, tenor, security, redemption terms and other terms and conditions, as may be determined by the Board of Directors, in accordance with the applicable provisions of the Act, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, applicable guidelines and directions issued by the Reserve Bank of India and other applicable laws, rules, regulations and guidelines.

The amount proposed to be raised through the issue of NCDs and/or other debt securities shall be within the overall borrowing limits of the Company as approved by the Members from time to time under Section 180(1)(c) of the Act.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at **Item No. 3** of the notice.

The Board of Directors accordingly recommends the Special Resolution as set out at **Item No. 3** of the Notice for the approval of the Members.

Notice *(Contd.)*

Item No. 4

In accordance with Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Act"), every listed company and certain prescribed class of companies are required to annex a Secretarial Audit Report issued by a Company Secretary in practice, with their Board's Report prepared under Section 134(3) of the Act.

Further, Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") stipulates that every listed entity is required to appoint a Secretarial Auditor who holds a valid Peer Review Certificate and annex the Secretarial Audit Report to its Annual Report. Moreover, SEBI Listing Regulations also stipulates that the appointment/ reappointment of an individual as Secretarial Auditor cannot be for more than one term of 5 (five) consecutive years and in case of a firm, it cannot exceed two terms of 5 (five) consecutive years each. Such appointment/reappointment must be approved by the shareholders of the Company at the Annual General Meeting, based on recommendation of the Board of Directors.

Accordingly, in compliance with the above provisions and based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on May 13, 2026, approved and recommended for the approval of the Members, the appointment of M/s V.M. & Associates, Practicing Company Secretaries, as the Secretarial Auditors of the Company for a term of 5 (five) consecutive years, commencing from April 01, 2026 to March 31, 2031.

It is pertinent to note that M/s V.M. & Associates served as the Secretarial Auditor of the Company for the FY 2025-26 and in preceding years. While considering their appointment, the Board of Directors and the Audit Committee considered several factors, including the firm's familiarity with the Company's business and operations, technical expertise, professional competence, industry knowledge and ability to navigate a dynamic and regulated business environment. Based on this evaluation, M/s V.M. & Associates was found to be suitably qualified to conduct the Secretarial Audit of the Company effectively.

Brief Profile of the Secretarial Auditor:

M/s V.M. & Associates (Firm Registration No.: P1984RJ039200 and Peer Review Certificate No.: 5447/ 2024) ("VM"/ "the firm") is a leading firm of Practicing Company Secretaries with over three decades of rich and diverse professional experience. Renowned for its commitment to excellence, the Firm specializes in Secretarial Audits, Due Diligence, IPOs and provides a comprehensive range of advisory, representation and compliance services under Company Law, SEBI Regulations, FEMA Regulations, RBI Directions, Mergers & Acquisitions, amongst others.

Over the years, VM has successfully catered to clients across a broad spectrum of industries including Banking, Financial Services, Information Technology, Leather, Textiles, Mining, Wire & Cables, Stock Broking, Education, Tourism, Real Estate, FMCG etc.

Backed by a dedicated and highly skilled team of professionals, VM is committed to meeting the evolving expectations of the corporate sector, while upholding the highest standards of corporate governance and professional integrity.

M/s V.M. & Associates shall be paid an annual audit fee of Rs. 8,00,000/- (Rupees Eight Lakhs Only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred at actuals, for conducting the Secretarial Audit of the Company for the FY 2026-27. Further, the Board of Directors, based on the recommendation of Audit Committee, shall be authorised to revise the terms and conditions of appointment, including any increase in remuneration for the remaining duration of the term, in such manner and to such extent as may be mutually agreed with the Secretarial Auditors.

M/s V.M. & Associates has given its consent to act as the Secretarial Auditor of the Company and has provided the requisite consent-cum-eligibility letter, confirming that the proposed appointment, if made, will be within the limit specified by the Institute of Companies Secretaries of India and in compliance with the provisions of the Act and the SEBI Listing Regulations.

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

The Board of Directors accordingly recommends the Ordinary Resolution as set out at **Item No. 4** of the Notice for the approval of the Members.

Notice *(Contd.)*

Annexure- A

Information pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India with respect to Director being re-appointed as set out in this Notice

Name of the Director	Mrs. Aneesha Baid
DIN	07117678
Designation	Whole-Time Director
Date of Birth	10/10/1981
Nationality	Indian
Age	44 years
Date of first Appointment on the Board	December 31, 2016
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mrs. Aneesha Baid is related to below-mentioned managerial personnel: 1. Mr. Deepak Baid (Managing Director): Spouse of Mrs. Aneesha Baid. 2. Mrs. Prem Devi Baid (Whole-Time Director): Mother-in-Law of Mrs. Aneesha Baid.
Experience	With over 9 years of experience, Mrs. Aneesha Baid is involved in human resource management of the Company.
Qualification(s)	She holds a Bachelor of Commerce (B. Com) degree.
Brief Resume	Mrs. Aneesha Baid is the Whole-Time Director of Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited). She holds a Bachelor's degree in Commerce from the University of Bangalore and has been associated with the Company since December 31, 2016. With over 9 years of experience in the financial sector, she is primarily involved in the human resource management functions of the Company. In her capacity as Whole-Time Director, she contributes to the smooth and effective operation of the Company through her involvement in various activities and timely assistance in operational matters.
Nature of expertise in specific functional areas	Mrs. Aneesha Baid has expertise in human resource management and contributes to the effective functioning of the Company through her involvement in employee-related matters, coordination, and timely assistance in various operational activities.
Name of listed entities from which the person has resigned in the past three years	NA
Terms and conditions of appointment or re-appointment	Liable to retire by rotation and other existing terms and conditions as approved by shareholders.
Remuneration sought to be paid	As approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee which shall be within the limit as approved by the shareholders of the Company.
Remuneration last drawn	Rs. 1.725 Crores
The number of Meetings of the Board attended during the year (Financial Year 2025-26)	7

Notice *(Contd.)*

Directorships in other Companies as on March 31, 2026	1. Hirak Vinimay Private Limited 2. Prem Dealers Private Limited
Directorships in other listed Company	NIL
Shareholding in the Company as on March 31, 2026	10,00,000 equity shares of the Company i.e. 1.91% of the Paid-up capital of the Company.
Chairmanships/Memberships of the Committees of other Boards	NIL

Board's Report

To,
The Members,
Laxmi India Finance Limited
(Formerly Known as Laxmi India Finance Private Limited)

Your Board of Directors ("Board") are pleased to present the 29th (Twenty Ninth) Board's Report on the business and operations of Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited) ("the Company or Laxmi India or LIFL") covering the business and key operational highlights of your Company together with the Audited Financial Statements and the Independent Auditor's Report thereon for the Financial Year ended March 31, 2026.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's financial performance for the Financial Year ended March 31, 2026 and corresponding figures of Financial Year ended March 31, 2025 are summarized in the following table:

(Amount in Lakhs except per share data)

PARTICULARS	Financial Year ended March 31, 2026	Financial Year ended March 31, 2025
Revenue from Operations	31,702.72	24,571.26
Other Income	256.29	232.51
Total Income	31,959.01	24,803.77
Total Expenditure (excluding Finance Cost & Depreciation)	11,391.01	8,415.47
Profit Before Finance Cost and Depreciation	**20,568.00**	**16,388.30**
Less: Finance Cost	13,734.02	11,462.74
Less: Depreciation	229.27	190.05
Profit Before Taxation	**6,604.71**	**4,735.51**
Total Tax Expenses (Current & Deferred)	1,628.97	1,135.07
Profit After Taxation	**4,975.74**	**3,600.44**
Other Comprehensive Income (Net of Tax)	-8.15	-9.42
Total Comprehensive Income for the period	**4,967.58**	**3,591.02**
APPROPRIATION: -		
Dividend on Equity Shares	-	-
Dividend on Preference Shares	-	-
Tax on Dividend	-	-
Transfer to General Reserve	-	-
Transfer to Statutory Reserve Fund	995.15	720.088
EPS: -		
Basic	10.20	8.78
Diluted	10.20	8.78

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rule 2015, read with Section 133 and other relevant provisions of the Companies Act, 2013 ("the Act").

KEY INDICATORS

- Gross income for the year increased by **28.85%** reaching to **Rs. 31,959.01 Lakhs** as compared to **Rs. 24,803.77 Lakhs** in 2024-25.
- Profit before tax for the year is **Rs. 6,604.71 Lakhs** as compared to **Rs. 4,735.51 Lakhs** in 2024-25, showing a significant growth of **39.47 %**.
- Profit after tax and before Other Comprehensive Income for the year is **Rs. 4,975.74 Lakhs** as compared to **Rs. 3,600.44 Lakhs** in 2024-25, showing a significant growth of **38.20 %**.

For more details, please refer to the Management Discussion and Analysis Report ("MDAR"), forming part of the Board Report's as **Annexure-VI**, which, inter-alia, deals adequately with the operations as well as the current and future outlook of the Company.

Performance of Non-Banking Financial Company Sector in India

The Non-Banking Financial Company ("NBFC") sector share of systemic credit has continued its structural climb, rising to an estimated **21% by Financial Year 2025-26** (up from 17% in Financial Year 2019), and is expected to hold broadly in the **21–22% range through Financial Year 2026–27** as growth normalizes from post-pandemic highs. SCBs continue to anchor the system with a **68%** share, while market instruments (CPs, CDs, corporate bonds) have continued their gradual decline toward the **10% mark**, partly offset by government efforts (announced in Budget 2026-27) to deepen the corporate bond market as an alternative funding channel for NBFCs.

On absolute size, NBFC credit- consistent with the Financial Year 2020–Financial Year 2025 series you'd used (Rs. 24.6 trillion - Rs. 40.3 trillion - Rs. 45.0 trillion)- is estimated to have grown at a **mid-teen pace (15–17%) through Financial Year 2026**, taking the book to approximately Rs. 51–52 trillion by March 2026, edging toward the Rs. 50-trillion-plus mark flagged by CRISIL for Financial Year 2026–27. On a broader balance-sheet basis (RBI's definition, which includes non-credit assets), the sector's books grew **18.9% to Rs. 61.09 Lakh Crore by March 2025**, and a further **7.2% to Rs. 65.51 Lakh Crore by September 2025**- the strongest sustained expansion in the dataset, though the pace of incremental growth is expected to moderate through second half Financial Year 2026 given the West Asia-driven risk-off environment.

2. BRIEF DESCRIPTION AND STATE OF COMPANY'S AFFAIRS

Your Company was originally incorporated as Laxmi India Finleasecap Private Limited on May 10, 1996 under the provisions of the Companies Act, 1956. It was granted a Certificate of Registration No. B-14.02353, by the Reserve Bank of India ("RBI") on March 28, 2001 to carry on the business of an NBFC without accepting public deposits. During its journey, the Company shifted its registered office from Delhi to West Bengal and subsequently to Rajasthan, and obtained the requisite Certificates of Registration from the RBI and Certificates of Incorporation from Registrar of Companies ("ROC") pursuant to such changes. In line with its business objectives, your Company changed its name to Laxmi India Finance Private Limited on March 10, 2023. Thereafter, your Company was converted into a public limited company and its name was changed to Laxmi India Finance Limited with effect from October 08, 2024. Consequent upon such conversion, the RBI issued a fresh Certificate of Registration No. B-10.00318 dated February 7, 2025 and the ROC issued a fresh Certificate of Incorporation dated October 08, 2024.

Your Company is classified as an NBFC – Investment and Credit Company (NBFC-ICC) under the Middle Layer (NBFCs-ML) as per Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions & Framework for Scale Based Regulations) Directions, 2025. With over 22 years of experience in the asset finance business, the Company is primarily engaged in offering a range of lending products including MSME loans, vehicle loans, construction loans, and other credit solutions tailored to meet the diverse financial needs of its customers.

Board's Report *(Contd.)*

The Company has a network of **176** branches across the states of Rajasthan, Madhya Pradesh, Uttar Pradesh, Gujarat, Maharashtra and Chhattisgarh.

OPERATIONAL HIGHLIGHTS

a. Disbursement

The Company offers a wide range of MSME Loans (Loan Against Property-backed up with registered mortgage of property), Auto Loans (Used car loans, Commercial Vehicle Loans, Tractor Loan and Two-Wheeler Loans), Business Loans (MSME) and Personal Loans. Disbursements during the Financial Year 2025-26 aggregated to **Rs. 82,144 Lakhs** as compared to **Rs. 71,853 Lakhs** in Financial Year 2024-25.

b. Assets Under Management

During the period under review, the Assets Under Management ("AUM") of the Company stood at **Rs. 1,62,626 Lakhs** as on March 31, 2026 against **Rs. 1,27,702 Lakhs** as on March 31, 2025.

c. Performance review

Laxmi India is emerging as a leading Financing Solutions provider and a one-stop shop for customers, offering a diversified suite of lending products across MSME Loans, Vehicle Loans, Construction Loans, Business Loans (BL) and Personal Loans (PL) and Term Loans. Laxmi India aspires to scale up the business through strategic initiatives and leveraging a strong foothold in the Commercial Finance Business. The Commercial Finance Business is committed to being a complete financial solutions partner to its customers, through high-quality service and innovative products that provide value to its customers.

Going forward, Laxmi India continues to grow its MSME business -which stood at Rs. 1,298.68 Cr. of AUM in Financial Year 2026 (largest vertical)-while also focusing on its Vehicle Finance vertical (Rs. 145.82 Cr.), Construction Loans (Rs. 85.61 Cr.), and its Business Loan and Personal Loan products (Rs. 52.97 Cr. and Rs. 43.18 Cr. respectively), developing new products and expanding new horizons. The Company continues to focus on high Net Interest Margin products (Net Interest Income grew 38.65% to Rs. 161.78 Cr. in Financial Year 2026 from Rs. 116.69 Cr. in Financial Year 2025), increasing customer acquisition - its customer base grew to 42,809 as of March 31, 2026, from 35,568 a year earlier - balancing its product mix, ramping up fee-based income, optimizing operating costs and improving collection efficiency to further enhance profitability. The average Cost of Borrowing reduced by 68 bps to 10.80% in Financial Year 2026 (from 11.48% in Financial Year 2025), aided by an upgrade in the Company's external credit rating from Acuité "A-" to Acuité "A / Stable Outlook."

While fulfilling its mission of Financial Inclusion, the Company has continued to build deep knowledge of its customers through analytics-driven underwriting, collections and NPA management. Asset quality remained managed, with Gross NPA at 2.13%, Net NPA at 1.08% and a Provision Coverage Ratio of 49.43% as of March 31, 2026.

During the year, the Company further expanded its geographical presence, growing its branch network by 18 branches (from 158 to 176) and entering Maharashtra as a new state, taking its footprint to six states -Rajasthan (92 branches), Gujarat (23 branches), Madhya Pradesh (40 branches), Chhattisgarh (5 branches), Uttar Pradesh (15 branches) and Maharashtra (1 branch) -with its employee base growing to 1,805.

The Company's total income (Revenue) grew by 28.85% reaching to Rs. 31,959.01 Lakhs (Rs. 319.60 Cr.) from Rs. 24,803.77 Lakhs (Rs. 248.04 Cr.) during Financial Year 2026. Assets under Management grew by 27.35% reaching to Rs. 1,626.26 Cr. from Rs. 1,277.02 Cr., driven by disbursements of Rs. 821 Cr. during the year. Profit before Tax grew by 39.47% reaching to Rs. 66.05 Cr., and Profit after Tax grew by 38.33% reaching to Rs. 49.68 Cr., leading to a Return on Net Worth of 13.73% and Return on Assets of 3.08%. Net Worth grew by 80.49% reaching to Rs. 465.47 Cr., following a post-expense equity infusion of Rs. 157.90 Cr. through the Company's IPO, which also brought down the Debt-Equity ratio to 2.87x (from 4.41x in Financial Year 2025) and improved the Capital Adequacy Ratio (CRAR) to 26.12%.

Board's Report *(Contd.)*

d. Capital Adequacy

During the Financial Year 2025-26, the paid-up share capital of the Company increased from **Rs. 2,090.71 Lakhs** to **Rs. 2,613.39 Lakhs**.

As a result of increased net worth, your Company was able to enhance the Capital to Risk Weighted Assets (CRAR) to **26.12 %** as on March 31, 2026, well above the minimum requirement of **15.00%** CRAR prescribed by the Reserve Bank of India (Non- Banking Financial Companies- Prudential Norms on Capital Adequacy) Directions, 2025. Out of the above, Tier I capital adequacy ratio stood at **25.61%** and Tier II capital adequacy ratio stood at **0.51%**.

3. CHANGE IN THE NATURE OF BUSINESS

During the Financial Year 2025-26, there were no changes in the nature of the business of the company.

4. DIVIDEND

For the expansion of business and for general corporate requirements, the Board of your Company has decided that it would be prudent, not to recommend any dividend for the Financial Year 2025-26.

5. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, associate or joint venture Company within the meaning of Section 2(87) and 2(6) of the Act. Accordingly, the disclosure requirement under Rule 8(1) of the Companies (Accounts) Rules 2014 is not applicable to the Company. Further, there is no material subsidiary of the Company as on March 31, 2026 in terms of Regulation 16(1) (c) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

As the Company does not have any subsidiary, the requirement to formulate a Policy for determining material subsidiary pursuant to Regulation 16(1) (c) of SEBI Listing Regulations is not applicable to the Company.

6. TRANSFER TO RESERVES

As the Company is an NBFC registered with the RBI, it is required, in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934, to create a reserve fund and transfer to such reserve fund a sum not less than twenty per cent of its net profit every year, as disclosed in the Statement of Profit and Loss, before any dividend is declared.

Therefore, the Company has transferred **Rs. 995.15 Lakhs** in the statutory reserves fund i.e. aggregating to 20% of its net profit for the Financial Year 2025-26. Further, your Board of Directors does not propose to transfer any amount to general reserves of the Company.

Pursuant to Section 71 of the Act read with Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, the Company, being an NBFC, is exempt from creating debenture redemption reserve in respect of privately placed debentures including the requirement to invest up to 15% of the amount of debentures maturing during the next financial year. However, the Company maintains sufficient liquidity buffer to fulfil its obligations arising out of debentures. In case of secured debentures, an asset cover of at least 100% is maintained at all times.

7. RESOURCE MIX

a. Borrowings

The Company has diversified funding sources from Public Sector Banks, Private Sector Banks and Financial Institutions etc. Funds were raised in line with the Company's Resource Planning Policy through Term Loans, Assignment and Non-Convertible Debentures. The details of funds raised during the Financial Year 2025-26 are mentioned below:

Board's Report *(Contd.)*

Sr. No.	Borrowings / Security Type	Credit Rating	Amount Raised (In Lakhs)
1.	Term Loan from Banks and Financial Institutions (including overdraft)	"A"/ Stable Outlook from Acuité Ratings & Research Limited	66,250.00
2.	Assignment	-	3,499.78
3.	Non-Convertible Debentures	"A"/ Stable Outlook from Acuité Ratings & Research Limited	5,000.00

No Interest payment or principal repayment in respect of the term loans, assignment and NCDs was due and unpaid as at March 31, 2026. The assets of the Company which are available by way of security are sufficient to discharge the claims of the banks and debenture holders as and when they become due.

b. Securitization/Assignment

During the Financial Year 2025-26, your company had assigned a loan portfolio having a total principal amount of **Rs. 4,117 Lakhs** under Direct Assignment route. In the previous year, the Company had assigned a loan portfolio having a total principal amount of **Rs. 5,115 Lakhs** under Direct Assignment route.

c. Debt to Equity Ratio (Leverage ratio)

As on March 31, 2026, the debt to equity ratio of the Company stood at **2.88 times** as against **4.41 times** as on March 31, 2025. The leverage ratio of an applicable NBFC (except NBFC-MFI and NBFC-IFCs) shall not be more than 7 at any point of time and our leverage ratio is under better position.

d. Non-Convertible Debentures

During the Financial Year 2025-26, your Company has issued 50,000 listed, rated, senior, secured, transferable, redeemable, non-convertible debentures ("NCDs") denominated in Indian Rupees having a face value of Rs. 10,000/- (Rupees Ten Thousand) aggregating to nominal value of Rs. 50,00,00,000/- (Rupees Fifty Crores) on a private placement basis and these NCDs are listed on the Wholesale Debt Market segment of BSE Limited ("BSE").

As specified in the term sheet, the funds raised from NCDs were utilized for on-lending purposes only.

The brief details of NCDs issued on a private placement basis during the Financial Year 2025-26 are mentioned below:

Sr. No.	ISIN	Date of Issue	Date of Allotment	Secured/ Unsecured	Coupon Rate	Listed/ Unlisted	No. of Debentures	Maturity date	Issue price (in Rs)	Amount Raised (Rs. in Lakhs)
1	INE06WU07072	February 12, 2026	February 24, 2026	Secured	10.50%	Listed	50,000	February 24, 2029	10,000	5,000

Further, the Company continued to have 3,000 rated, listed, unsubordinated, secured, transferable, redeemable, taxable, non-convertible debentures ("NCDs"), denominated in Indian Rupees, having a face value of Rs.1,00,000/- (Rupees One Lakh) each, aggregating to Rs. 30,00,00,000/- (Rupees Thirty Crores), which were issued on a private placement basis. These NCDs are listed on the Wholesale Debt Market segment of BSE Limited and bear the International Securities Identification Number ('ISIN') - INE06WU07064.

During the Financial Year 2025-26, the Company redeemed 1,000 (One Thousand) Secured Non-Convertible Debentures amounting to Rs. 5,00,00,000/- (Rupees Five Crores) issued to Edge Credit Opportunities Fund I. The date of redemption is April 02, 2025.

Board's Report *(Contd.)*

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

e. CAPITAL STRUCTURE

a) Authorised share capital

The authorised share capital of the Company as on March 31, 2026 is Rs. 30,00,00,000/- (Rupees Thirty Crores) divided into 6,00,00,000 (Six Crore) Equity Shares of Rs. 5/- (Rupees Five) each . During the Financial Year 2025-26 there was no change in the Authorised share capital of the Company.

b) Issued, Subscribed and Paid -Up share capital

The issued, subscribed and paid up share capital of the Company as on March 31, 2026 is Rs. 26,13,39,375/- (Rupees Twenty Six Crore Thirteen Lakh Thirty Nine Thousand Three Hundred and Seventy Five) divided into 5,22,67,875 (Five Crore Twenty Two Lakh Sixty Seven Thousand Eight Hundred and Seventy Five) Equity Shares having face value of Rs. 5/-(Rupees Five) each.

During the Financial Year 2025-26, the following changes occurred in issued, subscribed and paid up share capital of the Company.

Allotment of 1,04,53,575 (One Crore Four Lakh Fifty Three Thousand Five Hundred and Seventy Five) fresh Equity Shares of Rs. 5/- (Rupees Five) each pursuant to the Initial Public Offer in terms of Prospectus dated July 31, 2025.

As on March 31, 2026, all the issued Equity Shares were held in dematerialized mode. Neither of the shares of the Company are in physical mode. During the Financial Year 2025-26, the Company has not issued any Equity Shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act is furnished. Further the company has not issued any sweat equity shares and hence no information as per provisions of Section 54(1)(d) of the Act is furnished. Also the Company has not issued any bonus shares. The Company has only one class of Equity Shares with face value of Rs. 5/- (Rupees Five) each, ranking pari passu.

8. CREDIT RATING

The Company's financial discipline and prudence are reflected in the credit ratings ascribed by rating agencies. The table below sets out the Company's credit rating as on March 31, 2026.

Name of the Credit Rating Agency	Name of the Instrument/ Facility	Date of obtaining Credit Rating	Quantum (Rs. in Crores)	Rating Assigned	Revision in Credit Rating	Rating Valid Up to
Acuité Ratings & Research Limited	Non-Convertible Debentures	March 20,2026	40.00	ACUITE A/ Stable/ Upgraded	ACUITE A-/Positive/ Reaffirmed [1]	May 02, 2026
Acuité Ratings & Research Limited	Non-Convertible Debentures	March 20,2026	25.00	ACUITE A/ Stable/ Upgraded	ACUITE A-/Positive/ Reaffirmed[2]	May 04, 2026
Acuité Ratings & Research Limited	Non-Convertible Debentures	March 20,2026	15.00	ACUITE A/ Stable/ Upgraded	ACUITE/A-/Positive/ Reaffirmed[3]	November 23, 2026
Acuité Ratings & Research Limited	Proposed Non-Convertible Debentures	March 20,2026	100.00	ACUITE A/ Stable/ Assigned	-	February 16, 2027
Acuité Ratings & Research Limited	Bank Loan	March 20,2026	1,126.86	ACUITE A/ Stable/ Upgraded	ACUITE/A-/Positive/ Reaffirmed[4]	March 08, 2027
Acuité Ratings & Research Limited	Bank Loan	March 20,2026	450	ACUITE A/ Stable/ Upgraded[5]	-	March 08, 2027

Board's Report *(Contd.)*

1. Acuité Ratings & Research Limited has revised the long-term rating of 'ACUITE A-/Reaffirmed' (read as ACUITE Single A minus reaffirmed) with a Positive Outlook to 'ACUITE A/Upgraded ' (read as ACUITE Single A upgraded) with a Stable Outlook on the Rs. 40.00 Crore Non-Convertible Debentures of Laxmi India.
2. Acuité Ratings & Research Limited has revised the long-term rating of 'ACUITE A-/Reaffirmed' (read as ACUITE Single A minus reaffirmed) with a Positive Outlook to 'ACUITE A/Upgraded ' (read as ACUITE Single A upgraded) with a Stable Outlook on the Rs. 25.00 Crore Non-Convertible Debentures of Laxmi India.
3. Acuité Ratings & Research Limited has revised the long-term rating of 'ACUITE A-/Reaffirmed' (read as ACUITE Single A minus reaffirmed) with a Positive Outlook to 'ACUITE A/Upgraded ' (read as ACUITE Single A upgraded) with a Stable Outlook on the Rs. 15.00 Crore Non-Convertible Debentures of Laxmi India.
4. Acuité Ratings & Research Limited has revised the long-term rating of 'ACUITE A-/Reaffirmed' (read as ACUITE Single A minus reaffirmed) with a Positive Outlook to 'ACUITE A/Upgraded ' (read as ACUITE Single A upgraded) with a Stable Outlook on the Rs. 1126.86 Crore Bank Loans of Laxmi India.
5. Acuité Ratings & Research Limited has revised the long-term rating of 'ACUITE A-/Assigned' (read as ACUITE Single A minus assigned) with a Positive Outlook to 'ACUITE A/Upgraded ' (read as ACUITE Single A upgraded) with a Stable Outlook on the Rs. 450 Crore Bank Loans of Laxmi India.

9. SOCIAL & RELATIONSHIP CAPITAL (HUMAN RESOURCES)

The Company recognized people as its most valuable assets and it has built an open, transparent and meritocratic culture to nurture this asset. Laxmi India's mission of creating a high-performance culture has been further strengthened through areas such as building a capability model (identification of critical competences) nurturing talent through interventions such as coaching, competency-based training programs and cross-functional projects.

Your Company has a work environment that inspires people to do their best and encourages an ecosystem of teamwork, continuous learning and work life balance. Your Company believes that people perform to the best of their capability in organization to which they feel truly associated. Your Company focuses on widening organizational capabilities and improving organizational effectiveness by having a competent and engaged workforce. Our people are our partners in progress and employee empowerment has been critical in driving our organizational growth to the next level.

The Company had **1,805** employees on the rolls of the Company as on March 31, 2026 as compared to **1,434** as on March 31, 2025.

10. NETWORK EXPANSION (BRANCHES)

The Company is experiencing rapid growth and is continuously expanding its business in the states of Rajasthan, Gujarat, Madhya Pradesh, Chhattisgarh, Uttar Pradesh and Maharashtra. During the Financial Year 2025-26, the Company opened new branches as follows: 4 branches in Rajasthan, 6 branches in Madhya Pradesh, 1 branch in Gujarat, 1 branch in Chhattisgarh, 1 branch in Maharashtra and 11 branches in Uttar Pradesh. As of the close of the financial year ending March 31st 2026, the Company operates a total of 176 branches across these six states. Additionally, during the Financial Year 2025-26, the Company closed 2 branches in Gujarat, 3 branches in Rajasthan and 1 branch in Madhya Pradesh. The details of branches are as mentioned below:

State	Branches
Rajasthan	92
Gujarat	23
Madhya Pradesh	40
Chhattisgarh	5
Uttar Pradesh	15
Maharashtra	1
Total	**176**

Apart from the above branches, your Company has one office in Delhi for administrative purpose.

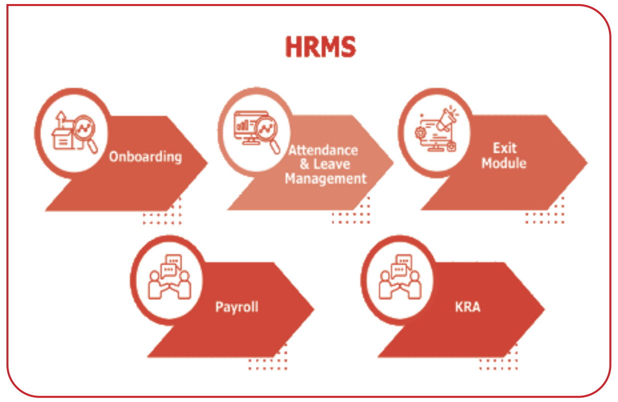
Board's Report *(Contd.)*

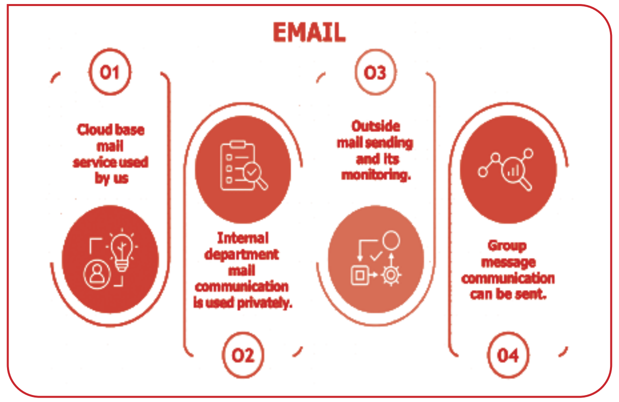
11. TECHNOLOGY INITIATIVES

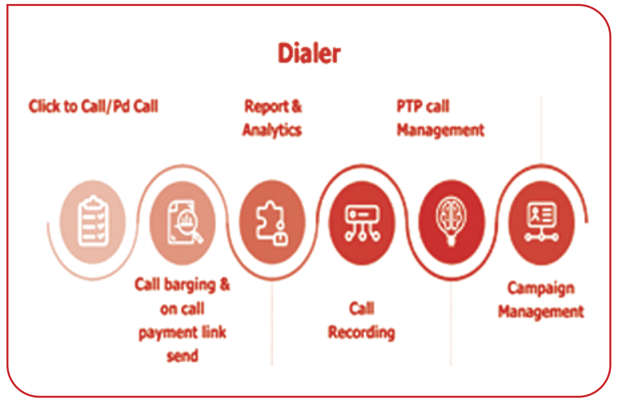
The Indian financial market sector is increasingly becoming strategically focused and technologically advanced to meet consumer expectations and defend market share against a growing number of competitors. There is a strong emphasis on digitizing core business processes, reassessing organizational structures, and enhancing internal talent to prepare for the future. This transformation reflects the growing ambition to become a 'digital institution.'

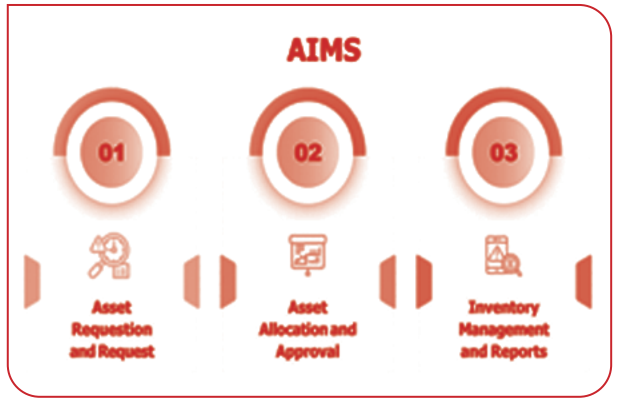
The management of your Company recognizes this trend and has been actively investing in technological upgrades. We are fine-tuning our systems and processes to ensure alignment with advanced technology platforms. With a future-oriented approach and a commitment to serving both internal and external customers, we have set a goal to become a technology-driven company.

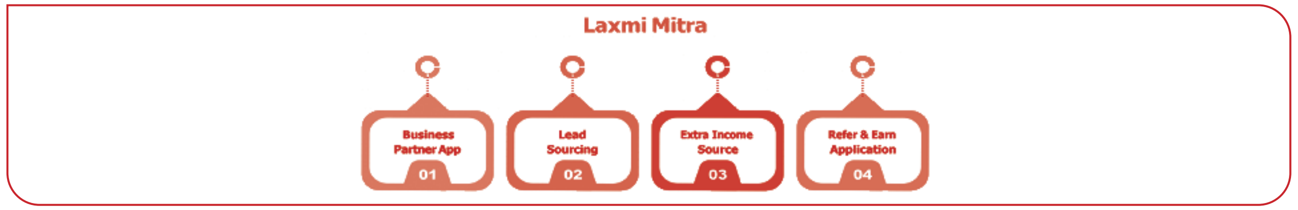
Laxmi India is keen to adopt new technologies, whether in accounting software for better reporting or in reducing Turnaround Time (TAT) by transitioning to a Tab-based Loan Origination System (LOS). The Company employs more than 10 digital techniques to achieve optimized results at minimal cost, enhancing portfolio quality and reducing overall TAT. As a part of seeing more functions towards technology, we are experimenting with technologies such as more mobile-based applications and some of the initiatives taken are as follows:



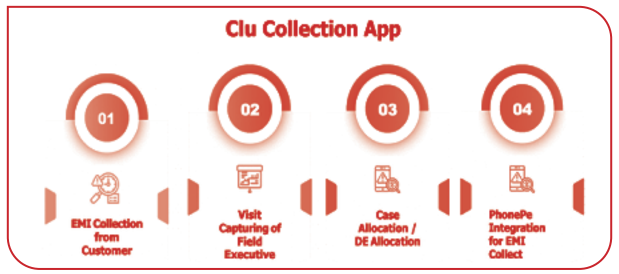


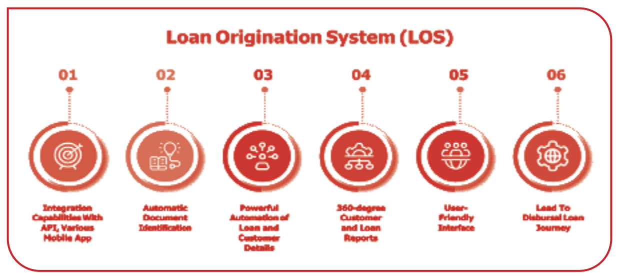


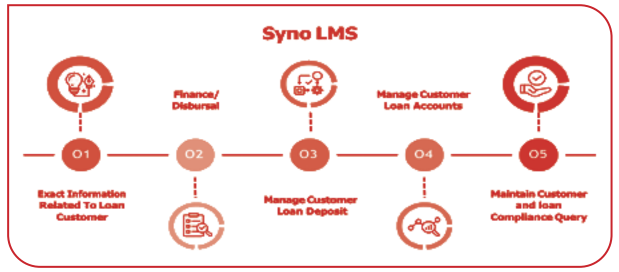


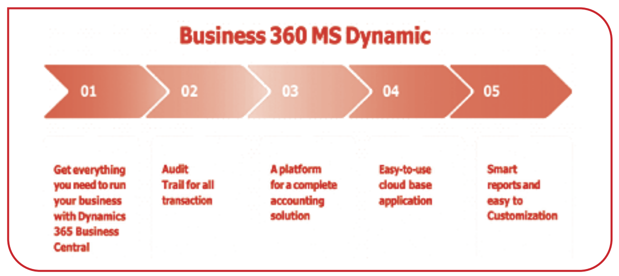


Board's Report *(Contd.)*









12. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no significant 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.

13. MATERIAL DEVELOPMENTS

During the Financial Year 2025-26, the Company has achieved a significant milestone with listing of its Equity Shares on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on August 05, 2025. Your Company has successfully concluded its Initial Public Offer of Rs. 254,25,66,810/- (Rupees Two Hundred Fifty-Four Crore Twenty-Five Lakh Sixty-Six Thousand Eight Hundred and Ten) comprising of 1,60,92,195 (One Crore Sixty Lakh Ninety-Two Thousand One Hundred and Ninety-Five) Equity Shares, including an offer for sale of 56,38,620 (Fifty-Six Lakh Thirty-Eight Thousand Six Hundred and Twenty) Equity Shares and a fresh issue of 1,04,53,575 (One Crore Four Lakh Fifty-Three Thousand Five Hundred and Seventy-Five) Equity Shares having face value of Rs. 5/- (Rupees Five) and premium of Rs. 153/-(Rupees One Hundred and Fifty Three).

Board's Report *(Contd.)*

Details of Stock Exchanges where securities of the Company are listed:

BSE	NSE
Scrip code: 544465	NSE Symbol: LAXMIINDIA
Address: Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400 001(Maharashtra)	Address: Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai-400051(Maharashtra)

The International Securities Identification Number ("ISIN") for Depositories National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"), in respect of Equity Shares is **INE06WU01026**.

14. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL(S)

a) Board of Directors

The Company has an optimum combination of executive and non-executive directors in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. As on March 31, 2026, the Company's Board comprises seven (7) Directors viz. four (4) Non- Executive Independent Directors and three (3) Executive Directors out of which two (2) are Whole-Time Directors and one (1) is Managing Director. All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Act. Further, none of the directors have been debarred from holding office as director by virtue of any order of the Securities and Exchange Board of India ("SEBI") or any other authority.

During the Financial Year 2025-26, the following changes took place in composition of the Board of the Company:-

1. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee through a resolution passed on May 19, 2025, approved the appointment of Mr. Brijmohan Sharma (DIN: 09646943) as an Independent Director on the Board of the company for a period of 5(Five) consecutive years with effect from September 28, 2024 till September 27, 2029. The said appointment was subsequently approved by the shareholders at the Annual General Meeting of the Company held on June 19, 2025. Mr. Brijmohan Sharma was appointed as an Independent Director on the Board of the Company owing to his distinguished career of over 40 years in the banking and financial services sector, including senior leadership roles in prominent public sector banks. His comprehensive expertise in banking operations, credit, corporate banking, and strategic management will add substantial value to the Board's functioning. He has also been recognized by PFRDA with the "Splendid 7" award for outstanding performance in the Atal Pension Yojana.
2. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee through a resolution passed on May 19, 2025, approved the appointment of Mr. Kalyanaraman Chandrachoodan (DIN: 07712306) as an Independent Director on the Board of the Company for a period of 5(Five) consecutive years with effect from February 10, 2025 till February 09, 2030. The said appointment was subsequently approved by the shareholders at the Annual General Meeting of the Company held on June 19, 2025. Mr. Kalyanaraman Chandrachoodan was appointed as an Independent Director on the Board of the Company in view of his extensive experience of nearly 40 years in banking regulation, supervision, compliance, and payment systems. His leadership roles with the RBI, SBI, IMF, and other financial institutions, both in India and internationally, are expected to bring valuable insights and strengthen the Company's governance and regulatory oversight.
3. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee through a resolution passed on May 19, 2025, approved the reappointment of Mrs. Prem Devi Baid (DIN: 00774922) as Whole-Time Director, liable to retire by rotation. Being eligible, she offered herself for reappointment, and the same was subsequently approved by the shareholders at the Annual General Meeting of the Company held on June 19, 2025.

Board's Report *(Contd.)*

The following change took place in the composition of the Board of the Company after the end of the Financial Year 2025-26 and up to the date of the Board's Report:

1. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee through a resolution passed on August 12, 2026, approved the re-appointment of Mrs. Aneesha Baid (DIN: 07117678), Whole-Time Director, liable to retire by rotation and being eligible, offering herself for re-appointment subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

b) Key Managerial Personnel

During the Financial Year 2025-26, no changes took place in the Key Managerial Personnel(s) ("KMPs") of the Company.

Pursuant to the provisions of Section 203 of the Act read with the rules made there under, the following are the KMPs of the Company as on March 31, 2026:

Sr. No.	Name of the Director/KMP	DIN/PAN	Designation
1.	Mr. Deepak Baid	03373264	Managing Director
2.	Mrs. Aneesha Baid	07117678	Whole -Time Director
3.	Mrs. Prem Devi Baid	00774922	Whole -Time Director
4.	Mr. Sourabh Mishra	BLBPM3797B	Company Secretary & Chief Compliance Officer
5.	Mr. Gopal Krishan Sain	BBTPS9390G	Chief Financial Officer

The following change took place in the KMPs of the Company after the end of the Financial Year 2025-26 and up to the date of the Board's Report:

1. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee through a resolution passed on August 12, 2026, approved the re-appointment of Mrs. Aneesha Baid (DIN: 07117678), Whole-Time Director, liable to retire by rotation and being eligible, offering herself for re-appointment subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

c) Declaration of Independence by Independent Directors

In accordance with the provisions of Section 149(7) of the Act read with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 25(8) of SEBI Listing Regulations, all Independent Directors have submitted the necessary declaration of independence, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management. Further, the Independent Directors have also confirmed that they are not debarred from holding the office of director by order of SEBI or any other authority.

Further, the Independent Directors have affirmed that they have complied with the Code applicable for Independent Directors as stipulated under Schedule IV of the Act and pursuant to the provisions of the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 read with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have registered their name in the online data bank of Independent Directors maintained & administered by the Indian Institute of Corporate Affairs ("IICA") and paid the relevant fees. With regard to proficiency of the Independent Directors, ascertained from the online proficiency self-assessment test conducted by the IICA, as notified under sub section (1) of Section 150 of the Act, the Company has taken on record the declarations/disclosures submitted by Independent Directors confirming that either they are exempt from appearing in the test or they have passed the exam as required by the IICA.

Board's Report *(Contd.)*

Further, the Independent Directors have declared that they are not appointed as an Independent Director on the Board of more than 3 (Three) NBFCs (NBFC-ML or NBFC-UL) pursuant to Chapter IV of Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions ("RBI Governance Directions") bearing reference no RBI/DOR/2025-26/344/DOR.GOV.REC.No.263/18-10-013/2025-26 dated November 28, 2025.

Further, there has been no change in the circumstances affecting their status as Independent Directors of the Company. In the opinion of the Board all the Independent Directors are persons of integrity and has relevant experience and expertise (including proficiency) for being an Independent Director of the Company.

d) Statement on Compliance with Code of Conduct by Board of Directors and Senior Management Personnel

Your Company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel ("SMPs"), in accordance with the provisions of the Act read with Schedule IV and Regulation 17(5) of the SEBI Listing Regulations. This Code of Conduct reflects the Company's commitment to upholding the highest standards of ethical conduct, integrity, compliance, and accountability. It serves as a guiding framework to reinforce our core values and promote a culture of transparency and responsible governance. During the Financial Year 2025-26, the Board of Directors and SMPs have affirmed compliance with the Code of Conduct, both in letter and in spirit. A declaration to this effect signed by the Managing Director forms part of the "Report on Corporate Governance" annexed to the Board's Report as **Annexure-II** in compliance of Regulation 34(3) read with Part D of Schedule V of the SEBI Listing Regulations. The code of conduct for BOD and SMPs is uploaded on the Company's website and can be accessed at: **https://lifc.co.in/uploads/Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Management%20Personnel.pdf**

e) Separate Meeting of Independent Directors

Pursuant to the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations, the Independent Directors shall hold at least one meeting in a Financial Year without the attendance of Non-Independent Directors and members of management and all the Independent Directors shall strive to be present at such meeting. Accordingly, a separate meeting of Independent Directors was held on **Tuesday, July 22, 2025** for Financial Year 2025-26, with all Independent Directors in attendance. This meeting took place without the presence of Non-Independent Directors and members of the management. At this meeting, the Independent Directors inter-alia evaluated the performance of the Non-Independent Directors, the Board as a whole and the performance of the Chairperson (i.e. Managing Director who is the generally elected Chairperson of the Board Meeting) taking into account the views of Executive Directors and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties in compliance with Regulation 25(4) of the SEBI Listing Regulations. The evaluation was carried out on broad parameters such as Board Composition & quality, Board meetings and procedures, knowledge and skills, strategy formulation and execution, personal attributes and such other relevant factors. The Independent Directors expressed their satisfaction with the performance of the Board , Chairperson and the Non-Independent Directors of the Company.

f) Familiarisation Programme for Independent Directors

Pursuant to the provisions of Regulation 25(7) of the SEBI Listing Regulations, your Company has adopted a structured programme for orientation and training of Independent Directors at the time of their joining in order to familiarise them with the Company- its operations, business model, nature of the industry in which it operates and the regulatory regime applicable to it and to update the Independent Directors on a continuing basis on any significant changes in order to enable them to take well informed and timely decisions. The Independent Directors of the Company are made aware of their roles and responsibilities and the Company's Code of Conduct for Independent Directors at the time of their appointment through a formal letter of appointment, which also stipulates various terms and

Board's Report *(Contd.)*

conditions of their engagement. Each newly appointed Independent Director undergoes an interactive session with the Managing Director and the Company Secretary & Chief Compliance Officer of the Company.

During the Financial Year 2025-26, periodic strategy meetings were conducted between the Board and SMPs wherein presentations were made covering the industry scenario, strategic priorities and the business model of the Company. These strategic meetings facilitate one-on-one interaction between the Directors and SMPs fostering deeper insights in the Company's functioning. Quarterly presentations were made to the Board, which include updates on business performance, financial parameters, liquidity position, fund flows and compliance status. At various Board and Committee meetings, presentations were made on risk management, key Company policies, and changes in the regulatory environment applicable to the corporate sector and the industry in which the Company operates and other relevant matters.

Pursuant to Regulation 46 of the SEBI Listing Regulations, the details of the Familiarisation Programme is uploaded on the Company's website and can be accessed at: **https://lifc.co.in/uploads/Familiarization%20Programme%20for%20Independent%20Directors.pdf**

15. FIT AND PROPER CRITERIA

The Company has adopted a Fit and Proper Criteria Policy, in accordance with RBI Governance Directions, for ascertaining the fit and proper criteria of Directors at the time of appointment and on a continuing basis.

Accordingly, all the Directors of the Company have confirmed that they satisfy the "fit and proper" criteria as prescribed in Annexure II of RBI Governance Directions and that they are not disqualified from being appointed/continuing as Directors in terms of Section 164 of the Act.

16. NUMBER OF THE MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met **9 (Nine)** times during the Financial Year 2025-26. Adequate notice was given to all the Directors to schedule the Board Meetings, agenda and detailed notes to agenda were sent at least 7 (Seven) days in advance other than those held on shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Frequency and quorum of these meetings and the intervening gap between any two meetings were in conformity with the provisions of the Act, SEBI Listing Regulations and Secretarial Standards issued by The Institute of Company Secretaries of India. Moreover, due to business exigencies or keeping in mind the urgency of matter, resolutions were passed by way of circulation. The Board of Directors actively participated in the meetings and contributed valuable inputs on the matters brought before them from time to time.

During the Financial Year 2025-26, the Company held 9 (Nine) Meetings of the Board of Directors as per Section 173 of the Act and Regulation 17(2) of the SEBI Listing Regulations. The details of these meetings along with attendance details for each Director, have been disclosed in the "Report on Corporate Governance" annexed to the Board's Report as **Annexure-II**.

17. BOARD COMMITTEES

The Board of Directors of the Company, functions either as full Board, or through various Committees constituted to oversee specific areas of business operations and Corporate Governance. Each Committee of the Board is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees meet at regular intervals, focus on their assigned areas and make informed decisions within the authority delegated to them. As on March 31, 2026, the Board has 14 (Fourteen) Committees, namely:

- Audit Committee
- Nomination and Remuneration Committee

Board's Report *(Contd.)*

- Risk Management Committee
- IT Strategy Committee
- Asset Liability Management Committee
- Corporate Social Responsibility Committee
- Internal Complaints Committee
- Review Committee
- IPO Committee
- Stakeholders' Relationship Committee
- Identification Committee
- Committee of Executives
- IT Steering Committee
- Business Operation Committee

During the Financial Year 2025-26, all recommendations made by the committees were accepted by the Board of Directors.

The details of the composition and terms of reference of these Committees, together with the number of meetings held during the Financial Year 2025-26 and the attendance of members thereat, are provided in the "Report on Corporate Governance" annexed to the Board's Report as **Annexure-II**.

Further the detailed terms of reference of these Committees are included in the Corporate Governance Policy which is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Corporate%20Governance%20Policy.pdf**

The composition of Audit Committee and Corporate Social Responsibility Committee as required to be disclosed as per Section 177 and 135 of the Act is provided below:

Composition of Audit Committee as on March 31, 2026

Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee
Mr. Anil Balkrishna Patwardhan	Independent Director	23.12.2021	Chairman
Mr. Deepak Baid	Managing Director	23.12.2021	Member
Mr. Brijmohan Sharma	Independent Director	13.11.2024	Member

Composition of Corporate Social Responsibility Committee as on March 31, 2026

Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee
Mr. Deepak Baid	Managing Director	04.06.2018	Chairman
Mrs. Aneesha Baid	Whole-Time Director	04.06.2018	Member
Mr. Surendra Mehta	Independent Director	04.06.2018	Member

18. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Board of Directors has adopted a **"Nomination, Remuneration and Compensation Policy" ("NRC Policy")** in compliance with Chapter IV of RBI Governance Directions, Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178(3) of the Act read along with the applicable rules thereto, as amended from time to time. The NRC Policy act as guidelines on matters relating to the nomination, remuneration, appointment, removal and evaluation

Board's Report *(Contd.)*

of performance of the Directors, KMPs and SMPs of the Company. Further, the NRC Policy aims to ensure that the Company attracts, retains and motivates competent individuals by adopting a fair, transparent and performance-oriented approach towards governance, nomination and remuneration practices.

Pursuant to the provisions of Section 134(3)(e) of the Act, the Company's Policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Nomination_%20Remuneration%20_%20Compensation%20%20Policy.pdf**

Further, the Company has also adopted a Fit and Proper Criteria Policy for ascertaining the 'Fit and Proper' criteria of Directors at the time of appointment and on a continuing basis, pursuant to the RBI Governance Directions. The Company has also formulated a policy on Succession Planning for Directors and KMPs to ensure continuity and smooth functioning of the Company, details of which are provided in the "Report on Corporate Governance" annexed to the Board's Report as **Annexure-II**.

Further during the Financial Year 2025-26, the NRC Policy was revised to align it with the provisions of the SEBI Listing Regulations, pursuant to the listing of the Company's Equity Shares on BSE and NSE. The NRC Policy was also updated to align with the RBI Governance Directions dated November 28, 2025, as amended from time to time.

19. ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of Section 178 of the Act, SEBI Listing Regulations, Guidance Note on Board Evaluation issued by SEBI and Guidance Note on Board Evaluation issued by The Institute of Company Secretaries of India ("ICSI"), the Board of Directors has carried out an annual performance evaluation of its own performance, its Committees and the Directors individually including Independent Directors based on the criteria and framework adopted by the Nomination and Remuneration Committee ("NRC"). A structured questionnaire covering various aspects of evaluation of performance of the Board, its Committees and individual Directors (including Independent Directors) is put forth for completion of the evaluation process. The NRC has carried out the evaluation of the performance of each Director, Key Managerial Personnel, and Senior Management Personnel prior to their re-appointment, and has also conducted their annual performance evaluation as per NRC Policy of the Company.

The performance evaluation of Independent Directors was done by the entire Board and was in compliance of the requirement mentioned in Regulation 17(10) of the SEBI Listing Regulations.

During the Financial Year 2025-26, a separate meeting of Independent Directors was held on **Tuesday, July 22, 2025**, in compliance of Regulation 25(3) of the SEBI Listing Regulations and Section 149(8) read with Schedule IV of the Act, without the attendance of Non-Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluated the performance of Non-Independent Directors and the Board as a whole, and the performance of Chairperson (i.e. Managing Director who is the generally elected Chairperson of the Board Meeting) taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of the flow of information between the Management and the Board which is necessary for the Board to effectively and reasonably perform its duties in compliance with Regulation 25(4) of the SEBI Listing Regulations.

The criteria for performance evaluation of Committees, Board as a whole, Chairperson, Independent Directors and other Directors provide certain parameters like:

- Participation at the Board / Committee meetings;
- Commitment (including guidance provided to senior management outside of Board/ Committee meetings);
- Effective deployment of knowledge and expertise;
- Updated knowledge/ information pertaining to business of the company;

Board's Report *(Contd.)*

- Effective management of relationship with stakeholders;
- Integrity and maintaining of confidentiality;
- Independence of behavior and judgment;
- Impact and influence;
- Ability to contribute to and monitor corporate governance practice; and
- Adherence to the code of conduct for independent directors

The Directors expressed their satisfaction on the parameters of evaluation, the implementation of the evaluation exercise and the outcome of the evaluation process.

20. STATUTORY AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 139 and 141 of the Act, read with rules made thereunder and based on the recommendation of Audit Committee and Board of Directors, M/s. S.C. Bapna and Associates, Chartered Accountants, (Firm's Registration Number : 115649W) were appointed as Statutory Auditors of the Company, vide Ordinary Resolution passed in the 27th Annual General Meeting held on 29th June, 2024 for a consecutive period of 3 (Three) years till the conclusion of 30th Annual General Meeting to be held in the calendar year 2027 at a remuneration as may be mutually agreed by the Board of Directors and Statutory Auditors from time to time.

M/s S.C. Bapna and Associates (Firm's Registration Number: 115649W), Chartered Accountants, have given their confirmation to the effect that they are eligible to act as a Statutory Auditors and that they have not been disqualified in any manner from continuing as Statutory Auditors of the Company, in terms of Section 139 and 141 of the Act read with the Companies (Audit and Auditors) Rules 2014 and applicable RBI Guidelines. Further, as required under the relevant provisions of SEBI Listing Regulations, the Statutory Auditors have also confirmed that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and they hold a valid certificate issued by the Peer Review Board of ICAI.

There are no qualifications, reservation, adverse remarks or disclaimer in the Auditors' Report on the Financial Statements for the Financial Year 2025-26 which require any clarification/explanation as required under Section 134(3)(f) of the Act. The Notes on financial statements are self-explanatory and need no further explanation. Further, the Auditors' Report "with an unmodified opinion", given by the Statutory Auditors on the Financial Statements of the Company for Financial Year 2025-26, is disclosed in the Financial Statements forming part of the Annual Report.

21. SECRETARIAL AUDITORS & THEIR REPORT

In compliance with the provisions of Section 204(1) of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors on the recommendation of Audit Committee had re-appointed M/s V.M. & Associates, Practicing Company Secretaries (FRN: P1984RJ039200) to undertake the Secretarial Audit of the Company for the Financial Year 2025-26 in their Board meeting held on May 19, 2025.

Pursuant to the listing of Company's Equity Shares on BSE and NSE with effect from August 5, 2025, the provisions of Regulation 24A of the SEBI Listing Regulations became applicable to the Company.

Accordingly, pursuant to Regulation 24A(1) of the SEBI Listing Regulations, M/s. V.M. & Associates, Practicing Company Secretaries, has issued Secretarial Audit Report in Form MR-3 and the same forms part of Board's Report as **Annexure-III.** Pursuant to Regulation 24A(2) of the SEBI Listing Regulations, M/s. V.M. & Associates, Practicing Company Secretaries, has issued the Annual Secretarial Compliance Report, conforming compliance by the Company of the applicable SEBI Listing Regulations and circulars/guidelines issued thereunder. Both the reports do not contain any qualification, reservation, adverse remark or disclaimer.

Board's Report *(Contd.)*

In compliance with Regulation 24A of the SEBI Listing Regulations and Section 204 of the Act and based on the recommendation of Audit Committee, the Board of the Company at its meeting held on May 13, 2026, has approved the appointment of M/s. V.M. & Associates, Practicing Company Secretaries (FRN: P1984RJ039200) and Peer Review Certificate No. 5447/2024) as the Secretarial Auditors of the Company for a first term of 5 (Five) consecutive Financial Years commencing from Financial Year 2026-27 subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

22. REPORTING OF FRAUDS BY AUDITORS

During the Financial Year 2025-26, the Statutory Auditors, Internal Auditors and the Secretarial Auditors have not reported, any instances of fraud committed against the Company by its officers or employees, under Section 143(12) of the Act.

23. INTERNAL AUDITOR & ITS REPORT

As a part of its efforts to evaluate the effectiveness of the internal control systems, pursuant to the provisions of Section 138 of the Act, read with the Companies (Accounts) Rules, 2014, Mrs. Priya Kadyan, Chartered Accountant, was appointed as an Internal Auditor of the Company by the Board of Directors at its meeting held on December 15, 2024 on such remuneration and by such scope, functioning, periodicity and methodology for conducting the internal audit as may be decided by the Managing Director in consultation with the Internal Auditor. There were no qualification, reservation, adverse remark or disclaimer in the Internal Auditors' Report which require any clarification/explanation as required under Section 134(3)(f) of the Act.

24. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 of the Act, are not applicable in respect of the business activities carried out by the Company and hence the Company was not required to maintain cost records.

25. LAXMI INDIA FINANCE LIMITED EMPLOYEE STOCK OPTION SCHEME-2023

The Company has initially adopted the "Employee Stock Option Scheme–2023" which was duly approved by the members at the Annual General Meeting held on September 19, 2023, under the name **"Laxmi India Finance Private Limited Employee Stock Option Scheme – 2023"** ("Scheme"). Subsequently, based on the recommendation of the NRC and the Board, the Scheme was revised and approved by the members at the Extra-Ordinary General Meeting held on November 29, 2024, to align it with the requirements of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations") in view of the proposed Initial Public Offer of the Company's Equity Shares.

Consequent upon the conversion of the Company into a public limited company, the Scheme was renamed from **"Laxmi India Finance Private Limited Employee Stock Option Scheme – 2023"** to **"Laxmi India Finance Limited Employee Stock Option Scheme – 2023"** ("Scheme").

Following the listing of the Company's Equity Shares on BSE and NSE on August 05, 2025, the Scheme was ratified by the shareholders through Postal Ballot on December 18, 2025, in accordance with the provisions of the SEBI (SBEB & SE) Regulations. The Scheme provides for the grant of up to **20,90,000 (Twenty Lakh Ninety Thousand)** stock options to eligible employees of the Company. The Company has also obtained in-principle approval from BSE and NSE on February 3, 2026, for the listing of the equity shares to be issued upon exercise of the vested stock options under the Scheme.

The objective of the Scheme is to reward eligible employees for their continued association with the Company and to recognise their contribution and performance. The Scheme is designed to motivate employees to contribute towards the sustained growth and profitability of the Company by providing performance-based incentives and long-term wealth creation opportunities. It also aims to attract, motivate and retain talented employees, foster a greater sense of ownership

Board's Report *(Contd.)*

and alignment with the Company's long-term objectives, and recognise the commitment, dedication and loyalty of employees towards the continued success and growth of the Company.

The NRC of the Board, which also functions as the Compensation Committee under the Scheme, is responsible for the administration and implementation of the Scheme. The NRC administers and monitors the Scheme in accordance with the provisions of the Act, the rules made thereunder and the SEBI (SBEB & SE) Regulations.

A statement containing relevant disclosures in respect of **"Laxmi India Finance Limited Employee Stock Option Scheme – 2023"** as required under Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 for the Financial Year 2025-26, is provided below:

Options Granted	NIL
Options Vested	1,44,742
Options Exercised	NIL
The total number of shares arising as a result of exercise of option	NIL
Options Lapsed	50,408
Exercise Price	46
Variations of Terms of Options	NA
Money realized by exercise of options	NIL
Total number of options in force as on March 31, 2026	7,36,158

Employee-wise details of options granted to

a) Key Managerial Personnel:

Sr. No.	Name of Key Managerial Personnel as at March 31, 2026	No. of Options Granted
1	Mr. Sourabh Mishra – Company Secretary and Chief Compliance Officer	Nil
2	Mr. Gopal Krishan Sain – Chief Financial Officer	Nil

b) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year:

Sr. No.	Name of Employee	Total Number of Options Granted	Date of Grant	% on Total no. of Options Granted
1	Kuldeep Singh Sikarwar	50,724	October 01, 2024	6.45%
2	Piyush Somani	39,604	October 01, 2024	5.04%

c) Identified employees who were granted Options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: **Nil**

Further the details as required to be disclosed as per Regulation 14 of the SEBI (SBEB & SE) Regulations is uploaded on the Company's website and can be accessed at **https://lifc.co.in/esop**

The Company has also obtained a certificate from M/s. V.M. & Associates,Secretarial Auditors of the Company under Regulation 13 of SEBI (SBEB & SE) Regulations stating that the Scheme has been implemented in accordance with the SEBI (SBEB & SE) Regulations. The said certificate is uploaded on the Company's website and can be accessed at **https://lifc.co.in/esop**

Board's Report *(Contd.)*

26. ANNUAL RETURN

As per the requirement of Section 92(3) read with Section 134(3)(a) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the annual return of the Company for the Financial Year ended March 31, 2026 is uploaded on the Company's website and can be accessed at **https://lifc.co.in/annual-returns**

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

Your Company continuously strives to conserve energy, adopt environment friendly practices and employ technology for more efficient operations. The particulars relating to the energy conservation and technology absorption, as required under Section 134 (3)(m) of the Act, read with the Companies (Accounts) Rules, 2014 are given in the **Annexure-IV** annexed to the Board's Report.

28. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 ("POSH ACT")

The Company adopts a zero-tolerance approach towards sexual harassment of women at workplace. A detailed Policy on Prevention of Sexual Harassment at Workplace ("POSH Policy") is in place as per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act").

The Company has always believed in providing a safe and harassment free workplace for every individual through various initiatives and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The POSH Policy provides comprehensive protection to all employees covered under the Policy, including permanent, contractual, temporary and trainee personnel. The main objective of the POSH Policy is to enable all those working with the Company to raise their concerns and make complaints without any fear and be heard in a fair and unbiased manner.

Following is the summary of sexual harassment complaints received and disposed off by the Company during the Financial Year 2025-26:

No. of complaints at the beginning of the year	Nil
No. of complaints received during the year	Nil
No. of complaints disposed-off during the year	Nil
No. of complaints at the end of the year	Nil
No. of complaints pending for more than ninety days	Nil

Further, the Company has complied with provisions relating to the constitution of the Internal Complaints Committee under POSH Act, amended as on date. The Internal Complaints Committee met 1 (One) time during the Financial Year 2025-26 on Saturday, March 07, 2026. The composition and attendance details of the Internal Complaints Committee have been disclosed in the "Report on Corporate Governance" annexed to the Board's Report as **Annexure-II**.

29. RISK MANAGEMENT

Risks are events situation or circumstances, which may lead to negative consequences on the Company's business. Risk Management is a structured approach to manage uncertainty. A formal approach to risk management is being adopted by the company and key risks will now be managed within a unitary framework.

Periodic assessment to indemnify the risks areas are carried out and management is briefed on the risks in advance to enable the Company to control risk through a properly defined plan. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk Management with the following objects:

Board's Report *(Contd.)*

- Provide an overview of the principles of risk management.
- Explain approach adopted by the Company for risk management.
- Define the organisational structure for effective risk management.
- Develop a risk culture that encourages all employees to identity risks and to respond to them with effective actions.
- Identify, assess and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company's human, physical and financial assets.

The details of the Risk Management Framework, issues related thereto, Risk Management Policy adopted by the Company including identification therein of elements of risk if any, which in the opinion of the Board of the Company may threaten the existence of the Company have been explained in detail in the Management Discussion and Analysis Report forming part of the Board's Report as **Annexure-VI**.

Your Company has constituted a Risk Management Committee of the Board which is authorized to monitor and review risk management plan. Details of the Risk Management Committee are provided in the "Report on Corporate Governance" annexed to the Board's Report as **Annexure-II**.

Further, the Risk Management Policy adopted by the Company has been uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Risk%20Management%20Policy.pdf**

30. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has established a Vigil Mechanism through its Whistle Blower Policy to provide a framework for directors and employees to report genuine concerns and to encourage employees to report suspected legal violations, fraudulent or irregular conduct of an employee or business associate of the Company. Such incidents, if not reported would breach trust and endanger the Company's reputation. Through this mechanism, the Company provides a channel to the employees and Directors to report to the management about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

The Company has a Whistle Blower Policy & Vigil Mechanism ("Policy") to deal with instances of fraud and mismanagement, if any. This Policy ensures that strict confidentiality is maintained whilst dealing with concerns and that no discrimination will be meted out to any person for a genuinely raised concern. The Policy as approved by Board is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Whistle%20Blower%20Policy%20_%20Vigil%20Mechanism(1).pdf**

During the Financial Year 2025-26, no whistle blower event was reported and mechanism is functioning well and no personnel has been denied access to the Chairman of Audit Committee.

The effectiveness of the Vigil Mechanism is annually reviewed by the Audit Committee, which ensures that all the grievances are handled properly.

31. DEPOSITS FROM PUBLIC

Being a non-deposit taking NBFC, your Company has not accepted any deposit from public during the Financial Year 2025-26 within the meaning of the provisions of the Reserve Bank of India (Non-Banking Financial Companies- Acceptance of Public Deposits) Directions, 2025, dated November 28, 2025 and the applicable provisions of Chapter V of the Act and shall not accept any deposit from the public without obtaining prior approval of the RBI. Therefore, the requirement for furnishing the details relating to deposits covered under Chapter V of the Act or the details of deposits that are not in compliance with Chapter V of the Act is not applicable. Further, the Board of Directors, by way of a circular resolution passed on April 18, 2026, approved the non-acceptance of public deposits during the Financial Year 2025-26.

Board's Report (Contd.)

32. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Pursuant to Section 186(11)(a) of the Act, read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, loans made, guarantees given or securities provided or acquisition of securities by an NBFC in the ordinary course of its business are exempted from disclosure in the Annual Report. Further the details regarding loans and guarantees given or investments made by the Company during the Financial Year 2025-26, are more particularly described in **Note No. 5 & 6** to the Audited Financial Statements of the Company.

33. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the Financial Year 2025-26, the Company has entered into various related party transactions which were in the ordinary course of business and on arm's length basis. Further, all such transactions were within the limits as approved by Board/ Audit Committee as applicable.

There were no contracts or arrangements entered into with related parties referred to in Section 188(1) of the Act during Financial Year 2025-26 and hence Form AOC-2 is not required to be enclosed with Board's Report in accordance with Section 134(3)(h) read with the Rule 8(2) of the Companies (Accounts) Rules, 2014.

All related party transactions entered into during the Financial Year 2025-26 were in compliance with the applicable provisions of the Act and Regulation 23 of the SEBI Listing Regulations as amended. Further, the Company did not engage in any material significant transactions with related parties that could potentially create conflicts of interest between Company and these parties during the Financial Year 2025-26.

The Policy on Related Party Transactions is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Related%20Party%20Transaction%20Policy.pdf**

The disclosures relating to related party transactions as required under Indian Accounting Standard (Ind AS) 24 -Related Party Disclosures are provided in **Note No. 48** to the Audited Financial Statements of the Company.

34. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Your Company recognizes Corporate Social Responsibility ("CSR") as a strategic approach to create shared value and contributing to social and environmental well-being through impactful initiatives. Our endeavour is to focus on reaching diverse segments of the society, with socially relevant projects, that benefit these communities and in small ways enhance the quality of their lives.

As per the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), the CSR obligation of the Company for Financial Year 2025-26 was Rs. 63.68 Lakhs against which your Company has spent Rs. 66.57 Lakhs.

The details of Corporate Social Responsibility Committee is provided in the "Report on Corporate Governance" annexed to the Board's Report as **Annexure-II**.

Corporate Social Responsibility Policy

The Company is having Corporate Social Responsibility Policy ("CSR Policy") which sets out the objective, areas, activities and the manner in which the expenditure on CSR obligation would be carried out by the company and the same is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Corporate%20Social%20Responsibility%20Policy.pdf**

Pursuant to Rule 8(1) of the CSR Rules, the brief outline of the CSR Policy, including overview of the programs undertaken by the Company, the composition of the CSR Committee, average net profits of the Company for the past three financial years, prescribed CSR expenditure and details of the amount spent by the Company on CSR activities during the Financial Year 2025-26, have been included in Annual Report on CSR Activities attached as **Annexure-I** to the Board's Report.

Board's Report (Contd.)

During the Financial Year 2025-26, CSR Policy was aligned with Reserve Bank of India (Non-Banking Financial Companies-Registration, Exemptions & Framework for Scale Based Regulations) Directions, 2025.

Further, in accordance with the Rule 4 of the CSR Rules, the Chief Financial Officer has certified that the funds disbursed have been utilised for the purpose and in the manner approved by the Board for Financial Year 2025-26.

35. RBI GUIDELINES

The Reserve Bank of India on November 28, 2025 issued Reserve Bank of India (Non-Banking Financial Companies - Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 comprising 26 comprehensive Directions in place of Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023.

Your Company has generally complied with the requirements prescribed under these Directions and has proactively aligned with the new framework, ensuring timely adoption of the mandated policies and processes, reflecting its commitment to governance, prudent risk management and sustainable growth.

The Company continues to comply with all applicable RBI Directions, laws, regulations, guidelines, etc. as prescribed by RBI from time to time.

As a prudent practice, your Company makes accelerated provisioning than that required by RBI for NBFCs in form of Impairment Loss Allowances under ECL Framework.

36. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS, IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND ITS FUTURE OPERATIONS

During the Financial Year 2025-26, there were no significant and material orders passed by the Regulators/ Courts/ Tribunals which would impact the going concern status of the Company and its future operations.

37. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Financial Controls laid down by the Company are a systematic set of controls and procedures to ensure the orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Internal financial controls not only require the system to be designed effectively but also to be tested for operating effectiveness periodically. The Board is of the opinion that internal financial controls with reference to the Financial Statements are adequate and operating effectively. The internal financial controls are commensurate with the size, scale, and complexity of operations.

The Audit Committee annually reviews the adequacy and effectiveness of the internal control systems and provides recommendations for their continuous improvement. During the Financial Year 2025-26, neither the Internal Auditor nor the Statutory Auditors has given modified opinion on the efficiency or effectiveness of internal financial controls of the Company.

38. TRANSFER OF UNCLAIMED DIVIDEND AND EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed or paid for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, shall be transferred to the Investor Education and Protection Fund ("IEPF"). Further all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEPF.

The provision of Section 125(5) and (6) of the Act, do not apply as there was no dividend declared and paid in the previous years.

Board's Report *(Contd.)*

39. STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS

Your Directors state that they have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the ICSI and that such systems are adequate and operating effectively and the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied with by your Company.

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

During the Financial Year 2025-26, the Company has neither made any applications, nor any proceedings were pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) therefore, it is not applicable on the company.

41. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of the Company's performance is provided in the Management Discussion and Analysis Report, prepared in accordance with the applicable provisions of RBI Governance Directions, Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 and Para B of Schedule V of the SEBI Listing Regulations. The said report forms an integral part of the Board's Report as **Annexure-VI** and, inter alia, covers the overall industry scenario, economic developments, sector-wise performance, outlook, risks and concerns, material developments, and the state of affairs of the Company.

42. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors would like to inform that the audited financial statements of the Company for the Financial Year ended March 31, 2026, are in conformity with the requirements of Section 134(3)(c) of the Act and hereby confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

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

d) the Directors had prepared the annual accounts on a going concern basis;

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

f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

43. COMPLAINTS RECEIVED FROM CUSTOMERS

Your Company has established a Customer Grievance Redressal Mechanism in accordance with the Reserve Bank of India (Non-Banking Financial Company – Responsible Business Conduct) Directions, 2025.The mechanism is designed to ensure prompt, fair and transparent resolution of customer complaints through a structured three-level internal escalation process comprising the Branch Manager, the Grievance Redressal Officer and the Company Secretary & Chief Compliance Officer. Where a complaint remains unresolved within the prescribed timeline, customers may approach the Reserve Bank of India under the Reserve Bank-Integrated Ombudsman Scheme, 2026.

The Company also maintains a dedicated grievance redressal framework for complaints relating to credit information reporting and recovery activities, in compliance with the applicable RBI Directions. The details of the grievance redressal

Board's Report *(Contd.)*

mechanism, including contact particulars of the Grievance Redressal Officer and escalation channels, are displayed at all branches and are available on the Company's website.

The details of complaints during the Financial Year 2025-26 are provided below:

Sr. No.	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	Number of complaints resolved during the year	Number of complaints pending at the end of the year
1.	Ground - 1 Credit Information Companies reports related	13	280	293	0
2.	Ground - 2 Staff behaviour	0	3	3	0
3.	Ground - 3 Loan Documents/NOC Required	0	10	10	0
4.	Ground - 4	0	0	0	0
5.	Ground – 5	0	0	0	0
6.	Others	1	122	121	2
	Total	**14**	**415**	**427**	**2**

44. CORPORATE GOVERNANCE

Your Company believes that a good corporate governance system is necessary to ensure its long-term success. Your Company ensures good governance through the implementation of effective policies and procedures, which are mandated and periodically reviewed by the Board or the Committees of the Board of Directors of the Company. The Company's Board approved Policies has been uploaded on the Company's website and can be accessed at **https://lifc.co.in/policies**

The RBI has issued RBI Governance Directions, which are applicable to every NBFC-ICC registered with the RBI and, inter alia, require such companies in terms of Chapter IV to frame internal guidelines on corporate governance. Your Company is classified as a Middle Layer NBFC (NBFC-ML) and accordingly the aforesaid RBI Governance Directions are applicable to the Company. Further, as a listed entity, the Company is also required to comply with the applicable provisions of the SEBI Listing Regulations including Regulations 17 to 27, which lay down corporate governance requirements relating to the composition and functioning of the Board and its committees, disclosure obligations and adoption of governance-related policies.

In compliance with the aforesaid RBI Governance Directions and the applicable provisions of the SEBI Listing Regulations and pursuant to the approval of the Board, the Company has adopted **Corporate Governance Policy ("CG Policy")** to ensure the implementation of sound governance practices, transparency, accountability and effective oversight. The CG Policy is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Corporate%20Governance%20Policy.pdf**

Pursuant to the provisions of the SEBI Listing Regulations, as amended from time to time, and the regulatory guidelines issued by the RBI governing NBFCs, a detailed report on compliance titled as **"Report on Corporate Governance"** with the corporate governance requirements prescribed under Regulation 34 read with Schedule V of the SEBI Listing Regulations and Chapter III of the Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 forms an integral part of the Board's Report and is annexed as **Annexure-II**.

Board's Report *(Contd.)*

The following certificates form part of the "Report on Corporate Governance" in compliance with the applicable provisions of the SEBI Listing Regulations:

1. A Certificate received from M/s. V.M. & Associates, Practicing Company Secretaries, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by the Board/Ministry of Corporate Affairs or any such statutory authority for Financial Year 2025-26 in compliance of Regulation 34(3) read with Para C of Schedule V of the SEBI Listing Regulations.
2. A Compliance Certificate received from M/s. V.M. & Associates, Practicing Company Secretaries, regarding compliance with conditions of corporate governance as required in compliance of Regulation 34(3) read with Para E of Schedule V of the SEBI Listing Regulations.
3. A Compliance Certificate issued by Managing Director and Chief Financial Officer of the Company in compliance of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations.

The Quarterly Report on Corporate Governance has been submitted by the Company to BSE and NSE, in terms of Regulation 27(2) of the SEBI Listing Regulations. The said reports have been uploaded on the Company's website and can be accessed at **https://lifc.co.in/disclosures-under-reg-46-of-sebi-lodr**

45. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The 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 form part of the Board's Report as **Annexure-V**.

Pursuant to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement containing the names and other particulars of the top ten employees in terms of remuneration drawn and employees drawing remuneration in excess of the limits prescribed under the said Rules forms part of the Board's Report as **Annexure**.

However, in terms of the first proviso to Section 136(1) of the Act read with the provisos to Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Annual Report is being sent to the members excluding the aforesaid **Annexure**. The said statement is available for inspection by the members at the Registered Office of the Company during business hours up to the date of the ensuing Annual General Meeting. Any member interested in obtaining a copy of the said statement may write to the Company Secretary and Chief Compliance Officer at **investors@lifc.in** and the same shall be furnished on request in accordance with the provisions of the Act and the Rules made thereunder.

Further, the Company did not have any employee posted and working in a country outside India during the Financial Year 2025-26. Accordingly, the disclosure requirements relating to such employees under Rule 5(3) are not applicable.

46. COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

The Company affirms that it is in compliance with all the applicable provisions of the Maternity Benefit Act, 1961 read with the rules made thereunder and has implemented all applicable requirements relating to maternity benefits for eligible employees in accordance with the applicable laws.

47. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to the SEBI Listing Regulations, the Business Responsibility and Sustainability Report for the Financial Year 2025–26 is not applicable to the Company.

Board's Report *(Contd.)*

48. PROHIBITION OF INSIDER TRADING

Pursuant to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT") and amendments thereto, your Company has adopted the Code of Conduct for regulating, monitoring and reporting of trading by its designated persons and immediate relatives of designated persons ("Code") for prohibition of insider trading in the securities of the Company. The Code inter alia prohibits trading of shares of the Company by its Designated Persons and other connected persons while in possession of Unpublished Price Sensitive Information ("UPSI") in relation to the Company during the period when the trading window is closed.

The Company has also formulated a Code of practices and procedures for fair disclosure of UPSI and the said Code is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Code%20of%20Practices%20and%20Procedures%20for%20Fair%20Disclosure%20of%20UPSI.pdf**

49. UTILIZATION OF PROCEEDS OF IPO

Pursuant to Regulation 32 of the SEBI Listing Regulations, the Company confirms that there was no deviation or variation in the utilisation of the proceeds raised through the Initial Public Offer (IPO) from the objects stated in the Prospectus dated July 31, 2025, during the Financial Year 2025–26.

In accordance with the applicable SEBI Listing Regulations, the Monitoring Agency has submitted its quarterly reports confirming that there was no deviation or variation in the utilisation of the IPO proceeds from the objects stated in the Prospectus. The said reports have been placed before the Audit Committee and the Board and have been submitted to the BSE and NSE within the prescribed timelines.

50. OTHER DISCLOSURES

Other disclosures with respect to the Board's Report as required under the Act, the Rules notified thereunder, applicable RBI Directions and the SEBI Listing Regulations are either **NIL** or **NOT APPLICABLE**.

51. ACKNOWLEDGEMENT

Your Directors express their sincere gratitude to the Company's shareholders, customers, lenders, banks, financial institutions, business associates, vendors and all other stakeholders for the trust and confidence reposed in the Company. Your Directors place on record their deep appreciation for the commitment, dedication and invaluable contribution of the employees at all levels, whose efforts have been instrumental in the Company's performance and growth during the year. The Board also acknowledges the valuable guidance of its members and the contributions of the Statutory Auditors, Secretarial Auditors, Internal Auditors and other professional advisors in strengthening the Company's governance and operations. The Board look forward to the continued confidence of all stakeholders as the Company remains committed to creating sustainable value through responsible growth and sound governance.

Date: August 12, 2026
Place: Jaipur

For and on behalf of the Board of Directors
For Laxmi India Finance Limited
(Formerly Known as Laxmi India Finance Private Limited)

	Sd/-	Sd/-
Reg. Office: 2, DFL, Gopinath Marg	**Deepak Baid**	**Aneesha Baid**
MI Road, Jaipur - 302001, Rajasthan	*Managing Director*	*Whole-Time Director*
CIN: L65929RJ1996PLC073074	(DIN: 03373264)	(DIN: 07117678)
Email: info@lifc.in		
Website: www.lifc.co.in		

Annexure to the Board's Report *(Contd.)*

ANNEXURE-I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(Pursuant to Section 134(3)(o) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 , as amended)

1. Brief outline on CSR Policy of the Company

The Company has adopted a Board approved Corporate Social Responsibility ("CSR") Policy, in accordance with the provisions of Section 135 of the Companies Act, 2013("Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Act. Corporate Social Responsibility is deeply rooted in Laxmi India business philosophy. The Company has a sense of responsibility towards making use of its existing resources and knowledge to not only make profits but also to solve social and environmental issues. The Company commits itself to contribute to the society, discharging its corporate social responsibilities through initiatives that have positive impact on society, especially the community in the neighborhood of its operations by improving the quality of life of the people, promoting inclusive growth and environmental sustainability.

As an integral part of the Company's commitment to good corporate citizenship, the Company believes in actively assisting in improving the quality of life of people in the communities. The Company desire to make enduring contributions to social development as a valued and trusted member of society by enriching people's life and making social contributions. The company tries to ensure economic growth with ecological and social responsibility.

Below is a table outlining the key highlights of the CSR Projects undertaken by the Company during the Financial Year 2025-26:

Sr. No.	Areas/Subjects under Schedule VII	CSR Projects undertaken by the Company during the Financial Year 2025-26
1	Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and differently abled and livelihood enhancement projects;	• Supported the distribution of mid-day meals, books, stationery items and track suits to children at the Gurukul Educational Society. • Supported for Skill and Personality Development of Acid Attack/ Burn Survivors through Chhanv Foundation, a non-profit organization dedicated to the welfare, rehabilitation and long-term empowerment of acid attack/burn survivors across India since 2014. • Supported construction of school at Khatipura, Round Table India • Contribution towards infrastructure improvement through painting work and provision of tables and chairs at Rajkiya Uchh Madhyamik Vidyalaya, Gudha Sahaypura, Jaipur. • Repaired the roof of school situated at Rajkiya Uchch Prathamik Vidyalaya Malawas, Gra. Pa. Surasinghpura, P. S. Sanganer, Jila Jaipur Gramin. • Contribution made for kids garments. • Supported the repair and improvement of washroom facilities at Rajkiya Uchch Madhyamik Vidyalaya, Krishnapuri Rankri, Jaipur, to enhance sanitation infrastructure for students.

Annexure to the Board's Report *(Contd.)*

Sr. No.	Areas/Subjects under Schedule VII	CSR Projects undertaken by the Company during the Financial Year 2025-26
		• Contributed toward development of Pickleball Court at Mahapragya International School, Jaipur. • Provided Tata Magic to School situated at Shri Jain Shwetambar Terapanthi Shiksha Samiti.
2	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;	• Contributed to the distribution of raw food materials, medicines and donations to elderly individuals through the Mother Teresa Foundation. • Conducted a Food Distribution and Blood Donation Camp at Terapanth Yuvak Parishad • Contributed to Shri Vidya Vinod Kala Memorial Trust in support of the Cancer Awareness and Support Program titled 'Rhythm for a Cause" • Contributed towards distribution of food to poor people at Shri Brahmrishi Ashram. • Provided CSR financial assistance for the organization of a Free Eye Treatment Camp at Padam Jyoti Eye Hospital, Jaipur, to facilitate free eye examinations for economically weaker sections of the society. • Contribution towards providing a multi-seater waiting chair (Spark 3-Seater) at Sawai Mansingh Hospital.
3	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;	• Contributed medicines for the welfare and treatment of dogs and provided support towards the construction of shelter infrastructure for rescued and injured animals at Go Nirvana Foundation. • Expenditure incurred for organizing a Bird Treatment Camp and Workshop, including costs for surgical items, medicines, bird nets, safety wires, shelter arrangements, expert honorarium, conveyance, and other related expenses through Eco Rescuers Foundation.

Annexure to the Board's Report *(Contd.)*

2. Composition of CSR committee

The Board of Directors has constituted a CSR Committee in accordance with the requirements of Section 135(1) of the Act read with the rules made thereunder. The Composition and attendance of the Committee members at the CSR Committee meeting held during the Financial Year 2025-26 are as follows:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Deepak Baid	Chairman/ Managing Director	1	1
2.	Mrs. Aneesha Baid	Committee Member/ Whole-Time Director	1	1
3.	Mr. Surendra Mehta	Committee Member/ Independent Director	1	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:

(a) **Composition of CSR Committee:** https://lifc.co.in/uploads/Composition%20(1).pdf

(b) **CSR Policy:** https://lifc.co.in/uploads/Corporate%20Social%20Responsibility%20Policy.pdf

(c) **CSR projects:** https://lifc.co.in/corporate-social-responsibility

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

5. (a) **Average net profit of the company as per sub-section (5) of section 135:** Rs. 3,233.46 Lakhs

(b) **Two percent of average net profit of the Company as per sub-section (5) of section 135:** Rs 64.7 Lakhs

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

(d) **Amount required to be set off for the financial year, if any:** Rs 1.02 Lakhs

(e) **Total CSR obligation for the financial year [(b) +(c)-(d)]:** Rs. 63.68 Lakhs

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** Rs 66.57 Lakhs

(b) **Amount spent in administrative overheads:** Nil

(c) **Amount spent on impact assessment, if applicable:** Not applicable

(d) **Total amount spent for the financial year (6a+6b+6c):** Rs. 66.57 Lakhs

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

Total amount spent for the Financial year (Rs. in Lakhs)	Amount Unspent (Rs. in lakhs)				
	Total amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
66.57	Not Applicable		Not Applicable		

Annexure to the Board's Report *(Contd.)*

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

Sr. No.	Particulars	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the Company as per sub-section 5 of Section 135	Rs 63.68*
(ii)	Total amount spent for the financial year	66.57
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.89
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	2.89

*This amount includes the impact of setting off the excess amount of expenditure i.e., Rs. 1.02 Lakhs.

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

Sr. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1	Financial Year 22-23	-	-	-	-	-	-	-
2	Financial Year 23-24	-	-	-	-	-	-	-
3	Financial Year 24-25	-	-	-	-	-	-	-

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

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

Date: May 13, 2026
Place: Jaipur

For and on behalf of the Board of Directors
For Laxmi India Finance Limited
(Formerly Known as Laxmi India Finance Private Limited)

Reg. Office: 2, DFL, Gopinath Marg
MI Road, Jaipur- 302001, Rajasthan
CIN: L65929RJ1996PLC073074
Email: info@lifc.in
Website: www.lifc.co.in

Sd/-
Deepak Baid
Managing Director and
Chairman of CSR Committee
(DIN: 03373264)

Sd/-
Aneesha Baid
Whole-Time Director
and Member of CSR Committee
(DIN: 07117678)

ANNEXURE-II

REPORT ON CORPORATE GOVERNANCE

Corporate Governance at Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited) ("the Company/ Laxmi India/LIFL") is based on the principles of fairness, transparency, accountability, ethical conduct, and a steadfast commitment to organizational values, with due regard to the interests of all stakeholders. This report on Corporate Governance presents a comprehensive overview of the Company's corporate governance framework, policies, and practices for the Financial Year 2025-26, and affirms compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), Regulation 34 read with Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and the regulatory guidelines issued by the Reserve Bank of India governing Non-Banking Financial Companies ("NBFCs") and Chapter III of the Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025.

1) COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company remains committed to its long-term goals, grounded in financial discipline, ethical conduct, transparency, and trust. Governance practices are deeply embedded in the organization's culture, ensuring fair consideration of all stakeholder interests. Guided by a diverse and experienced Board of Directors ("Board"), supported by its committees and robust governance mechanisms, the Company discharges its fiduciary responsibilities effectively. All operations are conducted in a compliant and well-governed manner, with a continued focus on maximizing stakeholder value. The Board fully supports and endorses the corporate governance practices as envisaged in the SEBI Listing Regulations. The Company believes that a good corporate governance system is necessary to ensure its long-term success. The Company ensures good governance through the implementation of effective policies and procedures, which are mandated and reviewed by the Board or the Committees of the Board of the Company. The Company's Board approved policies has been uploaded on the Company's website and can be accessed at **https://lifc.co.in/policies**

Further pursuant to Chapter IV of the Reserve Bank of India (Non-Banking Financial Companies-Governance) Directions, 2025 ("RBI Governance Directions") bearing reference no. RBI/DOR/2025-26/344-DOR.GOV.REC.No.263/18-10-013/2025-26, dated November 28, 2025 your Company is required to frame internal guidelines on Corporate Governance with the approval of the Board of the Company and accordingly your Company has put in place a policy on Corporate Governance ("CG Policy") which is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Corporate%20Governance%20Policy.pdf**

KEY ELEMENTS OF COMPANY'S CORPORATE GOVERNANCE

- Proactive adherence to laws.
- Benchmarking and adopting best practices among NBFCs, peers and other leading organizations.
- Board comprises of Directors from diverse backgrounds and substantial experience, who are able to provide appropriate guidance to the management of the Company.
- Separate meeting of Independent Directors without the presence of Non-Independent Directors or Executive Management.
- Board Evaluation process where each Board member evaluates the performance of every Director, Committees of the Board, the Chairman of the Board and the Board as a whole.
- Complete and detailed information provided to the Members of the Board in advance to enable them to evaluate matters carefully for meaningful discussions.
- Terms of reference of various Committees in line with best practices and governance guidelines.

Annexure to the Board's Report (Contd.)

- Panel of Independent Directors with outstanding track record and reputation.
- Adoption of key governance policies in line with the best practices, which are made available to stakeholders for downloading from the Company's website. These inter alia include:
  - ➢ Whistle Blower Policy & Vigil Mechanism
  - ➢ Related Party Transaction Policy
  - ➢ Fair Practice Code
  - ➢ Code of Conduct for Board of Directors and Senior Management Personnel
  - ➢ Nomination Remuneration and Compensation Policy
  - ➢ Corporate Social Responsibility Policy
  - ➢ Terms & Conditions for Appointment of Independent Director
  - ➢ Risk Management Policy
  - ➢ Corporate Governance Policy
  - ➢ Succession Planning Policy

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	Risk Management Committee	IT Strategy Committee	Asset Liability Management Committee	Corporate Social Responsibility Committee	Stakeholders' Relationship Committee
Identification Committee	Review Committee	Committee of the Executives	Internal Complaints Committee	IPO Committee	IT Steering Committee	Business Operation Committee

CORE MANAGEMENT TEAM

Ensures Effective Implementation of decisions taken by the Board across all the functions and teams.

Provides progress updates to Board and Board Committees regularly.

Corporate Governance Report *(Contd.)*

2) BOARD OF DIRECTORS

The Board and its Committees play a significant role in upholding and furthering the principles of good governance which translates into ethical business practices, transparency and accountability in creating long-term stakeholder value. In line with the commitment to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of Independent and Non-Independent Directors to maintain the independence of the Board and to separate the Board functions of Governance and Management.

The responsibilities of the Board, inter alia, include formulation of the overall strategy for the Company, reviewing major plan of actions, setting performance objectives, laying down the Code of Conduct for all members of the Board and the Senior Management team, formulating policies, conducting performance review, monitoring due compliance with applicable laws, reviewing and approving the financial results, enhancing corporate governance practices and ensuring the best interest of the shareholders, the community, environment and its various stakeholders. It meets regularly to deliberate on policy formulation, strategic planning, performance evaluation, governance matters and key business and regulatory issues.

The Directors on the Board are selected based on their diverse experience, domain expertise and the value they bring in offering independent judgment and constructive perspectives on matters impacting the Company. As custodians of corporate governance, the Board ensures that the Company operates with the highest standards of integrity, transparency, and ethical conduct. Through their collective wisdom and guidance, the Board provides effective oversight and strategic direction to the management, fostering innovation and driving sustainable growth for the benefit of all stakeholders.

a) Role of Managing Director

Mr. Deepak Baid, Managing Director ("MD") of the Company plays a pivotal role in driving the Company's success by executing strategic initiatives in alignment with the Board's vision. Responsible for brand equity, strategic planning and external relations, he oversees all facets of the Company's Management. This includes achieving annual and long-term business targets, monitoring market dynamics and identifying growth opportunities.

In addition to leading and evaluating executive leaders, the MD acts as a vital link between the Board and the Management team. He champions the organization's vision and mission, ensuring he guides every aspect of operations. By building strong customer relationships and exploring avenues for expansion and acquisition, the MD enhances Shareholders' value and propels the Company towards its strategic objectives.

The key responsibilities also include nurturing the Company's reputation, fostering Stakeholder relationships and upholding Corporate Governance Standards. By steering the organization with vision and purpose, the MD drives sustainable growth and excellence across all levels of the Company.

b) Composition of the Board

Your company has an optimal mix of Executive and Non-Executive Directors on its Board to ensure high quality of governance and effective functioning of the Board and the composition of the Board is in conformity with provisions of the Act, rules made thereunder, SEBI Listing Regulations and RBI Governance Directions.

Board Composition as on March 31, 2026	
57% Independent Directors	43% Executive Directors

As per Regulation 17(1)(c) of the SEBI Listing Regulations, the Board of top 2000 listed entities shall comprise of not less than 6 directors. As on March 31, 2026, the Company's Board comprises of seven (7) Directors viz. four (4) Non- Executive Independent Directors and three (3) Executive Directors out of which two (2) are Whole-Time Directors and one (1) is Managing Director. All the Directors possesses requisite qualifications and experience in general corporate management, risk management, banking, finance, economics, analytics, human resource management, compliance, payment system

Annexure to the Board's Report *(Contd.)*

and other allied fields which enable them to contribute effectively to the Company by providing valuable guidance and expert advice to the management and enhancing the quality of the Board's decision-making processes. The brief profiles of the directors can be accessed at **https://lifc.co.in/promoters-directors**

The following table lays down the composition and category of Directors including their date of appointment, DIN, other directorships including names of listed companies where they serve as directors, Committee positions held by them in other Companies and their shareholding as on March 31, 2026 in the Company:

Name of Directors, Designation and DIN	Category (i.e. Executive/Non-Executive/ Chairman/ Promoter/ Nominee/ Independent)	Director Since	No. of Shares and convertible instruments held	Total no. of Directorships and Committee Positions held			Directorships in other listed Companies	
				[1]Directorship	[2]Committee Membership	[2]Committee Chairpersonship	Name of Equity Listed Companies	Category of Directorship
Mr. Deepak Baid Managing Director (DIN:03373264)	Promoter and Executive Director	04/02/2011	43,00,000	4	2	NIL	NIL	NIL
Mrs. Aneesha Baid Whole-Time Director (DIN:07117678)	Promoter and Executive Director	31/12/2016	10,00,000	2	1	NIL	NIL	NIL
Mrs. Prem Devi Baid Whole-Time Director (DIN:00774922)	Promoter and Executive Director	4/02/2011	5,00,000	3	NIL	NIL	NIL	NIL
Mr. Surendra Mehta Independent Director (DIN:00298751)	Non-Executive-Independent Director	31/12/2016	NIL	1	1	1	NIL	NIL
Mr. Anil Balkrishna Patwardhan Independent Director (DIN:09441268)	Non-Executive-Independent Director	23/12/2021	NIL	NIL	1	1	NIL	NIL
Mr. Brijmohan Sharma Independent Director (DIN:09646943)	Non-Executive-Independent Director	28/09/2024	NIL	1	2	NIL	T.T. Limited	Independent Director
Mr. Kalyanaraman Chandrachoodan Independent Director (DIN:07712306)	Non-Executive-Independent Director	10/02/2025	NIL	1	NIL	NIL	NIL	NIL

Notes:

1. The total number of directorships of a Director excludes his/her directorships in the Company, Section 8 Companies and Foreign Companies.
2. Audit Committee and Stakeholders' Relationship Committee have been considered for Chairpersonship/ Membership of the Directors.

Every member of the Board has informed the company about the committee positions occupied by them in all public limited companies, whether listed or not, in compliance of Regulation 26(2) of the SEBI Listing Regulations.

None of the Director is a Director in more than 10 public limited companies (as specified in Section 165 of the Act) and Director in more than 7 listed entities or act as an Independent Director in more than 7 listed entities or 3 listed entities in case he/she serve as Whole-Time Director/Managing Director in any listed entity (as specified in Regulation 17A of the SEBI Listing Regulations). Further, none of the Directors on the Board is a member of more than 10 Committees and

Annexure to the Board's Report (Contd.)

Chairperson of more than 5 Committees (as specified in Regulation 26 of the SEBI Listing Regulations) across all public limited companies whether listed or not, in which he/she is a Director.

None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director by the Ministry of Corporate Affairs, the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI") or any such statutory authority. The Directors have ascertained that neither they nor any other Company on which they serve as Directors have been identified as a wilful defaulter.

c) Board Procedure

The Board meets at regular intervals and the Board meetings (including Committee meetings) serve as a forum for the Board/ Committee members to come together and deliberate on critical matters related to the organization's strategy, operations, financial performance, governance and sustainability. A detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentation(s) if any, is sent to each Director at least 7 (Seven) days before the date of the Board Meeting(s) and each Committee Meeting(s) except where Meeting(s) have been convened at a shorter notice to transact urgent business. However, in case of a special and urgent business need, the approval is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent Board/Commitee meeting. Video Conferencing facilities are provided to enable Director(s) who are unable to attend the Meeting(s) in person, to participate in the Meeting.

Where it is not practicable to circulate any document in advance or if the agenda is of a confidential nature, the same is presented directly at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items are taken up with the approval of the Chairperson and the majority of Directors. Senior management is invited to the Board / Committee meeting(s) to provide additional inputs for the items pertaining to their line of business / function being discussed by the Board / Committee(s). The Board members interact with the senior management frequently including at the Board meetings.

The Company Secretary and Chief Compliance Officer is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements, to provide guidance to Directors, to facilitate convening of Meetings and acts as interface between the Management and Regulatory Authorities for Governance related matters of the Company.

Further, effective follow-up on action items from Board/Committee Meetings is essential for organizational success. These action items play a pivotal role in guiding strategic initiatives and operational changes. Therefore, it is imperative to promptly distribute these action items to relevant functional heads, accompanied by clear directives and deadlines. By ensuring prompt dissemination of action items, providing clear guidance and implementing a diligent tracking process, the organization demonstrates a commitment to operational excellence and the successful implementation of strategic directives set forth by the Board.

The draft minutes of the proceedings of the meetings of the Board of Directors and its Committees were circulated to all the Directors and the members of the respective Committees, as applicable, within 15 (Fifteen) days from the date of conclusion of the respective meetings for their review and comments, if any. The suggestions and comments, if any, received from the Directors were duly considered and incorporated in the final minutes. The minutes of the meetings were thereafter duly entered and recorded in the Minutes Book of the Company within the prescribed period of 30 (Thirty) days from the date of conclusion of the respective meetings. The signed minutes of the meetings of the Board of Directors and its Committees were circulated to all the Directors and members of the respective Committees, as applicable, within 15 (Fifteen) days from the date of signing thereof.

Annexure to the Board's Report (Contd.)

d) Post Meeting Internal Communication System

Any action to be taken following the deliberations at the Board/Committee meetings are recorded, disseminated to relevant functional heads for taking necessary steps and status thereof is reported back to the Board/ Committee(s) in the form of an Action Taken Report. This ensures accountability, focus and transparency.

e) Information placed before the Board

The Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. In terms of quality and importance, the information supplied by Management to the Board is far ahead of the mandate under the Act and Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations. The Independent Directors of the Company met on **Tuesday, July 22, 2025** and expressed their satisfaction on the quality, quantity and timeliness of flow of information between the Company's Management and the Board.

Pursuant to the various regulatory requirements and considering business needs, the Board is apprised on various strategic, business, compliance and regulatory matters. During Financial Year 2025-26 it, inter alia, covered the following:

- Quarterly results of the Company and its operating divisions or business segments;
- Minutes of meetings of various committees of the board of directors;
- Business plans, forecast and strategic structure;
- Changes in regulatory landscape and Company's preparedness;
- Status of compliance with the Act, SEBI Listing Regulations and shareholder related matters;
- Review of investments made by the Company;
- Review of various policies framed by the Company from time to time;
- Risk Management System;
- Deliberations of committee;
- Functioning of customer grievance redressal mechanism; and
- Awareness of cyber security

f) Declaration From Independent Directors

In accordance with the provisions of Section 149(7) of the Act read with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 25(8) of the SEBI Listing Regulations, all Independent Directors have submitted the necessary declaration of independence, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management. Further, the Independent Directors have also confirmed that they are not debarred from holding the office of director by order of SEBI or any other authority.

Further, the Independent Directors have affirmed that they have complied with the Code applicable for Independent Directors as stipulated under Schedule IV of the Act and pursuant to the provisions of the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 read with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have registered their name in the online data bank of Independent Directors maintained & administered by the Indian Institute of Corporate Affairs ("IICA") and paid the relevant fees. With regard to proficiency of the Independent Directors, ascertained from the online proficiency self-assessment test conducted by the IICA, as notified under sub section (1) of Section 150 of the Act, the Company has taken on record the declarations/disclosures submitted by Independent Directors confirming that either they are exempt from appearing in the test or they have passed the exam as required by the IICA.

Annexure to the Board's Report *(Contd.)*

Further, the Independent Directors have declared that they are not appointed as an Independent Director on the Board of more than 3 (Three) NBFCs (NBFC-ML or NBFC-UL) pursuant to Chapter IV of the RBI Governance Directions.

Further, there has been no change in the circumstances affecting their status as Independent Directors of the Company. In the opinion of the Board all the Independent Directors are persons of integrity and have relevant experience and expertise (including proficiency) for being an Independent Director of the Company.

g) Resignation of Independent Directors

During the Financial Year 2025-26, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

h) Relationship between our Directors

There is no relationship between the Directors inter-se except Mr. Deepak Baid, Managing Director being the son of Mrs. Prem Devi Baid, Whole-Time Director of the company and spouse of Mrs. Aneesha Baid, Whole-Time Director of the Company.

i) Familiarisation Programme for Independent Directors

Pursuant to the provisions of Regulation 25(7) of the SEBI Listing Regulations, your Company has adopted a structured programme for orientation and training of Independent Directors at the time of their joining in order to familiarise them with the Company-its operations, business model, nature of the industry in which it operates and the regulatory regime applicable to it and to update the Independent Directors on a continuing basis on any significant changes in order to enable them to take well informed and timely decisions. The Independent Directors of the Company are made aware of their roles and responsibilities and the Company's Code of Conduct for Independent Directors at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement. Each newly appointed Independent Director undergoes an interactive session with the Managing Director and the Company Secretary & Chief Compliance Officer of the Company.

During the Financial Year 2025-26, periodic strategy meetings were conducted between the Board and Senior Management Personnel(s) ("SMPs) wherein presentations were made covering the industry scenario, strategic priorities and the business model of the Company. These strategic meetings facilitate one-on-one interaction between the Directors and SMPs fostering deeper insights in the Company's functioning. Quarterly presentations were made to the Board, which include updates on business performance, financial parameters, liquidity position, fund flows and compliance status. At various Board and Committee meetings, presentations were made on risk management, key Company policies, and changes in the regulatory environment applicable to the corporate sector and the industry in which the Company operates, and other relevant matters.

Pursuant to Regulation 46 of the SEBI Listing Regulations, the details of the Familiarisation Programme is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Familiarization%20Programme%20for%20 Independent%20Directors.pdf**

j) Orderly Succession to Board and Senior Management

Succession Planning is an effective tool for any organization to ensure smooth succession generally across employees of all levels and specifically with members of the Board and Senior Management Personnel without affecting the current roles and responsibilities and facilitating leadership and management continuity.

To ensure the long-term sustainability and continued success of your Company, the Company has adopted a Succession Planning Policy pursuant to Regulation 17(4) of the SEBI Listing Regulations for appointments to the Board and Senior Management by identification of talent and further development process, to build a pipeline of talent to meet future leadership needs. The Nomination & Remuneration Committee ("NRC") is responsible for overseeing the succession planning for the Board and Senior Management as per the Succession Planning Policy of the Company. The Succession

Annexure to the Board's Report *(Contd.)*

Planning Policy is uploaded on the Company's website and can be accessed at : **https://lifc.co.in/uploads/Succession%20 Planning%20Policy.pdf**

k) Code of Conduct

Regulation 17(5) of the SEBI Listing Regulations requires listed companies to lay down a Code of Conduct for its Directors and Senior Management, incorporating duties of Directors and Senior Management as prescribed in the Act. The Company has a Board approved Code of Conduct for Board members and Senior Management of the Company. The Code has been uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Code%20of%20Conduct%20 for%20Board%20of%20Directors%20and%20Senior%20Management%20Personnel.pdf**

All the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2026. A declaration to this effect signed by the Managing Director forms a part of the Report on Corporate Governance in compliance of Regulation 34(3) read with Schedule V of the SEBI Listing Regulations.

l) Review of Compliance Reports

The Board periodically reviews detailed compliance report with respect to the various laws applicable to the Company, as prepared and placed before it by the Company Secretary and Chief Compliance Officer on a quarterly basis in compliance of Regulation 17(3) of the SEBI Listing Regulations.

m) Chief Financial Officer Certification

The Chief Financial Officer provided an annual certification on financial reporting and internal controls to the Board and Audit Committee in terms of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations and the same forms part of the Report on Corporate Governance. Further, the Chief Financial Officer also furnishes quarterly certifications on the financial results while placing such results before the Board and the Audit Committee in terms of Regulation 33(2) of the SEBI Listing Regulations.

n) Presence/Attendance of Directors in the meetings

During the Financial Year 2025-26, the Board of Directors of the Company met 9 (Nine) times on Monday, May 19, 2025, Wednesday, June 25, 2025, Monday, July 21, 2025, Tuesday, July 22, 2025, Thursday, July 31, 2025, Friday, August 01, 2025, Wednesday, August 13, 2025, Friday, November 14, 2025 and Tuesday, February 10, 2026. The attendance details of each Director at the meetings of the Board held during the Financial Year 2025–26 and at the Annual General Meeting ("AGM") held on June 19, 2025 is provided below:

Sr. No.	Name of the Directors	Board Meeting(s)			Attended AGM held on June 19, 2025
		No. of Meetings entitled to attend	No. of Meetings attended	%	
1.	Mr. Deepak Baid (DIN:03373264)	9	9	100	NO
2.	Mrs. Aneesha Baid (DIN: 07117678)	9	7	77.77	YES
3.	Mrs. Prem Devi Baid (DIN: 00774922)	9	4	44.44	YES
4.	Mr. Surendra Mehta (DIN:00298751)	9	9	100	YES
5.	Mr. Anil Balkrishna Patwardhan (DIN:09441268)	9	9	100	NO
6.	Mr. Brijmohan Sharma (DIN: 09646943)	9	9	100	YES
7.	Mr. Kalyanaraman Chandrachoodan (DIN: 07712306)	9	9	100	NO

The quorum for every meeting of the Board of Directors was in compliance of requirement mentioned in the Act and Regulation 17(2A) of the SEBI Listing Regulations.

Annexure to the Board's Report *(Contd.)*

o) Changes in Composition of the Board

The following changes took place in the composition of the Board of Directors during the previous Financial Year:

Sr. No.	Name of the Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter/Nominee/ Independent)	Nature of change (Resignation, Appointment/Re-Appointment)	Effective Date
1.	[1]Mr. Yaduvendra Mathur (DIN: 00307650)	Non-Executive-Independent Director	Death	May 04, 2024
2.	[2]Mr. Kishore Kumar Sansi (DIN: 07183950)	Non-Executive-Independent Director	Resignation	May 06, 2024
3.	[3]Mr. Brijmohan Sharma (DIN: 09646943)	Non-Executive -Additional Director (Independent)	Appointment	September 28, 2024
4.	[4]Mr. Anil Balkrishna Patwardhan (DIN: 09441268)	Non-Executive-Independent Director	Re-appointment	December 23, 2024
5.	[5]Mr. Kalyanaraman Chandrachoodan (DIN: 07712306)	Non-Executive-Additional Director (Independent)	Appointment	February 10, 2025

Notes:

1. Mr. Yaduvendra Mathur who was appointed as Independent Director on the Board of the company for a term of 5 (Five) years with effect from May 06, 2022 in the 25th Annual General Meeting held on September 19, 2022 is no longer associated with the company due to his demise on May 04, 2024.
2. Mr. Kishore Kumar Sansi who was re-appointed as Independent Director on the Board of the Company for a second term of 5 (Five) consecutive years effective from September 28, 2023 in the 26th Annual General Meeting held on September 19, 2023 resigned from his position as Independent Director with effect from May 06, 2024 due to his other engagements and preoccupations.
3. The Board of Directors of the Company, through a resolution passed by circulation on September 28, 2024, approved the appointment of Mr. Brijmohan Sharma (DIN: 09646943) as an Additional Director (Independent) on the Board of the Company, with effect from September 28, 2024, and he shall hold office up to the date of the ensuing Annual General Meeting of the Company. Mr. Brijmohan Sharma was appointed as an Additional Director (Independent) on the Board owing to his distinguished career of over 40 years in the banking and financial services sector, including senior leadership roles in prominent public sector banks. His comprehensive expertise in banking operations, credit, corporate banking, and strategic management will add substantial value to the Board's functioning. He has also been recognized by PFRDA with the "Splendid 7" award for outstanding performance in the Atal Pension Yojana.
4. The Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee through a resolution passed on November 28, 2024, approved the re-appointment of Mr. Anil Balkrishna Patwardhan (DIN: 09441268) as an Independent Director on the Board of the Company for a second term of 5 (Five) consecutive years with effect from December 23, 2024 and the same was approved by the shareholders in their Extra-Ordinary General Meeting held on November 29, 2024. Mr. Anil Balkrishna Patwardhan was re-appointed as Independent Director on the Board of the Company based on the performance evaluation during his first term of 3 (Three) years and valuable contributions during his first term. With 40 years of experience in Credit, Corporate/SME, and International Finance, his continued association is considered beneficial to the Company. He possesses all the requisite qualities to be an Independent Director of the Company.

Annexure to the Board's Report *(Contd.)*

5. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee through a resolution passed on February 10, 2025, approved the appointment of Mr. Kalyanaraman Chandrachoodan (DIN: 07712306) as an Additional Director (Independent) on the Board of the Company, with effect from February 10, 2025, and he shall hold office up to the date of the ensuing Annual General Meeting of the Company. Mr. Kalyanaraman Chandrachoodan was appointed as an Additional Director (Independent) on the Board in view of his extensive experience of nearly 40 years in banking regulation, supervision, compliance, and payment systems. His leadership roles with the RBI, SBI, IMF, and other financial institutions, both in India and internationally, are expected to bring valuable insights and strengthen the Company's governance and regulatory oversight.

The following changes took place in the composition of the Board of Directors during the Financial Year 2025-26:

Sr. No.	Name of Director(s)	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter /Nominee/ Independent)	Nature of change (Resignation, Appointment/Re-Appointment)	Effective Date
1.	Mr. Brijmohan Sharma[1] (DIN:09646943)	Non- Executive-Independent Director	Appointment	September 28, 2024
2.	Mr. Kalyanaraman Chandrachoodan[2] (DIN:07712306)	Non- Executive-Independent Director	Appointment	February 10, 2025
3.	Mrs. Prem Devi Baid[3] (DIN:00774922)	Executive Director	Re-appointment	August 06, 2022

Notes:

1. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee through a resolution passed on May 19, 2025, approved the appointment of Mr. Brijmohan Sharma (DIN: 09646943) as an Independent Director on the Board of the company for a period of 5 (Five) consecutive years with effect from September 28, 2024 till September 27, 2029. The said appointment was subsequently approved by the shareholders at the Annual General Meeting of the Company held on June 19, 2025. Mr. Brijmohan Sharma was appointed as an Independent Director on the Board of the Company owing to his distinguished career of over 40 years in the banking and financial services sector, including senior leadership roles in prominent public sector banks. His comprehensive expertise in banking operations, credit, corporate banking, and strategic management will add substantial value to the Board's functioning. He has also been recognized by PFRDA with the "Splendid 7" award for outstanding performance in the Atal Pension Yojana.
2. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee through a resolution passed on May 19, 2025, approved the appointment of Mr. Kalyanaraman Chandrachoodan (DIN: 07712306) as an Independent Director on the Board of the company for a period of 5 (Five) consecutive years with effect from February 10, 2025 till February 09, 2030. The said appointment was subsequently approved by the shareholders at the Annual General Meeting of the Company held on June 19, 2025. Mr. Kalyanaraman Chandrachoodan was appointed as an Independent Director on the Board of the Company in view of his extensive experience of nearly 40 years in banking regulation, supervision, compliance, and payment systems. His leadership roles with the RBI, SBI, IMF, and other financial institutions, both in India and internationally, are expected to bring valuable insights and strengthen the Company's governance and regulatory oversight.
3. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee through a resolution passed on May 19, 2025, approved the re-appointment of Mrs. Prem Devi Baid (DIN: 00774922) as Whole-Time Director, liable to retire by rotation pursuant to the provisions of Section 152 of the Act. Being eligible, she offered herself for re-appointment, and the same was subsequently approved by the shareholders at the Annual General Meeting of the Company held on June 19, 2025. Notwithstanding the aforesaid re-appointment by virtue

Annexure to the Board's Report (Contd.)

of law, her effective date of appointment as Whole-Time Director continues to be August 06, 2022, which was duly approved by the shareholders at the Annual General Meeting of the Company held on September 19, 2022.

The following change took place in the composition of the Board of the Company after the end of the Financial Year 2025-26 and up to the date of the Board Report:

1. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee through a resolution passed on August 12, 2026, approved the re-appointment of Mrs. Aneesha Baid (DIN: 07117678), Whole-Time Director, liable to retire by rotation and being eligible, offering herself for re-appointment subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

p) Core Skills/ Expertise/ Competencies of the Board of the Company

The Board comprises members with the appropriate qualifications, experience, and competencies that enable them to contribute effectively to the deliberations and decision-making processes during Board and Committee meetings. In this context, the following matrix outlines the key skills, expertise, and competencies identified as essential for the Company's effective functioning, considering the nature of its business and industry, along with those currently represented within the Board:

Core Skills/ Expertise/ Competencies	Name of the Directors						
	1	2	3	4	5	6	7
	Mr. Deepak Baid	Mrs. Aneesha Baid	Mrs. Prem Devi Baid	Mr. Surendra Mehta	Mr. Anil Balkrishna Patwardhan	Mr. Brijmohan Sharma	Mr. Kalyanaraman Chandrachoodan
Technical Skills							
Accounting and Finance	√			√	√	√	√
Legal and Compliance	√			√	√	√	√
Information Technology and Digital	√	√		√	√	√	√
Strategic Development and Execution	√	√	√	√	√	√	√
Industry Experience							
Financial Services sector in India	√	√	√	√	√	√	√
Knowledge of NBFC Sector	√	√	√	√	√	√	√
Personal Attributes							
Analytical skills to diagnose situation	√	√	√	√	√	√	√
Innovative thinker/ Visionary	√	√	√	√	√	√	√
Mentor	√	√	√	√	√	√	√

Annexure to the Board's Report (Contd.)

3) COMMITTEES OF THE BOARD AND THEIR COMPOSITION

The Board of Directors ("Board") of the Company, functions either as full Board, or through various Committees constituted to oversee specific areas of business operations and Corporate Governance. Each Committee of the Board is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees meet at regular intervals, focus on their assigned areas and make informed decisions within the authority delegated to them.

As on March 31, 2026, the Board has 14 (Fourteen) Committees, namely:

- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- IT Strategy Committee
- Asset Liability Management Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee
- Identification Committee
- Review Committee
- IPO Committee
- Internal Complaints Committee
- Committee of the Executives
- IT Steering Committee
- Business Operation Committee

During the Financial Year 2025-26, no instances have been observed where the Board has not accepted the recommendations of any of its committee and the minutes of the meeting of all the committees are presented before the Board for review and noting.

a) AUDIT COMMITTEE

The Audit Committee ('AC' or 'Committee') of the Board is constituted in compliance with the requirements of Paragraph 17 of Chapter-IV of RBI Governance Directions, issued by RBI, Regulation 18 of the SEBI Listing Regulations and provisions of Section 177 of the Act, read with the rules made thereunder.

The AC has been granted powers as prescribed under Section 177(4) of the Act and Regulation 18(2)(c) of the SEBI Listing Regulations and reviews all the information as prescribed in Part C of Schedule II of the SEBI Listing Regulations.

Composition and Attendance:

As on March 31, 2026, the AC of the Company comprised of 3 (Three) members and at least 2/3rd of the members are Independent Directors in accordance with the provision of the Act and Regulation 18 of the SEBI Listing Regulations. The Committee is chaired by Mr. Anil Balkrishna Patwardhan, who is an Independent Director and Mr. Deepak Baid and Mr. Brijmohan Sharma are its members. The members of the Committee are financially literate and have necessary accounting or financial management related expertise in terms of the Act and the SEBI Listing Regulations. The Chief Financial Officer, Internal Auditor, Statutory Auditors and Secretarial Auditors also attended the meetings of the Audit Committee in the capacity of invitees. The Company Secretary and Chief Compliance Officer acted as the secretary to the Audit Committee.

Annexure to the Board's Report *(Contd.)*

During the Financial Year 2025-26, 5 (Five) AC Meetings were convened and were held on Monday, May 19, 2025, Wednesday, June 25, 2025, Wednesday, August 13, 2025, Friday, November 14, 2025 and Tuesday, February 10, 2026.

The required quorum was present for all the AC meetings and the gap between two meetings did not exceed a period of 120 days. The Composition and attendance details of the members of AC are given below:

Sr. No.	Name of the Committee members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of Meetings of the Committee		No. of shares held in the Company
					Entitled to attend	Attended	
1.	Mr. Anil Balkrishna Patwardhan	Independent Director	23.12.2021	Chairman	5	5	NIL
2.	Mr. Deepak Baid	Managing Director	23.12.2021	Member	5	5	43,00,000
3.	Mr. Brijmohan Sharma	Independent Director	13.11.2024	Member	5	5	NIL

Terms of reference of the Committee:

The terms of reference of the Committee are very wide and are in accordance with regulatory requirements as mandated by Section 177 of the Act, Part C of Schedule II of the SEBI Listing Regulations and RBI Directions as applicable. These broadly include oversight of the Company's financial reporting process and disclosure of its financial information, review of financial statements, review of compliances and review of systems and controls, approval or any subsequent modification of transactions with related parties, review statement of deviations, if any, review Management letters/letters of internal control weaknesses issued by the statutory auditors, review compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.

The brief terms of reference of Audit Committee are as follows:

1. 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;
2. recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and fixation of the audit fee;
3. approve payment to statutory auditors for any other services rendered by the statutory auditors;
4. review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause I of sub-section (3) of Section 134 of the Companies Act;
   b. changes, if any, in accounting policies and practices and reasons for the same;
   c. major accounting entries involving estimates based on the exercise of judgment by management;
   d. significant adjustments made in the financial statements arising out of audit findings;
   e. compliance with listing and other legal requirements relating to financial statements;
   f. disclosure of any related party transactions;
   g. modified opinion(s) in the draft audit report;

Annexure to the Board's Report *(Contd.)*

5. review, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
6. review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. formulating a policy on related party transactions, which shall include materiality of related party transactions and the definition of material modifications of related party transactions;
9. subject to and conditional upon approval of our Board, approval of related party transactions or subsequent modifications thereto and omnibus approval for related party transactions proposed to be entered into by our Company, subject to conditions as may be prescribed;

   Provided that only those members of the committee, who are Independent Directors, shall approve related party transactions;

   Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.
10. subject to review by our Board, review on quarterly basis, of related party transactions entered into by our Company pursuant to each omnibus approval given pursuant to 8 above;

    Provided that only those members of the committee, who are Independent Directors, shall approve related party transactions;

    Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI LODR Regulations and/or the applicable Accounting Standards and/or the Companies Act.
11. approval of related party transactions to which the subsidiary(ies) of the Company is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a Fiscal exceeds 10% of the annual consolidated turnover as per the last audited financial statements of the Company, subject to such other conditions prescribed under the SEBI Listing Regulations;
12. scrutinize inter-corporate loans and investments;
13. valuation of undertakings or assets of the Company, wherever it is necessary;
14. evaluation of internal financial controls and risk management systems;
15. review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
16. review 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;
17. discussion with internal auditors of any significant findings and follow up there on;
18. review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
19. 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;

Annexure to the Board's Report *(Contd.)*

20. 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;
21. to review the functioning of the whistle blower mechanism;
22. monitoring the end use of funds through public offers and related matters;
23. oversee the vigil mechanism established by our Company, with the chairman of Audit Committee directly hear grievances of victimization of employees and directors, who use vigil mechanism to report genuine concerns in appropriate and exceptional cases;
24. approve the appointment of chief financial officer (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;
25. review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
26. consider and comment on rationale, cost-benefit and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
27. carrying out any other function as is mentioned in the terms of reference of the audit committee and any other terms of references as may be decided by the board of directors of our company or specified/provided under the Companies Act or by the SEBI LODR Regulations or by any other regulatory authority.
28. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time.
29. oversee the procedures and processes established to attend to issues relating to the maintenance of books of accounts, administrations procedures, transactions and other matters having a bearing on the financial position of our company, whether raised by the auditors or by any other person;
30. Act as a compliance committee to discuss the level of compliance in our Company and any associated risks and to monitor and report to the Board on any significant compliance breaches and
31. The Committee shall ensure that an Information System Audit of the internal systems and processes is conducted as per the periodicity prescribed in Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025, as amended from time to time, to assess operational risks faced by the company.

    The Committee shall mandatorily review 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 and
    e. statement of deviations:
        - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
        - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

Annexure to the Board's Report *(Contd.)*

Mr. Brijmohan Sharma, Additional Director (Independent) and Member of AC attended the 28th AGM of the Company held on June 19, 2025 on behalf of Mr. Anil Balkrishna Patwardhan, Chairman of AC duly authorized by him.

During the Financial Year 2025-26, the Board has duly approved and accepted all the recommendations of the Audit Committee.

b) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ('NRC' or 'Committee') of the Board is constituted in compliance with the requirements of Paragraph 17 of Chapter-IV of the RBI Governance Directions, Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act, read with the rules made thereunder.

Composition and Attendance:

As on March 31, 2026, the NRC of the Company comprised of 3 (Three) members and all the members are Non- Executive Directors and at least 2/3rd of the members are Independent Directors in accordance with provisions of the Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The Committee is chaired by Mr. Surendra Mehta, who is an Independent Director and Mr. Anil Balkrishna Patwardhan and Mr. Brijmohan Sharma are its members.

During the Financial Year 2025-26, 3 (Three) NRC meetings were convened and held on Saturday, May 17, 2025, Tuesday, November 11, 2025 and Monday, February 09, 2026.

The required quorum was present for all the NRC meetings. The Composition and attendance details of the members of the NRC are given below:

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of Meetings of the Committee		No. of shares held in the Company
					Entitled to attend	Attended	
1.	Mr. Surendra Mehta	Independent Director	23.12.2021	Chairman	3	3	NIL
2.	Mr. Anil Balkrishna Patwardhan	Independent Director	22.10.2024	Member	3	3	NIL
3.	Mr. Brijmohan Sharma	Independent Director	22.10.2024	Member	3	3	NIL

Terms of reference of the Committee:

The terms of reference of the Committee are very wide and are in accordance with regulatory requirements as mandated by the Act, Part D of Schedule II of the SEBI Listing Regulations and RBI Directions as applicable. These broadly include formulation of criteria for determining qualifications, positive attributes and independence of a director, recommendation of persons to be appointed to the Board and Senior Management and specifying the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors, recommendation of NRC Policy for Directors, Key Managerial Personnel and other employees, formulation of criteria for evaluation of performance of Independent Directors and the Board, devising a policy on Board diversity and such other matters as may be prescribed by the Act, SEBI Listing Regulations and RBI Directions.

The brief terms of reference of the Nomination and Remuneration Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. for appointment of an independent directors, evaluation of the balance of skills, knowledge and experience on the

Annexure to the Board's Report *(Contd.)*

Board and on the basis of such evaluation, preparation of a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management;
8. the Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that –
   a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
   b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals.
9. perform such functions as required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:
   a. administering the employee stock option plans of our Company, as may be required;
   b. determining the eligibility of employees to participate under the employee stock option plans of our Company;
   c. granting options to eligible employees and determining the date of grant;
   d. determining the number of options to be granted to an employee;
   e. making allotment pursuant to the employee stock option plans;
   f. determining the exercise price under the employee stock option plans of our Company; and
   g. construing and interpreting the employee stock option plans of our Company and any agreements defining the rights and obligations of our Company and eligible employees under the employee stock option plans of our Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of our Company.
10. frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
   a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

Annexure to the Board's Report *(Contd.)*

   b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.
11. performing such other activities as may be delegated by the Board or specified or provided under the Companies Act or the SEBI Listing Regulations, and the rules and regulations made thereunder or other applicable law, including any amendments thereto as may be made from time to time.
12. to oversee the framing, review and implementation of Nomination, Remuneration and Compensation Policy.
13. to work in close coordination with Risk Management Committee (RMC) of the company to achieve effective alignment between compensation and risks.
14. to ensure that compensation levels 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 (ICAAP).
15. to ensure 'fit and proper' status of proposed and existing directors and that there is no conflict of interest in appointment of directors, KMP and senior management.

The Committee also administers the Company's **"LAXMI INDIA FINANCE LIMITED EMPLOYEE STOCK OPTION SCHEME – 2023"** and take appropriate decisions in terms of the concerned Scheme. The Chairman of the Committee, Mr. Surendra Mehta was present at the 28th AGM of the Company held on June 19, 2025.

During the Financial Year 2025-26, the Board has duly approved and accepted all the recommendations of the NRC.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Board of Directors has adopted a "Nomination, Remuneration and Compensation Policy ("NRC Policy")" in compliance with Chapter IV of the RBI Governance Directions, Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178(3) of the Act read along with the applicable rules thereto, as amended from time to time. The NRC Policy act as guidelines on matters relating to the nomination, remuneration, appointment, removal and evaluation of performance of the Directors, KMPs and SMPs of the Company. Further, the NRC Policy aims to ensure that the Company attracts, retains and motivates competent individuals by adopting a fair, transparent and performance-oriented approach towards governance, nomination and remuneration practices.

Pursuant to the provisions of Section 134(3)(e) of the Act, the Company's Policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Nomination_%20Remuneration%20_%20Compensation%20%20Policy.pdf**

Further, the Company has also adopted a Fit and Proper Criteria Policy for ascertaining the 'Fit and Proper' criteria of Directors at the time of appointment and on a continuing basis, pursuant to the RBI Governance Directions. The Company has also formulated policy on Succession Planning for Directors and Key Managerial Personnel to ensure continuity and smooth functioning of the Company.

Further, during the Financial Year 2025-26, the NRC Policy was revised to align it with the provisions of the SEBI Listing Regulations, pursuant to the listing of the Company's Equity Shares on BSE and NSE. The NRC Policy was also updated to align with the RBI Governance Directions dated November 28, 2025, as amended from time to time.

ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of Section 178 of the Act, SEBI Listing Regulations, Guidance Note on Board Evaluation issued by SEBI and Guidance Note on Board Evaluation issued by The Institute of Company Secretaries of India ("ICSI"), the Board has carried out an annual performance evaluation of its own performance, its Committees and the Directors individually including Independent Directors based on the criteria and framework adopted by the NRC. A structured questionnaire

Annexure to the Board's Report *(Contd.)*

covering various aspects of evaluation of performance of the Board, its Committees and individual Directors (including Independent Directors) is put forth for completion of the evaluation process. The NRC has carried out the evaluation of the performance of each Director, Key Managerial Personnel, and Senior Management Personnel prior to their reappointment, and has also conducted their annual performance evaluation as per NRC Policy of the Company.

The performance evaluation of Independent Directors was done by the entire Board and was in compliance of the requirement mentioned in Regulation 17(10) of the SEBI Listing Regulations.

During the Financial Year 2025-26, a separate meeting of Independent Directors was held on Tuesday, July 22, 2025 for the Financial Year 2025-26, in compliance of Regulation 25(3) of the SEBI Listing Regulations and Section 149(8) read with Schedule IV of the Act, without the attendance of Non-Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluated the performance of the Non-Independent Directors and the Board as a whole, and the performance of Chairperson (i.e. Managing Director who is generally elected as the Chairperson of the Board Meetings) taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of the flow of information between the Management and the Board which is necessary for the Board to effectively and reasonably perform its duties in compliance with Regulation 25(4) of the SEBI Listing Regulations.

The criteria for performance evaluation of Committees, Board as a whole, Chairperson, Independent Directors and other Directors provide certain parameters like:

- Participation at the Board / Committee meetings;
- Commitment (including guidance provided to senior management outside of Board/ Committee meetings);
- Effective deployment of knowledge and expertise;
- Updated knowledge/ information pertaining to business of the company;
- Effective management of relationship with stakeholders;
- Integrity and maintaining confidentiality;
- Independence of behavior and judgment;
- Impact and influence;
- Ability to contribute to and monitor corporate governance practice; and
- Adherence to the code of conduct for independent directors

The Directors expressed their satisfaction on the parameters of evaluation, the implementation of the evaluation exercise and the outcome of the evaluation process.

c) RISK MANAGEMENT COMMITTEE

The Risk Management Committee ('RMC' or 'Committee') of the Board is constituted in compliance with the provisions of Chapter -III of the RBI Governance Directions. The object of the RMC is to frame, implement and monitor the risk management plans for the Company, including identification therein for elements of risk if any, which may threaten the existence of the Company and such other functions.

The Board of Directors, on the recommendation of the RMC approved Risk Management Policy of the Company in accordance with provisions of the Act. Further, the details of Risk Management and various mitigants are covered in detail in Management Discussion and Analysis Report forming part of the Board's Report as **Annexure-VI**.

Composition and attendance:

The RMC met 4 (Four) times during the Financial Year 2025-26 on Saturday, May 17, 2025, Monday, August 11, 2025, Tuesday, November 11, 2025 and Monday, February 09, 2026 to discharge its functions. The Composition and attendance

Annexure to the Board's Report *(Contd.)*

details of the members of the RMC are given below:

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of Meetings of the Committee		No. of shares held in the Company
					Entitled to attend	Attended	
1.	Mr. Deepak Baid	Managing Director	19.05.2019	Member	4	4	43,00,000
2.	Mr. Anil Balkrishna Patwardhan	Independent Director	12.08.2023	Member	4	4	NIL
3.	Mr. Surendra Mehta	Independent Director	19.05.2019	Chairman	4	4	NIL

Terms of reference of the Committee:

The terms of reference of the Committee are very wide and are in accordance with regulatory requirements as mandated by the Part D of Schedule II of the SEBI Listing Regulations and RBI Directions as applicable. The terms of reference of RMC, inter alia, includes formulation of a detailed Risk Management Policy, reviewing and guiding the Management on various risks associated with the business of the Company, ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks, overseeing and reviewing implementation of operational risk management and operational resilience framework, to promote a strong risk culture.

The brief terms of reference of the Risk Management Committee are as follows:

1. formulation of 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 Risk Management Committee;
   (b) measures for risk mitigation including systems and processes for internal control of identified risks;
   (c) business continuity plan.
2. ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. monitoring and overseeing the implementation of the risk management policy, including evaluation of the adequacy of risk management systems;
4. periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. the appointment, removal and terms of remuneration of the chief risk officer shall be subject to review by the Risk Management Committee;
7. to carry out any other function as may be required / mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI Listing Regulations, RBI Directions, the listing agreements to be entered into between the Company and the respective stock exchanges on which the Equity Shares of the Company are proposed to be listed and/or any other applicable laws.
8. Recommend to the Board, implement and maintain a sound system of risk oversight, management and internal

Annexure to the Board's Report *(Contd.)*

control which identifies, assesses, manages and monitors risk and allows investors and other stakeholders to be informed of material changes to the company's risk profile;

9. Assessment of the Company's risk profile and key areas of risk in particular;
10. Recommendation to the Board and adopting risk assessment and rating procedures;
11. Examining and determining the sufficiency of the Company's internal process for reporting on and managing key risk areas;
12. Assessing and recommending to the Board the acceptable level of risk and
13. The Risk Management Committee shall review and monitor the sectoral exposure limits for consumer credit, ensuring that Board-approved limits are established for various sub-segments under consumer credit, including mandatory limits for all unsecured consumer credit exposures. The Committee shall ensure strict adherence to these limits and oversee their ongoing monitoring as part of prudent risk management, in compliance with the regulatory requirement.

d) IT STRATEGY COMMITTEE

The IT Strategy Committee of the Board is constituted in accordance with the Master Direction – Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023 notified on November 07, 2023 (effective from April 01, 2024) as amended from time to time, issued by the RBI. These directions aim at enhancing safety, security, efficiency in its processes relating to IT Governance, Information and Cyber Security, IT Operations, Business Continuity planning and other processes that are integral to the overall corporate governance. The Company has ensured due adherence to the requirements of this framework in letter and spirit.

Composition and attendance:

The IT Strategy Committee met 4 (Four) times during the Financial Year 2025-26 on Saturday, May 17, 2025, Monday, August 11, 2025, Tuesday, November 11, 2025 and Monday, February 09, 2026 to discharge its functions. The Composition and attendance details of the members of the IT Strategy committee are given below:

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of Meetings of the Committee		No. of shares held in the Company
					Entitled to attend	Attended	
1.	Mr. Surendra Mehta	Independent Director	31.08.2021	Chairman	4	4	NIL
2.	Mr. Deepak Baid	Managing Director	10.02.2024	Member	4	4	43,00,000
3.	Mr. Anil Balkrishna Patwardhan	Independent Director	07.08.2024	Member	4	4	NIL

Terms of reference of the Committee:

The brief terms of reference of the IT Strategy Committee are as follows:

- Approving IT strategy and policy documents;
- Ensuring that the management has put an effective strategic planning process in place;
- Ratifying that the business strategy is indeed aligned with IT strategy;
- Ensuring that the IT organizational structure complements the business model and its direction;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;

Annexure to the Board's Report *(Contd.)*

- 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;
- Ensuring proper balance of IT investments for sustaining NBFC's growth;
- Becoming aware about exposure towards IT risks and controls and evaluating effectiveness of management's monitoring of IT risks;
- Assessing Senior Management's performance in implementing IT strategies;
- Issuing high-level policy guidance (e.g. related to risk, funding, or sourcing tasks);
- Confirming whether IT or business architecture is to be designed, so as to derive the maximum business value from IT;
- Overseeing the aggregate funding of IT at an NBFC- level, and ascertaining if the management has resources to ensure the proper management of IT risks;
- Reviewing IT performance measurement and contribution of IT to businesses (i.e., delivering the promised value).

e) Asset Liability Management Committee

The Asset Liability Management Committee ('ALCO') of the Board is constituted in accordance with Chapter II of the RBI Governance Directions. The ALCO reviews assets and liabilities position of the company and gives direction to the finance teams in managing the same. Under Schedule III of the Act, the classification of assets and liabilities into current and non-current is based on their contracted maturities. The classification of assets and liabilities by the Company into various maturity buckets reflects adjustments for prepayments and renewals in accordance with the guidelines issued by the RBI.

Composition and Attendance:

The ALCO met 4 (Four) times during the Financial Year 2025-26 on Saturday, May 17, 2025, Monday, August 11, 2025, Tuesday, November 11, 2025 and Monday, February 09, 2026 to discharge its functions. The Composition and attendance details of the members of the ALCO are given below:

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of Meetings of the Committee		No. of shares held in the Company
					Entitled to attend	Attended	
1.	Mr. Deepak Baid	Managing Director	19.05.2019	Chairman	4	4	43,00,000
2.	Mrs. Aneesha Baid	Whole-Time Director	19.05.2019	Member	4	4	10,00,000
3.	Mr. Surendra Mehta	Independent Director	19.05.2019	Member	4	4	NIL

Terms of reference of the Committee:

The brief terms of reference of the Asset Liability Management Committee are as follows:

- Understanding business requirement and devising appropriate pricing strategy
- Management of profitability by maintaining relevant Net Interest Margin (NIM);
- Ensuring Liquidity through maturity matching;
- Ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the Company;
- Management of balance sheet in accordance with internal policies and applicable regulatory requirements
- Ensure the efficient implementation of balance sheet management policies as directed by ALCO and
- Review reports on liquidity, market risk and capital management

Annexure to the Board's Report (Contd.)

f) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility ('CSR') Committee of the Board is constiuted in accordance with the provisions of Section 135 read with Schedule VII of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, to govern the activities and implementation of CSR by the Company.

The Company is having Corporate Social Responsibility Policy ("CSR Policy") which sets out the objective, areas, activities and the manner in which the expenditure on CSR obligation would be carried out by the company and the same is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Corporate%20Social%20Responsibility%20Policy.pdf**

The brief outline of the CSR Policy, including overview of the programs undertaken by the Company, the composition of the CSR Committee, average net profits of the Company for the past three financial years, prescribed CSR expenditure and details of the amount spent by the Company on CSR activities during the Financial Year 2025-26, have been included in Annual Report on CSR Activities attached as **Annexure-I** to the Board's Report.

Composition and Attendance:

During the Financial Year 2025-26, 01 (One) meeting of CSR Committee was held on Saturday, May 17, 2025. The Composition and attendance details of the members of the CSR Committee are given below:

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of Meetings of the Committee		No. of shares held in the Company
					Entitled to attend	Attended	
1.	Mr. Deepak Baid	Managing Director	04.06.2018	Chairman	1	1	43,00,000
2.	Mrs. Aneesha Baid	Whole -Time Director	04.06.2018	Member	1	1	10,00,000
3.	Mr. Surendra Mehta	Independent Director	04.06.2018	Member	1	1	NIL

Terms of reference of the Committee:

The brief terms of reference of the Corporate Social Responsibility Committee are as follows:

1. Formulate and recommend to the Board of Directors of the Company, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 as amended;
2. Monitor the CSR policy of the Company and its implementation from time to time;
3. Reviewing and making recommendations, as appropriate, with regard to the Company's CSR policy indicating CSR programs / projects to be undertaken by the Company as specified under Schedule VII of the Companies Act, 2013;
4. Recommend the amount of expenditure to be incurred on the activities referred in CSR Policy of the Company;
5. Formulate and recommend to the Board, an annual action plan consisting of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken;
6. Coordinating with implementing agencies for implementing programs and executing initiatives as per the CSR policy and review the performance of such agencies periodically for execution of CSR programs or projects of the Company;
7. Identification and monitoring the implementation of multi-year projects /programs ("Ongoing Projects") and recommending to the Board modifications, if any, for the smooth implementation of the Ongoing Projects within the overall legally permissible time period. The Committee may also recommend to the Board, after providing reasonable justification that a CSR project or program that was not initially approved as a multi-year project be re-categorized as an Ongoing Project. Fix the schedule of implementation of CSR projects and programs and monitoring the progress on approved projects and shortfalls in achieving the CSR plan;
8. Reviewing the expenditure incurred on CSR activities by the company and submission of the annual report on CSR to the Board;
9. Monitoring the administrative overheads in pursuance of CSR activities or projects or programs so that they do not exceed the prescribed thresholds;
10. The Committee shall ensure that the necessary monitoring mechanism has been put in place to monitor the utilization of the funds disbursed for CSR activities or projects or programs;
11. To recommend to the Board an amount available for setting off the excess amount spent against CSR Obligations of the financial year(s) following the year of excess spend;
12. Liaising with management on the Company's CSR program, including significant sustainable development, community relations and procedures;
13. Identifying the principal areas of risks and impacts relating to CSR and ensuring that sufficient resources are allocated to address these liabilities;
14. Reviewing the Company's CSR performance to assess the effectiveness of the Company's CSR program and to determine whether the Company is taking all appropriate action in respect of those matters and has been duly diligent in carrying out its responsibilities and to make recommendations for improvement, where appropriate;
15. Reporting regularly to the Board with respect to such matters as are relevant for the Committee to discharge its responsibility;
16. Performing any other activities consistent with applicable laws and as the CSR Committee or the Board determines necessary or appropriate and
17. Any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

g) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ('SRC' or 'Committee') of the Board is constituted in compliance with the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act, read with the rules made thereunder to specifically oversee matters pertaining to the interests of shareholders, debenture holders and other security holders.

Composition and Attendance:

During the Financial Year 2025-26, meeting of SRC was held on Wednesday, February 11, 2026. The meeting was attended by all the members of SRC. The Composition and attendance details of the members of the SRC are given below:

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of shares held in the Company
1.	Surendra Mehta	Independent Director	28.11.2024	Chairman	NIL
2.	Aneesha Baid	Whole-Time Director	28.11.2024	Member	10,00,000
3.	Deepak Baid	Managing Director	28.11.2024	Member	43,00,000

Annexure to the Board's Report (Contd.)

Terms of reference of the Committee:

The terms of reference of the Committee are very wide and are in accordance with regulatory requirements as mandated by the Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act as applicable. The terms of reference of the Committee, inter alia, includes to resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards in respect of various services rendered by the Registrar and Share Transfer Agent ('RTA').

The brief terms of reference of the Stakeholders' Relationship Committee are as follows:

a) consider and look into various aspects of interest of shareholders, debenture holders and other security holders;

b) consider and resolve the grievances of security holders of the Company including compliance related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividend, issue of new/duplicate certificates, general meetings etc;

c) formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

d) giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

e) issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

f) monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer / transmission of shares and debentures;

g) reference to statutory and regulatory authorities regarding investor grievances;

h) reviewing the measures taken for effective exercise of voting rights by the shareholders,

i) reviewing adherence to the service standards adopted by the Company with respect to all the services rendered by the Registrar to an Issue and Share Transfer Agent;

j) to dematerialize or rematerialize the issued shares;

k) reviewing the measures and initiatives taken by the Company to reduce the quantum of unclaimed dividends;

l) Ensuring timely receipt of dividend warrants/ Annual Reports/ Statutory Notices by the Shareholders of the Company; and

m) Carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations as referred by the Board from time to time or any other applicable law, as and when amended from time to time;

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

Name and Designation of the Compliance Officer

Pursuant to Regulation 6(1) of the SEBI Listing Regulations, Mr. Sourabh Mishra is designated as Company Secretary and Chief Compliance Officer of the Company.

Details of Complaints during the Financial Year 2025-26

During the Financial Year 2025-26, no complaints were received from the shareholder's and there are no pending Complaints.

Further, the Chairman of the SRC, Mr. Surendra Mehta was present at the 28th AGM of the Company held on June 19, 2025.

Annexure to the Board's Report (Contd.)

h) Identification Committee

The Identification Committee is constituted in accordance with the provisions of the Reserve Bank of India (Non-Banking Financial Companies-Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025, RBI/DOR/2025-26/358 DOR. FIN.REC.No.277/20-16-003/2025-26 dated November 28, 2025. The primary objective of the Identification Committee is to identify wilful defaulters and evaluate the supporting evidence of wilful default, in compliance with the above-mentioned RBI guidelines.

Composition and Attendance:

During the Financial Year 2025-26, no meeting of the Identification Committee was held. The Composition details of the members of the Identification Committee are given below:

The Committee shall consist of an officer not more than one rank below the Managing Director/Chief Executive Officer as chairperson and two senior officials, not more than two ranks below the chairperson of the committee, as members.

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of Shares held in the Company
1.	Mr. Gopal Krishan Sain	Chief Financial Officer	10.02.2025	Chairman	3,102
2.	Mr. Sanjay Ojha	National Collection Head	10.02.2025	Member	1,222
3.	Mr. Shivam Bajaj	Senior Vice President- Risk	10.02.2025	Member	Nil

Terms of reference of the Committee:

The brief terms of reference of the Identification Committee are as follows:

- Identification of Wilful Defaulter: The Committee shall identify and classify a person as a "wilful defaulter" based on mechanism specified in the directions for identification and classification of Wilful Defaulters and the identification of the "wilful defaulter" by the committee should be made keeping in view the track record of the borrowers and should not be decided based on isolated transactions/incidents;
- Criteria for Categorizing Wilful Default: The default to be categorized as wilful must be intentional, deliberate, calculated and meeting the conditions set out in the Directions;
- Examination of Evidence: The evidence of wilful default shall be examined by an identification committee;
- Issuance of Show Cause Notice: Identification Committee shall issue show-cause notice to the borrower, guarantor, promoter, director, or those responsible for managing the entity's affairs upon confirmation of wilful default. They are required to submit their response within 21 days. The Committee must also provide all materials and information used to issue the notice to wilful defaulter;
- Proposal to Review Committee: After considering the submissions and where satisfied, the Identification Committee shall make a proposal to the Review Committee for classification as a wilful defaulter by explaining the reasons in writing;
- Opportunity of Written Representation: An opportunity shall be provided to borrower/ guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity for making a written representation to Review Committee within 15 days of such a proposal from the Identification Committee;
- Non-Qualification for Wilful Default Classification: If the Identification Committee determines that the borrower, guarantor, promoter, director, or responsible persons do not meet the criteria for wilful default, the case will not be referred to the Review Committee.

Annexure to the Board's Report (Contd.)

i) Review Committee

The Review Committee is constituted in accordance with the provisions of the Reserve Bank of India (Non-Banking Financial Companies-Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025, RBI/DOR/2025-26/358 DOR. FIN.REC.No.277/20-16-003/2025-26 dated November 28, 2025. The Review Committee has been constituted to examine and evaluate the recommendations made by the Identification Committee with respect to the classification of individuals or entities as wilful defaulters, ensuring adherence to the provisions of the above-mentioned RBI Directions.

Composition and Attendance:

During the Financial Year 2025-26, no meeting of the Review Committee was held. The Composition details of the members of the Review Committee are given below:

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of shares held in the Company
1.	Mr. Deepak Baid	Managing Director	10.02.2025	Chairman	43,00,000
2.	Mr. Brijmohan Sharma	Independent Director	10.02.2025	Member	NIL
3.	Mr. Surendra Mehta	Independent Director	10.02.2025	Member	NIL

Terms of reference of the Committee:

The brief terms of reference of the Review Committee are as follows:

- Consideration of Proposal: The Review Committee shall consider the proposal along with written representation received from the Identification Committee;
- Opportunity for Personal Hearing: The Review Committee shall provide an opportunity for a personal hearing to the borrower/ guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity. However, if the opportunity is not availed or if the personal hearing is not attended by the borrower/ guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity, the Review Committee shall, after assessing the facts or material on record, including written representation, if any, consider the proposal of the Identification Committee and take a decision.
- Issuance of Reasoned Order: The Review Committee shall pass a reasoned order and the same shall be communicated to the wilful defaulter.

j) IPO Committee

The IPO Committee was constituted by the Board of Directors on November 28, 2024, to oversee matters relating to the Initial Public Offer ("IPO") of the Company. Pursuant to the successful listing of the Company's Equity Shares on BSE and NSE on August 05, 2025, and upon completion of the purpose for which the Committee was constituted, the Board dissolved the IPO Committee at its meeting held on May 13, 2026.

k) Committee of the Executives

The Board of Directors at its meeting held on November 13, 2024 has constituted a committee known as "Committee of the Executives (COE)," in compliance with Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs), bearing reference no. DOS.CO.FMG.SEC. No.7/23.04.001/2024-25 dated July 15, 2024 for overseeing the effectiveness of fraud risk management, review and monitor fraud cases, including root cause analysis, and suggest mitigating measures for strengthening internal controls, risk management framework and minimizing fraud incidence.

Annexure to the Board's Report (Contd.)

Composition

During the Financial Year 2025-26, no meeting of Committee of the Executives was held. The Composition details of the members of the Committee of the Executives are given below:

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of shares held in the Company
1.	Mr. Deepak Baid	Managing Director	13.11.2024	Chairman	43,00,000
2.	Mr. Shivam Bajaj	Senior- Vice President Risk	13.11.2024	Member	NIL
3.	Mr. Gopal Krishan Sain	Chief Financial Officer	13.11.2024	Member	3,102

l) IT Steering Committee

The Board of Directors at its meeting held on August 31, 2021 has constituted a committee named as IT Steering Committee, in accordance with the Master Directions- Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023 notified on November 07, 2023 (effective from April 01, 2024) as amended from time to time, issued by the RBI.

Composition and attendance:

The IT Steering committee met 4 (Four) times during the Financial Year 2025-26 on Tuesday, May 20, 2025, Wednesday, August 06, 2025, Friday, October 10, 2025, Friday, February 13, 2026, to discharge its functions. The Composition and attendance details of the members of the IT Steering committee are given below:

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	No. of Meetings of the Committee		No. of shares held in the Company
					Entitled to attend	Attended	
1.	Mr. Siddharth Modi*	Chief Technology Officer	19.05.2025	Chairman	3	3	NIL
2.	Mr. Sunil Kumar Verma	Chief Information Security Officer	31.08.2021	Member	4	4	NIL
3.	Mr. Hari Shankar Yadav	IT Member	12.08.2023	Member	4	4	NIL
4.	Mr. Vinod Kumar Maheshwari **	Chief Technology Officer	10.02.2026	Chairman	1	1	NIL

*The IT Steering Committee was reconstituted during the Financial Year 2025-26 in the Board Meeting held on May 19, 2025 where Mr. Siddharth Modi, Chief Technology Officer was appointed as Chairman of the Committee.

** The IT Steering Committee was further reconstituted during the Financial Year 2025-26 in the Board Meeting held on February 10, 2026 where Mr. Vinod Kumar Maheshwari, Chief Technology Officer, was appointed as Chairman of the Committee and Mr. Siddharth Modi, ceases to be the Chairman of the IT Steering Committee due to his resignation with effect from October 14,2025.

Annexure to the Board's Report *(Contd.)*

Terms of reference of the Committee:

The brief terms of reference of the IT Steering Committee are as follows:

- Assist the IT Strategy Committee in strategic IT planning, oversight of IT performance, and aligning IT activities with business needs;
- Oversee the processes put in place for business continuity and disaster recovery;
- Ensure implementation of a robust IT architecture meeting statutory and regulatory compliance;
- Update IT Strategy Committee periodically on the activities of IT Steering Committee.

m) Internal Complaint Committee

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 amended as on date. The Internal Complaints Committee met 1 (One) time during the Financial Year 2025-26 on Saturday, March 07, 2026.

Sr. No.	Name of the Committee Members	Designation in the Company	Position held in the Committee	No. of Meeting of the Committee	
				Entitled to Attend	Attended
1.	Mrs. Prem Devi Baid	Whole-Time Director	Presiding Officer	1	1
2.	Mrs. Aneesha Baid	Whole-Time Director	Internal Member	1	1
3.	Ms. Jyoti Kanwar	Employee	Internal Member	1	1
4.	Ms. Anuradha Dubey	Employee	Internal Member	1	1
5.	Mrs. Purnima Golechha	External Member	External Member	1	1

n) Business Operation Committee

Business Operation Committee is a Board delegated committee that deals with matters which require expeditious decision making and oversees the day to day business and operational affairs of the Company. The Committee monitors resource mobilization and ensures efficient and timely decisions on the matters relating to financial activities of the Company. The decisions taken at the meetings of Business Operation Committee are within the power conferred by the Board to the committee. Such decisions are further noted at a duly convened Board meeting.

Composition and Attendance:

The Business Operation Committee met 74 (Seventy- Four) times and meetings were held on April 03, 2025, April 08, 2025, April 11, 2025, April 17, 2025, April 18, 2025, April 24, 2025, April 25, 2025, April 28, 2025, May 8, 2025, May 16, 2025, May 20, 2025, May 24, 2025, May 26, 2025, May 29, 2025, June 2, 2025, June 9, 2025, June 20, 2025, June 21, 2025, June 23, 2025, June 25, 2025, July 7, 2025, July 15, 2025, July 16, 2025, July 18, 2025, July 30, 2025, August 12, 2025, August 14, 2025, August 26, 2025, August 27, 2025, September 1, 2025, September 8, 2025, September 18, 2025, September 23, 2025, September 24, 2025, September 26, 2025, September 30, 2025, October 3, 2025, October 7, 2025, October 15, 2025, October 29, 2025, November 4, 2025, November 17, 2025, November 18, 2025, November 19, 2025, November 29, 2025, December 10, 2025, December 11, 2025, December 15, 2025, December 17, 2025, December 18, 2025, December 19, 2025, December 20, 2025, December 26, 2025, January 15, 2026, January 22, 2026, January 28, 2026, January 31, 2026, February 4, 2026, February 6, 2026, February 11, 2026, February 12, 2026, February 17, 2026, February 18, 2026, February 23, 2026, February 24, 2026, February 27, 2026, March 5, 2026, March 11, 2026, March 12, 2026, March 17, 2026, March 21, 2026, March 23, 2026, March 27, 2026, March 30, 2026.

Annexure to the Board's Report *(Contd.)*

The Composition and attendance details of the members of the Business Operation Committee are given below:

Sr. No.	Name of the Committee Members	Designation in the Company	Member of the Committee since	Position held in the Committee	Number of Meetings of the Committee		No. of shares held in the Company
					Entitled to attend	Attended	
1.	Mr. Deepak Baid	Managing Director	08.06.2020	Chairman	74	74	43,00,000
2.	Mrs. Aneesha Baid	Whole-Time Director	08.06.2020	Member	74	74	10,00,000
3.	Mrs. Prem Devi Baid	Whole-Time Director	08.06.2020	Member	74	74	5,00,000

Terms of reference of the Committee:

The brief terms of reference of the Business Operation Committee are as follows:

- Enter into and execute contracts, agreements, assignments, transfers, and other instruments necessary or convenient for company business, including affixing the company seal when required.
- Demand, receive, and discharge claims or payments due to the company.
- Handle all negotiable instruments like cheques, bills of exchange, and promissory notes as needed for business.
- Borrow money and avail credit facilities using company assets as security and authorize others for documentation.
- Provide information to financial institutions, negotiate terms, and manage loan restructuring or deferment.
- Establish, maintain, regulate, or discontinue company branches or agencies in India or abroad.
- Open, operate, and close bank accounts including online facilities and fixed deposits.
- Allot securities as per applicable laws and conditions.
- Invest company funds in securities or other investments and manage these investments.
- Initiate, defend, or settle legal actions and appoint legal representatives or advisors.
- Make decisions and take action on matters involving government and other authorities.
- Exercise any additional authority delegated by the Board or required by statutory changes.
- Delegate implementation responsibilities to executives, officers, or authorized personnel.
- Authorize CFO, CS, or their delegates to deal with credit rating agencies and appoint advisors.
- Decide on acquisition or disposal of company assets and authorize persons for execution.

4) SENIOR MANAGEMENT PERSONNEL ("SMP")

The particulars of Senior Management Personnel ("SMP") pursuant to provisions of Schedule V of the SEBI Listing Regulations as on March 31, 2026 are outlined herein below:

Sr. No.	Name of the SMP	Designation
1.	Mr. Kshitij Agarwal	Assistant Vice President- Human Resource
2.	Mr. Sanjay Ojha	National Collection Head
3.	Mr. Piyush Somani	Chief Treasury Officer
4.	Mr. Rohit Mathur	National Credit Head
5.	Mr. Kuldeep Singh Sikarwar	Chief Business Officer
6.	Mr. Arun Singh Sengar	Zonal Head- Operations

Annexure to the Board's Report (Contd.)

Sr. No.	Name of the SMP	Designation
7.	Mr. Vinod Kumar Maheshwari	Chief Technology Officer
8.	Mr. Shivam Bajaj	Senior Vice President – Risk
9.	Mrs. Priya Kadyan	Assistant Vice President- Internal Audit

Changes since the closure of the previous Financial Year are as follows:

Sr. No.	Name	Designation	Nature of Change
1	Mr. Siddharth Modi	Chief Technology Officer	Ceased to be a SMP w.e.f. October 14, 2025
2	Mr. Shivam Bajaj	Senior Vice President – Risk	Designated as SMP w.e.f May 19, 2025
3	Mrs. Priya Kadyan	Assistant Vice President- Internal Audit	Designated as SMP w.e.f May 19, 2025
4	Mr. Vinod Kumar Maheshwari	Chief Technology Officer	Designated as SMP w.e.f February 10, 2026

All the Senior Management Personnel have affirmed compliance with the Code of conduct for Senior Management Personnel for the Financial Year ended March 31, 2026 in compliance of Regulation 26(3) of the SEBI Listing Regulations. A declaration in this regard forms part of the Report on Corporate Governance.

5) REMUNERATION OF DIRECTORS

Pecuniary relationship/transaction with Non-Executive Directors

During the Financial Year 2025-26, there were no pecuniary relationship or transactions between the Company and any of its Non–Executive Directors, other than the receipt of sitting fees, for their role as Directors. The Company has not advanced any loans to its Directors or to any firms / companies in which Directors may be interested.The Non-Executive Independent Directors of the Company were paid sitting fees of Rs. 60,000/- (Rupees Sixty Thousand) for every meeting of the Board, Rs. 60,000/- (Rupees Sixty Thousand) for every meeting of the Audit Committee, Rs 30,000/- (Rupees Thirty Thousand) for every meeting of the Nomination and Remuneration Committee, Rs. 30,000/- (Rupees Thirty Thousand) for every meeting of Risk Management Committee and Rs. 30,000/- (Rupees Thirty Thousand) for every meeting of IT Strategy Committee.

The details of sitting fees paid to the Independent Directors of the Company for attending meetings of the Board of Directors and its Committees during the Financial Year 2025–26 are provided below:

Sr. No.	Name of the Director	Sitting Fees (Rs. In Lakhs)
1.	Mr. Surendra Mehta	8.4
2.	Mr. Anil Balkrishna Patwardhan	11.8
3.	Mr. Brijmohan Sharma	9.4
4.	Mr. Kalyanaraman Chandrachoodan	5.5

Remuneration paid to Executive Directors

The Executive Directors of the Company were paid remuneration as approved by the members of the Company, on the recommendation of the Board and NRC and in accordance with the Nomination, Remuneration and Compensation

Annexure to the Board's Report (Contd.)

Policy of the Company. The elements of the remuneration package of the Executive Directors include fixed remuneration, performance linked variable pay and perquisites.

The details of the remuneration paid to the Executive Directors during the Financial Year ended on March 31, 2026 is outlined herein below:

Sr. No.	Name of the Directors	Designation	Gross Salary (Rs. in Lakhs)	Commission/ Bonus	Stock Options	Sitting Fees	Total Amount (Rs. in Lakhs)
1.	Mr. Deepak Baid	Managing Director	276	NIL	NIL	NIL	276
2.	Mrs. Aneesha Baid	Whole-Time Director	172.5	NIL	NIL	NIL	172.5
3.	Mrs. Prem Devi Baid	Whole-Time Director	138	NIL	NIL	NIL	138

The Company has not granted any Stock Options under "Laxmi India Finance Limited Employee Stock Option Scheme-2023", to any of its Directors during the Financial Year 2025-26 and no performance linked variable pay was paid to any of the Executive Directors of the Company.

Further, the below mentioned perquisites in the nature of car related benefits were provided to the Executive Directors during the Financial Year 2025-26:

Name of the Directors	Perquisites (Car) (Rs. in Lakhs)
Mr. Deepak Baid	0.732
Mrs. Aneesha Baid	0.216
Mrs. Prem Devi Baid	0.216

The present tenure of the office of the Managing Director is five years with effect from September 28, 2023 and Whole -Time Directors is five years with effect from August 06, 2022. There is no provision for payment of severance fees. The Executive Directors shall be required to serve a notice period of 3 (Three) months for termination of employment.

Your company has well-defined Policy for Remuneration of the Directors, Key Managerial Personnel and SMP. The Nomination, Remuneration and Compensation Policy is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Nomination_%20Remuneration%20_%20Compensation%20%20Policy.pdf**

6) GENERAL MEETINGS

The details of the last three Annual General Meetings, Extra-Ordinary General Meetings held and Special Resolutions passed thereat are outlined below:

Details of the AGM	Day & Date	Time	Venue	Special Resolutions Passed
28th AGM	Thursday, June 19, 2025	10.00 A.M.	2, DFL, Gopinath Marg, M.I. Road, Jaipur-302001, Rajasthan	1. To approve the limit for issuance of Non- Convertible Debentures on private placement basis. 2. To approve the revision in the ceiling limit of the remuneration payable to Mr. Deepak Baid, Managing Director of the company.

Annexure to the Board's Report (Contd.)

Details of the AGM	Day & Date	Time	Venue	Special Resolutions Passed
				3. To approve the revision in the ceiling limit of the remuneration payable to Mrs. Aneesha Baid, Whole-Time Director of the company. 4. To approve the revision in the ceiling limit of the remuneration payable to Mrs. Prem Devi Baid, Whole-Time Director of the company.
27th AGM	Saturday, June 29, 2024	11.00 A.M.	2, DFL, Gopinath Marg, M.I. Road, Jaipur-302001, Rajasthan	1. To take approval for the grant of options to issue securities equal to or exceeding one percent of the issued capital of the company during any one financial year to identified employees under Laxmi India Finance Private Limited Employees Stock Option Scheme- 2023.
26th AGM	Tuesday, September 19, 2023	11.00 A.M.	2, DFL, Gopinath Marg, M.I. Road, Jaipur-302001, Rajasthan	1. To approve the re-appointment of Mr. Kishore Kumar Sansi (DIN: 07183950) as an Independent Director of the company for a second term of five consecutive years. 2. Approval for Laxmi India Finance Private Limited Employee Stock Option Scheme -2023.

All the resolutions passed at the last three AGMs were duly approved by the members, either unanimously or by the requisite majority.

During the Financial Year 2025-26, no Extra-Ordinary General Meeting was held.

7) POSTAL BALLOT

Details of business transacted through postal ballot during the Financial Year 2025-26:

In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations, Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force, guidelines prescribed by the Ministry of Corporate Affairs (the "MCA"), Government of India, for holding general meetings / conducting postal ballot process through electronic voting (remote e-Voting) and any other applicable laws and regulations, the approval of the Members of the Company for below mentioned special resolutions were obtained through Postal Ballot Notice dated November 14, 2025.

For matters which are urgent and require shareholders' approval in the period between the AGMs, the Company seeks the approval of shareholders through postal ballot.

Annexure to the Board's Report (Contd.)

During the Financial Year 2025-26, the Company had sought approval of the members through postal ballot notice dated November 14, 2025, the details of the postal ballot through which special resolutions were passed are given below:

Sr. No.	Date of Scrutinizer's Report	Date of passing the resolution	Special Resolution(s) passed
1.	December 22, 2025	December 18, 2025	1. Ratification and Amendment of the 'Laxmi India Finance Limited Employee Stock Option Scheme-2023'. 2. Approval for the grant of options equal to or exceeding one percent but not exceeding four percent of the issued capital of the Company during any one Financial Year to identified employees under "Laxmi India Finance Limited Employee Stock Option Scheme-2023".

There were total of 32,085 shareholders of the Company as on the cut-off date i.e. November 07, 2025, out of which 63 Members holding 3,13,09,387 Equity Shares participated in the e-Voting process.

Voting results of Special Resolution passed through Postal Ballot Notice dated November 14, 2025 are provided below:

Special Resolution	% of Votes in favour of the Resolution	% of Votes against the Resolution	% of Invalid Votes
Resolution No. 1	99.9985	0.0015	-
Resolution No. 2	99.9985	0.0015	-

Accordingly, the Resolutions as set out in the Postal Ballot Notice dated November 14, 2025 were passed with requisite majority on December 18, 2025.

Procedure for Postal Ballot

Pursuant to the provisions of the Act read with applicable rules and in accordance with the circulars issued by the Ministry of Corporate Affairs (MCA) and pursuant to the SEBI Listing Regulations, the Company conducted the voting on proposed resolutions exclusively through remote e-Voting, eliminating the need for physical postal ballot forms. In line with the MCA Circulars, the Postal Ballot notice was dispatched electronically via e-mail to all its members who have registered their e-mail addresses with the Registrar and Share Transfer Agent ("RTA") of the Company or Depository/Depository Participants. The Company also facilitated the registration of e-mail address by shareholders who had not registered previously, to ensure they could receive the notice and participate in e-Voting.

The Company published a public notice in leading newspapers providing information about the Postal Ballot and the process for e-Voting. Voting rights were determined on the basis of equity shares held by the members as on the cut-off date specified in the Postal Ballot notice.

As per the provisions of the Act, the Board in its meeting held on November 14, 2025 had appointed CS Manoj Maheshwari (FCS: 3355; COP: 1971), Practicing Company Secretary, as Scrutinizer and failing him, CS Kamla Choudhary (ACS: 46577; COP: 26628), Practicing Company Secretary as alternate Scrutinizer to conduct the postal ballot process through Remote E-Voting in a fair and transparent manner. Upon completion of scrutiny of the E-Voting records, CS Manoj Maheshwari, submitted his report dated December 22, 2025 to the Managing Director of the Company. The results were declared by the Managing Director and published on the Company's website and communicated to the stock exchanges.

There is no immediate proposal for passing any special resolution through postal ballot as on date.

Annexure to the Board's Report *(Contd.)*

8) MEANS OF COMMUNICATION

The Company recognizes the importance of two-way communication with Shareholders and of giving a balanced reporting of results and progress. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of your Company's corporate governance ethos.

Your Company is committed to uphold the highest standards of transparency in its communication practices. To achieve this, your Company has implemented the robust procedures to disseminate pertinent information in a systematic manner to its Shareholders, Debenture Holders, Lenders and other Stakeholders, employing the following channels:

a) **Financial Results:** The unaudited quarterly financial results were announced within forty-five days of the close of each quarter, other than the last quarter. The audited annual financial results were announced within sixty days from the end of the financial year as required under the SEBI Listing Regulations. The aforesaid financial results were announced to the Stock Exchanges within the statutory time period from the conclusion of the Board Meeting(s) at which these are considered and approved. Further the financial results were also made available on the website of the company and can be accessed at **https://lifc.co.in/quarterly-half-yearly-and-yearly-financial-results**

b) **Newspaper Publication:** Pursuant to the provisions of Regulations 47 and 52(4) of the SEBI Listing Regulations, an advertisement containing a Quick Response (QR) Code and the details of the webpage where the complete financial results of the Company are available was published within 48 (Forty-Eight) hours of the conclusion of the meeting of the Board of Directors at which the financial results were approved. The said advertisement was published in at least one English national daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the company is situated. The said advertisement was also uploaded on the Company's website and can be accessed at **https://lifc.co.in/disclosures-under-reg-46-of-sebi-lodr**

c) **Website Disclosure:** The Company has disseminated all the information as required to be disclosed on the website of the company pursuant to Regulation 46 and 62 of the SEBI Listing Regulations and same can be accessed at **https://lifc.co.in/disclosures-under-reg-62-ofsebi-lodr** and **https://lifc.co.in/disclosures-under-reg-46-of-sebi-lodr**

d) **Analyst/ Institutional Investors Presentations:** The Company conducts investor/analyst calls following the announcement of its quarterly, half-yearly and audited financial results. Presentations were also made to investors and analysts. These presentations and other disclosures which are required to be disseminated were filed electronically with the Stock Exchanges as well as uploaded on the Company's website and can be accessed at **https://lifc.co.in/investor-meet-and-presentation**. In accordance with the Archival Policy of the Company, such disclosures are available on the website for a minimum period of 5 (Five) years from the date of the respective disclosures. Additionally, the Company uploads the transcripts of post-earnings/quarterly calls and audio-visual recordings of such calls on its website.

e) **Investor Relations Section:** The Company's website **www.lifc.co.in** hosts a dedicated section titled as "Investor Services". Here, stakeholders can easily access a comprehensive array of information including Annual Returns, Annual Report, Composition of Board and Committees, Policies, Material Contracts, Material Documents, Offer Documents and Disclosures under Regulation 46 & 62 of the SEBI Listing Regulations.

f) **Other Information:** Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 and 51 read with Part 'A' and Part 'B' of Schedule III of the SEBI Listing Regulations including material information having a bearing on the performance/operations of the Company and other price sensitive information. All information is filed electronically on the online portal of BSE Limited -Corporate Compliance & Listing Centre ('BSE Listing Centre') and on the online portal of National Stock Exchange of India Limited - NSE Electronic Application Processing System ('NEAPS').

Annexure to the Board's Report *(Contd.)*

9) GENERAL SHAREHOLDER INFORMATION

<table>
<tr><td>1</td><td>Annual General Meeting</td><td>Date: September 16, 2026
Time: 04:30 P.M.
Venue: 2, DFL, Gopinath Marg, M.I. Road, Jaipur-302001, Rajasthan</td></tr>
<tr><td>2</td><td>Financial Year</td><td>The Company follows the Financial Year starting from April 01 to March 31 every year.</td></tr>
<tr><td>3</td><td>Dividend payment date</td><td>The Board has not recommended any dividend for the Financial Year 2025-26</td></tr>
<tr><td>4</td><td>Listing on Stock Exchange and Payment of Listing Fees</td><td>The Equity Shares of the Company are listed on BSE and NSE with effect from August 05, 2025. Further details are provided below:
<table>
<tr><th>Name of the Stock Exchanges</th><th>ISIN</th><th>Security Code</th><th>Address</th></tr>
<tr><td>BSE Limited</td><td>INE06WU01026</td><td>544465</td><td>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai–400001 (Maharashtra)</td></tr>
<tr><td>National Stock Exchange of India Limited (NSE)</td><td>INE06WU01026</td><td>LAXMIINDIA</td><td>Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai-400051 (Maharashtra)</td></tr>
</table>
The Non-Convertible Debentures of the Company are listed on the Wholesale Debt Market segment of BSE Limited. Further details are provided below:
<table>
<tr><th>Name of the Stock Exchanges</th><th>ISIN</th><th>Security Code</th><th>Address</th></tr>
<tr><td>BSE Limited</td><td>INE06WU07072</td><td>977574</td><td>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai–400001 (Maharashtra)</td></tr>
<tr><td>BSE Limited</td><td>INE06WU07064</td><td>975797</td><td>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai–400001 (Maharashtra)</td></tr>
</table>
The Company has deposited the annual listing fees to the stock exchange(s) where the securities of the Company are listed up to March 31, 2027.</td></tr>
<tr><td>5</td><td>In case the securities are suspended from trading, the Board's Report shall explain the reason thereof</td><td>None of its securities were suspended from trading on the exchange.</td></tr>
</table>

Annexure to the Board's Report (Contd.)

6	**Registrar to an issue and Share Transfer Agents**	MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) Address: C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai-400083 Website- https://in.mpms.mufg.com/ Phone No. +918655326100
7	**Share Transfer System**	As of March 31, 2026, all Equity Shares of the Company are held in dematerialized form. Thus, there were no physical share transfers.
8	**Distribution of Shareholding as on March 31, 2026**	**Distribution of Shareholding based on Shares Held as on March 31, 2026**

No of Shares Held	No. of Shareholders	Percentage of Total Shareholders	Total Shares	Percentage of Shares
1-500	29,545	92.9819	27,94,698	5.35
501-1000	958	3.0149	7,42,956	1.42
1001-2000	584	1.8379	8,57,509	1.64
2001-3000	172	0.5413	4,38,080	0.84
3001-4000	104	0.3273	3,70,006	0.71
4001-5000	71	0.2234	3,34,738	0.64
5001-10000	148	0.4658	11,52,741	2.21
10001 and above	193	0.6074	4,55,77,147	87.20

Category wise Shareholding Pattern as of March 31, 2026

Category	No. of Shares Held	% Shareholding
Promoter and Promoter Group	3,15,23,468	60.31
Public	1,33,98,930	25.64
AIF	22,69,535	4.34
FPI	8,25,154	1.57
NRI	2,28,203	0.44
Body Corporate	24,12,844	4.62
LLP	8,05,161	1.54
HUF	5,44,124	1.04
Clearing Members	2,60,456	0.50

Annexure to the Board's Report (Contd.)

Shareholders holding more than 1% of the shares as on March 31, 2026.

Name of the Shareholders	No. of Shares Held	% Shareholding
Hirak Vinimay Private Limited	2,17,48,484	41.60
Deepak Baid	43,00,000	8.22
Deepak Hitech Motors Private Limited	26,21,082	5.01
Mukul Mahavir Agrawal	20,00,000	3.82
Sanshi Fund-I	12,65,898	2.42
Aneesha Baid	10,00,000	1.91
Prem Dealers Private Limited	9,89,114	1.89

9	**Dematerialization of shares and liquidity**	The Equity Shares of the Company are identified by the **ISIN INE06WU01026**. As of March 31, 2026, all Equity Shares of the company are held in dematerialized form. The Company's shares are compulsorily traded in dematerialised form and are available for trading through both the Depositories in India viz. NSDL and CDSL.
10	**Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;**	Not Applicable
11	**Commodity price risk or foreign exchange risk and hedging activities**	The Company does not deal in commodities and hence the disclosure pursuant to SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 is not required to be given.
12	**Branch Locations**	The Company has strengthened its presence through a network of **176** branches across the States of Rajasthan, Gujarat, Madhya Pradesh, Chhattisgarh, Uttar Pradesh and Maharashtra.

Annexure to the Board's Report *(Contd.)*

13	**Address for Correspondence**	**For Company:** Mr. Sourabh Mishra Company Secretary and Chief Compliance Officer Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited) **Address:** 2, DFL, Gopinath Marg, M.I. Road, Jaipur-302001, Rajasthan **Mail id: cs@lifc.in**, **info@lifc.in**, **investors@lifc.in** **Website: www.lifc.co.in** **Tel No.:** 0141-4031166 **For Registrar and Share Transfer Agent:** MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) **Address:** C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, Maharashtra- 400083 **Mail Id: investor.helpdesk@in.mpms.mufg.com** **Website: www.in.mpms.mufg.com** **Tel No.:** 022-49186000 **For Debenture Trustee:** *For ISIN-INE06WU07072* Mitcon Credentia Trusteeship Services Limited **Address:** 1402/03, B-Wing, 14th Floor, Dalamal Towers, Free Press Journal Marg, 211, Nariman Point, Mumbai-400021, MH (India) Mail Id: **compliance@mitconcredentia.in** **Tel No.:** +91-9930430993 *For ISIN-INE06WU07064* IDBI Trusteeship Services Limited **Address:** Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Rd, Fort, Mumbai, Maharashtra 400001 **Mail Id: compliance@idbitrustee.com** **Tel No.:** 022-40807000/7060
14	**Credit Ratings**	The list of all Credit Ratings obtained by the Company along with any revisions thereto during the Financial Year 2025-26 are disclosed in Board's Report.

10) OTHER DISCLOSURES

a) Disclosure on materially significant related party transactions that may have potential conflict with the Company's interests at large

The related party transactions that were entered during the Financial Year 2025-26 were in the ordinary course of business and on an arm's length basis. There were no materially significant transactions made by the Company with the related parties either individually or taken together with the previous transactions which may have a potential conflict with the interest of the Company at large. All the related party transactions entered during the Financial Year 2025-26, were within the limits as approved by Board/ Audit Committee as applicable. Further, as per the requirements of Ind-AS, the transactions with related parties are disclosed in the **Note No. 48** of the Financial Statements.

The policy on related party transactions is available on the Company's website and can be accessed at **https://lifc.co.in/uploads/Related%20Party%20Transaction%20Policy.pdf**

Annexure to the Board's Report *(Contd.)*

b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

During the last three financial years, the Company has remained broadly compliant with all applicable laws and regulations governing the capital markets. No penalties and strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three financial years. Furthermore, during the Financial Year 2025–26, there were no instances of non-compliance for which any penalties or strictures were imposed on the Company by the Reserve Bank of India or any other regulatory or statutory authority.

c) Details of establishment of vigil mechanism/ whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

Pursuant to the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has established a Vigil Mechanism through its Whistle Blower Policy to provide a framework for directors and employees to report genuine concerns and to encourage employees to report suspected legal violations, fraudulent or irregular conduct of an employee or business associate of the Company. Such incidents, if not reported would breach trust and endanger the Company's reputation. Through this mechanism, the Company provides a channel to the employees and Directors to report to the management about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

The Company has a Whistle Blower Policy & Vigil Mechanism ("Policy") to deal with instances of fraud and mismanagement, if any. This Policy ensures that strict confidentiality is maintained whilst dealing with concerns and that no discrimination will be meted out to any person for a genuinely raised concern. The Policy as approved by Board is uploaded on the Company's website and can be accessed at **https://lifc.co.in/uploads/Whistle%20Blower%20Policy%20_%20Vigil%20Mechanism(1).pdf**

During the Financial Year 2025-26, no whistle blower event was reported and mechanism is functioning well and no personnel has been denied access to the Chairman of Audit Committee.

The effectiveness of the vigil mechanism is annually reviewed by the Audit Committee, which ensures that all the grievances are handled properly.

d) Details of Compliance with Mandatory Requirements

The Company has complied with the applicable mandatory requirements of the Code of Corporate Governance as prescribed under the SEBI Listing Regulations. Your Company confirms compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations. M/s. V. M. & Associates, Practicing Company Secretaries, have certified that the Company has complied with the mandatory requirements as stipulated under the SEBI Listing Regulations and the said certificate forms a part of the Report on Corporate Governance.

e) Web-link where policy for determining 'material' subsidiaries is disclosed

Since, the Company does not have any Subsidiary, therefore, formulation of Policy for determining 'Material Subsidiaries' is not applicable to the Company.

f) Disclosure of commodity price risks and commodity hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 is not required to be given.

Annexure to the Board's Report *(Contd.)*

g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)

During the Financial Year 2025-26, the Company has not raised funds through preferential allotment or qualified institutions placement.

h) Certificate from Company Secretary in Practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority

The Company has received a certificate form M/s. V.M. & Associates, Practicing Company Secretaries, to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as a director of the Company by SEBI/ Ministry of Corporate Affairs ('MCA') or such other statutory authority for Financial Year 2025- 26 in compliance of Regulation 34(3) read with Schedule V of the SEBI Listing Regulations. The said certificate forms part of the Report on Corporate Governance.

i) Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:

During the Financial Year 2025-26, there was no such recommendations made by any Committee of the Board which were mandatorily required and not accepted by the Board.

j) Remuneration to Statutory Auditors

The details of total fees paid to M/s S.C. Bapna & Associates, Chartered Accountants (FRN: 115649W), Statutory Auditors of the Company during the Financial Year 2025-26 is given below:

Particulars	For the period ended March 31, 2026 (Rs. In Lakhs)	For the period ended March 31, 2025 (Rs. In Lakhs)
Audit fees	7.50	7.50
Tax Audit Fees	0.50	0.50
Limited review & Certifications	6.30	8.00
ITC 50% reversed	1.45	1.38
Reimbursements	0.60	0
Total	16.35	17.38

k) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company adopts a zero-tolerance approach towards sexual harassment of women at workplace. A detailed Policy on Prevention of Sexual Harassment at Workplace ("POSH Policy") is in place as per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act").

The Company has always believed in providing a safe and harassment free workplace for every individual through various initiatives and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.The POSH Policy provides comprehensive protection to all employees covered under the Policy, including permanent, contractual, temporary, and trainee personnel. The main objective of the POSH Policy is to enable all those working with the Company to raise their concerns and make complaints without any fear and be heard in a fair and unbiased manner.

Following is the summary of sexual harassment complaints received and disposed off by the Company during the Financial Year 2025-26:

Annexure to the Board's Report *(Contd.)*

No. of complaints at the beginning of the year	Nil
No. of complaints received during the year	Nil
No. of complaints disposed-off during the year	Nil
No. of complaints at the end of the year	Nil
No. of complaints pending for more than ninety days	Nil

Further, the Company has complied with provisions relating to the constitution of the Internal Complaints Committee under POSH Act, amended as on date. The Internal Complaints Committee met 1 (One) time during the Financial Year 2025-26 on Saturday, March 07, 2026. The composition and attendance details of the Internal Complaints Committee have been disclosed in the Report on Corporate Governance.

l) The Company has not provided any Loans and Advances in the nature of loans to firms/companies in which directors are interested.

m) Details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

Not applicable as the Company does not have any subsidiary.

n) Compliance with Discretionary Requirements as specified in Part E of Schedule II of SEBI Listing Regulations

Modified opinion(s) in Audit Report

During the Financial Year 2025-26, there was no qualification in the audit report on your Company's standalone Financial Statements. Your Company continues to adopt best practices to maintain the quality and integrity of its financial reporting and to ensure that its Financial Statements receive an unmodified audit opinion.

Risk Management Committee

Your company has constituted Risk Management Committee with the composition, roles and responsibilities as mentioned in provisions of Regulation 21 of the SEBI Listing Regulations.

Shareholders' Rights

The company publishes its results on its website at **https://lifc.co.in/quarterly-half-yearly-and-yearly-financial-results** which is accessible to the public at large. The same are also available on the website of the Stock Exchanges on which the Company's shares are listed.

Reporting of internal auditor

The Internal Auditor reports directly to the Audit Committee of the Board of Directors and presents the Internal Audit Reports to the Audit Committee on a quarterly basis.

o) Disclosure of the compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46

During the Financial Year 2025-26, the Company has complied with the applicable mandatory requirements of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and has also complied with the requirement of Schedule V of the SEBI Listing Regulations except for Regulation 24 as the Company does not have any subsidiary.

p) Declaration signed by the Managing Director of the Company stating that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management and the said declaration forms part of the Report on Corporate Governance.

q) A Compliance Certificate received from M/s. V.M. & Associates, Practicing Company Secretaries, regarding compliance with conditions of corporate governance as required in compliance of Regulation 34(3) read with Para E of Schedule V of SEBI Listing Regulations forms part of the Report on Corporate Governance.

r) Disclosures with respect to demat suspense account/ unclaimed suspense account:

The Company does not have any Equity Shares lying in Demat suspense account / unclaimed suspense account.

s) Disclosure of certain type of Agreements binding Listed Entities

The Company has not entered into any agreements as required to be disclosed under clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations.

t) Online Dispute Resolution (ODR) Mechanism

In order to streamline the dispute resolution mechanism in the securities market, SEBI vide its circular dated July 31st, 2023, as amended from time to time, read with Master Circular no. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated 28 December 2023, introduced a common Online Dispute Resolution ("ODR") mechanism which harnesses online conciliation and arbitration for resolution of all kinds of disputes relating to securities market. Under ODR mechanism, an investor shall first take up his/her/their grievance by lodging a complaint directly with the concerned Market Participant viz., Company. If the grievance is not redressed satisfactorily at the first phase, the investor may escalate the same through the SCORES Portal in accordance with the process laid out therein. ODR Mechanism provides a third level of escalation, if the investor is not satisfied with the resolution provided by the Company, the investor may initiate the dispute through the ODR portal within the timeframe prescribed under the circular. The ODR portal can be accessed at **https://smartodr.in/login**

Date: August 12, 2026
Place: Jaipur

For and on behalf of the Board of Directors
For Laxmi India Finance Limited
(Formerly Known as Laxmi India Finance Private Limited)

Reg. Office: 2, DFL, Gopinath Marg
MI Road, Jaipur-302001, Rajasthan
CIN: L65929RJ1996PLC073074
Email: info@lifc.in
Website: www.lifc.co.in

Deepak Baid
Managing Director
(DIN: 03373264)

Aneesha Baid
Whole -Time Director
(DIN: 07117678)

Annexure to the Board's Report (Contd.)

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,
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)
2 DFL, Gopinath Marg, MI Road,
Jaipur-302001 (Rajasthan)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited)** having **CIN: L65929RJ1996PLC073074** and having registered office at **2 DFL, Gopinath Marg, MI Road Jaipur-302001 (Rajasthan)** (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 clause 10 sub clause (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal **www.mca.gov.in)** as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 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 the Director	DIN
1.	Mr. Deepak Baid	03373264
2.	Mrs. Aneesha Baid	07117678
3.	Mrs. Prem Devi Baid	00774922
4.	Mr. Surendra Mehta	00298751
5.	Mr. Anil Balkrishna Patwardhan	09441268
6.	Mr. BrijMohan Sharma	09646943
7.	Mr. Kalyanaraman Chandrachoodan	07712306

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 **V. M. & Associates**
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 5447 / 2024

CS Kamla Choudhary
Partner
Membership No.: ACS 46577
C P No.: 26628

Place : Jaipur
Date: May 13, 2026
UDIN: A046577H000345755

Annexure to the Board's Report *(Contd.)*

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)
2 DFL, Gopinath Marg, MI Road,
Jaipur-302001 (Rajasthan)

1. We have examined the compliance of conditions of Corporate Governance of **Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited) ("the Company")** for the year ended on March 31, 2026 as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and paragraphs C, D and E of Schedule V of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [collectively referred to as "SEBI Listing Regulations"].

Management's Responsibility for compliance with the conditions of SEBI Listing Regulations

2. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Our Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with the Corporate Governance requirements by the Company.
5. We have conducted our examination in accordance with the Guidance Note on Corporate Governance Certificate and the Guidance Manual on Quality of Audit & Attestation Services issued by the Institute of Company Secretaries of India ("ICSI").

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations.
7. 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.

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing

For **V. M. & Associates**
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 5447 / 2024

CS Kamla Choudhary
Partner
Membership No.: ACS 46577
C P No.: 26628

Place : Jaipur
Date: May 13, 2026
UDIN: A046577H000345898

Annexure to the Board's Report *(Contd.)*

Certificate under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)
2, DFL, Gopinath Marg M.I Road,
Jaipur-302001, Rajasthan

Dear Sir/Ma'am,

1) Pursuant to Regulation 17(8) of the Securities and Exchnage Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have reviewed financial statements and the cash flow statement of Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited) ("the company") for the year ended on March 31, 2026 and that to the best of our knowledge and belief, we state that:

   i) these financial statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

   ii) these financial statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.

3) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies if any, in the design or operation of such internal controls of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

4) We have indicated, to the Auditors and the Audit Committee:

   i) that there were no significant changes in internal control over financial reporting during the year;

   ii) there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii) there were no instances of significant fraud of which we have become aware of and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely,

For **Laxmi India Finance Limited**
(Formerly known as Laxmi India Finance Private Limited)

Deepak Baid
Managing Director
(DIN:03373264)

For **Laxmi India Finance Limited**
(Formerly known as Laxmi India Finance Private Limited)

Gopal Krishan Sain
Chief Financial Officer
(M.NO. 418989)

Place: Jaipur
Date: May 13, 2026

Annexure to the Board's Report *(Contd.)*

DECLARATION UNDER PARA D OF SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

To,
The Board of Directors
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)
2, DFL, Gopinath Marg, M.I. Road,
Jaipur, Rajasthan – 302001

I, Deepak Baid, Managing Director of the Company, hereby certify that the members of the Board of Directors of the Company and the Senior Management Personnel have affirmed the compliance with the Code of Conduct adopted by the Company for the Financial Year ended March 31, 2026 in terms of Regulation 34(3) read with Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

For **Laxmi India Finance Limited**
(Formerly known as Laxmi India Finance Private Limited)

Date: May 13, 2026
Place: Jaipur

Deepak Baid
Managing Director
(DIN:03373264)

Annexure to the Board's Report *(Contd.)*

ANNEXURE- III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To,
The Members,
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)
2 DFL, Gopinath Marg, MI Road,
Jaipur– 302001 (Rajasthan)

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2026 **('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

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

   (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client **(repealed w.e.f. December 16, 2025)**;

Annexure to the Board's Report (Contd.)

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Act and dealing with client **(notified on December 16, 2025)**;

(f) Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company);

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

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

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

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

(k) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the Audit Period)**; and

(l) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**.

(vi) As confirmed, following other laws are specifically applicable to the Company for which the Management has confirmed that the Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively:

(a) The Reserve Bank of India Act, 1934;

(b) Master Direction - Reserve Bank of India (Non-Banking Financial Companies-Governance) Directions, 2025 and other Master Directions issued by Reserve Bank of India, as applicable to the company and as amended from time to time.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India;

ii. The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the Audit Period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held on shorter notice. Further, independent directors were present at Board Meetings which were called at shorter notice to transact business which were considered urgent by the management in compliance of Section 173(3) of the Act. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

Annexure to the Board's Report (Contd.)

We further report that during the Audit Period the company has:-

(i) Duly passed the resolution pursuant to Section 42 and 71 of the Act for approving the issue of Non–Convertible Debentures for an amount not exceeding Rs. 200,00,00,000/- (Rupees Two Hundred Crores Only) on a private placement basis in one or more tranches in Annual General Meeting held on June 19, 2025;

(ii) Completed the Initial Public Offering (IPO) of 16,092,195 (One Crore Sixty Lakh Ninety Two Thousand One Hundred and Ninety Five) equity shares of Rs. 5/- (Rupees Five Only) each at a price of Rs. 158 (Rupees One Hundred and Fifty-Eight) per share, vide Prospectus dated July 31, 2025 and the equity shares of the Company were listed on the Main Board of BSE Limited and National Stock Exchange of India Limited and admitted to dealings with effect from August 05, 2025;

(iii) Duly passed the resolution for ratification and amendment of the Laxmi India Finance Limited Employee Stock Option Scheme 2023 and approval for the grant of options equal to or exceeding one percent but not exceeding four percent of the issued capital of the company during any one financial year to identified employees under Laxmi India Finance Limited Employee Stock Option Scheme 2023 on December 18, 2025 through postal ballot process through e-voting; and

(iv) Issued and allotted 50,000 (Fifty Thousand) Listed, Rated, Senior, Secured, Transferable, Redeemable Non-Convertible Debentures of face value of Rs. 10,000 (Rupees Ten Thousand Only) for an amount aggregating to Rs. 50,00,00,000/- (Rupees Fifty Crores Only) on a private placement basis.

(v) Redeemed 1,000 (One Thousand) Secured Non-Convertible Debentures amounting to Rs. 5,00,00,000 (Rupees Five Crores Only) issued to Edge Credit Opportunities Fund I on April 02,2025.

For **V. M. & Associates**
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 5447 / 2024

CS Kamla Choudhary
Partner
Membership No.: ACS 46577
C P No.: 26628

Place: Jaipur
Date: May 13, 2026
UDIN: A046577H000345964

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

Annexure to the Board's Report *(Contd.)*

Annexure- A

To,
The Members,
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)
2 DFL, Gopinath Marg, MI Road,
Jaipur– 302001 (Rajasthan)

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **V. M. & Associates**
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 5447 / 2024

CS Kamla Choudhary
Partner
Membership No.: ACS 46577
C P No.: 26628

Place: Jaipur
Date: May 13, 2026
UDIN: A046577H000345964

Annexure to the Board's Report *(Contd.)*

ANNEXURE- IV

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

(A) Conservation of Energy:

(i) **The steps taken or impact on conservation of energy:** The operations of your Company primarily involve financial services, which are not energy-intensive by nature. However, the Company has proactively implemented measures across all its branches to further reduce energy consumption and enhance energy efficiency.

(ii) **The steps taken by the Company for utilizing alternate sources of energy:** The Company is exploring alternative sources of energy, as and when the necessity arises.

(iii) **The capital investment on energy conservation equipment:** In view of the nature of the activities carried on by the Company, there is no capital investment on energy conservation equipment.

(B) Technology absorption:

(i) **The efforts made towards technology absorption:** The Minimum technology required for the business has been absorbed.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:** Not Applicable

(iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** Not Applicable.

(a) **The details of technology imported:** Not Applicable

(b) **The year of import:** Not Applicable

(c) **Whether the technology been fully absorbed:** Not Applicable

(d) **If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:** Not Applicable.

(iv) **The expenditure incurred on Research and Development:** NIL

(C) Foreign exchange earnings and outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows: NIL

Date: August 12, 2026
Place: Jaipur

For and on behalf of the Board of Directors
For Laxmi India Finance Limited
(Formerly Known as Laxmi India Finance Private Limited)

Deepak Baid
Managing Director
(DIN: 03373264)

Aneesha Baid
Whole -Time Director
(DIN: 07117678)

Reg. Office: 2, DFL, Gopinath Marg
MI Road, Jaipur-302001, Rajasthan
CIN: L65929RJ1996PLC073074
Email: info@lifc.in
Website: www.lifc.co.in

Annexure to the Board's Report *(Contd.)*

ANNEXURE- V

Disclosure pertaining to remuneration and other details as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

i. The ratio of the remuneration of each Director to the median remuneration of employees of the Company for the Financial Year 2025-26 is provided below:

Name	Designation	Ratio to median remuneration
Deepak Baid	Managing Director	1:21.50
Aneesha Baid	Whole-Time Director	1:13.44
Prem Devi Baid	Whole-Time Director	1:10.75
Surendra Mehta	Independent Director	1:0.65
Anil Balkrishna Patwardhan	Independent Director	1:0.92
Brijmohan Sharma	Independent Director	1:0.731
Kalyanaraman Chandrachoodan	Independent Director	1:0.42

*No remuneration paid except payment of eligible sitting fees to Independent Directors.

**In line with the internal guidelines, no commission was paid to Directors.

ii. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the Financial Year 2025-26:

Name	Designation	% increase in remuneration in Financial Year
Deepak Baid	Managing Director	NA
Aneesha Baid	Whole-Time Director	NA
Prem Devi Baid	Whole-Time Director	NA
Sourabh Mishra	Company Secretary & Chief Compliance Officer	66.70%
Gopal Krishan Sain	Chief Financial Officer	49.99%

*No remuneration paid except payment of eligible sitting fees to Independent Directors.

iii. During the Financial Year 2025-26, there was **6.12%** increase in the median remuneration of the employees of your Company.

Annexure to the Board's Report *(Contd.)*

iv. As on March 31, 2026, there were **1,805** employees on the rolls of your Company.

v. Average percentage increase in the salaries of employees other than the managerial personnel in the last Financial Year was **16%** whereas the increase in the managerial remuneration was **58.34%**.

Increase in salary is based on the Company's performance, individual performance and promotions.

vi. Affirmation that the remuneration is as per the remuneration policy of the Company: It is hereby affirmed that the remuneration paid is as per the Nomination, Remuneration and Compensation policy of the Company.

Date: August 12, 2026
Place: Jaipur

For and on behalf of the Board of Directors
For Laxmi India Finance Limited
(Formerly Known as Laxmi India Finance Private Limited)

Reg. Office: 2, DFL, Gopinath Marg,
MI Road, Jaipur – 302001, Rajasthan
CIN: L65929RJ1996PLC073074
Email: info@lifc.in
Website: www.lifc.co.in

Deepak Baid
Managing Director
(DIN: 03373264)

ANNEXURE- VI

Management Discussion and Analysis Report

AN OVERVIEW

Laxmi India Finance Limited ("LIFC" or "the Company" or "Laxmi India Finance") is a Jaipur-headquartered, RBI-registered Non-Banking Financial Company (NBFC) with a legacy dating back to the early 1990s, when operations commenced under Deepak Finance & Leasing Company ("DFL"), a proprietorship concern founded by the Promoter's father, focused on vehicle financing. Our Promoter acquired the shares and control of the Company in 2010. Subsequently, in 2011, the Company consolidated its business by acquiring and integrating the business and operations of DFL, leveraging the expertise and strengths of both entities, the Company has scaled steadily into a diversified retail lender serving rural, semi-urban and urban markets, guided by its vision "Sapne dekho bade dekho, Hamare saath unhe pura hote dekho."

As of March 2026, the Company operates through 176 branches across six states including Rajasthan (92), Gujarat (23), Madhya Pradesh (40), Uttar Pradesh (15), Chhattisgarh (5) and Maharashtra (1) serving over 42,800 customers through a diversified product suite comprising secured MSME/SME loans, mortgage and loan against property, business loans, personal loans, commercial and non-commercial vehicle loans, tractor loans, two-wheeler and electric vehicle loans, and wholesale lending. The Company follows a branch-led, relationship-driven operating model, with dedicated Relationship Managers embedded at the branch level and a cluster-based expansion strategy across Tier II and Tier III markets.

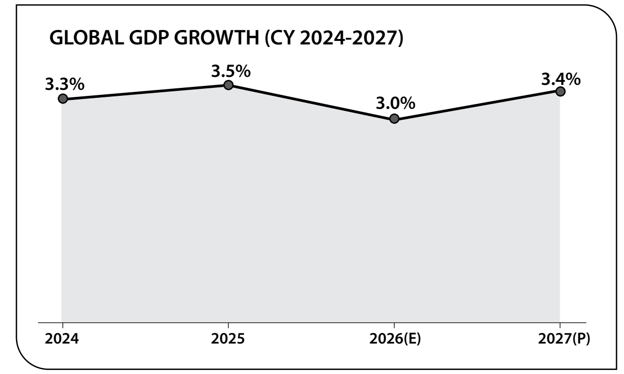
For FY2025-26, the Company continued to demonstrate healthy growth in its Assets Under Management. Its external credit rating stood at a stable level, reflecting consistent execution, prudent business practices and a well-capitalised balance sheet. The Company's borrowing base remains well diversified across lending partners, including public sector banks, private banks, small finance banks and NBFCs/FIs, with no repayment delays or defaults since inception. Backed by a seasoned leadership team under Managing Director, Mr. Deepak Baid and an experienced management bench with deep NBFC sector understanding, the Company remains focused on sustaining strong growth, improving returns and strengthening operational efficiency through continued branch expansion, technology-led processes and a diversified liability strategy.

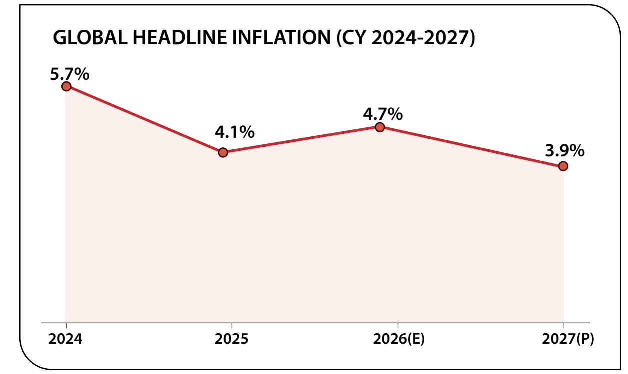
ECONOMIC OVERVIEW

Global Economic Overview and Outlook

The global economy demonstrated resilience through FY2025-26, absorbing the shock of the West Asia conflict better than initially feared, aided by robust technology-driven investment. Global growth for calendar year 2025 is estimated at approximately 3.5%, before moderating to around 3.0% in 2026(E) amid trade fragmentation, elevated energy prices and continued geopolitical uncertainty, with a recovery to approximately 3.4% projected for 2027(P) as conditions gradually normalize.

Global headline inflation, having eased through 2025 to approximately 4.1%, is expected to rise to around 4.7% in 2026(E), driven primarily by higher energy and food prices linked to the ongoing geopolitical situation, before easing back to near 3.9% in 2027(P). Among major economies, the United States is projected to grow by approximately 2.3% in 2026, the Euro Area by around 0.9%, while China is expected to expand by roughly 4.6%, supported by continued policy stimulus and resilient technology-sector demand.





Indian Economy

Overview

India remained the fastest-growing major economy in the world through FY2025-26, with GDP growth accelerating to 7.7% for the full year, as per provisional estimates released by the Ministry of Statistics and Programme Implementation, up from 7.1% in FY2024-25. Growth was particularly robust in the first half of the year, with the economy expanding by 8.3% in the July-September 2025 quarter, before moderating slightly to 7.8% in the January-March 2026 quarter, reflecting resilient services activity, sustained manufacturing expansion and steady domestic demand.

In nominal terms, India's GDP is estimated to have expanded by approximately 8.9% to ₹ 346.36 lakh crore in FY2025-26, from ₹ 318.07 lakh crore in the previous year, while real GDP rose to ₹ 323.12 lakh crore from ₹ 299.89 lakh crore. This growth was underpinned by strong household consumption, robust capital investment, continued government spending and a well-balanced external sector. Consumer Price Index inflation for FY2025-26 eased to approximately 2.4%, comfortably below the RBI's medium-term target, aided by benign food prices, structural disinflation and the favourable impact of recent GST reforms.

Monetary Policy

The Reserve Bank of India ("RBI") adopted a growth-supportive monetary policy approach during FY2025-26, as easing inflation and the need to support domestic demand created room for calibrated rate reductions. The easing cycle had begun in February 2025, when the repo rate was reduced by 25 basis points to 6.25%, marking the first policy rate cut in nearly five years. During FY2025-26, the RBI reduced the repo rate by a further 100 basis points, beginning with a 25 basis points cut in April 2025 to 6.00%, followed by a sharper 50 basis points cut in June 2025 to 5.50% and another 25 basis points cut in December 2025 to 5.25%. With this, the cumulative reduction in the repo rate since February 2025 stood at 125 basis points.

In addition to policy rate reductions, the RBI also reduced the Cash Reserve Ratio by 100 basis points to 3.00% in four equal tranches, a measure expected to release around ₹ 2.5 lakh crore of primary liquidity into the banking system by December 2025. These measures supported liquidity, strengthened monetary transmission and improved the overall financing environment for banks, NBFCs, businesses and households.

After front-loading policy support, the RBI moved back to a neutral stance, retaining flexibility to respond to inflation, currency movements, global uncertainty and evolving domestic growth conditions. Overall, the monetary policy environment during FY2025-26 remained constructive for credit growth, while also reinforcing the need for disciplined underwriting, diversified funding relationships and prudent liquidity management among lenders.

Sector-wise Performance in FY2025-26

Agriculture and Allied Sectors: The agriculture and allied sector recorded a growth of 3.0% in FY2025-26, moderating from the 4.2% expansion registered in FY2024-25, even as the sector benefited from a favourable monsoon in the first half of the year that supported crop sowing and output. Allied activities, particularly livestock and fisheries, continued to exhibit stable growth of around 5-6%, providing resilience and diversification to the broader farm economy. Government-led initiatives focussed on strengthening agricultural infrastructure, expanding irrigation coverage and improving farm credit access continued to reinforce the sector, laying the foundation for sustained rural income growth.

Industrial Sector: The industrial sector delivered a broad-based and structurally stronger performance in FY2025-26, led by the manufacturing segment, which expanded by 10.7% for the full year, its strongest showing in several years, aided by Production Linked Incentive (PLI) schemes and the continuing China+1 supply chain realignment. Momentum remained strong through the year, with manufacturing growth of 7.3% recorded in the fourth quarter of FY2025-26, reflecting sustained capacity utilisation and rising output across key industrial segments.

Services Sector: The services sector, which continues to dominate India's GDP composition, expanded strongly through FY2025-26, with full-year services growth estimated at 9.9%, and trade, transport and communication services recording an even sharper acceleration of 12.5% in the fourth quarter, reflecting robust consumer-driven demand and rising economic momentum across financial, real estate and professional services.

Construction Sector: The construction sector recorded growth of 8.4% in the fourth quarter of FY2025-26, underscoring the continuing multiplier effect of India's infrastructure investment push spanning roads, highways, ports, airports and urban housing. Sustained government allocations toward key infrastructure projects have played a critical role in stimulating employment generation, while also catalysing growth across ancillary industries such as cement, steel and logistics.

Union Budget 2026-27

The Union Budget 2026-27 reinforced the government's continued commitment to growth alongside fiscal discipline. Capital expenditure was raised to a record ₹ 12.2 lakh crore (~3.1% of GDP), up from ₹ 11.2 lakh crore in the previous year, underscoring a sustained strategic focus on infrastructure development, rural upliftment and catalysing private sector investment. Effective capital expenditure, inclusive of interest-free capex loans to states, is estimated at ₹ 17.15 lakh crore, or approximately 4.4% of GDP. The fiscal deficit target was further trimmed to 4.3% of GDP for FY2026-27, from 4.4% in FY2025-26, reaffirming the government's commitment to its debt consolidation roadmap targeting a debt-to-GDP ratio of 55.6% in FY2026-27, en route to 50%±1% by FY 2030-31.

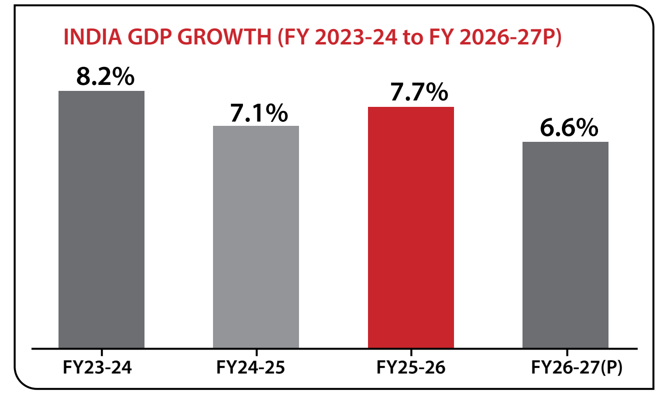
A major boost to fiscal headroom came from the RBI's record dividend transfer of ₹ 2.87 lakh crore for FY2025-26, 6.7% higher than the ₹ 2.69 lakh crore transferred in the previous year, driven by a 26% rise in the central bank's net income to ₹ 3.96 lakh crore. This record surplus transfer provided the Centre with meaningful additional fiscal cushion to address challenges arising from the ongoing West Asia crisis, while preserving the government's broader fiscal consolidation path.

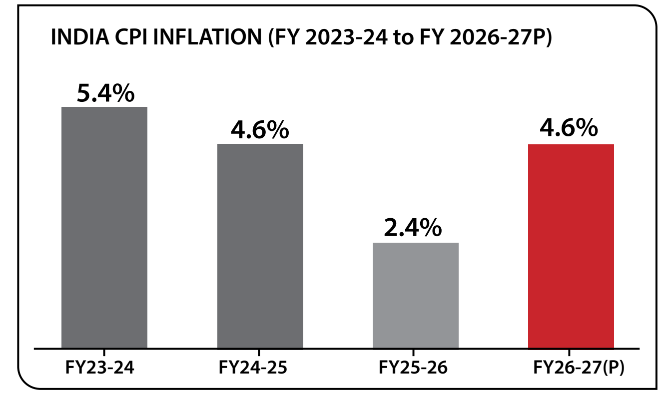
Consumption revival remained a key policy focus through the year, with continued allocations to rural flagship schemes, enhanced Direct Benefit Transfers (DBTs), and sustained tax relief under the new income tax regime. These measures, together with easing inflation and improving real incomes, are expected to further strengthen disposable income and support consumption recovery, particularly among rural and middle-income households, providing a durable foundation for broad-based economic momentum into FY2026-27.

Outlook

Looking ahead, the Reserve Bank of India's outlook for the Indian economy in FY2026-27 remains constructive, supported by strong macroeconomic fundamentals, even as a prolonged West Asia conflict presents a meaningful downside risk. The RBI has projected real GDP growth of 6.6% for FY2026-27, a downward revision from its earlier estimate of 6.9%, reflecting the impact of elevated oil prices and global uncertainty, with quarterly growth estimated at 6.6% in Q1, 6.3% in Q2, 6.5% in Q3 and 6.8% in Q4.

CPI inflation for FY2026-27 is projected by the RBI at approximately 4.6%, a meaningful step-up from the exceptionally low base of FY2025-26, driven by expected pass-through of elevated crude oil prices and potential supply-side disruptions linked to the ongoing geopolitical situation in West Asia. Notwithstanding this near-term inflationary risk, India's growth story continues to be underpinned by resilient domestic consumption, an expanding middle class, sustained public capital expenditure and continued momentum in manufacturing and services activity, positioning the economy well to sustain above-6% growth through the medium term.





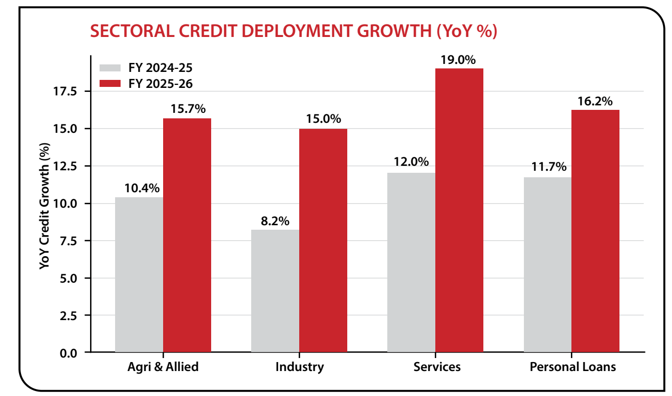
The government has continued to prioritise capital expenditure and structural reforms, including continued GST rationalisation and ease-of-doing-business measures, to support private investment activity and crowd in broader economic momentum. With India's demographic dividend, deepening formalisation of the economy and steady progress on infrastructure development, the medium-term growth outlook remains among the strongest of major global economies, notwithstanding near-term volatility stemming from global geopolitical and trade-related developments.

Indian Financial Services Industry

Overview

India's financial services industry remained resilient during FY2025-26, supported by a more growth-oriented monetary policy environment and sustained demand for formal credit across key segments of the economy. The Reserve Bank of India's accommodative rate-cut cycle during the year, alongside a phased reduction in the Cash Reserve Ratio, released durable liquidity into the banking system and helped strengthen credit offtake. Non-food bank credit growth improved to 15.9% year-on-year in FY2025-26, compared with 10.9% in the previous year, reflecting a broad-based revival in formal credit demand. As shown in the chart below, credit growth was visible across agriculture and allied activities, industry, services and personal loans, indicating improving momentum across productive and consumption-linked segments of the economy.

Within this expanding credit environment, Non-Banking Financial Companies continued to deepen access for MSMEs, retail borrowers and customers in semi-urban and underserved markets. Their branch-led distribution, local market understanding and ability to serve borrowers with diverse income profiles reinforced their importance within India's credit delivery architecture.



Growth Drivers

India's financial inclusion journey is undergoing a structural transformation, powered by the convergence of Digital Public Infrastructure and Artificial Intelligence. The Unified Lending Interface is expected to simplify digital credit assessment by enabling lenders to access verified borrower data through standardised APIs, improving the speed, accuracy and transparency of credit decisions. This can help expand formal credit access for borrowers with limited or thin credit histories, particularly MSMEs and self-employed individuals who have traditionally depended on informal lending channels. Rapid smartphone and UPI penetration, Aadhaar-based eKYC and AI-driven risk-scoring models are further supporting wider and more efficient credit access.

Rising household incomes, rapid urbanisation, formalisation of small businesses and still-low credit penetration across several retail and business segments provide a long runway for growth. Co-lending partnerships between banks and NBFCs, specialised product design and embedded finance are also broadening distribution and improving access for salaried and self-employed borrowers. Together, these structural factors are expected to support sustained expansion in formal credit.

Union Budget 2026-27: Strengthening the MSME and Credit Ecosystem

The Union Budget 2026-27 reinforced the Government's focus on strengthening MSMEs through a three-pronged framework covering equity support, liquidity enhancement and access to professional assistance. These measures are intended to help enterprises strengthen their financial position, improve competitiveness and gradually transition from small businesses into larger and more sustainable organisations. For banks and NBFCs, a stronger and increasingly formal MSME ecosystem can expand the pool of credit-ready borrowers while improving the availability of financial, transactional and compliance-related information required for effective credit assessment.

Under the equity-support framework, the Budget proposed the establishment of a dedicated ₹ 10,000 crore SME Growth Fund to support enterprises with the potential to emerge as future business champions. It also proposed an additional contribution of ₹ 2,000 crore to the Self-Reliant India Fund, extending access to growth capital for eligible micro and small enterprises. Greater availability of equity and risk capital can help businesses strengthen their balance sheets, invest in productive capacity and improve their ability to access debt funding for subsequent expansion.

A significant part of the Budget's MSME strategy focused on addressing delayed payments and working-capital constraints through the Trade Receivables Discounting System. The Budget proposed making TReDS the settlement platform for purchases from MSMEs by Central Public Sector Enterprises, introducing credit-guarantee support for invoice discounting through CGTMSE and integrating the Government e-Marketplace with TReDS to enable faster information sharing with financiers. It also proposed the securitisation of TReDS receivables to deepen liquidity in the secondary market. Together, these measures can improve the visibility of receivables, accelerate payment realisation and enable MSMEs to access working capital against verified invoices at more competitive rates.

The Budget also proposed the development of a cadre of 'Corporate Mitras' through professional institutions such as ICAI, ICSI and ICMAI, particularly across Tier-II and Tier-III locations. These trained professionals are expected to assist MSMEs in meeting accounting, compliance and governance requirements at affordable costs. Better documentation and financial discipline can strengthen the credit profiles of smaller enterprises, improve underwriting visibility for lenders and support the wider formalisation of businesses operating outside major urban centres.

On the investment front, the Budget provided ₹ 12.22 lakh crore for Central Government capital expenditure, while effective capital expenditure, including grants for the creation of capital assets, was estimated at ₹ 17.15 lakh crore. Continued investment in infrastructure, logistics, transport and urban development is expected to stimulate activity across construction, trade, manufacturing and allied service enterprises. This can create additional demand for working capital, business expansion finance, commercial vehicles, machinery and other productive assets across regional markets.

The Budget also proposed removing the prevailing value ceiling on courier exports per consignment, with the objective of enabling small businesses, artisans and start-ups to participate more effectively in cross-border e-commerce. Wider market access can help qualifying enterprises diversify revenues, expand operations and create new financing requirements across inventory, equipment and working capital.

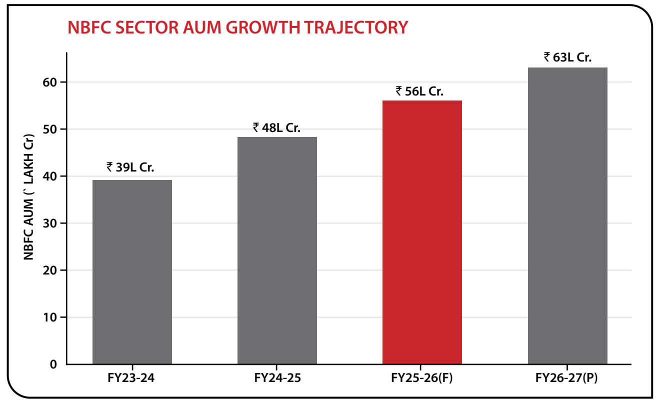
Indian Non-Banking Financial Companies Industry

Overview

Non-Banking Financial Companies continued to play a pivotal role in India's credit ecosystem during FY2025-26, extending formal credit across MSME, vehicle, gold, housing, infrastructure and secured business lending segments that remain relatively underserved by traditional banks. Overall industry Assets Under Management are estimated to have expanded from approximately ₹ 48 lakh crore at the end of FY2024-25 to a healthy double-digit pace during FY2025-26, with growth expected to continue at 18-19% per annum. Within this, the NBFC-Retail segment, comprising MSME, vehicle, gold and secured business loans, accounted for roughly 57% of overall sector portfolios and is projected to grow 16-19% through FY2025-26 and FY2026-27, taking retail AUM past ₹ 50 lakh crore by FY2026-27, a deliberate moderation from the over 31% growth witnessed in the two preceding fiscals.

Retail-focused NBFCs continued to account for a significant share of the sector's portfolio, supported by demand across MSME finance, vehicle finance and other secured business lending products. Growth moderated during the year as lenders adopted a more selective approach to credit deployment, although demand remained resilient across secured categories and semi-urban and rural markets.

Diversified funding sources, expanding co-lending partnerships and prudent balance sheet management helped NBFCs sustain business growth despite evolving regulatory requirements and selective stress in certain retail segments. Lenders increasingly favoured secured and cash-flow-backed products while adopting a more calibrated approach to unsecured personal and micro-business lending. The emphasis shifted towards portfolio quality, disciplined underwriting and sustainable long-term growth.



Credit Disbursement

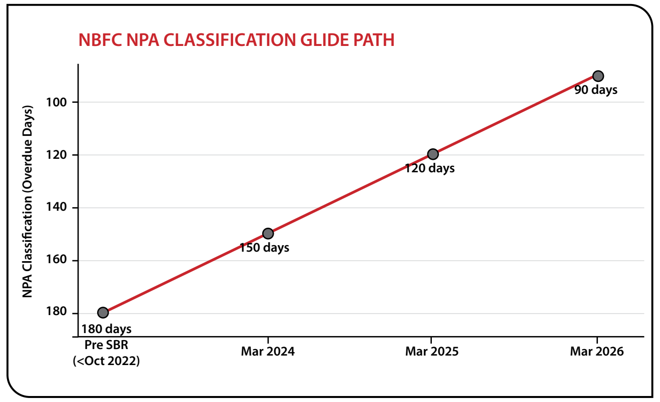
Credit disbursement across NBFC lending segments remained resilient during FY2025-26, supported by sustained demand for formal credit and a more favourable interest-rate environment. Lenders nevertheless became more selective in response to changing risk conditions, with credit deployment increasingly directed towards business-oriented and secured products. This reflected a broader industry preference for growth supported by identifiable cash flows and adequate collateral.

Vehicle finance remained among the more resilient lending categories during the year, supported by transport demand, replacement purchases and improved financing conditions. GST rationalisation on commercial goods vehicles also aided affordability and supported financing demand across commercial vehicle and allied segments.

Credit penetration continued to deepen beyond India's top 100 cities, with semi-urban and rural markets recording a three-year CAGR of 21.6% in credit disbursement as of March 2026. This highlights the increasing reach of formal financial institutions into previously underserved markets, supported by expanding branch networks, technology-enabled lending and growing financial awareness. The trend reinforces the long-term opportunity for NBFCs to serve the evolving credit requirements of individuals, entrepreneurs and small businesses across Bharat.

NBFC Asset Classification

Asset classification norms for NBFCs have converged with those applicable to banks following completion of the Reserve Bank of India's multi-year glide path. Effective from March 31, 2026, all NBFCs, including Base Layer entities with assets below ₹ 1,000 crore, are required to classify advances as Non-Performing Assets when overdue for 90 days or more. The transition moved through intermediate thresholds of 150 days in March 2024 and 120 days in March 2025 from the earlier 180-day norm applicable to smaller entities.



Under the uniform framework, advances overdue for less than 90 days remain Standard, while those overdue for 90 days or more are treated as Non-Performing Assets and further categorised as Sub-standard, Doubtful or Loss Assets based on duration and recoverability. These categories attract progressively higher provisioning requirements. The harmonisation improves comparability of asset quality across banks and NBFCs and reinforces more consistent recognition and provisioning of credit risk.

Key Regulatory Developments

During FY2025-26, the Reserve Bank of India continued to refine the Scale-Based Regulation framework with emphasis on risk-based supervision, customer protection, governance, data quality and supervisory reporting. The direction of regulation remained proportionate, with requirements calibrated to the size, activity and systemic significance of different NBFC categories.

A significant simplification initiative during the year was the proposal to consolidate more than 9,000 circulars into 238 Master Directions across 30 functional areas. The exercise is intended to improve regulatory clarity, reduce overlapping instructions and make compliance requirements easier to interpret and implement. Post year-end measures also moved towards simpler classification for low-risk entities and clearer criteria for identifying Upper Layer NBFCs, reinforcing the shift towards proportionate supervision.

Outlook

India's financial services and NBFC sector enter FY2026-27 on a sound structural footing, supported by a favourable interest-rate environment, improving liquidity and sustained demand for formal credit. Growth is likely to become more measured and quality-led as lenders remain selective in unsecured and micro-lending segments. Secured business lending, MSME finance and vehicle finance are expected to remain important drivers.

The evolving regulatory environment is expected to favour institutions with strong governance, diversified funding, prudent capital management and disciplined underwriting. Greater regulatory clarity and proportionate supervision should support sector stability while encouraging responsible expansion.

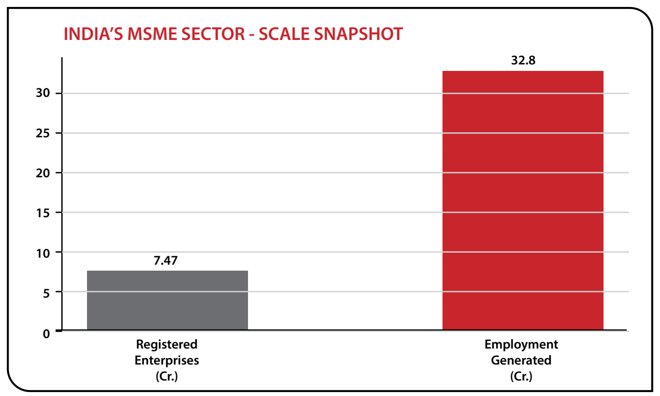
Against this backdrop, well-capitalised and customer-centric NBFCs that combine branch-led distribution, local market knowledge and technology-enabled processes are well positioned to deepen credit penetration across semi-urban and rural India. The opportunity lies in expanding access while maintaining portfolio quality, liquidity discipline and sustainable long-term returns.

BHARAT'S SMALL DREAMS, ONE LOAN AT A TIME

Behind every loan disbursed by Laxmi India Finance is a story - a tailor buying a second sewing machine, a farmer's son trading in his father's old tractor for a shinier one, a shopkeeper finally getting the delivery van that lets him serve three more villages. The Company's book is not a single, monolithic portfolio; it is a mosaic of small ambitions across Tier II and Tier III India, spread across MSME finance, mortgage and construction loans, vehicle finance and personal credit. Each of these segments has its own rhythm, its own tailwinds, and its own quiet, compounding story of growth.

MSME and Business Loans

If India has an unsung hero of economic growth, it is the small enterprise - the workshop, the trading unit, the local manufacturer that never makes headlines but quietly employs the neighbourhood. India's MSME sector has grown into one of the largest employment engines in the country, contributing close to a third of national GDP, second only to agriculture in the sheer number of livelihoods it supports. What makes this sector particularly compelling is not just its scale but its texture: a meaningful share of rural MSMEs is led by women entrepreneurs, and the sector's growth is increasingly being driven from Tier II, III and IV towns rather than metro India.

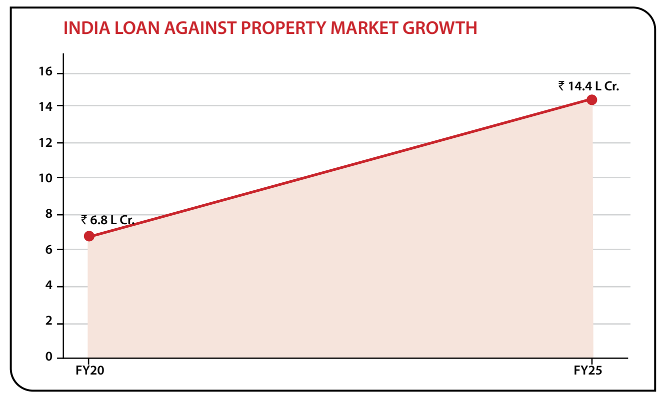


The Union Budget 2026-27 leaned further into this story, proposing a dedicated SME Growth Fund and a three-pronged strategy to help small businesses grow into 'MSME champions,' with policy attention now squarely on giving these enterprises easier access to equity, working capital and professional support. For MSME lenders, this translates into a widening, increasingly formalised borrower base which is precisely the customers who need small-ticket, cash-flow backed loans to buy a new machine, hire an extra pair of hands, or simply bridge a working-capital gap between an order and its payment.

For Laxmi India Finance, this is home turf. With MSME lending forming the single largest pillar of its AUM and a branch network built deliberately for Tier II and III markets, the Company is exceptionally well placed to ride this formalisation wave, converting India's smallest entrepreneurs into some of its most loyal, long-tenure borrowers.

Construction and Loan Against Property (LAP)

There is something quietly reassuring about a loan secured against a home or a shop, it tends to be among the most resilient forms of credit through any economic cycle, because both borrower and lender have real skin in the game. India's loan against property market has more than doubled over the past five years, and NBFCs have been the standout performers within this space, growing their LAP books at a considerably faster clip than banks, which have chased higher-margin products elsewhere.

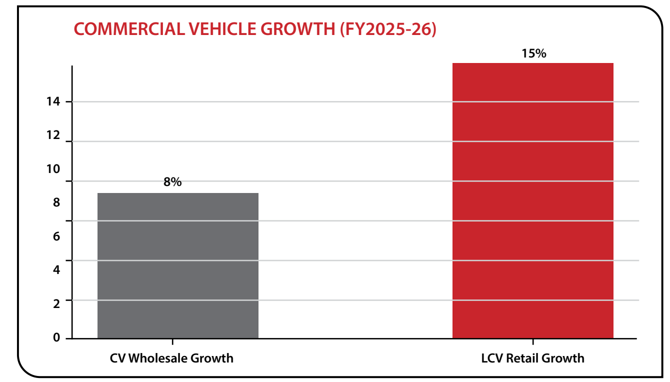


For a lender rooted in semi-urban and rural India, this segment offers something particularly valuable: a natural hedge. Property-backed loans tend to carry lower delinquency, longer tenures and steadier yields, offering ballast to a book that also carries faster-growing but relatively higher-risk unsecured and vehicle exposures.

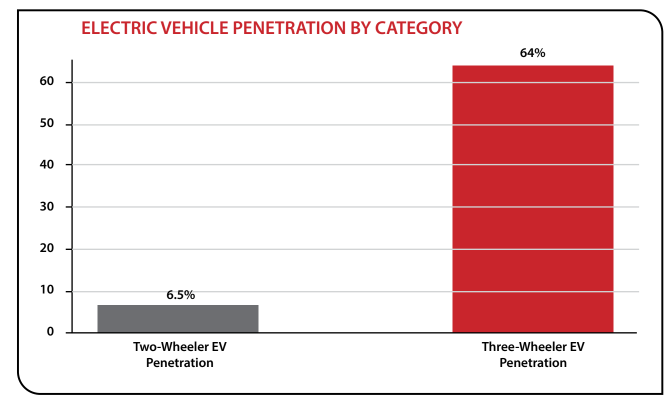
Laxmi India Finance's Construction and LAP portfolio embodies exactly this ballast thereby anchoring the Company's asset quality even as it expands more aggressively into higher-growth vehicle and business loan categories, and giving borrowers a trusted route to unlock the value sitting quietly in their own homes and shops.

Commercial and Passenger Vehicle Finance

Few asset classes tell India's growth story as literally as the commercial vehicle where every truck on the highway, every three-wheeler weaving through a mandi, is a small business on wheels. The Indian commercial vehicle industry recovered steadily through the year, aided in no small part by the government slashing GST on commercial vehicles, a move that instantly made new trucks and buses more affordable. Retail disbursement in the light commercial vehicle segment, the workhorse of India's last-mile logistics, surged sharply, a clear signal that small transport operators were back in expansion mode.



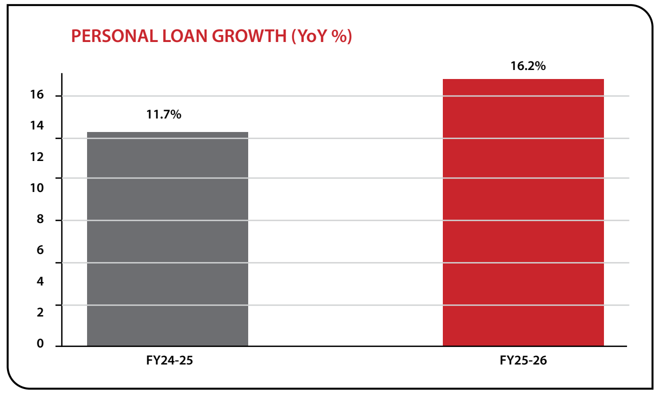
The bigger, more electrifying story, quite literally, is unfolding in the two- and three-wheeler space. Electric two-wheeler sales hit a fresh record through the year, while the three-wheeler segment has gone even further, with electric models now dominating the majority of all retail sales, making it, by some distance, India's fastest-electrifying vehicle category and the poster child of the country's EV transition.



For a financier serving drivers, small fleet owners and gig-economy operators across Tier II and III towns, this quiet electric revolution on three wheels represents both a fresh product opportunity and a new underwriting frontier. Laxmi India Finance's existing suite of commercial vehicle, two-wheeler and electric vehicle loans positions it to capture this shift early, financing not just today's diesel trucks and petrol scooters, but tomorrow's electric fleet as well.

Personal and Consumption Loans

Not every loan buys a machine or a vehicle - sometimes it funds a wedding, a medical bill, or a child's school admission. Personal loan growth across India's credit system accelerated meaningfully through the year, as easing interest rates and improving consumer sentiment loosened household purse strings. While this segment carries relatively higher risk than secured lending, it also offers lenders a way to deepen relationships with existing customers, cross-selling small, short-tenure credit to borrowers whose repayment behaviour is already well understood.



For Laxmi India Finance, personal loans serve as a natural extension of an existing relationship rather than a stand-alone acquisition channel, allowing the Company to serve the smaller, everyday credit needs of borrowers it already knows well thereby turning a single customer touchpoint into a longer, more profitable journey.

FINANCIAL OVERVIEW

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, together with the applicable provisions of the Companies Act, 2013, the Non-Banking Financial Company Master Directions issued by the Reserve Bank of India, and other accounting principles generally accepted in India. The financial statements present a true and fair view of the Company's financial position, operating performance, cash flows and changes in equity for the year under review, and have been prepared on a going-concern basis, reflecting the Company's commitment to maintaining sound financial reporting standards, prudent risk management, transparency and regulatory compliance across its lending operations.

Brief financial performance for FY2025-26:

(Amount in Rs. Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from Operations	31,702.72	24,571.26
Profit Before Finance Cost and Depreciation	**20,568.00**	**16,388.30**
Interest and Financial Charges	13,734.02	11,462.74
Depreciation	229.27	190.05
Profit Before Taxation	**6,604.71**	**4,735.51**
Tax expenses	1,628.97	1,135.07
Profit After Taxation	**4,975.74**	**3,600.44**

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios, alongwith detailed explanations thereof including:

Ratios	2025-26	2024-25	% Change	Reason (if more than 25% change)
Debt Equity Ratio	2.87	4.41	-34.92%	The Debt Equity Ratio reduced due to equity fund raised through the IPO during the year.
GNPA (In %)	2.13	1.07	99.07%	The increase in GNPA is due to default in the DA pool purchased by the Company from UP Money Limited, an NBFC.
NNPA (In %)	1.08	0.48	125%	The increase in NNPA is due to default in the DA pool purchased by the Company from UP Money Limited, an NBFC.
Return on Total Assets (%)	3.08	2.98	3.36%	NA
Credit Cost (%)	1.06	1.20	-11.67%	NA
Interest Coverage Ratio	1.48	1.41	4.96%	NA

OPPORTUNITIES AND THREATS

Opportunities

Deepening formal credit access:

India's large base of MSMEs, traders, self-employed professionals and emerging enterprises continues to offer a significant opportunity for NBFCs. Many of these customers possess viable businesses and income-generating capabilities but remain underserved by traditional banking channels because of limited documentation, irregular cash flows or the absence of established credit histories. NBFCs with strong local market understanding and relationship-led underwriting are well positioned to address this financing gap through products aligned with customers' business requirements and repayment capacities.

Growing demand for secured business finance:

The industry's increasing emphasis on secured and cash-flow-supported lending presents a favourable opportunity for NBFCs focused on MSME finance, loans against property, working capital and productive asset financing. These products allow lenders to support enterprise growth while maintaining greater visibility over borrower cash flows and collateral. The shift towards secured lending is also expected to encourage stronger underwriting discipline and more sustainable portfolio growth.

Supportive policy environment for MSMEs:

The Union Budget 2026-27 proposed measures covering equity support, receivables financing and professional assistance for MSMEs. Initiatives relating to TReDS, credit-guarantee support and improved enterprise documentation can strengthen working-capital availability and improve the credit readiness of smaller businesses. These measures can expand the addressable market for lenders serving entrepreneurs and small enterprises across regional markets.

Technology-led operating efficiency:

Digital onboarding, eKYC, automated verification, data analytics and mobile-enabled field processes are improving the speed and efficiency of credit delivery. The Unified Lending Interface and other components of India's Digital Public Infrastructure can further improve access to verified borrower information through standardised APIs. For NBFCs, these capabilities create opportunities to strengthen underwriting, reduce turnaround time, improve collection monitoring and serve customers more efficiently without compromising credit discipline.

Diversified funding and partnerships:

A more diversified liability profile across banks, financial institutions, debt instruments, securitisation and co-lending arrangements can support scalable business growth. Stronger lender relationships, prudent asset-liability management and improving credit profiles can also help NBFCs access funding on more competitive terms. Partnerships with banks and other financial institutions offer additional opportunities to combine the distribution reach of NBFCs with the funding strength of larger lenders.

Threats

Asset-quality pressures:

Borrowers in MSME, vehicle and small-business segments can be sensitive to changes in business cash flows, commodity prices, local economic conditions and repayment capacity. Stress in individual customer segments may result in higher delinquencies, provisioning requirements and collection costs. The increase in credit costs within the Company's vehicle finance portfolio during FY2025-26 also reinforces the importance of calibrated growth, tighter underwriting and early-stage portfolio monitoring.

Funding-cost and liquidity volatility:

NBFCs remain dependent on external borrowings to support lending growth. Changes in interest rates, banking-system liquidity, lender risk appetite and credit-market conditions may affect the availability and cost of funds. Any mismatch between asset and liability maturities can also create liquidity pressure, making diversified funding relationships and disciplined asset-liability management essential.

Intensifying competition:

Competition from banks, established NBFCs, small finance banks and technology-enabled lenders may exert pressure on customer acquisition costs, lending yields and turnaround expectations. Larger institutions may possess funding-cost advantages while digital lenders may compete through faster onboarding and simplified customer journeys. Sustaining differentiation will require deeper customer relationships, local-market knowledge, responsive service and prudent risk-based pricing.

Regulatory and compliance requirements:

The NBFC regulatory environment continues to evolve towards stronger governance, customer protection, risk management and supervisory reporting. Compliance with changing regulations may require additional investment in systems, processes, data quality and specialised personnel. Delays or weaknesses in implementation could expose lenders to financial, regulatory and reputational consequences.

INFORMATION TECHNOLOGY

Laxmi India Finance continues to leverage information technology as a core enabler of operational efficiency, risk management and customer service across its lending business. The Company has invested in a robust, technology-driven loan origination and management system that integrates customer onboarding, credit assessment, disbursement, collections and portfolio monitoring into a unified digital workflow. This integrated architecture enables faster turnaround times, improved data accuracy and greater visibility across the loan lifecycle, from application to closure.

The Company's technology stack incorporates digital KYC verification, credit bureau integration and data-driven underwriting tools that support more consistent and objective credit decisions, particularly for customers with limited or thin credit histories across MSME, vehicle finance and personal loan segments. Automated workflows for document management, loan tracking and collections have strengthened process standardisation across the Company's branch network, while real-time MIS and dashboard reporting enable management to monitor portfolio performance, asset quality and branch-level productivity on an ongoing basis.

Recognising that technology adoption is central to scaling its semi-urban and rural lending model, the Company continues to invest in strengthening its digital infrastructure, cybersecurity systems and data governance framework, with the objective of enhancing customer experience, improving operational resilience and supporting the Company's long-term growth objectives in a secure and compliant manner.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

At Laxmi India Finance, people remain at the heart of the Company's ability to serve customers across its branch network, assess credit risk responsibly and build long-term relationships with borrowers in semi-urban and rural India. The Company's lending business depends significantly on the judgment, integrity and local market understanding of its frontline teams, including credit officers, relationship managers and branch staff, who form the primary interface between the Company and its customers. Laxmi India Finance therefore remains focused on building a capable, motivated and ethically grounded workforce aligned with its commitment to responsible lending and customer-centricity.

The Company places continued emphasis on training and capability development through structured induction programmes, on-the-job learning and regular skill-building initiatives for its branch and credit teams. Employees are trained in areas such as credit appraisal, documentation, collections practices, customer engagement and regulatory compliance, with particular focus on equipping frontline staff to serve first-time borrowers and customers with limited exposure to formal credit. Branch teams are also encouraged to strengthen local market knowledge, improve loan-processing efficiency and maintain consistency in underwriting standards across geographies.

As regulatory expectations around fair practices, data privacy, and responsible lending continue to evolve, employees are regularly sensitised to applicable compliance requirements and operating procedures. Training and awareness initiatives cover the RBI's Fair Practices Code, customer grievance redressal, data protection, workplace conduct, and the prevention of sexual harassment, ensuring that employees understand not only how to originate and service loans but also the standards under which they are expected to operate.

Employee welfare remains an important element of the Company's people practices. Laxmi India Finance endeavours to provide a safe, inclusive and respectful workplace, supported by appropriate welfare measures, structured grievance-resolution mechanisms and open channels of communication between employees and management. The Company places particular emphasis on the safety, development and career progression of women employees across its branch and credit functions.

The Company also encourages participation from branch and credit teams in identifying operational improvements. Feedback gathered from frontline staff is factored into decisions relating to process simplification, turnaround-time improvements and customer service enhancements, fostering a stronger sense of ownership while enabling practical, ground-level insights to shape the Company's operating practices.

Alongside these process-driven initiatives, the Company continues to invest in employee engagement and recognition as a means of building a positive and motivating work environment. Initiatives such as employee engagement celebrations, the Dhruvtara Awards, Superstar Awards and the Rolling Trophy recognise individual and team contributions across the organisation, while reinforcing a culture of appreciation that supports employee morale and retention. Together, these people-centric initiatives complement the Company's operational improvement efforts, reflecting a holistic approach to workplace culture.

The Human Resources function continues to focus on attracting, developing and retaining talent with the technical skills and behavioural attributes required for the Company's growing branch network and expanding product suite. Training, cross-functional skilling and leadership development remain key priorities as the Company scales its operations and increases its reliance on technology-enabled processes across underwriting, collections and customer servicing.

Industrial relations remained cordial and harmonious throughout the year. The Company maintained constructive engagement with its employees and continued to promote mutual respect, discipline and collaboration across its branch network and corporate functions. There were no material developments in industrial relations that adversely affected the Company's operations during the year under review.

As at March 31, 2026, the Company employed 1805 employees. Laxmi India Finance acknowledges the dedication and contribution of its workforce and remains committed to nurturing a skilled, motivated and future-ready team capable of supporting its long-term growth aspirations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established an internal control framework commensurate with the nature, scale and complexity of its lending operations across MSME finance, loans against property, vehicle finance and personal loans. The framework covers key functions including loan origination, credit appraisal, disbursement, collections, treasury, information technology, human resources and statutory compliance, and is designed to safeguard the Company's assets, ensure proper authorisation of transactions and maintain accurate accounting and loan-level records.

The Company has defined policies, standard operating procedures and approval mechanisms across its principal functions, including credit and underwriting policies, delegation of lending authority, collections procedures, and asset classification and provisioning norms in line with applicable RBI directions. These are intended to prevent and detect frauds and errors, ensure timely and reliable financial reporting, and promote compliance with applicable laws and internal policies. Internal financial controls are reviewed periodically, with corrective measures implemented wherever required.

The internal audit function independently reviews the adequacy and effectiveness of financial, operational and compliance controls in accordance with the risk-based audit plan approved by the Audit Committee, with focus on credit appraisal, loan documentation, collections and branch operations. The Internal Auditor reports observations and recommendations directly to the Audit Committee, which reviews findings, management responses and corrective action status, enabling timely resolution of identified gaps.

Ms. Priya Kadyan, Chartered Accountant, has been appointed as the Internal Auditor of the Company, with audit coverage aligned to the Company's risk profile, emphasizing credit underwriting, disbursement, collections, asset classification and regulatory compliance across the branch network.

M/s. S.C. Bapna & Associates, Chartered Accountants, the Statutory Auditors, have audited the financial statements forming part of this Annual Report and reviewed the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial reporting under Section 143(3)(i) of the Companies Act, 2013.

Based on reviews undertaken during the year and reports placed before the Audit Committee, the Company believes its internal control systems and internal financial controls were adequate and operating effectively during the year under review, and remains committed to strengthening these controls in line with evolving operations, regulatory requirements and business risks.

RISKS AND CONCERNS

Laxmi India Finance Limited operates in a business environment where growth opportunities are accompanied by credit, funding, operational, regulatory and execution-related risks. The Company follows a prudent approach to risk management, supported by centralised credit assessment, collateral-backed lending, portfolio monitoring, diversified funding relationships and Board-level oversight. Its key risks and concerns are outlined below.

Credit and Asset Quality Risk: The Company serves MSMEs, traders, self-employed professionals and customers across semi-urban and emerging markets whose repayment capacity may be affected by changes in business cash flows, local economic conditions and seasonal demand.

During FY2025-26, the vehicle finance portfolio experienced asset-quality pressure, leading to higher credit costs and provisioning. The Company responded by tightening underwriting, moderating fresh disbursements and strengthening portfolio monitoring, collections and recovery efforts. Credit risk is managed through multi-level appraisal, bureau and income checks, collateral assessment, legal verification, Pre and Post Fraud Control Unit (FCU) checks, centralised approvals and prudent loan-to-value norms.

Product and Portfolio Concentration Risk: A significant part of the Company's portfolio is concentrated in secured MSME lending. While this segment has historically demonstrated resilient demand and provides collateral protection, excessive dependence on any single borrower category or product could expose the Company to changes in sectoral conditions, local business cycles or regulatory developments.

The Company is gradually diversifying its portfolio through selected retail, personal, wholesale and other lending products while maintaining its core focus on secured business finance. Product diversification is being pursued in a measured manner, with emphasis on adequate risk-adjusted returns, portfolio quality and alignment with the Company's underwriting capabilities.

Geographic Concentration and Expansion Risk: The Company has built a strong franchise across North-Western and Central India, with a comparatively higher concentration in Rajasthan. A regional economic slowdown, natural disruption, adverse local business conditions or changes in competitive intensity in these markets could affect customer acquisition, collections and portfolio performance.

To reduce this concentration, the Company is deepening its presence in Uttar Pradesh and Madhya Pradesh and has entered Maharashtra. Geographic expansion is undertaken through a calibrated hub-and-branch strategy supported by field surveys, competitive analysis and assessment of local delinquency trends. However, entry into new markets involves execution risks related to customer behaviour, talent availability, underwriting familiarity and collection effectiveness, which require careful monitoring during the initial stages.

Funding, Liquidity and Interest Rate Risk: The Company depends on external borrowings to support its lending operations. Changes in banking-system liquidity, lender risk appetite, market interest rates or the Company's credit profile may affect the availability and cost of funds. An increase in borrowing costs that cannot be passed on to customers in a timely manner may exert pressure on interest spreads and profitability.

The Company mitigates this risk through a diversified lender base comprising public sector banks, private banks, small finance banks, financial institutions and NBFCs, along with instruments such as non-convertible debentures and direct assignment or securitisation transactions. The Company maintains a positive cumulative liquidity position across maturity buckets and monitors asset-liability mismatches regularly. Its credit rating upgrade from A- to A, along with a strengthened capital base, further supports access to funding on competitive terms and reflects the Company's improving credit profile.

Competitive and Pricing Risk: The Company operates in a highly competitive lending market comprising banks, established NBFCs, small finance banks, fintech platforms and regional lenders. Competitors may possess advantages in terms of funding cost, technology, product pricing, distribution reach or turnaround time. Increased competition could affect lending yields, customer acquisition costs and the ability to retain high-quality borrowers.

The Company seeks to differentiate itself through deep local-market understanding, branch-led customer relationships, personalised service and a combination of physical and digital underwriting capabilities. Maintaining appropriate risk-based pricing without compromising customer affordability or portfolio quality remains an important area of focus.

Operational and Branch Network Risk: The continued expansion of the branch network increases operational complexity and may expose the Company to risks relating to process consistency, employee supervision, fraud, documentation, cash handling and internal-control effectiveness. Rapid scaling may also place pressure on training, technology systems and managerial bandwidth.

The Company manages these risks through centralised policies, defined operating procedures, internal audits, digital loan-processing systems and periodic monitoring of branch-level performance. Mobile-enabled sourcing, geo-tagged collateral verification, digital repayment modes and automated workflow controls are being used to improve oversight and reduce manual intervention.

Technology, Cyber Security and Data Privacy Risk: Technology is increasingly embedded across the Company's sourcing, underwriting, loan management, collections and customer-service processes. Greater dependence on digital platforms creates exposure to cyber-attacks, system outages, unauthorised access, data leakage and failure of third-party service providers. Any such incident could disrupt operations and affect customer confidence.

The Company continues to strengthen its IT governance, information-security controls, access-management practices, data backup systems and business-continuity arrangements. Periodic system reviews, employee awareness programmes and compliance with applicable RBI technology and data-protection requirements remain integral to its risk-management framework. The Company has also initiated steps towards alignment with the Digital Personal Data Protection (DPDP) Act, 2023, strengthening its data-governance and consent-management framework in line with evolving regulatory requirements — reflecting its continued commitment to technology-driven regulatory compliance and best practices.

Regulatory and Compliance Risk: As an RBI-regulated NBFC in the Middle Layer and a listed entity, the Company is subject to an evolving framework covering capital adequacy, asset classification, fair practices, customer protection, KYC and AML, digital lending, cyber security, governance and disclosure requirements. Non-compliance or delays in implementing regulatory changes may result in financial penalties, operational restrictions or reputational consequences.

Following its listing, the Company is also required to comply with the SEBI Listing Obligations and Disclosure Requirements Regulations and other capital-market regulations. It continues to strengthen its compliance, reporting and governance processes through Board committees, internal controls, policy reviews and periodic regulatory monitoring.

Inorganic Growth and Portfolio Integration Risk: The Company may selectively pursue portfolio acquisitions or business-transfer opportunities to accelerate growth or enter complementary lending segments. Such transactions carry risks relating to asset quality, customer documentation, systems integration, employee transition and alignment of collection processes.

The Company undertakes financial, legal and operational due diligence before entering such arrangements. Acquired portfolios are expected to be integrated gradually, with enhanced monitoring during the transition period to ensure that underwriting, servicing and collection standards remain aligned with the Company's risk appetite.

Human Capital Risk: The Company's branch-led and relationship-driven model depends significantly on the experience, integrity and continuity of its employees, particularly those engaged in sourcing, credit appraisal and collections. Competition for skilled professionals, employee attrition and inadequate training may affect operational efficiency and customer service.

The Company continues to invest in recruitment, training, performance management and employee engagement. Building leadership depth and strengthening functional capabilities across business, credit, collections, technology and compliance remain important priorities as the organisation expands.

Reputation and Customer Conduct Risk: The Company's reputation depends on transparent customer communication, responsible lending, appropriate recovery practices and timely resolution of grievances. Any instance of mis-selling, inappropriate customer treatment, data misuse or unfair collection practices could affect stakeholder trust.

The Company follows its Fair Practices Code and grievance-redressal framework and periodically reviews customer-facing processes. Continued emphasis on responsible lending, clear documentation, employee conduct and customer awareness is essential to preserving the trust that supports the Company's long-term franchise.

CORPORATE SOCIAL RESPONSIBILITY

Laxmi India Finance Limited continued to pursue its commitment to inclusive and responsible growth through CSR initiatives focused primarily on education, healthcare, community welfare and animal care. During FY2025-26, the Company supported programmes relating to learning and educational infrastructure, cancer awareness, eye care, healthcare facilities and animal rescue and rehabilitation, both directly and through reputed implementing partners. These initiatives were undertaken within a structured governance framework overseen by the CSR Committee, with emphasis on effective utilisation of funds, statutory compliance and creating meaningful impact in the communities served by the Company.

CAUTIONARY STATEMENT

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward–looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments.

FINANCIAL SECTION

Independent Auditor's Report

To
The Members of
Laxmi India Finance limited
(Formerly known as Laxmi India Finance Private Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of 'Laxmi India Finance Limited' (the "Company"), which comprise the Balance Sheet as at March 31, 2026 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of the material accounting policies and other explanatory information.

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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

S. No.	Key Audit Matters	How our audit addressed the key audit matter
1	Impairment of loans as at the balance sheet date (expected credit losses (ECL) As described in Note 2 (C) of the financial statements	
	In assessing the impairment of financial loans under expected credit loss (ECL) model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income. Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors. The company has applied different provisioning rates for LAP and non-LAP cases based on their respective bucket classifications.	We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ('ECL Model') that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures.

Independent Auditor's Report *(Contd.)*

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis and Board's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with the Management for the 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 judgement and maintain professional skepticism throughout the audit. We also:

* Identify and assess the risks of material misstatement of the 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) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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.

Independent Auditor's Report *(Contd.)*

* 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
* Evaluate the overall presentation, structure and content of the statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d. In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 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 these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
   g. In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

Independent Auditor's Report *(Contd.)*

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 47 to the financial statements.

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

iii. There were no amounts which are required to be transferred, to the Investor Education and Protection Fund by the company

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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; Refer Note No. 42 to the financial statements.

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note No. 42 to the financial statements.

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material misstatement.

v. The Company has neither declared nor paid any dividends during the year under audit

vi. Based on our examination on test check basis and on verification of SOC 2 report from Service Provider's Auditor, the Company has used accounting software for maintaining its books of account 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.

Based on the information and explanation made available to us, the audit trail has been preserved by the company as per the statutory requirements for record retention for the financial year ended March 31, 2026.

For **S.C Bapna & Associates**
Chartered Accountants
Firm's Regn. No.115649W

Deepika Nalwaya
Partner
Membership No. 407184
UDIN: 26407184UVUYCC5399

Place: Jaipur
Date: 13th May, 2026

Annexure "A"

to the Independent Auditor's Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited) 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:

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

   a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

   (2) The Company has maintained proper records showing full particulars of Intangible assets.

   b) According to the information and explanation given to us, all these property, plant and equipment are physically verified by the management periodically which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As per management, no material discrepancies were noticed on such verification.

   c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that the title of all the immovable properties disclosed in the financial statements (Other than properties where the company is a lessee & the lease agreement is duly executed in favour of the lessee) except the following immovable property:

Description of property	Carrying value Rs. In Lacs	Held in name of	Period held	Reason for not being held in the name of company
1st, 2nd & 3rd Floor, Plot No.2 DFL, Gopinath Marg, MI Road Jaipur	26.98	Mr. Deepak Baid (Managing Director of the Company)	Since 01/04/2011	Property was being used for carrying on the business by Mr. Deepak Baid as a proprietor firm, but in April 01, 2011, firm converted into company and all fixed asset of the firm vest in Laxmi India Finance Limited. The Company has informed that, the Company is in process for transfer the title in its name.

Note: Certain immovable properties are held in the former name of the Company i.e. Laxmi India Finleasecap Private Limited / Laxmi India Finance Private Limited and the transfer in the new name is yet to be initiated.

   d) The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable;

   e) There are no proceedings that have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and rules made thereunder.

2. a) The Company's business does not involve inventories and, accordingly, the requirements, under clause 3 (ii) (a) of the Order is not applicable to the Company and hence not commented upon.

   b) According to the information and explanations given by the management and audit procedure performed by us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets, and the statements filed by the Company with such bank or financial institutions are in agreement with the books of account of the Company;

Annexure "A"

to the Independent Auditor's Report (Contd.)

3. The Company has made investment and no guarantee has been provided and principal business of the company is lending loans, the required information is as under :

   a) The Company is engaged in principal business of lending loans, hence reporting under clause(iii)(a) is not applicable.

   b) In our opinion, during the year, the investments made, security given and the terms and condition of the grant of all loans and advances in the nature of loans are prima facie, not prejudicial to the Company's interest.

   c) In respect of loans granted by the Company as part of its business of providing loans, the schedule of repayment of principal and payment of interest has been stipulated by the company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity wise details of amount, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business. Further, except for 9449 loans having principal amount outstanding of Rs. 10726.82 lakh and overdue amount of Rs. 1928.69 lakh as at March 31, 2026 where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

   d) In respect of loans and advances in the nature of loans, the total principal amount of cases which are overdue for more than ninety days as at March 31, 2026 is Rs. 2435.46 lakh and the number of such loans are 6423. 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 is engaged in principal business of lending loans, hence reporting under clause 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 during the year, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act are applicable and hence not commented upon.

5. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the company.

6. The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

7. In respect of statutory dues:

   a) Based upon the audit procedures performed and the information & explanations given by the management, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and any other statutory dues to the appropriate authorities, as applicable to the company, though there has been a slight delay in a few cases. The provisions relating to sales tax, service tax, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.

Annexure "A"

to the Independent Auditor's Report (Contd.)

b) According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) The dues of goods and service tax, provident fund, employees' state insurance, income tax and other statutory dues as applicable to the Company, which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

Name of Statutory Due	Nature of Due	O/s Amount except Interest (Rs. In Lacs)	Period to which sum relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	6.38	AY 2013-14	ACIT, Kolkata
Income Tax Act, 1961	Income Tax	8.65	AY 2020-21	Joint Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	158.25	AY 2015-16	Joint Commissioner (Appeals)

8. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

9. a) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.

c) According to the records of the company examined by us and as per the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained, other than temporary deployment pending application of proceeds.

d) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been utilized for long-term purposes during the year by the Company.

e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

10. a) According to the information and explanations given to us and based on the audit procedures performed, the Company has applied the monies raised by way of Initial Public Offer (IPO) during the year for the purposes for which such monies were raised, as stated in the prospectus/offer documents.

b) The Company has fully utilised the proceeds raised through Initial Public Offer (IPO) during the year towards the purposes for which the same were raised. Based on our examination of the relevant records and according to the information and explanations provided to us, no deviation in utilisation of IPO proceeds has been noticed.

c) According to the information and explanations given to us, the Company has not made preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company

Annexure "A"

to the Independent Auditor's Report (Contd.)

11. a) To the best of our knowledge, no material fraud on the Company and 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 Companies Act, 2013 has been filed by secretarial auditor or by predecessor auditor or by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c) According to the information and explanations given to us, as represented to us by the management, no whistle blower complaints has been received by the Company during the year. Therefore, the provisions of clause 3(xi)(c) of the Order are not applicable to the Company;

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

13. According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details of such related party transactions have been disclosed in the financial statements, as required by the applicable accounting standards.

14. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered; the internal audit reports of the Company issued till date of the audit report, for the period under audit.

15. According to the information and explanations given by the management, and audit procedures performed by us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

16. a) The company is required and obtained the registration under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934);

b) The company has not conducted Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the requirement to report under clause 3 (xvi)(b) of the Order is not applicable.

c) As per information & explanation given to us, the company is not a core investment company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable.

d) According to the information and explanations given by the management to us, the Group does not have any Core Investment Company as part of the Group; Accordingly, the requirement to report under clause 3 (xvi)(d) of the Order is not applicable.

17. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year and accordingly requirement to report on Clause 3(xvii) of the order is not applicable to the company.

18. There has been no resignation of the statutory auditors of the Company during the year and accordingly requirement to report on Clause 3(xviii) of the order is not applicable to the company.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period

Annexure "A"

to the Independent Auditor's Report (Contd.)

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.

20. a) There are no unspent amounts towards Corporate Social Responsibility (CSR) pursuant to any ongoing projects requiring a transfer to a Fund specified in Schedule VII to the companies Act in compliance with second proviso to sub section 5 of section135 of the Act.

    b) According to the information and explanations given to us and based on our examination of the records of the company, there are no unspent amounts that are required to be transferred to a special account in compliance of provision under sub section 5 of section 135 of the Act pursuant to any ongoing CSR projects.

21. The Company doesn't have any subsidiary, Associate or Joint Venture. Accordingly, the requirement to report under clause 3(xxi) of the Order is not applicable to the company.

For **S.C Bapna & Associates**
Chartered Accountants
Firm's Regn. No.115649W

Deepika Nalwaya
Partner
Membership No. 407184
UDIN: 26407184UVUYCC5399

Place: Jaipur
Date: 13th May, 2026

Annexure "B"

to the Independent Auditor's Report

Referred to in Paragraph 2(f) under the heading 'Report on other Legal & regulatory Requirements' to the Independent auditors Report of even date on the Financial Statement of Laxmi India Finance Ltd. for the year ended 31st March 2026

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Laxmi India Finance Limited (Formerly known as Laxmi India Private Limited) ("the Company"), as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or errors.

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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Annexure "B"

to the Independent Auditor's Report (Contd.)

Inherent Limitation of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.C Bapna & Associates**
Chartered Accountants
Firm's Regn. No.115649W

Deepika Nalwaya
Partner
Membership No. 407184
UDIN: 26407184UVUYCC5399

Place: Jaipur
Date: 13th May, 2026

Independent Auditor's Report on the Audited Annual Financial Results for the year ended March 31, 2026 of Laxmi India Finance Limited (Formerly known as Laxmi India Finance Private Limited) pursuant to Regulation 33 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended).

To the Board of Directors of
Laxmi India Finance Limited

Opinion

1. We have audited the accompanying annual financial results of Laxmi India Finance Limited ('the Company') for the year ended March 31, 2026, ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the Securities and Exchange Board of India ("the SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

   2.1. Presents Financial Results in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations, and

   2.2. Gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS') under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, the relevant circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time (RBI Guidelines') and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended March 31, 2026.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the statement under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Board of Director's Responsibilities for the Financial Results

4. This Statement has been prepared on the basis of the annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit after tax and other comprehensive income and other financial information, in accordance with the recognition and measurement principles laid down in Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, RBI Guidelines and other accounting principles generally accepted in India, and in compliance with Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

5. In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 this Statement.
8. As part of an audit in accordance with the SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    8.1. Identify and assess the risks of material misstatement of the Statement, 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.

    8.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion through separate report on the complete set of financial statements on whether the Company has in place an adequate internal financial control with reference to financial statements in place and the operating effectiveness of such controls.

    8.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

    8.4. Conclude on the appropriateness of the Management and the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement 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.

    8.5. Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

9. 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.
10. 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.

Other Matters

11. The Statement includes the Financial Results for the quarter ended March 31, 2026 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2026 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.
12. The Statement dealt with by this report have been prepared for the express purpose of filing with Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd. (NSE). This statement is based on and should be read with the Audited Financial Statements of the Company, for the year ended March 31, 2026 on which we have issued an unmodified audit opinion vide our report dated May 13, 2026.

Our opinion on the Statement is not modified in respect of these matters.

For **S.C Bapna & Associates**
Chartered Accountants
Firm's Regn. No.115649W

Deepika Nalwaya
Partner
Membership No. 407184
UDIN: 26407184UVUYCC5399

Place: Jaipur
Date: 13th May, 2026

Balance Sheet

as at March 31, 2026 (Rs. In Lakhs)

Particulars			Note No.	As at Mar 31, 2026	As at Mar 31, 2025
I. ASSETS					
(1)	**Financial Assets**				
	(a)	Cash and Cash Equivalents	2	4,235.64	10,242.99
	(b)	Bank balance other than Cash and cash equivalents	3	9,292.25	11,233.93
	(c)	Receivables	4		
		Other Receivables		20.87	17.12
	(d)	Loans	5	1,48,009.61	1,12,691.15
	(e)	Investments	6	15,891.27	2,927.41
	(f)	Other Financial Asset	7	1,852.53	2,181.51
	Total Financial Assets			**1,79,302.17**	**1,39,294.10**
(2)	**Non-Financial Assets**				
	(a)	Current tax Assets		34.11	34.62
	(b)	Deferred tax Assets (Net)	8	421.80	-
	(c)	Property, Plant and Equipment	9	1,706.54	1,276.35
	(d)	Capital Work in progress(CWIP)	10	-	-
	(e)	Intangible Assets under development	11	2.37	4.98
	(f)	Other Intangible Assets	12 & 13	7.61	7.86
	(g)	Other Non-financial assets	14	303.36	633.94
	Total Non-financial Assets			**2,475.79**	**1,957.75**
	Total Assets			**1,81,777.96**	**1,41,251.85**
II.	**LIABILITIES AND EQUITY**				
	Liabilities				
(1)	**Financial Liabilities**				
	(a)	Payables			
		(i) Trade Payables	15	154.62	194.82
		- total outstanding dues of micro enterprises and small enterprises		2.61	2.61
		- total outstanding dues of creditors other than micro enterprises and small enterprises		152.01	192.21
		(ii) Other Payables		131.83	134.60
		- total outstanding dues of micro enterprises and small enterprises		-	-
		- total outstanding dues of creditors other than micro enterprises and small enterprises		131.83	134.60
	(b)	Debt Securities	16	6,156.10	2,738.55
	(c)	Borrowings (Other than Debt Securities)	17	1,26,778.97	1,10,172.89
	(d)	Subordinated Liabilities	18	796.13	794.87
	(e)	Other Financial Liabilities	19	709.39	879.17
	Total Financial Liabilities			**1,34,727.03**	**1,14,914.90**
(2)	**Non- Financial Liabilities**				
	(a)	Current Tax Liabilities	20	35.08	67.43
	(b)	Provisions	21	269.40	155.73
	(c)	Deferred Tax Liabilities (Net)	8	-	129.67
	(d)	Other Non-financial liabilities	22	199.09	194.98
	Total Non- Financial Liabilities			**503.57**	**547.81**
	Total liabilities			**1,35,230.61**	**1,15,462.71**
	Equity				
	(a)	Equity Share capital	23	2,613.39	2,090.72
	(b)	Other Equity	24	43,933.96	23,698.42
	Total Equity			**46,547.35**	**25,789.14**
	Total Liabilities and Equity			**1,81,777.96**	**1,41,251.85**
	Material Accounting Policies		1		

The accompanying notes 1 to 116 form an integral part of these financial statements

As per our report of even date attached
For **S.C. Bapna & Associates**
Chartered Accountants
Firm Registration. No. - 115649W

Deepika Nalwaya
Partner
Membership No. - 407184

Place : Jaipur
Date : 13th May, 2026

For and on Behalf of the Board of Directors of
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)

Deepak Baid
Managing Director
DIN: 03373264

Aneesha Baid
Whole-Time Director
DIN: 07117678

Gopal Krishan Sain
Chief Financial Officer
Membership No. - 418989

Sourabh Mishra
Company Secretary
Membership No. - 51872

Statement of Profit and Loss

for the period ended March 31, 2026 (Rs. In Lakhs)

	Particulars	Note No.	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
	Revenue from Operations			
	(i) Interest Income	25	29,912.25	23,131.24
	(ii) Fees and Commission Income	26	1,553.04	1,346.34
	(iii) Net Gain On Fair Value Changes	27	237.43	93.68
I	**Total Revenue from Operations**		**31,702.72**	**24,571.26**
II	Other Income	28	256.29	232.51
III	**Total Income (I+II)**		**31,959.01**	**24,803.77**
	Expenses:			
	(i) Finance Costs	29	13,734.02	11,462.74
	(ii) Impairment on Financial Instruments	30	1,405.40	1,189.06
	(iii) Employee Benefits Expenses	31	7,250.64	5,402.73
	(iv) Depreciation & Amortisation Expense	32	229.27	190.05
	(v) Net Loss On Fair Value Changes	27	-	-
	(vi) Other Expenses	33	2,734.97	1,823.68
IV	**Total Expenses**		**25,354.30**	**20,068.26**
V	**Profit/(Loss) before Exceptional Items & Tax (III-IV)**		**6,604.71**	**4,735.51**
VI	**Exceptional Items**		-	-
VII	**Profit/(Loss) Before Tax (V-VI)**		**6,604.71**	**4,735.51**
VIII	**Tax Expense:**			
	Current Tax		1,983.89	1,506.00
	Deferred Tax		(359.95)	(364.46)
	Income Tax for Earlier Year		5.03	(6.47)
	Total Tax Expenses (VIII)		**1,628.97**	**1,135.07**
IX	**Profit/(loss) for the period (VII-VIII)**		**4,975.74**	**3,600.44**
X	**Other Comprehensive Income**			
	(A) Items that will not be Reclassified to Profit or Loss			
	- Remeasurement Gains/(Losses) on Defined Benefit Plans		(10.89)	(12.59)
	- Income tax on above		2.74	3.17
	Subtotal(A)		**(8.15)**	**(9.42)**
	(B) Items that will be Reclassified to Profit or Loss			
	Subtotal(B)			
	Total Other Comprehensive Income for the period (A+B)		**(8.15)**	**(9.42)**
XI	**Total Comprehensive Income for the period (IX+X)**		**4,967.58**	**3,591.01**
XII	**Earnings per Equity Share:**	34		
	Basic (in ₹)		10.20	8.78
	Diluted (in ₹)		10.20	8.78
	Nominal Value of Equity Shares		5.00	5.00
	Significant Accounting Policies	1		

The accompanying notes 1 to 116 form an integral part of these financial statements

As per our report of even date attached
For **S.C. Bapna & Associates**
Chartered Accountants
Firm Registration. No. - 115649W

Deepika Nalwaya
Partner
Membership No. - 407184

Place : Jaipur
Date : 13th May, 2026

For and on Behalf of the Board of Directors of
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)

Deepak Baid
Managing Director
DIN: 03373264

Aneesha Baid
Whole-Time Director
DIN: 07117678

Gopal Krishan Sain
Chief Financial Officer
Membership No. - 418989

Sourabh Mishra
Company Secretary
Membership No. - 51872

Statement of Cash Flows

for the period ended March 31, 2026

(Rs. In Lakhs)

Particulars	For the period ended Mar 31, 2026		For the period ended Mar 31, 2025	
A. Cash Flow from Operating Activity				
Profit before tax		**6,604.71**		**4,735.51**
Adjustments for:				
Depreciation, Amortisation & Impairment	229.27		190.05	
Fair Value change of Investments	(177.65)		(3.39)	
Impairment on financial instruments	1,405.40		1,189.06	
Finance Cost on Lease Liability	25.05		18.06	
Income on Derecognised (assigned) Loans	(752.65)		(808.98)	
Upfront Gain on ARC	(137.48)		1.11	
Interest income on Security deposit	(0.72)		(0.55)	
Provision for Gratuity	94.79		25.06	
Employee share based payment expenses	64.84		41.03	
Gain on Lease Liabilities	-		(0.92)	
(Gain)/Loss on Disposal of Fixed Assets	(7.07)	743.77	(0.84)	649.69
Operating profit before working capital changes		**7,348.48**		**5,385.20**
Adjustment for :				
(Increase)/decrease in Loans	(36,478.26)		(32,268.09)	
(Increase)/decrease in Receivables	(3.75)		14.22	
(Increase)/decrease in Other financial assets	1,046.82		1,064.64	
(Increase)/decrease in Bank balance other than Cash and Cash Equivalents	1,941.68		(3,937.65)	
(Increase)/decrease in Non financial assets	330.50		(448.00)	
Increase/(decrease) in Other financial liabilities	(135.57)		286.30	
Increase/(decrease) in Non financial liabilities	4.11		26.48	
Increase/(decrease) in Payables	(42.97)		88.88	
Increase/(decrease) in Current tax liabilities	-		(61.05)	
Increase/(decrease) in Provisions	-		0.41	
Total of changes in Working capital		**(33,337.44)**		**(35,233.86)**
Cash generated from operations		**(25,988.96)**		**(29,848.66)**
Income Tax Paid(net of refund)		(2,010.19)		(1,277.76)
Net Cash from/(used in) Operating Activity (A)		**(27,999.15)**		**(31,126.42)**

Statement of Cash Flows

for the period ended March 31, 2026 (Contd.)

(Rs. In Lakhs)

Particulars	For the period ended Mar 31, 2026		For the period ended Mar 31, 2025	
B. Cash Flow from Investing Activity				
Purchase/Sales of property, plant and equipment and intangible assets(including in progress assets)		(649.52)		(365.79)
Purchase/Sale of Investments		(12,786.21)		(1,472.92)
Net Cash Flow from/(used in) Investing Activity (B)		**(13,435.75)**		**(1,838.71)**
C. Cash Flow from Financing Activity				
Issue of Equity Shares		522.68		104.44
Share Premium on issue of Equity Shares		15,993.97		1,879.85
Proceeds from / (Repayment of) Borrowings		16,606.08		34,799.02
Proceeds from / (Repayment of) Subordinated Liability		1.25		1.32
Proceeds from / (Repayment of) Debt Securities		3,417.55		2,238.34
Expenses related to Capital Issuance		(1,054.71)		-
Payment of Lease Liabilities		(59.26)		(41.83)
Net Cash Flow from Financing Activity (C)		**35,427.55**		**38,981.13**
Net increase in Cash and Cash Equivalents (A+B+C)		**(6,007.35)**		**6,015.99**
Cash and Cash Equivalents at the beginning of the year		10,242.99		4,227.00
Cash and Cash Equivalents at the close of the year		4,235.64		10,242.99
Net increase in cash and cash equivalents		**(6,007.35)**		**6,015.99**

Cash and Cash Equivalent includes:-

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Cash in hand	73.29	61.48
Balances with Bank	4,162.35	10,181.51
Total	**4,235.64**	**10,242.99**

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Refer Note 44 for changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes as per Ind AS 7 - Statement of Cash flows.

As per our report of even date attached
For **S.C. Bapna & Associates**
Chartered Accountants
Firm Registration. No. - 115649W

Deepika Nalwaya
Partner
Membership No. - 407184

Place : Jaipur
Date : 13th May, 2026

For and on Behalf of the Board of Directors of
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)

Deepak Baid
Managing Director
DIN: 03373264

Aneesha Baid
Whole-Time Director
DIN: 07117678

Gopal Krishan Sain
Chief Financial Officer
Membership No. - 418989

Sourabh Mishra
Company Secretary
Membership No. - 51872

Statement of Changes in Equity

for the period ended March 31, 2026

A. Equity Share Capital

(Rs. In Lakhs)

Particulars	Number of shares	Amount
As at Apr 1, 2024	**198.63**	**1,986.28**
Restated balance at the beginning of the period	-	-
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the year ended Mar 31, 2025	219.52	104.44
Fully Paid up equity shares (FV Rs. 05 each)	418.14	2,090.72
Partly Paid up equity shares	-	-
As at Mar 31, 2025	**418.14**	**2,090.72**
Restated balance at the beginning of the period	-	-
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the year ended Mar 31, 2026*	104.54	522.68
Fully Paid up equity shares (FV Rs. 5 each)	522.68	2,613.39
Partly Paid up equity shares	-	-
As at Mar 31, 2026	**522.68**	**2,613.39**

*During the year ended 31 March 2026, the Company has completed an Initial Public Offer ("IPO") of 1,60,92,195 equity shares of face value of INR 5 each at an issue price of INR 158 per equity share (INR 153 per equity share premium), comprising of offer for sale of 56,38,620 equity shares by selling shareholders and fresh issue of 1,04,53,575 equity shares. The equity share of the company were listed on Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 5th August 2025.

B. Other Equity

As at Mar 31, 2026

(Rs. In Lakhs)

Particulars	Reserves and Surplus						Total
	Statutory reserves as per Section 45-IC of the RBI Act, 1934	Capital reserve (Gain on Bargain Purchase)	Securities Premium	Share option outstanding account	Impairment Reserve	Retained Earnings	
Balance as at Apr 01, 2025	**2,532.22**	**-**	**10,989.21**	**41.03**	**77.03**	**10,058.94**	**23,698.43**
Change in accounting policy/ Correction of error effect in opening balance	-		-	-	-	-	-
Restated balance at the beginning of the current reporting period	2,532.22	-	10,989.21	41.03	77.03	10,058.94	23,698.43
Profit for the year	-	-	-	-	-	4,975.74	4,975.74
Other Comprehensive Income (expense)(net of tax)	-	-	-	-	-	(8.15)	(8.15)
Total Comprehensive Income for the Year	**-**		**-**	**-**	**-**	**4,967.59**	**4,967.59**
Additions during the year	995.15	75.06			-	-	1,070.21
Premium on issue of shares	-	-	15,993.97	-	-	-	15,993.97
Capital Issue Expenses	-	-	(865.92)	-	-	-	(865.92)
Transfer to Impairment Reserve	-	-	-	-	-	-	-
Transfer to Statutory reserves as per Section 45-IC of the RBI Act, 1934	-	-	-	-	-	(995.15)	(995.15)
Share based payment expense	-	-	-	64.84	-	-	64.84
Dividend Paid (including Dividend tax)							-
Balance as at Mar 31, 2026	**3,527.37**	**75.06**	**26,117.26**	**105.88**	**77.03**	**14,031.38**	**43,933.97**

Statement of Changes in Equity

for the period ended March 31, 2026 (Contd.)

(Rs. In Lakhs)

As at Mar 31, 2025

Particulars	Reserves and Surplus						Total
	Statutory reserves as per Section 45-IC of the RBI Act, 1934	Capital reserve (Gain on Bargain Purchase)	Securities Premium	Share option outstanding account	Impairment Reserve	Retained Earnings	
As at Apr 1, 2024	1,812.13	-	9,109.36	-	77.03	7,188.01	18,186.53
Change in accounting policy/ Correction of error effect in opening balance	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	1,812.13	-	9,109.36	-	77.03	7,188.01	18,186.53
Profit for the year	-	-	-	-	-	3,600.44	3,600.44
Other Comprehensive Income (expense)(net of tax)	-	-	-	-	-	(9.42)	(9.42)
Total Comprehensive Income for the Year	-	-	-	-	-	3,591.02	3,591.02
Additions during the year	720.09	-	-	-	-	-	720.09
Premium on issue of shares	-	-	1,879.85	-	-	-	1,879.85
Capital Issue Expenses	-	-	-	-	-	-	-
Transfer to Impairment Reserve	-	-	-	-	-	-	-
Transfer to Statutory reserves as per Section 45-IC of the RBI Act, 1934	-	-	-	-	-	(720.09)	(720.09)
Share based payment expense	-	-	-	41.03	-	-	41.03
Dividend Paid (including Dividend tax)	-	-	-	-	-	-	-
Balance as at Mar 31, 2025	**2,532.22**	**-**	**10,989.21**	**41.03**	**77.03**	**10,058.94**	**23,698.43**

As per our report of even date attached
For **S.C. Bapna & Associates**
Chartered Accountants
Firm Registration. No. - 115649W

Deepika Nalwaya
Partner
Membership No. - 407184

Place : Jaipur
Date : 13th May, 2026

For and on Behalf of the Board of Directors of
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)

Deepak Baid
Managing Director
DIN: 03373264

Aneesha Baid
Whole-Time Director
DIN: 07117678

Gopal Krishan Sain
Chief Financial Officer
Membership No. - 418989

Sourabh Mishra
Company Secretary
Membership No. - 51872

Notes
Forming Part of Financial Statements

Note 1 Corporate Information

Laxmi India Finance Limited is a public limited company incorporated under the provisions of Companies Act, 1956 on May 10, 1996. The Company is having its registered office at 2, DFL Tower, Gopinath Marg, M I Road, Jaipur, Rajasthan. The Company is holding 'CoR' as Non-Banking Financial Institution, without accepting public deposits, registered with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve Bank of India Act, 1934 and is primarily engaged in the lending business.

The Reserve Bank of India has issued the Master Direction – Reserve Bank of India (Non-Banking Financial Company– Registration, Exemption and Framework for Scale Based Regulation) Directions, 2025 as amended. The Master Directions categorises NBFCs in Base Layer (NBFC-BL), Middle Layer (NBFC-ML), Upper Layer (NBFC-UL), Top Layer (NBFC-TL). The Company is categorised under ""Middle Layer"" pursuant to the Master Directions. - During the FY 2024-25, the Constitution of company has changed from private to public by eliminating the word Private, the company name changed from Laxmi India Finance Private Limited to Laxmi India Finance Limited with effect from October 08, 2024. The company had applied with RBI, Jaipur, for a change of name, on which RBI had issued fresh certificate bearing no. B-10.00318 dated February 07, 2025, after cancelling the previous certificate.

Note 1.1 Basis of preparation

A. Statement of compliance and basis of preparation of summary statement:

A.1 The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income) and the Statement of Changes in equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (the ´Act'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows, Statement of Changes in Equity and notes to the financial statement, including a summary of material accounting policies and other explanatory information are together referred as the 'financial statement' of the Company.

A.2 These financial statements of the Company as at and for the years ended March 31,2026 are prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors at their meetings held on May 13, 2026.

A.3 The comparative financial figures have been compiled from the audited financial statements of the Company as at and for the year ended March 31,2025 prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"). The aforesaid audited financial figures have been restated for change in accounting policy and correction of accounting errors.

A.4 The accounting policies have been consistently applied by the Company in preparation of the Financial Statements to all the periods presented except where the entity has changed the accounting method of certain incomes from accrual basis to cash basis. This change aligns the entity's accounting policy with the general industry practice, thereby enhancing the comparability of the entity's financial statements with those of other market participants within the industry and with those adopted in the preparation of financial statements as at March 31, 2026.

A.5 These Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of board meeting on the audited interim financial statements / audited financial statements mentioned above.

The Financial Statements are prepared and presented on accrual and going concern basis and the relevant provisions of Act and the guidelines and directives issued by the Reserve Bank of India (RBI) to the extent applicable. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

Notes
Forming Part of Financial Statements (Contd.)

A.6 The regulatory disclosures as required by the NBFC Master Directions to be included as a part of the Notes to Accounts are also prepared as per the Ind AS Financial Statements.

B. Basis of Measurement:

B.1 These Financial Statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value/amortised cost, as applicable (refer to material accounting policies), net defined (asset)/ liability present value of defined benefit obligations at fair value, investments carried at fair value and liabilities for equity-settled sharebased payment arrangements at fair value. The methods used to measured fair value are discussed further in notes to Financial Statements.

B.2 All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III of the Companies Act, 2013. The company has disclosed regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) has been provided separately in the financial statements.

C. Functional and Presentation currency :

These Financial Statements are prepared in Indian Rupees (INR or ₹), which is the Company's functional currency. All Financial Statements presented in INR or ₹ has been rounded to the nearest millions and two decimals thereof, except as stated otherwise. The Company presents its Balance sheet in order of liquidity.

Note 1.2 Material Accounting Policies

A summary of the material accounting policies applied in the preparation of the financial statements are given below. These accounting policies have been applied consistently to all periods presented in the financial statements except where a newly-issued Ind AS initially adopted or a revision to an existing Ind AS requires a change in the accounting policy or change is required to align the accounting policy with general industry practice. During the period, the entity has changed the accounting method of certain incomes from accrual basis to cash basis,this change aligns the entity's accounting policy with the general industry practice, thereby enhancing the comparability of the entity's financial statements with those of other market participants within the industry.

A Property Plant & Equipment:

i Initial recognition and measurement

An item of property, plant and equipment is recognised as an asset if and only if 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.

When parts of an item of property, plant and equipment have different useful lives, they are recognised separately.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management. Income and Expenses, incidental to the operations, not necessary in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in statement of profit and loss.

ii. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

iii. Depreciation/Amortization

Depreciation for all property, plant and equipment is being provided on Written Down Value Method as per the estimates of useful life specified in Schedule II of the Companies Act, 2013. The Company has estimated 5% residual value for all block of asset at the end of useful life. The management believes that useful life are realistic and reflect fair approximation of the period over which asset likely to be used.

Depreciation on additions to property, plant and

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equipment is provided on a pro-rata basis from the date of acquisition, or installation, or construction, when the asset is ready for intended use.

Improvements of the lease hold premises are charged off over the primary period of lease. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation on an item of property, plant and equipment sold, discarded, demolished or scrapped, is provided unto the date on which the said asset is sold, discarded, demolished or scrapped.

In respect of an asset for which impairment loss, if any, is recognised, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

iv. Derecognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses on Derecognition of an item of Property, Plant and Equipment are determined by comparing net disposable proceeds with the carrying amount of Property, Plant and Equipment and are recognized in the statement of profit and loss.

B. Intangible Assets and Intangible Assets under development :

i Initial recognition and measurement

An intangible asset is recognised if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discounts and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs and any other cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

ii. Subsequent Measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

iii. Amortization

Intangible assets having definite life are amortized as per written down value method . If life of any intangible asset is indefinite then it is not amortized and tested for impairment at each reporting date. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

iv Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

C Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

C.1 Financial assets

C.1.1 Initial Recognition and Measurement

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 measured 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 measured at FVTPL are recognised immediately in the statement of profit and loss.

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If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follow:

- If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in the statement of profit and loss on initial recognition;
- In all other cases, the fair value will be adjusted to bring it in line with the transaction price. After initial recognition, the deferred gain or loss will be recognised in the statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability. The Company recognises a financial asset and Financial Liabilities when it becomes party to the contractual provisions of the instrument. Financial assets, with the exception of loans and advances to customers, are initially recognised on the transaction date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed.

The Company's financial assets include trade receivables, cash and cash equivalents, other bank balances, fixed deposits with banks, loans and advances, other financial assets and investments.

The Company's financial liabilities include loans and borrowings including bank overdrafts and trade & other payables.

C.1.2 Classification

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income ("FVOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

(i) The entity's business model for managing the financial assets and

(ii) The contractual cash flow characteristics of the financial asset.

C.1.3 Business Model Assessment

The Company determines its Business Model at the level that best reflects how it manages groups of financial assets to achieve its business objectives. The company considers the frequency, volume and timing of disbursements in prior years, the reason for such disbursement, and its expectations about future business activities. However, information about business activity is not considered in isolation, but as part of an holistic assessment of how company's stated objective for managing the financial assets is achieved and how cash flow are realized. Therefore the company considers information about past disbursement in the context of the reason for those disbursements, and the conditions the existed at that time as compared to current conditions. Based on this assessment and the future business plans of the company, the management has measured its financial assets at amortized cost as the asset is held within a business model whose objective is to collect contractual cash flows, and the contractual terms of the financial assets give rise to cash flows that are solely payments of principle and interest (the SPPI criterion).

Assessment whether contractual cash flows is solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and 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 profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

C.1.4 Subsequent measurement of financial assets

The Company classifies its financial assets in the following measurement categories:

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i Financial Assets at Amortised Cost

A financial asset is measured at the amortised cost if both the following conditions are met:

(a) It is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points 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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

ii. Financial Assets at fair value through other comprehensive income (FVTOCI)

A. Financial Asset is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

For equity instruments not held for trading, the Company has an irrevocable option to designate them as FVTOCI. The Company has not designated investments in any equity instruments as FVTOCI.

iii Financial Assets at fair value through the statement of profit and loss (FVTPL)

Any financial asset which is not classified in any of the above categories is subsequently measured at FVTPL.

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

C.1.5 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between the initial recognition and maturity of the financial asset. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the entity recalculate the gross carrying amount of the financial asset and recognise a modification gain or loss in profit or loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

C.1.6 Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial

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assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition. The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities ('eventual recipients'), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the year between the collection date and the date of required remittance to the SPV

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay. If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

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 FVOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the statement of profit and loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part

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it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain/loss allocated to it that had been recognised in OCI is recognised in the statement of profit and loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the statement of profit and loss.

C.2 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

(i) Initial recognition and measurement

The Company recognises a financial liability in its balance sheet when it becomes party to the contractual provisions of the instrument. Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(ii) Subsequent measurement of financial liabilities:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost as appropriate.

Financial liabilities at Amortised Cost :

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent reporting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

(iii) Modification of Financial liabilities

The Company derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss (including Other Comprehensive Income).

(iv) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

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The difference in the respective carrying amounts is recognised in the statement of profit and loss.

C.3 Impairment of financial assets

C.3.1 Methodology for computation of Expected Credit Losses (ECL)

The financial instruments covered within the scope of ECL include financial assets measured at amortised cost and FVOCI.

The loss allowance has been measured using lifetime ECL except for financial assets on which there has been no significant increase in credit risk since initial recognition. In such cases, loss allowance has been measured at 12 month ECL

At each reporting date, the Company assesses whether any financial asset carried at amortised cost and FVOCI is credit-impaired. 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 since initial recognition. Evidence that a financial asset is credit-impaired includes the observable data such as Days Past Due ('DPD') or default event.

C.3.2 ECL is a probability weighted estimate of credit losses, measured as follows:

The Company recognises loss allowances for Expected Credit Losses on the following financial instruments that are not measured at FVTPL:

- All loans at amortized cost

- Upfront gain on Derecognition of Financial assets Equity instruments are measured at fair value and not subject to an impairment loss.

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. loss allowance on default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- Lifetime ECL, i.e. lifetime ECL that results from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

The Company presents the ECL charge or reversal (where the net amount is a negative balance for a particular period) in the Statement of Profit and Loss as "Impairment on financial instruments".

A loss allowance for 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, ECL is measured at an amount equal to the 12-month ECL.

The Company has established a policy to perform an assessment at the end of each reporting period whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instruments. When making the assessment of whether there has been a SICR since initial recognition, the Company considers reasonable and supportable information, that is available without undue cost or effort. If the Company measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the Company again measures the loss allowance based on 12-month ECL. ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

C.3.3 Criteria used for determination of movement from stage 1 (12-month ECL) to stage 2 (lifetime ECL) and stage 3 (Credit impaired)

Ind-AS 109 outlines a three staged model for measurement of impairment based on changes in credit risk since initial recognition. For classification of its borrowers into various stages, the Company uses the following basis:

Stage 1

When loans are first recognised, the Company recognises an allowance based on 12 months ECL.. The company classifies all standard advances and advances upto 30 days default under this category loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 to Stage 1.

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Stage 2

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time expected credit losses.30 Days Past Due is considered as significant increase in credit risk.

Stage 3

When loans are considered credit-impaired, the Company records an allowance for the life time expected credit losses.For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

C.3.4 Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in 'all cases when the borrower becomes 90 days past due on its contractual payments. As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate

C.3.5 The mechanics of ECL:

The Company calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive. ECL is the product of Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The brief methodology of computation of ECL is as follows:

(1) Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary.

For Stage I accounts, 12 months PD is used.

For Stage II significantly increased credit risk accounts, Lifetime PD is used which is computed based on survival analysis.

For Stage III credit impaired accounts, 100% PD is taken.

(2) Loss Given Default (LGD)

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. LGD is the loss factor which the Company may experience in case the default occurs.

(3) Exposure at Default (EAD)

The Exposure at Default is an estimate of the exposure at a future default date. It is outstanding exposure on which ECL is computed. EAD includes principal outstanding, Interest overdue and interest Accrued as on reporting date as reduced by excess money and Pending disbursement To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

In case of undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown.

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Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12m ECL orLTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, Consumer Price Index, Unemployment rates, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

C.4 Net gain on fair value changes

The Company classifies certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on de-recognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss.

D Write-Offs:

Financial assets are written off in their entirety only when the Company has no reasonable expectation of recovery. The amount written off recorded as an expense in the period of write off. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

E Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

F Fair value Measurement:

The Company measures some of its financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participation at the measurement date. The fair value measurement assumes that transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the assets or liability, or

(b) In the absence of a principal market, in the most advantages market for the assets or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

I. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

II. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

III. Level 3 — Valuation techniques for which the

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lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

G Financial Guarantee Contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with Ind AS 109 and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised inaccordance with the Company's revenue recognition policies.

The Company has not designated any financial guarantee contracts as FVTPL.

H Revenue Recognition:

H.1 Interest Income

Interest income, for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset. The calculation of the effective interest rate takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes transaction costs and fees that are an integral part of the contract but not future credit losses. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of profit and loss.

H.2 Income from Direct Assignment transactions

Income from direct assignment transactions includes the following-

The difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the assets derecognised) and the consideration received (including any new asset obtained and any new liability assumed). Gain arising out of direct assignment transactions which comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment has been entered into with the assignee, also known as the right of Excess Interest Spread (EIS). The future EIS basis the scheduled cash flows, on the execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the profit and loss.

H.3 Fees and Commission Income

Revenue (other than those to which Ind AS 109 applies) is measured at the fair value of consideration received or receivable.

Income from other financial charges are recognized on accrual basis, except in case of File Cancellation Charges, Collection Charges, Commission from BC, Courier service charge, Duplicate document charges, Pre-Closure Charges, late payment interest, duplicate document charges, file login charges, Instrument return charges, seizing charges, Repossesion charges, legal and notice charges, valuation charges, Document Verification charges Tele Collection Charge, Penal

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charges (LPP), RTGS NEFT Charges, Servicing Fee Income, statement charges, Other Recoverable income(new) and ARC Collection fees which are accounted as and when received.

The new revenue recognition model prescribed by Ind AS 115 consists of below five steps:

Step 1 - Identify the contract(s) with a customer: A contract is an agreement between the two or more parties that creates enforceable right and legal obligations set out the criteria for every contract that must be met. A contract can be either oral or written. However, oral contracts are more challenging to enforce and should be avoided, if possible.

Step 2 - Identify the separate performance obligations in the contract: Performance obligations are promises in a contract to transfer to a customer goods or services that are distinct.

Step 3 - Determine the transaction price :The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, an entity must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer.

Step 4 - Allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract.

Step 5 - Recognize revenue when (or as) each performance obligation is satisfied by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). A performance obligation may be satisfied at a point in time (typically for promises to transfer goods to a customer) or over time (typically for promises to transfer services to a customer)

For a performance obligation satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied.

I Employee Benefits:

Short Term Benefits

Short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Post-Employment benefits

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two types:

(i) Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(ii) Defined benefit plans :

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two types:

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is determined annually on the basis of Actuarial Valuation using the projected unit credit method. The company does not have any fund for payment of gratuity.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by

Notes

Forming Part of Financial Statements (Contd.)

reference to market yields at the end of the reporting period on government bonds.

Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and Net interest expense or income.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

(iii) Share based payment

Employees Stock Option Scheme ("ESOS") - Equity settled

The ESOS provides for grant of the equity shares of the Company to employees. The scheme provides that employees are granted an option to subscribe to the equity shares of the Company that vest in the graded manner. The option may be exercised within the specified period.

Equity-settled share-based payments to employees are recognised as an expense at the fair value of equity stock options at the grant date. The fair value determined at the grant date of the equitysettled share-based payments is expensed on a straight-line basis over the graded vesting period,based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Termination Benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

J Income Taxes:

Income tax expense comprises current tax and deferred tax.

(i) Current Income Tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act,1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted and as applicable at the reporting date and any adjustment to tax payable in respect of previous years. Current tax expense is recognized in the profit or loss except to the extent that it relates to items recognized directly in Other Comprehensive Income (OCI) or Equity, in which case it is recognized in OCI or Equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred Tax

Deferred tax is recognised on all temporary differences at the reporting date between the tax bases of assets and liabilities used in the computation of taxable profit and their carrying amounts for financial reporting purposes, and are accounted for using the balance

Notes

Forming Part of Financial Statements (Contd.)

sheet approach.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or Equity, in which case it is recognized in OCI or Equity.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain, as the case may be, that sufficient future taxable income will be available.

(iii) Minimum Alternate Tax (MAT)

Company has moved to new tax regime, where MAT provisions are not applicable.Hence no adjustment pertaining to MAT was required

K Leases:

The Company as Lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(a) The contract involves the use of an identified asset

(b) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(c) The Company has the right to direct the use of the asset.

Measurement and Recognition

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The Company depreciates the right-of-use assets on a straight-line basis from the lease 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. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily

Notes

Forming Part of Financial Statements (Contd.)

available or the Company's incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. The Company has given impact analysis of Lease on financial results in note no 50 "Transition to Ind AS 116 on Lease

The Company as a Lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease payments from operating leases are recognized as income on either a straight-line basis or another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

L Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expenses relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

Contingent Liabilities

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Contingent liabilities are reviewed at each balance sheet date.

Contingent Assets

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

Notes

Forming Part of Financial Statements (Contd.)

M Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets other than deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

N Cash and Cash Equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments and short term investments with original maturity upto three month.

O Statement of Cash Flow:

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

P Trade and Other Receivable:

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. Trade and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at transaction price.

Q Recent Accounting Pronouncements:

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2026, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

R Non-Current Assets (or disposal groups) classified as held for sale:

Assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell.

An Asset is classified as "Asset held for sale" when the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for sale". Once classified as held for sale, intangible assets and PPE are no longer amortized or depreciated.

S Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its

Notes

Forming Part of Financial Statements (Contd.)

intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. The Company considers a period of twelve months or more as a substantial period of time. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 - 'Financial Instruments' (b) finance charges in respect of leases recognized in accordance with Ind AS 116 - 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

T Segment Reporting: Identification of Segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

U Material prior period errors :

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

V Earnings per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

Note 1.3 Significant Estimates and Assumptions

The preparation of company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and action, actual results could differ from these estimates. These estimates are reviewed regularly and any change in estimates are adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognized in the financial statements:

(i) Business Model Assessment

The Company determines its Business Model at the level that best reflects how it manages groups of financial assets to achieve its business objectives. The company considers the frequency, volume and timing of disbursements in prior years, the reason for such disbursement, and its expectations about future business activities. However, information about business activity is not considered in isolation, but as part of an holistic assessment of how company's stated objective for managing the financial assets is achieved and how cash flow are realized. Therefore the company considers information about past disbursement in the context of the reason for those disbursements, and the conditions the existed at that time as compared to current conditions. Based on this assessment

Notes

Forming Part of Financial Statements (Contd.)

and the future business plans of the company, the management has measured its financial assets at amortized cost as the asset is held within a business model whose objective is to collect contractual cash flows, and the contractual terms of the financial assets give rise to cash flows that are solely payments of principle and interest (the SPPI criterion).

(ii) Property, Plant and Equipment & Intangible Assets

The determination of depreciation and amortization charge depends on the useful lives which is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Residual Value has been taken between 0-5%

Useful life of the all Property, Plant and Equipment and Intangible assets are in accordance with Schedule II of the Companies Act, 2013

(iii) Recognition and measurement of provisions and contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigation against the company as it is not possible to predict the outcome of pending matters with accuracy.

(iv) Measurement of defined benefit obligations

The cost of defined benefit plan and present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the long-term nature of the plan, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date.

(v) Recognition of deferred tax

The recognition of deferred tax assets requires assessment of whether it is probable that sufficient future taxable profit will be available against which deferred tax asset can be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax assets.

(vi) Impairment losses on financial assets

The measurement of impairment losses across all categories of financial assets except assets valued at Fair value through P&L (FVTPL), requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's Expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include:

- The Company's model, which assigns Probability of default (PD)s
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Lifetime expected credit loss (LTECL) basis
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, Exposure at default (EAD)s and Loss given default (LGD)s.

(vii) Fair value of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets,

Notes

Forming Part of Financial Statements (Contd.)

their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(viii) Effective Interest rate method

The Company's EIR methodology, recognises interest income using a internal rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans and other characteristics of the product life cycle (including prepayments). This estimation, by nature, requires an element of judgment regarding the expected behaviour and life-cycle of the instruments, as well other fee income/expense that are integral parts of the instruments.

(ix) Determination of estimated useful lives of property, plant and equipment and intangible assets

Useful lives of property, plant and equipment and intangible assets are based on the life prescribed in Schedule II of the Act.

(x) Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECL) on its financial assets measured at amortized cost and Fair Value through Other Comprehensive Income (FVOCI). At each reporting date, the Company assesses whether the above financial assets are credit- impaired. 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.

(xi) 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.

(xii) Discount rate for lease liability and right of use assets

The discount rate is generally based on the weighted incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. And discount rate of security deposits is generally based on the SBI deposit rate at the time of deposit.

Note 1.4 Foreign currency transactions:

Foreign currency transactions are translated into the functional currency using the exchange rates 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 recognised in statement of profit and loss.

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

2. Cash & Cash Equivalents

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Cash on Hand	73.29	61.48
Balances with Banks		
In Current Accounts	4,124.36	4,401.79
In Cash Credit Accounts	37.99	459.70
In Overdraft Accounts	0.00	14.19
Fixed Deposit	-	5,305.83
Total	**4,235.64**	**10,242.99**

3. Bank Balances other than Cash & Cash Equivalents

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments*	8,210.30	7,406.87
Fixed Deposit (having Maturity More than 3 Months	1,081.95	3,827.06
Total	**9,292.25**	**11,233.93**

*Other bank balance with bank includes deposits under lien aggregating to ₹ 8210.30 lakhs (P.Y. ₹ 7406.87 lakhs) i.e. under lien for overdraft facilities aggregating to ₹ 2130.69 lakhs (P.Y. ₹ 3726.41 lakhs), under lien for Borrowings aggregating to ₹ 5982.17 lakhs (P.Y. ₹ 3525.66 lakhs), under lien for PTC Arrangements aggregating to NIL (P.Y. NIL) and under lien for Business Correspondent purposes aggregating to Rs 97.44 Lakhs (PY ₹ 154.80 lakhs)

4. Receivables

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Other Receivable (Receivables considered good - unsecured)	20.87	17.12
Total	**20.87**	**17.12**

No other receivable are due from directors or other officers of the Company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

4.1 Other Receivables Ageing Schedule

As at Mar 31, 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 Months	6 Months to 1 year	1-2 Years	2-3 years	More than 3 Years
Undisputed trade receivables – considered good	20.87	-	-	-	-
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
Undisputed trade receivable – credit impaired	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

As at Mar 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 Months	6 Months to 1 year	1-2 Years	2-3 years	More than 3 Years
Undisputed trade receivables – considered good	17.12	-	-	-	-
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
Undisputed trade receivable – credit impaired	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

5. Loans

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Loans - Amortised cost		
Term Loans	1,48,897.34	1,12,740.64
Others		
Retained interest under direct assignments	1,356.14	1,283.66
Total Gross	**1,50,253.49**	**1,14,024.30**
Less: Impairment loss allowance	(2,243.88)	(1,333.15)
Total Net	**1,48,009.61**	**1,12,691.15**

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
(A)		
Term Loans		
Secured by tangible/intangible assets		
Total Gross	1,43,832.01	1,12,560.42
Less: Impairment loss allowance	(2,202.48)	(1,302.87)
Total Net	**1,41,629.52**	**1,11,257.55**
Unsecured		
Total Gross	**6,421.48**	**1,463.88**
Less: Impairment loss allowance	(41.40)	(30.28)
Total Net	6,380.08	1,433.59
(B)		
Loans in India		
Public Sector	-	-
Others	1,50,253.49	1,14,024.30
Loans Outside India	-	-
Total Gross	**1,50,253.49**	**1,14,024.30**
Less: Impairment loss allowance	(2,243.88)	(1,333.15)
Total Net	**1,48,009.61**	**1,12,691.15**

5.1 Secured Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or hypothecation of Vehicle/Book Debts and other current assets.

5.2 The company has given impairment assessment and measurement approach in note no. 1

5.3 The company has defined risk assessment model in note no. 54

5.4 During the FY 25-26 there is no retained interest in Loans as part in Direct Assignment done before Date of Transition i.e. Apr 1, 2019

5.5 The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are (a) repayable on demand or (b) without specifying any terms or period of repayment.

5.6 Summary of loans by stage distribution

Particulars	As at Mar 31, 2026			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,42,391.89	4,659.06	3,202.54	1,50,253.49
Less: Impairment loss allowance	560.24	100.65	1,583.00	2,243.89
Net carrying amount	1,41,831.65	4,558.41	1,619.54	1,48,009.60

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	As at Mar 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,08,647.30	4,158.68	1,218.33	1,14,024.30
Less: Impairment loss allowance	494.24	166.55	672.36	1,333.15
Net carrying amount	1,08,153.06	3,992.12	545.97	1,12,691.14

5.7 An analysis of change in the gross carrying amount of loans and corresponding ECL allowance with respect to the all asset classes have been explained below:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at Apr 1, 2025	1,08,647.30	4,158.68	1,218.33	1,14,024.30
New assets originated or increase in existing assets	71,206.86	535.01	1,236.76	72,978.63
Assets Closed or repaid	(31,648.49)	(1,701.71)	(153.22)	(33,503.41)
Transfers from Stage 1	(5,902.01)	4,189.65	1,712.36	-
Transfers from Stage 2	1,464.40	(1,555.29)	90.88	-
Transfers from Stage 3	260.93	17.16	(278.10)	-
Sold to ARC	(1,635.96)	(974.29)	(182.82)	(2,793.07)
Write offs	(1.13)	(10.15)	(441.67)	(452.96)
As at Mar 31, 2026	**1,42,391.89**	**4,659.06**	**3,202.54**	**1,50,253.49**

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at Apr 1, 2024	78,013.74	3,422.20	597.12	82,033.05
New assets originated or increase in existing assets	62,146.90	822.41	260.41	63,229.72
Assets Closed or repaid	(27,063.39)	(1,223.64)	(75.13)	(28,362.16)
Transfers from Stage 1	(4,166.57)	3,406.66	759.91	-
Transfers from Stage 2	893.97	(1,010.24)	116.27	-
Transfers from Stage 3	66.27	22.43	(88.70)	-
Sold to ARC	(1,231.44)	(1,161.68)	(61.34)	(2,454.46)
Write offs	(12.19)	(119.46)	(290.22)	(421.86)
As at Mar 31, 2025	**1,08,647.30**	**4,158.68**	**1,218.33**	**1,14,024.30**

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2025	494.24	166.55	672.36	1,333.15
New assets originated or increase in existing assets	281.38	59.84	1,496.23	1,837.46
Assets Closed or repaid	(361.33)	(68.75)	(103.91)	(533.99)
Transfers from Stage 1	(33.78)	24.51	9.27	-
Transfers from Stage 2	64.64	(67.73)	3.08	-
Transfers from Stage 3	122.61	8.87	(131.48)	-
Sold to ARC	(7.51)	(22.27)	(89.98)	(119.76)
Write offs	(0.01)	(0.39)	(272.58)	(272.98)
As at Mar 31, 2026	**560.24**	**100.65**	**1,583.00**	**2,243.88**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2024	111.22	72.99	324.97	509.18
New assets originated or increase in existing assets	279.84	130.86	642.62	1,053.32
Assets Closed or repaid	72.78	(36.25)	(42.77)	(6.23)
Transfers from Stage 1	(14.93)	13.41	1.51	-
Transfers from Stage 2	18.70	(19.84)	1.14	-
Transfers from Stage 3	28.36	17.39	(45.75)	-
Sold to ARC	(1.52)	(8.70)	(34.07)	(44.29)
Write offs	(0.23)	(3.31)	(175.30)	(178.84)
As at Mar 31, 2025	**494.24**	**166.55**	**672.36**	**1,333.15**

6. Investments

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
At fair value through profit and loss account		
Investment in Mutual Funds/AIF/ULIP	91.71	65.22
Investment in Debt securities	11,023.47	-
Security Receipts of ARC	4,776.09	2,862.18
Gross (A)	**15,891.27**	**2,927.41**
Investments outside India	-	-
Investments in India	15,891.27	2,927.41
Gross (B)	**15,891.27**	**2,927.41**
Security Receipts of ARC	4,776.09	2,862.18
Mutual fund units	10.21	8.63
Investment in Debt securities	11,023.47	-
Investment in AIF	-	-
Investment in Equity Oriented Fund-ULIP	81.50	56.59
Gross (C)	**15,891.27**	**2,927.41**
Total (A) to tally with (B) & (C)		
Less: Allowance for Impairment loss (D)	-	-
Total Net D = (A) -(C)	**15,891.27**	**2,927.41**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

7. Other Financial Asset - At amortised cost

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Security Deposit	57.26	51.04
Balances with Payment Aggregators	36.85	38.91
TDS Receivable from NBFC/FI`s	1.34	9.48
Commision from BC transaction	3.68	5.64
Receivables on Assigned Loans	1,793.00	2,080.51
Total Gross	**1,892.13**	**2,185.58**
Less: Impairment loss allowance	(39.60)	(4.07)
Total	**1,852.53**	**2,181.51**

8. Deferred Tax Assets (Net)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Deferred Tax Assets, on account of		
Depreciation and Amortisation	21.44	19.53
Provision for Employee benefits	67.33	39.10
Expected Credit Loss (ECL)	469.83	254.55
Lease Liability	57.80	55.52
Effect of change in accounting policy	63.86	71.57
IPO Expenses - SOCIE	188.79	-
EIR Unamortised- Loan Asset	148.06	101.86
Total(A)	**1,017.11**	**542.13**
Deferred Tax Liabilities, on account of		
Upfront Interest Income on assignment transaction	451.26	523.62
Right of Use Asset	52.62	53.36
Unrealised Gain on Investments	129.07	84.35
Effect of ARC(Securtisation)	(37.64)	10.45
Total(B)	**595.30**	**671.79**
Net Deferred Tax Assets (A) - (B)	**421.80**	**(129.67)**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

8. Property, Plant & Equipment

As at Mar 31, 2026

Particulars	Freehold Land	Office and Guest House	Computers & Peripherals	Furniture & Fixtures	Vehicles	Office Equipment	Computer Server	Leasehold Improvements	Electric Equipments	Right of Use (ROU) Asset	Total
Gross Block											
As at Apr 1, 2025	296.76	543.69	246.86	206.79	219.72	66.98	2.69	17.66	-	301.84	1,902.99
Addition During the Year	326.45	8.20	61.76	28.49	151.93	14.61	8.12	-	12.64	43.78	655.98
Deduction/Adjustments during the year	-	-	-	-	(28.18)	-	-	-	-	-	(28.18)
Reclassified to/ from held for sale	-	-	-	-	-	-	-	-	-	-	-
As at Mar 31, 2026	**623.21**	**551.89**	**308.62**	**235.28**	**343.47**	**81.59**	**10.81**	**17.66**	**12.64**	**345.62**	**2,530.79**
Accumulated Depreciation/ Amortisation											-
Up to Apr 1, 2025	-	69.55	195.46	121.01	104.34	44.31	1.71	0.44		89.82	626.64
For the Year	-	23.13	53.37	26.12	57.56	13.65	1.64	1.77	0.09	46.72	224.05
Adjustments during the year	-	-	-	-	(26.44)	-	-	-	-	-	(26.44)
As at Mar 31, 2026	**-**	**92.68**	**248.83**	**147.13**	**135.46**	**57.96**	**3.35**	**2.21**	**0.09**	**136.54**	**824.25**
Net Block											-
As at Mar 31, 2026	**623.21**	**459.21**	**59.79**	**88.15**	**208.01**	**23.63**	**7.46**	**15.45**	**12.55**	**209.08**	**1,706.54**
As at Mar 31, 2025	**296.76**	**474.14**	**51.40**	**85.78**	**115.38**	**22.67**	**0.98**	**17.22**	**-**	**212.02**	**1,276.35**

As at Mar 31, 2025

Particulars	Freehold Land	Office and Guest House	Computers & Peripherals	Furniture & Fixtures	Vehicles	Office Equipment	Computer Server	Leasehold Improvements	Electric Equipments	Right of Use (ROU) Asset	Total
Gross Block											
As at Apr 1, 2024	296.76	543.69	191.10	179.07	133.39	51.21	2.69	-	-	158.74	1,556.65
Addition During the Year	-	-	55.76	27.72	86.33	17.27	-	17.66	-	147.55	352.29
Deduction/Adjustments during the year	-	-	-	-	-	(1.50)	-	-	-	(4.45)	(5.95)
Reclassified to/ from held for sale	-	-	-	-	-	-	-	-	-	-	-
As at Mar 31, 2025	**296.76**	**543.69**	**246.86**	**206.79**	**219.72**	**66.98**	**2.69**	**17.66**	**-**	**301.84**	**1,902.99**
Accumulated Depreciation/ Amortisation											-
Up to Apr 1, 2024	-	45.28	143.36	96.23	75.13	31.89	1.07	-	-	56.46	449.42
For the Year	-	24.27	52.10	24.78	29.21	13.26	0.64	0.44	-	33.36	178.06
Adjustments during the year	-	-	-	-	-	(0.84)	-	-	-	-	(0.84)
As at Mar 31, 2025	**-**	**69.55**	**195.46**	**121.01**	**104.34**	**44.31**	**1.71**	**0.44**	**-**	**89.82**	**626.64**
Net Block											-
As at Mar 31, 2025	**296.76**	**474.14**	**51.40**	**85.78**	**115.38**	**22.67**	**0.98**	**17.22**	**-**	**212.02**	**1,276.35**
As at Mar 31, 2024	**296.76**	**498.41**	**47.74**	**82.84**	**58.26**	**19.32**	**1.62**	**-**	**-**	**102.28**	**1,107.23**

9.1 During the F.Y 2025-26 and P.Y 2024-25 the Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets).

9.2 The Company has elected to include ROU assets pertaining to lease of buildings as part of the property, plant and equipment as permitted under paragraph 50 of Ind AS 116.

9.3 Details of immovable properties , whose title deeds have been pledged in favour of SBI Bank as security against Secured Term loan has been explained in note 17.

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

10. Capital Work in progress(CWIP)

As at Mar 31, 2026

Particulars	PPE	Total
As at Apr 1, 2025	-	-
Addition During the Year	3.00	3.00
Capitalisation during the Year	3.00	3.00
As at Mar 31, 2026	-	-

As at Mar 31, 2025

Particulars	PPE	Total
As at Apr 1, 2024	-	
Addition During the Year	-	-
Capitalisation during the Year	-	-
As at Mar 31, 2025	-	-

11. Intangible Assets under Development

As at Mar 31, 2026

Particulars	Software	Total
As at Apr 1, 2025	4.98	4.98
Addition During the Year	2.36	2.36
Capitalisation/Deletion during the Year	4.97	4.97
As at Mar 31, 2026	**2.37**	**2.37**

As at Mar 31, 2025

Particulars	Software	Total
As at Apr 1, 2024	7.63	7.63
Addition During the Year	9.61	9.61
Capitalisation/Deletion during the Year	12.26	12.26
As at Mar 31, 2025	4.98	4.98

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

11.1 Intangible Assets under Development ageing schedule

Intangible Assets under Development	To be completed in				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
As at Mar 31, 2026					
Audit App Cash Management	1.01		-	-	1.01
Website Development	1.36		-	-	1.36
As at Mar 31, 2025					-
Customer App		2.87			2.87
Audit App Cash Management	0.35	-	-	-	0.35
Customer complaint portal development.	0.94		-	-	0.94
Website Devlopment	0.82	-	-	-	0.82

12. Intangible Assets

As at Mar 31, 2026

Particulars	Software	Total
Gross Block		
As at Apr 1, 2025	40.44	40.44
Addition During the Year	4.97	4.97
Deduction/Adjustments during the year	-	-
As at Mar 31, 2026	**45.41**	**45.41**
Accumulated Depreciation/Amortisation		
Up to Apr 1, 2025	32.58	32.58
For the Year	5.22	5.22
Adjustments during the year	-	-
As at Mar 31, 2026	**37.80**	**37.80**
Net Block		
As at Mar 31, 2026	**7.61**	**7.61**
As at Mar 31, 2025	**7.86**	**7.86**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

As at Mar 31, 2025

Particulars	Software	Total
Gross Block		
As at Apr 1, 2024	24.54	24.54
Addition During the Year	15.86	15.86
Deduction/Adjustments during the year	0.04	0.04
As at Mar 31, 2025	**40.44**	**40.44**
Accumulated Depreciation/Amortisation		
Up to Apr 1, 2024	20.59	20.59
For the Year	11.99	11.99
Adjustments during the year	-	-
Total up to Mar 31, 2025	32.58	32.58
Net Block		
As at Mar 31, 2025	**7.86**	**7.86**
As at Mar 31, 2024	3.95	3.95

12.1 During the FY 2025-26 and FY 2024-25 the Company has not revalued its Intangible assets.

During the FY 2025-26 and FY 2024-25 Audit cash management app, Customer App, Customer complaint portal development has been internally developed by one of the employee therefore, as per INDAS 38 ""Intangible Assets"" mobile application has been valued at cost of genarating asset i.e. gross salary of employee.

13. Title deeds of all the immovable properties of the company (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 except following:

Relevant line item in the Balance sheet*	Description of item of property	Carrying value	Title deeds held in the name of	Whether title deed holder is a 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 company
As at Mar 31, 2026						
PPE	Building details-Plot no 2, DFL Gopinath Marg MI Road Jaipur (Floor - 1st, 2nd and 3rd)	2698333/-	Deepak Baid	Managing Director	01-04-2011	Property was being used for carrying the business in the name of Deepak Finance and Leasing Company by Deepak Baid as a proprietor firm, but in April 01,2011 firm converted into company and all fixed assets of the firm vested in Laxmi India Finleasecap Pvt Ltd., but at that time for this property the Title was not transferred in the name of the company, Now the company is in process for transfer the title on its name
Investment property	Nil	Nil	Nil	Nil	Nil	Nil
others	Nil	Nil	Nil	Nil	Nil	Nil

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Relevant line item in the Balance sheet*	Description of item of property	Carrying value	Title deeds held in the name of	Whether title deed holder is a 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 company
As at Mar 31, 2025						
PPE	Building details-Plot no 2, DFL Gopinath Marg MI Road Jaipur (Floor - 1st, 2nd and 3rd)	28,36,469/-	Deepak Baid	Managing Director	01-04-2011	Property was being used for carrying the business in the name of Deepak Finance and Leasing Company by Deepak Baid as a proprietor firm, but in April 01,2011 firm converted into company and all fixed assets of the firm vested in Laxmi India Finleasecap Pvt Ltd., but at that time for this property the Title was not transferred in the name of the company, Now the company is in process for transfer the title on its name
Investment property	Nil	Nil	Nil	Nil	Nil	Nil
others	Nil	Nil	Nil	Nil	Nil	Nil

14. Other Non-Financial Assets

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Sales Tax Refundable	0.88	0.88
Other Tax Assests	10.13	23.65
Deposits with Govt authorities against Litigation	0.03	0.03
Prepaid Expenses	78.77	42.91
Advance for Expense	147.58	150.85
Staff Advance	37.58	24.75
Unamortised share issue expenses	25.49	314.09
Capital Advances*	-	75.75
Advance for CSR activity	2.89	1.02
Total	**303.36**	**633.94**

*The company have Capital commitment towards contracts remaining to be executed on capital account (net of advances) of Rs 224.25 lakh against tangible asset in FY 2024-25 and in current year FY 2025-26, contract is executed and Property recognised as capital assets.

15. Trade Payables

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Trade payables*	154.62	194.82
Others Payables*	131.83	134.60
Total	**286.45**	**329.42**

*Refer Note 15.2 for Ageing Schedule

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) , the relevant particulars as at the year-end are furnished below:

15.1

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	2.61	2.61
Principal amount due to Micro and small enterprises	2.61	2.61
Interest due on above but not claimed by the parties	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the year 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 MSMED Act 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.This has been relied upon by Auditors.	-	-

15.2 Payables Ageing schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at Mar 31, 2026					
Trade Payable					
(i) MSME	-	-	-	-	-
(ii) Others	149.20	2.81	-	-	152.01
(iii) Disputed dues – MSME	-	2.61	-	-	2.61
(iv)Disputed dues - Others	-	-	-	-	-
Total	**149.20**	**5.42**	**-**	**-**	**154.62**

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at Mar 31, 2026					
Others Payable					
(i) MSME	-	-	-	-	-
(ii) Others	131.83	-	-	-	131.83
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	**131.83**	**-**	**-**	**-**	**131.83**
As at Mar 31,2025					
Trade Payable					
(i) MSME	-	-	-	-	-
(ii) Others	192.21	-	-	-	192.21
(iii) Disputed dues – MSME	-	2.61	-	-	2.61
(iv)Disputed dues - Others	-	-	-	-	-
Total	**192.21**	**2.61**	**-**	**-**	**194.82**
As at Mar 31,2025					
Others Payable					
(i) MSME	-	-	-	-	-
(ii) Others	134.60	-	-	-	134.60
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
Total	**134.60**	**-**	**-**	**-**	**134.60**

16. Debt Securities-At Amortised Cost

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Secured		
Non Convertible Debentures	6,156.10	2,738.55
Total	**6,156.10**	**2,738.55**
Debt securities in India	6,156.10	2,738.55
Debt securities outside India	-	-
Total	**6,156.10**	**2,738.55**

Nature of Security

16.1 All secured listed non-Convertible Debentures of the Company including those issued during year ended March 31, 2026, are secured by first and exclusive charge on receivables of the Company by way of hypothecation to the extent of minimum 100% or higher of the amount outstanding and the Personal Guarantee of Deepak Baid, Aneesha Baid and Prem Devi Baid as

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

stated in Information Memorandum and key information document. Further, the Company has maintained asset cover as stated in the offer document which is sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.

16.2 Details Of Redeemable Non-Convertible Debentures (₹ in lakhs)

ISIN No.	Date of allotment	Date of Final redemption	Total number of debentures	Coupon Rate	As at Mar 31, 2025	As at Mar 31, 2026
INE06WU07031 (Face Value Rs. 10 Lacs each)	19.11.2020	19.05.2022	50.00	11.50%	-	-
INE06WU07023 (Face Value Rs. 10 Lacs each)	04.09.2020	21.04.2023	100.00	11.50%	-	-
INE06WU07015 (Face Value Rs. 10 Lacs each)	14.07.2020	14.07.2023	50.00	11.50%	-	-
INE06WU07049 (Face Value Rs. 1 Lacs each)	31.03.2021	30.06.2023	2,000.00	13.75%	-	-
INE06WU07056 (Face Value Rs. 1 Lacs each)	02.06.2022	02.04.2025	1,000.00	15.04%	-	506.59
INE06WU07064 (Face Value Rs. 1 Lacs each)	28.06.2024	28.06.2027	3,000.00	11.49%	1,244.31	2,231.96
INE06WU07072 (Face Value Rs. 10 thousand each)	24.02.2026	24.02.2029	50,000.00	10.50%	4,911.79	-
Additional	-	-	-	-	-	-
Total				**6,156.10**		**2,738.55**

16.3 Term of Repayment Of secured privately placed Non-Convertible Debenture (₹ in lakhs)

Maturity Schedule	Interest Rate Range		Carrying Amount	
	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025
Maturity Within One Year	10.50%-11.49%	11.49%-15.04%	2,639.03	1,499.99
Maturity between 1 to 3 Year	10.50%-11.49%	11.49%-15.04%	3,517.06	1,238.56
Maturity between 3 to 5 Year	10.50%-11.49%	11.49%-15.04%	-	-
Maturity in more than 5 Year	10.50%-11.49%	11.49%-15.04%	-	-
Total			**6,156.10**	**2,738.55**

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

17. Borrowings (Other than Debt Securities)-At Amortised Cost

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Secured		
Term loans		
(i) From Banks	88,055.04	67,624.12
(ii) From Financial Institutions/NBFC	38,388.24	41,861.67
Others		
Associated liabilities in respect of Co-Lending Transaction - secured	16.43	31.04
Associated liabilities in respect of Business Correspondent Transaction - secured	-	-
Loans Repayable on demand		
Cash Credit from Banks	-	-
Overdraft Credit from Banks	0.84	-
Unsecured		
Term Loan		
Loans from Directors and Related parties	-	-
Loans from others	318.42	656.06
Total (A)	**1,26,778.97**	**1,10,172.89**
Borrowings in India	1,26,778.97	1,10,172.89
Borrowings outside India	-	-
Total (B)	**1,26,778.97**	**1,10,172.89**

17.1 Term of Repayment Of Borrowings Outstanding

Maturity Schedule	Interest Rate Range		Carrying Amount	
	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025
a) Term Loans from Banks - Secured				
Maturity Within One Year	7.55% - 13.25%	7.70% - 14.25%	33,323.18	21,157.13
Maturity between 1 to 3 Year	7.55% - 13.25%	7.70% - 14.25%	44,382.53	29,438.70
Maturity between 3 to 5 Year	7.55% - 13.25%	7.70% - 14.25%	10,345.00	17,017.81
Maturity in more than 5 Year	7.55% - 13.25%	7.70% - 14.25%	4.34	10.49
Total			**88,055.05**	**67,624.13**
b) Term Loans from NBFC/FI's- Secured				
Maturity Within One Year	8.02% - 13.50%	8.02% - 14.50%	18,730.48	17,843.79
Maturity between 1 to 3 Year	8.02% - 13.50%	8.02% - 14.50%	19,264.27	23,265.23
Maturity between 3 to 5 Year	8.02% - 13.50%	8.02% - 14.50%	393.48	752.66
Maturity in more than 5 Year	8.02% - 13.50%	8.02% - 14.50%	-	0.00
Total			**38,388.24**	**41,861.68**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Maturity Schedule	Interest Rate Range		Carrying Amount	
	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025
c) Term Loans from Related Parties- Unsecured				
Maturity Within One Year	-	-	-	-
Maturity between 1 to 3 Year	-	-	-	-
Maturity between 3 to 5 Year	-	-	-	-
Maturity in more than 5 Year	-	-	-	-
Total	**-**	**-**	**-**	**-**
d) Term Loans from Other than Related Parties- Unsecured				
Maturity Within One Year	11.90% - 11.90%	11.90% - 11.90%	318.42	341.18
Maturity between 1 to 3 Year	11.90% - 11.90%	11.90% - 11.90%	-	314.88
Maturity between 3 to 5 Year	11.90% - 11.90%	11.90% - 11.90%	-	-
Maturity in more than 5 Year	11.90% - 11.90%	11.90% - 11.90%	-	-
Total			**318.42**	**656.06**
E) Associated liabilities in respect of Co-Lending Transaction - secured				
Maturity Within One Year	12.90%	12.90%	5.20	6.26
Maturity between 1 to 3 Year	12.90%	12.90%	10.29	17.48
Maturity between 3 to 5 Year	12.90%	12.90%	0.94	7.29
Maturity in more than 5 Year	12.90%	12.90%	-	-
Total			**16.43**	**31.03**
f) Loans Repayable on Demand				
Maturity Within One Year	8.75% - 11.35%	0.00%	0.84	-
Maturity between 1 to 3 Year	-	-	-	-
Maturity between 3 to 5 Year	-	-	-	-
Maturity in more than 5 Year	-	-	-	-
Total			**0.84**	**-**

17.2 Nature of Security

1. Secured term loans from banks amounting to Rs. 87,899.31 lakhs (FY25 Rs 67563.43 Lakhs). The loans are having tenure of 3 to 7 years from the date of disbursement and are repayable in both monthly and quarterly installments. Those loan are secured by hypothecation(exclusive charge) of the loans given by the Company and Personal Guarantee of Directors and Corporate Guarantee of Starpoint Constructions Pvt Ltd, Hirak Vinimay Pvt Ltd, Deepak Hitech Motors Private Limited & Dreamland Buildmart Private Limited. Loan sanctioned by State bank of India is further secured by hard collateral in the form of property.

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

2. Secured term loans from banks amounting to Rs.155.74 lakhs (FY25 Rs 60.70 Lakhs). The loans are having tenure of 3 to 7 years from the date of disbursement and are repayable in monthly installments. Those loan are secured by hypothecation (exclusive charge) of vehicle owned by the Company and personal guarantee of directors.

3. Secured term loans from NBFC/FIs amount to Rs. 38,355.52 lakhs (FY25 Rs 41820.97 Lakhs). The loans are having tenure of 3 years to 5 years from the date of disbursement and are repayable in both monthly and quarterly installments. Those loan are secured by hypothecation (exclusive charge) of the loans given by the Company and Personal Guarantee of Directors and Corporate Guarantee of Starpoint Constructions Pvt Ltd, Hirak Vinimay Pvt Ltd, Deepak Hitech Motors Private Limited and Prem Dealers Private Limited.

4. Secured term loans from NBFC/FIs amount to Rs. 32.71 lakhs (FY25 Rs 40.71 Lakhs). The loans are having tenure of 5 years from the date of disbursement and are repayable in monthly installments. Those loan are secured by hypothecation(exclusive charge) of vehicle owned by the Company.

5. Overdraft borrowings from the bank amounting to Rs. 0.84 lakhs (FY25 Rs 0.00 Lakh) are secured by the company, are repayable on demand and carry an interest as Interest Spread of 0.60% over and above Interest Rate on Underliened Fixed Deposit.

6. Cash Credit from the bank amounting to Rs. 0.00 lakhs (FY25 Rs. 0.00 Lakhs) are secured by the company, are repayable on demand and carry an interest ranging between 11.15% to 12.50%. Those cash credits are secured by hypothecation(exclusive charge) of the loans given by the Company and Personal Guarantee of Directors.

7. Associated liabilities in respect of Co-Lending Transaction represents amounts received in respect of Co-Lending Transaction(net of repayments and investment therein) as these transactions do not meet the derecogniton criteria specified under IND AS. These are secured by way of hypothecation of designated loans assets receivables.

17.3 The company has no default in the repayment of dues to its lenders

17.4 The company has used all the borrowings from banks and financial institutions for the specific purpose for which it was taken , except temporary deployment pending application of proceeds during the period/year ended on March 31, 2026 and March 31, 2025.

17.5 In regard to Borrowings from banks or financial institutions on the basis of security of current assets, :

a) Quarterly returns/statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts,

b) since above point (a) is affirmative, hence summary of reconciliation and reasons of material discrepancies is not applicable.

17.6 The Company has not been declared as Wilful Defaulter during the period/year ended on March 31, 2026 and March 31, 2025.

Notes
Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

18. Subordinated Liabilities

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
At Amortised Cost		
Unsecured		
Term Loan		
Loans from others	796.13	794.87
Total (A)	**796.13**	**794.87**
Borrowings in India	796.13	794.87
Borrowings outside India	-	-
Total	**796.13**	**794.87**

18.1 Term of Repayment Of Subordinated Liabilities

Maturity Schedule	Interest Rate Range		Carrying Amount	
	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025
d) Term Loans from Other than Related Parties- Unsecured				
Maturity Within One Year	16.00%-16.00%	16.00%-16.00%	0.95	0.95
Maturity between 1 to 3 Year	16.00%-16.00%	16.00%-16.00%	795.18	-
Maturity between 3 to 5 Year	16.00%-16.00%	16.00%-16.00%	-	793.93
Maturity in more than 5 Year	16.00%-16.00%	16.00%-16.00%	-	-
Total			**796.13**	**794.87**

19. Other Financial Liabilities

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Audit Fees Payable	8.00	9.20
Sum Accrued but not Due for Direct Assignment/Securitisation	471.72	649.37
Lease Liability	229.68	220.59
Total	**709.39**	**879.17**

20. Current Tax Liabilities

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Provision for Taxation (Net of Advance Tax)	28.70	61.05
Provision for Taxation (Earlier Years)	6.38	6.38
Total	**35.08**	**67.43**

Notes
Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

21. Provisions

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
For Employee Benefits		
Gratuity	267.52	155.34
For others		
Provision for CSR Unspent amount	-	-
Provision for ECL	1.88	0.39
Total	**269.40**	**155.73**

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 51

21.1 Movement of Provisions

Particulars	Provision for ECL
As at Apr 1, 2025	0.39
Add: Provision Addition/(Deletion) during the year	1.49
Less: Sum Paid during the year	-
Closing at Mar 31, 2026	**1.88**
As at Apr 1, 2024	0.80
Add: Provision Addition/(Deletion) during the year	(0.41)
Less: Sum Paid during the year	-
Closing at Mar 31, 2025	**0.39**

22. Other Non-Financial Liabilities

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Statutory Dues Payable	187.38	194.50
Stamp Duty Payable	11.71	0.48
Total	**199.09**	**194.98**

23. Equity Share Capital

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Authorised		
6,00,00,000 Equity Shares of par value ₹ 5/- Each	3,000.00	3,000.00
Issued, Subscribed and Fully Paid Up and Partly Paid Up	2,613.39	2,090.72
Equity Shares of ₹ 5/- Each fully Paid up	2613.39	2090.72
Total	**2,613.39**	**2,090.72**

Notes

Forming Part of Financial Statements (Contd.)

(a) The Reconciliation of the Number of Shares Outstanding and the amount of Share Capital:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	4,18,14,300	1,98,62,788
Fresh share issued during the year (IPO)*	1,04,53,575	2,19,51,512
Shares outstanding at the end of the year	**5,22,67,875**	**4,18,14,300**

*During the year ended 31 March 2026, the Company has completed an Initial Public Offer ("IPO") of 1,60,92,195 equity shares of face value of INR 5 each at an issue price of INR 158 per equity share (INR 153 per equity share premium), comprising of offer for sale of 56,38,620 equity shares by selling shareholders and fresh issue of 1,04,53,575 equity shares. The equity share of the company were listed on Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 5th August 2025.

* Change in number of shares during the year include issue of 10,44,362(before split) right shares and share split impact of opening shares and right issue during the year FY 2024-25

(b) Rights, Preferences and Restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each shareholder is entitled to one vote per equity share.

The Board of Directors of the Company in its meeting held on November 13 2024 and approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share and the Shareholder in their General Meeting held on November 16 2024 also approved the sub-division of shares.

The Company had formulated and implemented a policy i.e. Laxmi India Finance Private Limited Employee Stock Option Plan 2023 approved by the shareholders on August 12, 2023 which was amended and replaced by Laxmi India Finance Limited Employee Stock Option Plan 2023 by the shareholders on November 29, 2024. The Nomination and Remuneration Committee (NRC) of the Board of Directors of the Company, inter alia, administers and monitors the Plan in accordance with the provisions of Companies Act, 2013 and rules made thereunder. The company has granted ESOP options, and the grant date is October 01, 2024.

(c) Details of shares in respect of each class in the company held by its holding company or its ultimate holding company

No Holding company of the company.

(d) Details of Shareholders holding more than 5% shares in the Company:

Particulars	As at Mar 31, 2026		As at Mar 31, 2025	
	No. of Shares held	% of holding	% of holding	No. of Shares held
Hirak Vinimay Private Limited	2,17,48,484	41.61%	52.01%	2,17,48,484
Deepak Hitech Motors Private Limited	26,21,082	5.01%	6.70%	28,01,082
Deepak Baid	43,00,000	8.23%	17.66%	73,84,952
Aneesha Baid	10,00,000	1.91%	5.41%	22,61,902

Notes

Forming Part of Financial Statements (Contd.)

(e) Numbers of shares reserved of shares options

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Equity Shares of ₹ 5/- Each fully Paid up		
Numbers of shares reserved of shares options	**7,24,182.00**	**7,50,556.00**

(f) Shareholding of Promoters

Promoter name	As at Mar 31, 2026			As at Mar 31, 2025		
	No. of Shares	% of total share	% Change during the year*	No. of Shares	% of total share	% Change during the year
1. Prem Devi Baid	5,00,000	0.96%	-64.62%	14,13,070	3.38%	0.00%
2. Deepak Baid	43,00,000	8.23%	-41.77%	73,84,952	17.66%	-2.80%
3. Aneesha Baid	10,00,000	1.91%	-55.79%	22,61,902	5.41%	-2.29%
4. Vivan Baid Family Trust (Through Its Trustee Deepak Baid And Aneesha Baid)	14,400	0.03%	0.00%	14,400	0.03%	0.00%
5. Hirak Vinimay Private Limited	2,17,48,484	41.61%	0.00%	2,17,48,484	52.01%	0.00%
6. Deepak Hitech Motors Private Limited	26,21,082	5.01%	-6.43%	28,01,082	6.70%	-5.02%
7. Prem Dealers Private Limited	9,89,114	1.89%	-8.34%	10,79,114	2.58%	-0.02%
Total	**3,11,73,080**	**59.64%**		**3,67,03,004**	**87.78%**	

* Percentage change during the year include offer for sale by promotors. Calculation % change during the year based on the number of share

24. Other Equity

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Securities Premium	26,117.26	10,989.21
Retained Earnings	14,031.37	10,058.93
Share option outstanding account	105.88	41.03
Impairment Reserve	77.03	77.03
Statutory Reserve u/s 45-IC of RBI Act, 1934	3,527.37	2,532.22
Capital reserve (Gain on Bargain Purchase)	75.06	-
Total	**43,933.96**	**23,698.42**

Nature, Purpose and Movement of Reserves

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

(i) Securities Premium

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
At the beginning and end of the year	10,989.21	9,109.36
Add : Additions during the year	15,993.97	1,879.85
Less: Capital Expenditures	(865.92)	-
At the end of the year	**26,117.26**	**10,989.21**

(ii) Retained Earnings

Retained earnings or accumulated surplus represents total of all profits retained since the Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, or any such other appropriations to specific reserves.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
At the beginning of the year	10,058.93	7,188.00
Add : Change in accounting policy or prior period error	-	-
Add : Profit/(Loss) for the year	4,975.74	3,600.44
Add: Other Comprehensive Income	(8.15)	(9.42)
Less: Capital Expenditures	-	-
Less: Transfer to Impairment Reserves	-	-
Less: Transfer to Statutory Reserves	(995.15)	(720.09)
At the end of the year	**14,031.37**	**10,058.93**

(iii) Share option Outstanding

The Company had formulated and implemented a policy i.e. Laxmi India Finance Private Limited Employee Stock Option Plan 2023 approved by the shareholders on August 12, 2023 which was amended and replaced by Laxmi India Finance Limited Employee Stock Option Plan 2023 by the shareholders on November 29, 2024. The Nomination and Remuneration Committee (NRC) of the Board of Directors of the Company, inter alia, administers and monitors the Plan in accordance with the provisions of Companies Act, 2013 and rules made thereunder. The company has granted ESOP options and the grant date is October 01, 2024.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Number of share option		
At the beginning of the year	41.03	-
Add : Additions during the year	64.84	41.03
At the end of the year	**105.88**	**41.03**

(iv) Statutory Reserve u/s 45-IC of RBI Act, 1934

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
At the beginning of the year	2,532.22	1,812.13
Add : Change in accounting policy or prior period error	-	-
Add : Additions during the year	995.15	720.09
At the end of the year	**3,527.37**	**2,532.22**

(v) Impairment Reserve

Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs are required to appropriate the difference from their net profit or loss to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' cannot be reckoned for regulatory capital. Further, no withdrawals is permitted from this reserve without prior permission from the Department of Supervision, RBI.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
At the beginning of the year	77.03	77.03
Add : Additions during the year	-	-
At the end of the year	**77.03**	**77.03**

(vi) Capital Reserve (Gain on Bargain Purchase)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
At the beginning of the year	-	-
Add : Additions during the year	75.06	-
At the end of the year	**75.06**	**-**

25. Interest Income (Measured at Amortised Cost)

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
Interest on Loans	28,148.97	21,490.80
Interest from Margin Money deposits/FDR's	1,010.63	831.46
Income on Derecognised (assigned) Loans	752.65	808.98
Total Interest Income	**29,912.25**	**23,131.24**

26. Fees and Commission Income

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
Other Operating Income	1,553.04	1,346.34
Total Income	**1,553.04**	**1,346.34**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

27. Net Gain/(Loss) On Fair Value Changes

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
Net gain/(loss) on financial instruments at fair value through profit and loss (FVTPL)		
investment at FVTPL	237.43	93.68
Total Net gain/(loss) on fair value changes	**237.43**	**93.68**
Analysis of fair value changes		
Realised Gain on Investments	59.78	90.29
Unrealised Gain on Investments	177.65	3.39
Total Net gain/(loss) on fair value changes	**237.43**	**93.68**

28. Other Income

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
Income on Security deposits(rent)	0.72	0.55
Gain on Lease Liabilities	-	0.92
Gain/(Loss) on Disposal of Fixed Assets	7.07	0.84
Other Income from Infra	248.50	216.21
Other Miscellaneous income	-	13.99
Total Other Income	**256.29**	**232.51**

29. Finance Cost

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
Interest on financial liabilities (measured at amortised cost)		
Borrowings	13,475.92	11,353.06
Lease liability	25.05	18.06
Co-Lending Transaction	5.55	6.83
Others		
Bank charges	211.72	79.65
Interest under Income tax Act	15.78	5.14
Loan Processing charges	0.00	0.00
Total Finance cost	**13,734.02**	**11,462.74**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

30. Impairment on Financial Instruments

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
Loan Assets	1,045.74	914.58
Receivables on Assigned Loans(DA)	35.53	(2.37)
Loan Assets Written off (net of recoveries)	324.13	276.85
Total Impairment on financial instruments	**1,405.40**	**1,189.06**

30.1 Loan Assets Written off (net of recoveries)

Loan Assets Written off (Net of recoveries) cover Bad debts recovered	(128.83)	(145.01)
Loan Assets Written off (Net of recoveries) cover Bad debts	452.96	421.86
Total	**324.13**	**276.85**

31. Employee Benefit Expenses

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
Salary, Wages and Reimbursements	6,685.99	5,029.80
Contribution to Provident and other funds	296.67	224.36
Staff Welfare Expenses	77.71	63.01
Staff Conveyance Expenses	22.48	10.05
Gratuity	102.94	34.48
Share based payment to employees	64.84	41.03
Total Employee Benefit Expenses	**7,250.64**	**5,402.73**

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits and Ind AS 102 in respect of share based payment made are in Note 51 and Note 52 respectively.

32. Depreciation and Amortisation Expense

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
Depreciation on Property, Plant & Equipment	224.05	178.06
Amortisation on Intangible Assets	5.22	11.99
Total Depreciation and amortization expense	**229.27**	**190.05**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

33. Other Expenses

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
*Rent, Rates and Taxes	325.38	250.68
Repair and Maintenance	46.52	22.76
Printing & Stationery	55.28	54.54
Business/Sales Promotion	301.34	81.05
Audit Fee	16.35	17.38
**Legal, Professional and Technical Charges	740.36	509.95
Postage, telegram & Telephone	71.88	45.24
CSR Activities Expenses	64.70	46.04
Office & General Expense	162.08	140.11
Donations	2.11	0.62
Collection Expenses	197.73	131.82
Commission	12.68	0.48
Telecommunication Expenses	27.32	25.79
Vehicle Running & Maintenance Expenses	5.67	15.12
Interest and Fee on Direct Tax	4.04	0.66
Electricity Charges & Water Charges	77.16	58.90
Tours & Travelling Expenses	204.98	134.09
RoC Filing Fees	0.75	0.62
Stamp Duty	0.96	4.66
Insurance	43.51	28.13
Staff Training & other HR Related Expenses	17.39	6.44
Software Technical and Maintenance Services	248.54	148.03
Membership Fees	-	0.55
Security Service Expenses	15.29	4.59
Sitting Fees (To Directors)	38.26	27.47
Miscellaneous Expenses	54.69	67.96
Total Other expenses	**2,734.97**	**1,823.68**

*Rent expenses relate to the various short term leases accounted by applying practical expedient under Ind AS 116 - 'Leases'

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

(a) The Payment To Auditors includes:-

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
Audit fees	7.50	7.50
Tax Audit Fees	0.50	0.50
Limited review Fees	6.00	6.00
Reimbursement	0.60	-
Certifications	0.30	2.00
ITC 50% reversed *	1.45	1.38
Sub total (A)	**16.35**	**17.38**
Certification Fees** (included in Legal, Professional and Technical Charges	7.30	8.40
ITC 50% reversed *	0.66	0.76
Sub Total (B)	**7.96**	**9.16**
Total (A+B)	**24.31**	**26.53**

*Option for utilisation of 50% of ITC has been opted, consequently audit fees expense charged to Profit and loss account include 50% GST ITC reversal.

34. Earnings per Share (Ind AS 33)

Particulars	For the period ended Mar 31, 2026	For the period ended Mar 31, 2025
(A) Basic Earnings per share		
(i) Profit attributable to equity shareholders (used as numerator) (₹ lakhs)	4,975.74	3,600.44
(ii) Weighted average number of equity shares (used as denominator) (Nos.)(Nominal Value per share ₹ 5)	487.74	410.25
Basic EPS (i)/(ii)	**10.20**	**8.78**
(B) Diluted Earnings per share		
(i) Profit attributable to equity shareholders (used as numerator) (₹ lakhs)	4,975.74	3,600.44
(ii) Weighted average number of equity shares (used as denominator) (Nos.)(Nominal Value per share ₹ 5)	488.04	410.25
Diluted EPS (i)/(ii)	**10.20**	**8.78**

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up.

Diluted EPS is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

35. Maturity Analysis at Mar 31, 2026 and Mar 31, 2025

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at Mar 31, 2026			As at Mar 31, 2025		
	Amount	within 12 month	after 12 month	Amount	within 12 month	after 12 month
I. ASSETS						
(1) Financial Assets						
(a) Cash and Cash Equivalents	4,235.64	4,235.64	-	10,242.99	10,242.99	-
(b) Bank balance other than Cash and cash equivalents	9,292.25	6,339.61	2,952.65	11,233.93	7,275.37	3,958.56
(c) Receivables	20.87	20.87	-	17.12	17.12	-
(d) Loans	1,48,009.61	47,131.65	1,00,877.96	1,12,691.15	35,979.82	76,711.33
(e) Investments	15,891.27	11,030.70	4,860.57	2,927.41	-	2,927.41
(f) Other Financial Asset	1,852.53	917.88	934.65	2,181.51	1,076.37	1,105.14
Total Financial Asset	**1,79,302.17**	**69,676.35**	**1,09,625.82**	**1,39,294.11**	**54,591.67**	**84,702.44**
(2) Non-financial Assets						
(a) Current tax Assets	34.11	34.11	-	34.62	34.62	-
(b) Deferred tax Assets (Net)	421.80	-	421.80	-	-	-
(c) Property, Plant and Equipment	1,497.46	-	1,497.46	1,064.33	-	1,064.33
(d) Property, Plant and Equipment under development	-	-	-	-	-	-
(e) Right of Use Assets	209.08	-	209.08	212.02	-	212.02
(f) Intangible Assets under development	2.37	-	2.37	4.98	-	4.98
(g) Other Intangible Assets	7.61	-	7.61	7.86	-	7.86
(h) Other non-financial assets	303.36	269.04	34.32	633.94	633.02	0.92
Total Non-financial Assets	**2,475.79**	**303.15**	**2,172.64**	**1,957.74**	**667.64**	**1,290.11**
Total Assets	**1,81,777.96**	**69,979.50**	**1,11,798.46**	**1,41,251.85**	**55,259.31**	**85,992.55**
II. LIABILITIES AND EQUITY						
Liabilities						
(1) Financial Liabilities						
(a) Trade Payables	286.45	286.45	-	329.42	329.42	-
(b) Debt Securities	6,156.10	2,639.03	3,517.06	2,738.55	1,499.99	1,238.56
(c)Borrowings (Other than Debt Securities)	1,26,778.97	52,378.13	74,400.84	1,10,172.89	39,348.36	70,824.53
(d) Subordinated Liabilities	796.13	0.95	795.18	794.87	0.95	793.93
(e)Other Financial Liabilities	709.39	516.44	192.96	879.17	879.17	-
Total Financial Liabilities	**1,34,727.03**	**55,821.00**	**78,906.03**	**1,14,914.90**	**42,057.88**	**72,857.02**

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

Particulars	As at Mar 31, 2026			As at Mar 31, 2025		
	Amount	within 12 month	after 12 month	Amount	within 12 month	after 12 month
(2) Non- Financial Liabilities						
(a) Current Tax Liabilities	35.08	35.08	-	67.43	67.43	-
(b) Provisions	269.40	0.59	268.81	155.73	0.39	155.34
(c) Deferred Tax Liabilities (Net)	-	-	-	129.67	-	129.67
(d) Other non-financial liabilities	199.09	199.09	-	194.98	194.98	-
Total Non- Financial Liabilities	**503.57**	**234.76**	**268.81**	**547.82**	**262.80**	**285.01**
Total Liabilities	**1,35,230.60**	**56,055.76**	**79,174.84**	**1,15,462.72**	**42,320.68**	**73,142.03**
(3) EQUITY						
(a) Equity Share capital	2,613.39	-	2,613.39	2,090.72	-	2,090.72
(b) Other Equity	43,933.96	54.52	43,879.44	23,698.42	14.95	23,683.47
Total Equity	**46,547.36**	**54.52**	**46,492.84**	**25,789.14**	**14.95**	**25,774.19**
Total Equity and Liabilities	**1,81,777.96**	**56,110.28**	**1,25,667.68**	**1,41,251.85**	**42,335.63**	**98,916.22**

36. The Company has not traded or invested in Crypto currency or Virtual Currency during period ending March 31, 2026 and March 31, 2025.

37. The Company held no Benami Property during the period ending March 31, 2026 and March 31, 2025.

38. The Company has no transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

39. 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.

40. Non Compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 : Not Applicable.

41. Disclosure in regard to Compliance with approved Scheme(s) of Arrangements : Not Applicable

42. Utilisation of Borrowed funds and share premium:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries") with the understanding whether recorded in writing or otherwise that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee security or the like on behalf of the Ultimate Beneficiaries

43. There is no any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

44. Disclosure as per Ind AS 7 "Cash Flow Statement"

Cash and non-cash changes in liabilities arising from financing activities:

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

As at Mar 31, 2026

Particulars	Subordinated Liabilities	Unsecured Term Loan	Lease Liabilities	Secured Term Loans	Non Convertible Debentures	Other Loans
As at Apr 1, 2025	**794.87**	**656.06**	**220.59**	**1,09,485.80**	**2,738.55**	**-**
Cash Flows						**-**
Receipts/Payments	1.25	(337.64)	(34.20)	16,957.49	3,417.55	17.27
Non-cash changes						-
Creation of lease liabilities	-	-	43.29	-	-	-
Amortisation of Processing Fees	-	-	-	-	-	-
As at Mar 31, 2026	**796.13**	**318.42**	**229.68**	**1,26,443.28**	**6,156.10**	**17.27**

As at Mar 31, 2025

Particulars	Subordinated Liabilities	Unsecured Term Loan	Lease Liabilities	Secured Term Loans	Non Convertible Debentures	Other Loans
As at Apr 1, 2024	**793.56**	**953.96**	**104.11**	**73,610.63**	**500.21**	**755.06**
Cash Flows						**-**
Receipts/Payments	1.32	(297.90)	(29.08)	35,875.17	2,238.34	(755.06)
Non-cash changes						-
Creation of lease liabilities	-	-	145.57	-	-	-
Amortisation of Processing Fees	-	-	-	-	-	-
As at Mar 31, 2025	**794.87**	**656.06**	**220.59**	**1,09,485.80**	**2,738.55**	**-**

45. Disclosure as per Ind AS 12: Income Taxes

Income Tax Expense

(i) Income Tax recognized in the Statement of Profit and Loss

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Current Tax expense		
Current Year	1,983.89	1,506.00
Adjustment for earlier years	5.03	(6.47)
Total current Tax Expense	**1,988.92**	**1,499.53**
Deferred Tax Expense		
Origination and reversal of temporary differences	(359.95)	(364.46)
Origination and reversal of carried forward losses	-	-
Total Deferred Tax Expense	**(359.95)**	**(364.46)**
Total Income Tax Expense	**1,628.97**	**1,135.07**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

(ii) Income Tax recognized in Other Comprehensive Income

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Net actuarial gains/(losses) on defined benefit plans		
Before Tax	(10.89)	(12.59)
Tax expense / (benefit) recognized in OCI	2.74	3.17
Net of Tax	(8.15)	(9.42)

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	As at Mar 31, 2026	% terms	As at Mar 31, 2025	% terms
Profit before tax	6,604.71		4,735.51	
Applicable Tax Rate	25.17%		25.17%	
Computed tax expense	**1,662.27**	**25.17%**	**1,191.83**	**25.17%**
Earlier Year tax	**5.03**	0.08%	**(6.47)**	-0.14%
Add/(less) : Non-deductible expenses for tax purposes	-		-	
Interest under Income tax Act	4.86	0.07%	1.46	0.03%
Donation	0.53	0.01%	0.16	0.00%
CSR Expenses	16.28	0.25%	11.59	0.24%
Tax effect of expenses that are deductible for tax purposes	(123.02)	-1.86%	(136.09)	-2.87%
Others	63.01	0.95%	72.60	1.53%
Tax as per Statement of Profit & Loss	**1,628.97**	**24.66%**	**1,135.07**	**23.97%**

The Company has elected to exercise the option permitted under section 115BAA of the income-tax act, 1961, as introduced by the taxation laws (amendment) ordinance, 2019.

(iv) Movement Deferred Tax Balances

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Deferred Tax Asset:		
Depreciation and Amortisation	21.44	19.54
Provision for Employee benefits	67.33	39.10
Expected Credit Loss (ECL)	469.83	254.55
Lease Liability	57.80	55.52
Effect of change in accounting policy/Correction of errors	63.86	71.57
Unamortised Processing Fees on Financial Instruments	148.06	101.86
Unamortised IPO Expenses	188.79	-
Total(A)	**1,017.11**	**542.13**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Deferred Tax Liability:		
Interest receivable on direct assignments	451.26	523.62
Right of Use Asset	52.62	53.36
Unrealised Gain on Investments	129.07	84.35
Effect of ARC(Securtisation)	(37.64)	10.45
Total(B)	**595.30**	**671.79**
Net Deferred Tax (Assets)/Liabilities (B) - (A)	**421.81**	**(129.66)**

Deferred tax balance (Asset)/Liability in relation to	As at Mar 31, 2026	Movement during the period	As at Mar 31, 2025	Movement during the period	Year ended Mar 31, 2024
(A) Recognised through:Profit & Loss					
Depreciation and Amortisation	(21.44)	(1.90)	(19.54)	2.94	(22.48)
Provision for Employee benefits	(67.33)	(25.49)	(39.10)	(7.53)	(28.40)
Expected Credit Loss (ECL)	(469.83)	(215.29)	(254.55)	(158.86)	(95.69)
Lease Liability	(57.80)	(2.29)	(55.52)	(29.32)	(26.20)
Effect of change in accounting policy/Correction of errors	(63.86)	7.71	(71.57)	11.43	(83.00)
Unamortised Processing Fees on Financial Instruments	(148.06)	(46.20)	(101.86)	(101.86)	-
Unamortised IPO Expenses	(188.79)	(188.79)	-	-	-
Interest receivable on direct assignments	451.26	(72.36)	523.62	(73.01)	596.63
Right of Use Asset	52.62	(0.74)	53.36	27.62	25.74
Unrealised Gain on Investments	129.07	44.71	84.35	0.85	83.50
Effect of ARC(Securtisation)	(37.64)	(48.09)	10.45	(36.75)	47.20
Total (A)	**(421.80)**	**(548.72)**	**129.65**	**(364.48)**	**497.30**
(B) Recognised through: OCI					
Provision for Employee benefits	-	(2.74)	-	(3.17)	-
Total (B)	**-**	**(2.74)**	**-**	**(3.17)**	**-**
		(551.47)		**(367.65)**	

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

46. Corporate Social Responsibiltiy

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the period/year are as under:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
A. Amount required to be spent during the year	63.68	46.04
B. Amount spent during the year on:	66.57	46.67
a) Construction/Acquisition of any asset	-	-
b) On purposes other than (a) above	66.57	46.67
C. Total adjusted from previous year excess CSR	1.02	-
D. Shortfall for the year, in any in Amount required to be spent net of Amount spent	-	-
E. Provision made for shortfall during the year	-	-
F. Total of Previous Year Shortfalls	-	-
G. Total Spend from Previous year Provision	-	-
H. Total Provision for Unspent CSR	-	-

The company was required to spend Rs. 63,67,993.00/- (Rupees Sixty Three Lakh Sixty Seven Thousand Nine Hundred Ninety Three only) for Corporate Social Responsibility ("CSR") expenditure that was supposed to be made during the financial year 2025-26 after setting excess amount of Rs. 1,02,006/- (Rupees One Lakh Two Thousand Six Rupees Only) of previous year i.e (Rs. 37,840 of FY 2022-2023 and Rs. 64,166 for FY 2024-2025). The actual CSR Liablity before setting off is Rs. 64,70,000/- (Rupees Sixty Four Lakh Seventy Thousand Only) whereas the Company has spent Rs. 66,57,363/- (Rupees Sixty Six Lakh Fifty Seven Thousand Three Hundred Sixty Three only) on CSR activities during the Financial Year 2025-2026. The company has spent excess of Rs. 2,89,370/- (Rupees Two Lakh Eighty Nine Thousand Three Hundred Seventy Only) in the Financial year 2025-26, this excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years.

46.1

Nature of CSR Activities	As at Mar 31, 2026	As at Mar 31, 2025
Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	-	-
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	40.21	25.59
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	3.00	2.22

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

46.1 Nature of CSR Activities	As at Mar 31, 2026	As at Mar 31, 2025
Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	23.36	0.36
Others	-	18.50
Total	**66.57**	**46.67**

46.1 Details of related party transactions in relation to CSR expenditure as per Ind AS 24, related party disclosures refer note 48.

The Company has undertaken CSR activities as per schedule VII of the Companies Act, 2013.

47. Disclosure as per Ind AS 37: Provisions, Contingent Liabilities, Contingent Assets

Particulars	Note	As at Mar 31, 2026	As at Mar 31, 2025
A. Contingent Liabilities			
Claims against the company not acknowledged as debt			
Income tax demand	(a)	171.99	9.00
Probable GST Liability related to Corporate guarantee issued/ taken		-	-
		-	-
B. Capital and other Commitments			
The Company's capital commitments towards partially disbursed loans	(b)	911.22	244.52
		1,083.20	**253.52**

Notes-

(a.1) Demand of Rs 8.65 lakhs has been raised by department for AY 2020-21 on the ground that deduction u/s 80JJAA was not in order. Appeal to the Joint Commissioner (Appeals) has been preferred for the same.

(a.2) Income Tax Department has raised demand amounting to Rs 158.24 lakhs under Section 148 of Income Tax Act and on which interest amount levy of Rs 4.75 lakhs for the FY 2014-15, against which company has filed CIT appeal. Once the appeal got approved, demand amount will be waived off. Hence company has created contingent liability.

(b) During the year the company has sanctioned loans to various customers. Some loan are partially disbursed and required to be fully disbursed if all basic requirements get fulfilled by the counter party

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

48. Disclosure as per Ind AS 24: Related Parties

(A) Name of Related parties and nature of relationship	
(a) Directors and Key Management Personnel	
1. Deepak Baid	Managing Director
2. Aneesha Baid	Whole time Director
3. Prem Devi Baid	Whole time Director
4. Surendra Mehta	Non-executive Independent Director
5. Kishore Kumar Sansi	Non-executive Independent Director till May 06, 2024
6. Anil B Patwardhan	Non-executive Independent Director
7. Yaduvendra mathur	Non-executive Independent Director effective till May 04, 2024
8. Brij Mohan Sharma	Non - Executive Independent Director
9. Kalyanraman Chandrachoodan	Non-Executive Independent Director
10. Sourabh Mishra	Company Secretary & Compliance Officer
11. Gopal Krishan Sain	Chief Financial Officer
(b) Enterprises in which Key Management Person and their Relatives are interested	
Dreamland Buildmart Private Limited	Deepak Baid and Prem Devi Baid is Director & Member
Deepak Hitech Motors Private Limited	Deepak Baid and Prem Devi Baid is Director & Member and Aneesha Baid is Member
Prem Dealers Private Limited	Prem Devi Baid and Aneesha Baid is Director & Member and Deepak Baid is Member
Deepak Baid- HUF	Deepak Baid is karta
Hirak vinimay Private Limited	Deepak Baid and Aneesha baid is Director, Prem Devi Baid is member
Ananya Baid Family Trust	Deepak Baid and Aneesha Baid are parents
Vivan Baid Family Trust	Deepak Baid and Aneesha Baid are trustees and Prem Devi baid is a settlor
Hunar Baid Family Trust	Deepak Baid and Aneesha Baid are trustees and Prem Devi baid is a settlor
Seth Sanwariya Builder and Developer LLP	Deepak Baid and Prem Devi Baid is Designated Partner w.e.f. 13-09-2025
Amritvan Farms LLP	Prem Devi Baid is a nominee representing Dreamland Buildmart Private Limited, which is a designated partner of the LLP. w.e.f. 15-12-2025

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

(c)	**Entities controlled or jointly controlled by individual having significant influence or their relatives**	
	Tejkaran Foundation	Directors are Trustee
	TT Limited	Brijmohan Sharma is Director
	Jain international Trade Organisation	Deepak baid is Director
	Sushma Mercantiles Private Limited	Surendra Mehta is Director
	Nightbird Tracom Private Limited	Prem Devi Baid is Member
	BEE DEE Enterprises	Deepak Baid is partner
	Auriolus Finvest Private Limited	Kalyanraman Chandrchoodan is Director
(d)	**Relative of director**	
	Rashmi Giria	Relative of director
	Naveen Giria	Relative of director

(B) Transaction with the above related parties (₹ in lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Director Remuneration		
Deepak Baid	276.00	276.00
Aneesha Baid	172.50	172.50
Prem Devi Baid	138.00	138.00
Sitting Fees		
Anil B Patwardhan	11.80	10.20
Kishore Kumar Sansi	-	1.20
Surendra Mehta	8.40	9.60
Brijmohan sharma	9.40	4.20
Kalyanraman Chandrachoodan	5.50	-
Salary, Allowances & Bonus		
Gopal Krishan Sain	50.84	39.59
Sourabh Mishra	20.91	12.99
Number of ESOP granted		
Gopal Krishan Sain	-	0.29
Sourabh Mishra	-	0.10
Equity Share Capital issued		
Deepak Baid	-	9.75
Rashmi Giria	-	5.26
Naveen Giria	-	5.26
Gopal Krishan Sain	0.16	-

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Rent paid to		
Aneesha Baid	4.81	5.48
Deepak Baid	5.42	5.14
Prem Devi Baid	11.00	10.36
Advances to staff		
Sourabh Mishra	-	-
Advances to staff Repaid		
Sourabh Mishra	2.80	0.75
CSR Expenses		
Tejkaran Foundation	-	10.00
Donation		
Jain international Trade Organisation	2.00	-

Note 1.In addition to above Mr Deepak Baid, Mrs. Aneesha Baid and Mrs. Prem Devi Baid have given their personal guarantee in various loans obtained by Laxmi India Finance Limited. Deepak Hitech Motors Pvt Ltd, Hirak Vinimay Private Limited, Prem Dealers Private Limited and Dremland Buildmart Pvt Ltd have also given their corporate guarantee in various loans obtained by the company.

Note-2 Rent and sitting fees are reported at gross amount without taking impact of GST and TDS.

(C) Maximum Outstanding and Outstanding Balances of the above related parties - Receivable/(Payable)

Particulars	Max O/S at period ended March 31, 2026	Max O/S at period ended March 31, 2025	Outstanding Balance Receivable / Payable period ended March 31, 2026	Outstanding Balance Receivable / Payable period ended March 31, 2025
Advances to Staff				
Sourabh Mishra	2.80	3.55	-	2.80

(D) Compensation of KMP

Particulars	Outstanding Balance Receivable / Payable period ended March 31, 2026	Outstanding Balance Receivable / Payable period ended March 31,2025
Short Term Employee Benefits	658.24	639.08
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment*	-	-
Total	**658.24**	**639.08**

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

Remuneration does not include provision for gratuity, leave encashment , perquisites and other defined benefits which are provided based on actuarial valuation on an overall Company basis.

* The above details does not include employee stock option plan cost charged in statement of profit and loss (including other comprehensive income) as the same is calculated for the Company as a whole, the said expense/ liability pertaining specifically to key managerial personnel are not known.

(E) Personal guarantees provided by directors

Details of personal gurantees given by the directors for borrowings as at March 31, 2026 and March 31, 2025 is stated under notes no 16, 17 and 99.

(F) Terms and Conditions of transactions with related parties

All transactions with these related parties are priced on an arm's length basis. Outstanding amount as at the end of the year are unsecured and to be settled in cash.

48A Exposure to Related Parties

Details of exposure to related parties

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
A) Loan to Related Parties		
1. Aggregate value of Loan sanctioned to related party during the year	-	-
2. Aggregate value of Outstanding loans to related parties as on 31st March :		
3. Aggregate value of outstanding loans to related parties as a portion of total credit exposure as on 31st March	-	-
4. Aggregate value of outstanding loans to related parties which are categorized as:		
(i) Special Mention Accounts as on 31st March	-	-
(ii) Non-Performing Assets as on 31st March	-	-
5. Amount of provisions held is respect of loans to related parties as on 31st March	-	-
B) Contracts and Arrangements involving Related Parties		
6. Aggregate value of contracts and arrangements awarded to related parties during the year	-	-
7. Aggregate value of outstanding contracts and arrangements involving related parties as on 31st March	-	-

49. Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

1. Repayable on demand
2. Without specifying any terms or period of repayment

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

Type of Borrower	As at Mar 31, 2026		As at Mar 31, 2025
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount
Promoter	Nil	Nil	Nil
Directors & their relatives	Nil	Nil	Nil
Senior Officers and their relatives	Nil	Nil	Nil
Entities associated with directors and their relatives	Nil	Nil	Nil
Related Parties as per Sec 2(76) of Companies Act, 2013 except above	Nil	Nil	Nil

Intra-group exposures-Company has no any intra-Group exposures during the period ended March 31, 2026.

50. Disclosure as per Ind AS 116: Leases

The company lease primarily consist of leases for office premises. These agreements are generally renewable on mutually agreed terms.

The average borrowing rate applied to lease liabilities during Year ended March 31, 2026 is 11.48% and March 31, 2025 is 11.51%.

Practical Expedients applied:

1. The company has elected not to apply the recognition, measurement and presentation requirements of the standard to all short term leases (leases which have a lease term of 12 months or less and do not contain a purchase option), and to leases of low value assets on a lease-by-lease basis.
2. The company has elected not to separate non-lease components from lease components, and account for the whole contract as a single lease component, in case of vehicles taken on lease.

Leases

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
(i) Movement of ROU Asset		
Balance at beginning of the year	212.02	102.28
Additions	43.78	147.55
Deletions	-	(4.45)
Gross Carrying value of asset		
Less:Depreciation of ROU Assets	(46.72)	(33.36)
Net carrying value/Balance at end of the year	**209.08**	**212.02**
(ii) Movement of Lease Liabilities		
Balance at beginning of the year	220.59	104.11
Additions	43.29	145.57
Finance cost accrued during the period	25.05	18.06
Deletions	-	(5.31)

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Paid/ payable lease liabilities	(59.26)	(41.83)
Balance at end of the year	**229.68**	**220.59**
(iii) Maturity Analysis of Lease Liability		
Contractual undiscounted cashflows:		
Less than one year	55.62	50.27
One to five years	212.85	194.43
More than five years	55.85	86.38
Total undiscounted lease liability	**324.32**	**331.08**
(iv) Amount Recognised in Profit and Loss		
Interest on lease liabilities	25.05	18.06
Depreciation of ROU Assets	46.72	33.36
Expenses related to short term leases	324.79	250.14
Total expense booked in P&L	**396.56**	**301.56**

51. Disclosure as per Ind AS 19 ' Employee Benefits'

A) Defined Contribution Plans

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.During the year company has recognised the following amounts in the statement of profit and loss account:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Contributions to		
Provident fund	227.01	167.48
Employee state insurance	69.39	56.68
Employer labour Welfare fund	0.26	0.20
Total	**296.67**	**224.36**

B) Defined Benefit plan - Gratuity

The Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation is actuarially determined based on the projected unit credit method as at Restated Summary Statements dates.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognized in the company's Financial Statements as at Balance sheet date:

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
(i) Change in defined benefit obligation		
Defined benefit obligation, beginning of the year	155.34	112.85
Current service cost	48.02	26.80
Interest cost	10.26	7.67
Past service cost	44.67	-
Benefits paid	(1.70)	(4.57)
Actuarial (gains)/losses	10.89	12.59
Transfer In/out	0.04	
Defined benefit obligation, end of the year	**267.52**	**155.34**
(ii) Net Liability/(Asset) recognized in the Balance Sheet		
Present value of defined benefit obligation	267.52	155.34
Fair value of plan assets	-	-
Net liability	267.52	155.34
(iii) Expenses recognized in Statement of Profit or Loss		
Current service cost	48.02	26.80
Past Service cost	44.67	-
Interest cost	10.26	7.67
Total Expense recognised in statement of profit or loss	**102.94**	**34.48**
(iv) Remeasurements recognized in other comprehensive income(OCI)		
Changes in demographic assumptions	-	-
Changes in financial assumptions	0.67	1.43
Experience adjustments	10.23	11.16
Total Actuarial (Gain) / Loss recognised in OCI	**10.89**	**12.59**
(v) Maturity Profile of Defined Benefit Obligation		
Year 1	71.24	42.08
Year 2	48.83	27.96
Year 3	44.81	24.68
Year 4	36.49	22.67
Year 5	31.62	18.48
Next 5 years	79.79	46.25
(vi) Sensitivity Analysis for significant assumptions*		
Increase/(Decrease) on present value of defined benefits obligation at the end of the year		
1% increase in salary escalation rate	2.64	2.63
1% decrease in salary escalation rate	(2.52)	(2.51)
1% increase in discount rate	(3.24)	(3.24)
1% decrease in discount rate	3.06	3.04

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
(vii) Actuarial Assumptions		
Discount rate (p.a)	6.56%	6.64%
Salary Escalation Rate (p.a.)	12.00%	12.00%
Retirement age	60 years	60 years
Mortality (Including provision for disability)	100% of IALM 12-14	100% of IALM 12-14
Attrition Rate	Varies between 30% p.a to 40% p.a. depending upon duration and age of the employees	Varies between 30% p.a to 40% p.a. depending upon duration and age of the employees

* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

According to the company policy, Leave balances are carried forward based on the accruals and availments/ encashments done during the year in accordance with the company policy and accordingly, any excess balance of leave outstanding as at year end is lapsed as at March 31, 2026 and March 31, 2025.

Provision of a defined benefit scheme poses certain risks as companies take on uncertain long term obligations to make future pension payments as follows:

Liability Risk

a) **Asset-Liability Mismatch Risk -** Risk if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b) **Discount Rate Risk -** Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

c) **Future Salary Escalation and Inflation Risk -** Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to estimation uncertainties increasing this risk.

Unfunded Plan Risk

a) This represents unmanaged risk and a growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility from the balance sheet and better manages defined benefit risk through increased returns.

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	Period ended Mar 31, 2025	Period ended Mar 31, 2024
(i) Change in defined benefit obligation		
Defined benefit obligation, beginning of the year	112.85	105.91
Current service cost	26.80	20.19
Interest cost	7.67	7.68
Past service cost	-	-
Benefits paid	(4.57)	(0.57)
Actuarial (gains)/losses	12.59	(20.35)
Defined benefit obligation, end of the year	**155.34**	**112.85**
(ii) Net Liability/(Asset) recognized in the Balance Sheet		
Present value of defined benefit obligation	155.34	112.85
Fair value of plan assets		-
Net liability	**155.34**	**112.85**
(iii) Expenses recognized in Statement of Profit or Loss		
Current service cost	26.80	20.19
Past Service cost	-	-
Interest cost	7.67	7.68
Total Expense recognised in statement of profit or loss	**34.48**	**27.87**
(iv) Remeasurements recognized in other comprehensive income(OCI)		
Changes in demographic assumptions	-	(33.69)
Changes in financial assumptions	1.43	16.40
Experience adjustments	11.16	(3.06)
Total Actuarial (Gain) / Loss recognised in OCI	**12.59**	**(20.35)**
(v) Maturity Profile of Defined Benefit Obligation		
Year 1	42.08	29.32
Year 2	27.96	20.96
Year 3	24.68	17.92
Year 4	22.67	15.94
Year 5	18.48	14.50
Next 5 years	46.25	35.38
(vi) Sensitivity Analysis for significant assumptions*		
Increase/(Decrease) on present value of defined benefits obligation at the end of the year		
1% increase in salary escalation rate	2.63	2.67
1% decrease in salary escalation rate	(2.51)	(2.55)
1% increase in discount rate	(3.24)	(3.27)
1% decrease in discount rate	3.04	3.08

Notes

Forming Part of Financial Statements (Contd.)

Particulars	Period ended Mar 31, 2025	Period ended Mar 31, 2024
(vii) Actuarial Assumptions		
Discount rate (p.a)	6.64%	6.94%
Salary Escalation Rate (p.a.)	12.00%	12.00%
Retirement age	60 years	60 years
Mortality (Including provision for disability)	100% of IALM 12-14	IALM (2012-14) Table Ultimate
Attrition Rate	Varies between 35% p.a to 40% p.a. depending upon duration and age of the employees	Varies between 15% p.a to 19% p.a. depending upon duration and age of the employees

* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

According to the company policy , leave balances are not carried forward to next years and any balance of leave outstanding as at year end is lapsed, therefore there is no provision for leave encashment as at March 31, 2026 and March 31, 2025.

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow :

a) **Changes in Discount rate -** Reduction in discount rate in subsequent valuations can increase the plan's liability.

b) **Salary increase risk -** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

c) **Life expectancy -** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

d) **Withdrawals -** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Effective November 21, 2025, the Govenment 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 collectively referred to as the 'New Labour Codes' - consolidating 29 existing labour laws. The Ministry of Labour & Employment has published draft Central Rules and FAQs on December 30. 2025, to facilitate assessment of the financial impact arising from these regulatory changes. Under IND AS 19, changes to employee benefit plans arising from the New Labour Codes constitute plan amendments and they are required to be treated as past service costs and recognised as an expense in the statement of profit and loss. Accordingly, the New Labour Codes has resulted in an estimated increase in provision for employee benefits of Rs 44.67 lakhs as on 31st Dec 2025 and the same has been recognized under the head 'Employee Benefit Expenses in the year ended March 31, 2026,The Company continues to monitor the finalisation of Central & State Rules and clarifications from the Government

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

on other aspects of the Labour Code and would provide appropriate accounting treatment on the basis of such developments as needed.

52. Disclosure as per Ind AS 102 ' Share Based Payment'

A. Share Option Plans (Equity-settled)

The Company had formulated and implemented a policy i.e. Laxmi India Finance Private Limited Employee Stock Option Plan 2023 approved by the shareholders on August 12, 2023 which was amended and replaced by Laxmi India Finance Limited Employee Stock Option Plan 2023 by the shareholders on November 29, 2024. The Nomination and Remuneration Committee (NRC) of the Board of Directors of the Company, inter alia, administers and monitors the Plan in accordance with the provisions of Companies Act, 2013 and rules made thereunder. The company has granted ESOP options and the grant date is October 01, 2024.

Out of options granted, 20% shares will vest at the end of Twelve months from the date of grant, 20% at the end of the Twenty-Four months, 30% at the end of the Thirty-Six months and balance 30% at the end of Forty-Eight months. The fair value of the options will be estimated at the grant date using a Black-Scholes pricing model, taking into account the terms and conditions upon which the ESOP were granted.

The fair value of the option is determined using a Black-Scholes options pricing model. During the year ended March 31, 2026 Rs 64.84 lakh (March 31, 2025 Rs. 41.03 lakhs) has recognised to the Company's statement of profit and loss in respect of equity-settled share-based payments transactions.

B. Movement of Share Options

Movement in the options outstanding under the Employees Stock Option Plan for the period ended March 31, 2026

Scheme reference	ESOP–2023
Grant date	October 01, 2024
Balance as at April 1, 2025	3,75,278.00
Granted during the year(Face value Rs 10)	-
Exercised during the year	-
Lapsed/cancelled/adjusted during the year(Face value Rs 10)	13,187.00
Addition in number of option on account of bonus and sub division*	3,62,091.00
Balance as at March 31, 2026 (Face value Rs 5)	7,24,182.00
Weighted average exercise price on FV of Rs. 5 Per Share	46

The total options exercisable as at March 31, 2026 is 1,44,836

The weighted average remaining contractual life of options as at March 31, 2025 is 3.29 years.

The Board of Directors of the Company in its meeting held on November 13 2024 and approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share and the Shareholder in their General Meeting held on November 16 2024 also approved the sub-division of shares.

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

C. Fair Value of Share Options

The fair value of options granted is estimated using the Black Scholes Option Pricing Model after applying the key assumption which are tabulated below

Amount in INR

Particulars	Times Period of Option vesting from the grant date			
	12 months	24 months	36 months	48 months
Grant Date	01-Oct-24	01-Oct-24	01-Oct-24	01-Oct-24
Fair value of the underlying as on grant date (S)	114.83	114.83	114.83	114.83
Exercise price (X)	92	92	92	92
Expected option life in years (t)	3	4	5	6
Expected Volatility (p.a) (σ)	16.90%	18.30%	24.30%	23.50%
Dividend yield (q)	0.00%	0.00%	0.00%	0.00%
Risk free rate as at grant date (p.a.) (r)	6.55%	6.57%	6.59%	6.61%
d1	1.57	1.51	1.29	1.36
d2	1.28	1.14	0.75	0.78
N(d1)	0.94	0.93	0.9	0.91
N(d2)	0.9	0.87	0.77	0.78
Fair value per option (based on the BSM model)	**40.18**	**45.5**	**52.39**	**56.37**

53. Transfer Of Financial Assets

53.1 Transfer of Financial Assets that do not result in derecognition:

Securitisation :

During FY 2018-19, the Company had transferred its receivables through securitisation agreement with a first loss default guarantee (FLDC) . The company has also agreed to provide servicing assistance to the transferee pursuant to the terms of servicing agreement. During FY 22-23 Securitisation transaction had been closed

During the period/year March 31, 2026 and March 31, 2025 the company has not entered into securitisation transactions for other than stressed asset.

53.2 Transfer of financial assets that are derecognised:

Assignment Deal:

After Date of Transition to Ind AS i.e Apr 1, 2019 ,the Company has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assigned portion of assets have been decognised from the Company's balance sheet.

The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the Company business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition, per type of asset.

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Carrying value of derecognised financial asset	3,499.78	4,603.17
Gain from derecognition	866.58	963.18

Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety, therefore the interest spread (over the expected life of the asset) is recognised on the date of derecognition itself receivable and correspondingly recognised as gain on derecognition of financial asset.

Details of assignment transactions (₹ in lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
i) No. of Accounts	972	1062
ii) Aggregate value of accounts sold (Rs. In Lacs)	4,117.39	5,114.64
iii) Aggregate consideration	3,499.78	4,603.17
iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
v) Aggregate gain / loss over net book value	866.58	963.18

53.3 Co- Lending

The Company has entered into an agreement for Co-Lending, due to risk associate with such portfolio didn't derecognised loan portfolio from the loan books.

As per IGAAP, these asset are required to be derecognise proportionately.

As per Ind AS, the asset should not be derecognised untill and unless associated risk are not transferred entirely.

Company has entered Co-lending Arrangement in FY 2025-26. Disclosure As per Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025 RBI/DOR/2025-26/352 DOR.STR.REC.271/21.04.048 /2025-26 Dated on Nov 28, 2025 for the Year ended March 31, 2026 for the loans under the Co-lending arrangement are given Below:

Details of Co-lending Arrangements

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
i) No. of CLA	1	NA
ii) Yearly Quantum of CLA (Rs. In Lacs)	1,500.00	NA
iii) Disbursement ratio	90% by Laxmi India Finance Limited	NA
iv) Agreed IRR	15% for Laxmi India Finance Limited	NA
v) Maximum Interest charged from Customer	Maximum cap of 36% Per Annum	NA
iv) Sharing of Other Income	As per Co-Lending Agreement	NA

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

v) Broad sector in which CLA was made	Funding to SME for Business purposes or renovation/ construction of immovable property (Loan shall be secured against mortagage of immovable property)	NA
vi) Performance of loans under CLA	Only One Case disbursed in March 2026	NA
vii) Default loss guarantee	5%	NA

53.4 Business Corrrespondent

The Company has entered into Business Correspondent transaction and didn't recognised loan portfolio in the books as associated risk is not with company.

54. Disclosure as per Ind AS-107 'Financial Instruments'

Financial Risk Management

The Company's Principal financial liabilities comprise borrowings. The main purpose of these financial liabilities is to finance the Company's operations. At the other hand company's Principal financial assets include loans and cash and cash equivalents that derive directly from its operations.

As a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. The Company's risk governance structure operates with a robust board and risk management committee with a clearly laid down charter and senior management direction and oversight. The board oversees the risk management process and monitors the risk profile of the company directly as well as through its sub committees including the Audit Committee, the Asset Liability Supervisory Committee and the Risk Management Committee. The key risks faced by the company are liquidity risk, credit risk, Concentration risk, market risk, interest rate risk and Operational Risk.

Company is exposed to following risk from the use of its financial instrument:

Liquidity Risk : The Company maintains adequate reserves, ensures access to committed credit facilities, and continuously monitors both forecasted and actual cash flows to safeguard financial stability.

Market Risk : The Company is exposed to market risk arising from fluctuations in interest rates, which may affect borrowing costs and the valuation of financial assets.

A Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee. The risk management committee of board exercises supervisory power in connection with the risk management of the Company, developing and monitoring risk management policies, monitoring of the exposures, reviewing adequacy of risk management process, ensuring compliance with the statutory/regulatory framework of the risk management process. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

B. Credit risk

Credit risk arises when a borrower is unable to meet financial obligations under the loan agreement to the Company. This could be either because of wrong assessment of the borrower's repayment capabilities or due to uncertainties in future. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

Loan Asset:

The company has comprehensive and well-defined credit policies across all products and segments, which are backed by analytics and technology for mitigating the risks associated with them. Company has developed "Credit scoring model" which uses quantitative measures of the performance and characteristics of past loans to predict the future performance of loans with similar characteristics. It is a statistical method of assessing the credit risk associated with new loan applications. Various Parameters or risk identifiers of this function are empirically designed; that is, they are developed entirely from information and experience gained through prior experience. It is the set of decision models and their underlying techniques that aid the company in determining to ascertain the credit worthiness of a potential customer and also fairly price credit risks. It is an objective risk assessment/identification tool, as opposed to subjective methods that rely on a credit underwriter's opinion. It helps the company in taking credit decisions in a consistent manner.

Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, cash flow analysis, physical verifications of a customer's business and residence and field visits and required term cover for insurance. The company has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals.

Carrying amount of maximum credit risk as on reporting date

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Loans	1,48,009.61	1,12,691.15
Total	**1,48,009.61**	**1,12,691.15**

(i) Credit quality analysis

Refer Note no. 5

(ii) Collateral And Other Credit Enhancements

The Company offers loan to customers which includes both unsecured loan and loans secured by collaterals. Although collateral can be an important mitigation of credit risk, it is the Company's policy to lend on the basis of the customer's ability & intention to meet the repayment obligations out of cash flow resources other than placing primary reliance on collateral and other credit risk enhancements. The company obtains first and exclusive charge on all collateral for the loans given. MSME & LAP Loan are secured against immovable Property at the time of origination and Vehicle Loans are secured against Vehicles. The value of the property/Vehicle at the time of origination will be arrived by obtaining valuation report from Company's empanelled valuers. Security Interest in favour of the Company is created through deposit of title deed by equitable or registered Mortgage in case of Immovable Property and Registering Hypothecation in case of Vehicle. For Additional Security Purpose, Guarantee from third party also been taken in most cases.

The company does not obtain any other form of credit enhancement other than the above. All the loans are secured by way of tangible Collateral. Any surplus remaining after Settlement of outstanding debt by way of sale of collateral is returned to the borrower.

Notes

Forming Part of Financial Statements (Contd.)

(iii) Concentration of Risk/Exposure

Concentration of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in same geographical area or industry sector so that collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions.

Vehicle Finance segment (consisting of new and used Commercial Vehicles, Passenger Vehicles, Tractors and Construction Equipment) is lending against security of hypothecation on underlying vehicle and contributes to 9% to 11% approx of the loan book of the Company as of March 31, 2026, 17%-19 % approx of the loan book of the Company as of March 31, 2025, . Portfolio is reasonably well diversified across 6 states of the country i.e. Rajasthan, Gujrat , Madhya Pradesh, Chattisgarh, Uttar Pradesh and Maharashtra in year ended March 31, 2026 and 4 state of the country i.e. Rajasthan, Gujrat, Madhya Pradesh, and Chattisgarh in year ended March 31, 2025. Similarly, sub segments within Vehicle Finance like Heavy Commercial Vehicles, Light Commercial Vehicles, Car and Multi Utility Vehicles, three wheeler and Small Commercial Vehicles, Electric vehicle, Tractors and Construction Equipment have sufficient portfolio share leading to well diversified product mix.

MSME & Loan against Property segment contributes to 84%-86% approx of the lending book of the company as of March 31, 2026, 80%-82% approx of the lending book of the company as of March 31, 2025. Portfolio is diversified and distributed sufficiently across 6 states of the country i.e. Rajasthan, Gujarat, Madhya Pradesh, Chattisgarh, Uttar pradesh and Maharashtra. in year ended March 31, 2026 and 4 state of the country i.e. Rajasthan, Gujrat, Madhya Pradesh, and Chattisgarh in year ended March 31, 2025.

The Concentration of risk is managed by company for each product by its region and its sub segments. Company did not overly depend on few regions or sub-segments as of March 31, 2026 March 31, 2025

(iv) Amounts arising from ECL

(a) Inputs, assumptions and techniques used for estimating impairment

Inputs considered in the ECL model:

In assessing the impairment of financial loans under expected credit loss (ECL) model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorizes loan assets into stages primarily based on the months past due status.

The Company applies the general approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for advances other than stage 1. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience and using forward looking economic variables of the Company.

Assessment of significant increase in credit risk (SICR):

The credit risk on a financial asset of the Company is assumed to have increased significantly since initial recognition when contractual payments are more than 30 days past due. Accordingly the financial assets shall be classified as stage 2, if on the reporting date, it has been past due for more than 30 days.

In determining whether credit risk has increased significantly since initial recognition, the Company uses days past due information, early warning signals (EWS) in terms of unusual events including incidents and frauds, repossession of an asset, etc. and forecast information to assess deterioration in credit quality of a financial asset.

Notes

Forming Part of Financial Statements (Contd.)

Definition of default

The Company considers a financial asset to be in "default" and therefore stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

Exposure at default

The Exposure at Default is an estimate of the exposure at a future default date. It is outstanding exposure on which ECL is computed. EAD includes principal outstanding, Interest overdue and interest Accrued as on reporting date as reduced by excess money and Pending disbursement

Estimations and assumptions considered in the ECL model

The Company has made the following assumptions in the ECL Model:

(1) Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary.

For Stage I accounts, 12 months PD is used.

For Stage II significantly increased credit risk accounts, Lifetime PD is used which is computed based on survival analysis.

For Stage III credit impaired accounts, 100% PD is taken.

(2) Loss Given Default (LGD)

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. LGD is the loss factor which the Company may experience in case the default occurs.

Policy for write-off of financial assets

Financial assets are written off either partially or in their entirety when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could not generate sufficient cash flows to repay the amounts.

(b) An analysis of changes in gross carrying amount and related Impairment Loss Allowance (ECL) defined in note no. 5

(iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of Liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. Liquidity risk may arise because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances caused by a difference in the maturity profile of Company assets and liabilities. This risk may arise from the unexpected increase in the cost of funding

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company manages liquidity risk by maintaining adequate cash and bank balances and access to undrawn committed borrowing facilities.s, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	On Demand	0-1 year	1-5 years	More than 5 years	Total
As at Mar 31, 2026					
(a) Trade Payables	-	286.45	-	-	286.45
(b) Debt Securities	-	2,639.03	3,517.06	-	6,156.10
(c) Borrowings (Other than Debt Securities)	0.84	52,377.29	74,396.51	4.34	1,26,778.98
(d) Subordinated Liabilities	-	0.95	795.18	-	796.13
(e) Other Financial Liabilities	-	516.44	192.96	-	709.39
Total	**0.84**	**55,820.16**	**78,901.71**	**4.34**	**1,34,727.04**

Particulars	On Demand	0-1 year	1-5 years	More than 5 years	Total
As at Mar 31, 2025					
(a) Trade Payables	-	329.42	-	-	329.42
(b) Debt Securities	-	1,509.14	1,250.00	-	2,759.14
(c) Borrowings (Other than Debt Securities)	-	39,625.40	71,342.77	10.49	1,10,978.66
(d) Subordinated Liabilities	-	0.95	800.00	-	800.95
(e) Other Financial Liabilities	-	879.17	-	-	879.17
Total	**-**	**42,344.07**	**73,392.77**	**10.49**	**1,15,747.33**

(iv) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.The Company's exposure to market risk is primarily on account of interest rate risk and liquidity risk. The objective of the company is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(v) Interest Rate Risk

The Company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity years that may

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk,the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

Change in interest rate affects Company's earnings (measured by NII or NIM) and corresponding net worth, Hence it is essential for the Company to not only quantify the interest rate risk but also to manage it proactively. The Company mitigates its interest rate risk by keeping a balanced mix of borrowings. The Company lends at fixed rate of interest thus, the company is not exposed to interest rate risk on loans.

Interest Rate Exposure:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Financial Assets		
A. Fixed Rate Financial Assets	1,79,302.17	1,39,294.10
B. Floating Rate Financial Assets	-	-
Total Financial Assets	**1,79,302.17**	**1,39,294.10**
Financial Liabilities		
A. Fixed Rate Financial Liabilities	28,802.81	23,694.98
B. Floating Rate Financial Liabilities	1,05,924.22	91,219.92
Total Financial Liabilities	**1,34,727.03**	**1,14,914.90**

Fair Value Sensitivity analysis for Fixed rate -Instrument

The Company does not account for any Fixed rate -Financial Asset and Financial Liabilities at Fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash Flow Sensitivity analysis for Variable rate -Instrument

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amount shown below

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss:

Particulars	As at Mar 31, 2026		As at Mar 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities (Floating)	1,05,924.22	1,05,924.22	91,219.92	91,219.92
Increase in basis points (+/- 1%)	(1,059.24)	(1,059.24)	(912.20)	(912.20)
Decrease in basis points (+/- 1%)	1,059.24	1,059.24	912.20	912.20

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

E Foreign Currency Risk

Company do not have foreign currency exposure during the period/year reported.

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses.

The Company recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

55. Disclosure as per Ind AS 105 - Non- Current Asset held for Sale

NA

56. Capital Management

For the purpose of Company's Capital Management, Capital includes issued equity share capital & Borrowings. The primary objective of Company's Capital Management is to maximize shareholder's value and to maintain an appropriate capital structure of debt and equity. The company manages it's capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants. The company manages it's capital using Debt to Equity Ratio which is Net Debt/Total Equity. Net Debt is total borrowing (Non-current and current) less cash and cash equivalent.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Debt Securities	6,156.10	2,738.55
Borrowings	1,26,778.97	1,10,172.89
Subordinated Liabilities	796.13	794.87
Less: Cash and Cash Equivalents	4,235.64	10,242.99
Net Debt	**1,29,495.55**	**1,03,463.32**
Total Equity (Without deducting Fictitious Assets and Intangible Assets)	46,468.58	25,746.23
Gross Debt to Equity Ratio	2.88	4.42
Net Debt to Equity Ratio	2.79	4.02

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term / long term debt & borrowing as may be appropriate. The Company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio of the Company. The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI), as per RBI, NBFCs are required to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of its aggregate risk weighted assets. Further, the total of Tier II capital cannot exceed 100% of Tier I capital at any point of time. The capital management process of the Company ensures to maintain the minimum CRAR at all the times. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board. The primary objectives of the Company's capital management policy are to ensure that the Company complies with capital requirements required by regulator, maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholder value.

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Tier I capital	44,151.83	23,776.57
Tier II capital	882.12	974.64
Total Capital Fund	**45,033.94**	**24,751.20**
Risk Weighted Assets	1,72,381.91	1,18,975.37
Tier I capital Ratio	25.61%	19.98%
Tier II capital Ratio	0.51%	0.82%

57. Disclosure as per Ind AS-113 'Fair Value Measurements'

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1- Level 1 hierarchy includes financial instruments measured using quoted prices. This Includes listed equity instruments that have quoted price. Listed and actively traded equity instruments are stated at the last quoted closing price on the National Stock Exchange of India Limited (NSE).

Level 2- The fair value of financial instruments that are not traded in active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of the financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

Valuation Techniques : The management assessed that cash and cash equivalents, bank balances other than cash & cash equivalents, other financial assets, trade payables, lease liability and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Investment in security receipts, Mutual fund and ULIP Policies are valued using the closing NAV.

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

A. Financial Instruments by category

Particulars	As at Mar 31, 2026			
	FVTPL	FVOCI	Amortised Cost	Total
Financial Assets				
(a) Cash and Cash Equivalents	-	-	4,235.64	4,235.64
(b) Bank balance other than Cash and cash equivalents	-	-	9,292.25	9,292.25
(c) Receivables	-	-	20.87	20.87
(d) Loans	-	-	1,48,009.61	1,48,009.61
(e) Investments	15,891.27	-	-	15,891.27
(f) Other Financial Asset	-	-	1,852.53	1,852.53
Total	**15,891.27**	**-**	**1,63,410.90**	**1,79,302.17**
Financial Liabilities				
(a) Trade Payables	-	-	286.45	286.45
(b) Debt Securities	-	-	6,156.10	6,156.10
(c) Borrowings (Other than Debt Securities)	-	-	1,26,778.97	1,26,778.97
(d) Subordinated Liabilities	-	-	796.13	796.13
(e) Other Financial Liabilities	-	-	709.39	709.39
Total	**-**	**-**	**1,34,727.03**	**1,34,727.03**

Particulars	As at Mar 31, 2025			
	FVTPL	FVOCI	Amortised Cost	Total
Financial Assets				
(a) Cash and Cash Equivalents	-	-	10,242.99	10,242.99
(b) Bank balance other than Cash and cash equivalents	-	-	11,233.93	11,233.93
(c) Receivables	-	-	17.12	17.12
(d) Loans	-	-	1,12,691.15	1,12,691.15
(e) Investments	2,927.41	-		2,927.41
(f) Other Financial Asset	-	-	2,181.51	2,181.51
Total	**2,927.41**	**-**	**1,36,366.69**	**1,39,294.10**
Financial Liabilities				
(a) Trade Payables	-	-	329.42	329.42
(b) Debt Securities	-	-	2,738.55	2,738.55
(c) Borrowings (Other than Debt Securities)	-	-	1,10,172.89	1,10,172.89
(d) Subordinated Liabilities	-	-	794.87	794.87
(e) Other Financial Liabilities	-	-	879.17	879.17
Total	**-**	**-**	**1,14,914.90**	**1,14,914.90**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

B. Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosure fair value measurement hierarchy of Assets & Liabilities

Particulars	As at Mar 31, 2026			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments				
Security Receipts of ARC	-	4,776.09	-	4,776.09
Investment in Mutual Fund Units	-	10.21	-	10.21
Investment in Debt Oriented Mutual Fund		-		-
Investment in Debt securities			11,023.47	11,023.47
Investment in AIF	-	-	-	-
Investment in Equity Oriented Fund-ULIP	-	81.50	-	81.50
Total	**-**	**4,867.80**	**11,023.47**	**15,891.27**

Particulars	As at Mar 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments				
Security Receipts of ARC	-	2,862.18	-	2,862.18
Investment in Mutual Fund Units		8.63		8.63
Investment in Debt Oriented Mutual Fund	-	-	-	-
Investment in AIF	-	-	-	-
Investment in Equity Oriented Fund-ULIP	-	56.59	-	56.59
Total	**-**	**2,927.41**	**-**	**2,927.41**

Financial instruments measured at amortised cost (₹ in lakhs)

Particulars	As at Mar 31, 2026			As at Mar 31, 2025		
	Level	Carrying Value	Fair Value	Level	Carrying Value	Fair Value
Financial Assets at Amortised Cost						
(a) Cash and Cash Equivalents	3	4,235.64	4,235.64	3	10,242.99	10,242.99
(b) Bank balance other than Cash and cash equivalents	3	9,292.25	9,292.25	3	11,233.93	11,233.93
(c) Receivables	3	20.87	20.87	3	17.12	17.12
(d) Loans	3	1,48,009.61	1,48,009.61	3	1,12,691.15	1,12,691.15
(e) Other Financial Asset	3	1,852.53	1,852.53	3	2,181.51	2,181.51
Total		**1,63,410.90**	**1,63,410.90**		**1,36,366.69**	**1,36,366.69**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	As at Mar 31, 2026			As at Mar 31, 2025		
	Level	Carrying Value	Fair Value	Level	Carrying Value	Fair Value
Financial Liabilities at Amortised Cost						
(a) Trade Payables	3	286.45	286.45	3	329.42	329.42
(b) Debt Securities	3	6,156.10	6,156.10	3	2,738.55	2,738.55
(c) Borrowings (Other than Debt Securities)	3	1,26,778.97	1,26,778.97	3	1,10,172.89	1,10,172.89
(d) Subordinated Liabilities	3	796.13	796.13	3	794.87	794.87
(e) Other Financial Liabilities	3	709.39	709.39	3	879.17	879.17
Total		**1,34,727.03**	**1,34,727.03**	-	**1,14,914.90**	**1,14,914.90**

58. Disclosure as per Ind AS 115 - Revenue from Contract with Customers

I. The company has recognised following amount related to revenue in the Statement of Profit and Loss

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Fees Based Income	1,553.04	1,346.34
Other Income	256.29	232.51
Total	**1,809.33**	**1,578.85**

II. Disaggregation of Revenue

The table below presents disaggregated revenues from contracts with customers by nature of primary geographical market, major product service lines and timing of revenue recognition for the period/year. The Company believes that this disaggregation best depicts how the nature , amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Primary geographical market		
India	1,809.33	1,578.85
Total	**1,809.33**	**1,578.85**
Major products/ service lines		
Fees Based Income	1,553.04	1,346.34
Other Income	256.29	232.51
Total	**1,809.33**	**1,578.85**
Timing of revenue recognition		
At a Point of Time	1,809.33	1,578.85
Over a period of time	-	-
Total	**1,809.33**	**1,578.85**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

59. Disclosure as per Ind AS 108: Operating Segments

a) The managing Director (MD) of the company has been identified as the chief operating decision maker (CODM) as defined by the Ind AS 108 "Operating Segments".The Company's Operating segments are established in the manner consistent with the components of company that are evaluated regularly by the CODM. The company is engaged primarily in the business of financing and operates in a single reportable segment i.e. lending to retail customers under various product lines, having similar risks and returns.

b) Geographical Information

The Company operates in a single geographical area - India (country of domicile).

All of the Company's non current assets are located in India

c) Information about major customers

During the period/year, there is no single customer contributes 10% or more to the Company's revenue.

60. Disclosures regarding COVID-19 related measures:

The Company has considered the possible effects of the pandemic on the carrying amount of current assets and assessed the carrying amounts of property, plant and equipment, investments, receivables and other current assets. Based on internal and external sources of information and economic forecasts, the Company expects the carrying amount of these assets will be recovered and sufficient liquidity would be available as and when required.

The Management does not see any risk to the company's ability to continue as a going concern and meet its liabilities as and when they become due based on the current indicators.

Going Concern:

The Company, at this juncture, is focused on capital preservation, balance sheet protection and operating expenses management. Given it's healthy capital adequacy, strong liquidity position, lower gross NPA and net NPA, diversified portfolio mix, granular geographical distribution and strong risk metrics.

61. Analytical Ratios

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Capital to risk weighted assets ratio (CRAR)	26.12%	20.80%
(i) Tier I capital Ratio	25.61%	19.98%
(ii) Tier II capital Ratio	0.51%	0.82%
(iii) Amount of subordinated debt raised as Tier- 2 capital (in Rs.) - Outstanding Balance	796.13	794.87
(iv) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

Particulars	As at Mar 31, 2026	Variance	As at Mar 31, 2025
Capital to risk weighted assets ratio (CRAR)	26.12%	5.32%	20.80%
Tier I capital Ratio	25.61%	5.63%	19.98%
Tier II capital Ratio	0.51%	-0.31%	0.82%

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	As at Mar 31, 2025	Variance	As at Mar 31, 2024
Capital to risk weighted assets ratio (CRAR)	20.80%	-1.01%	21.81%
Tier I capital Ratio	19.98%	-0.94%	20.93%
Tier II capital Ratio	0.82%	-0.06%	0.88%

62. Details Of The Code On Social Security, 2020 ('Code') Relating To Employee Benefits

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020 has been notified on 21st Nov.'2025. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

63. Breach of Covenant

The Company has no instances of breach of covenant in respect of loans availed and debt securities issued during the period/year ended on March 31, 2026 and March 31, 2025

64. Divergence in Asset Classification and Provisioning

The Company has complied with the requirements of the circular issued by Reserve Bank of India bearing reference no. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022, regarding disclosure of divergence in asset classification and provisioning.

During the year under review, there was no divergence in asset classification and provisioning identified by RBI/NHB which exceeded the prescribed materiality thresholds, i.e.,:

(a) the additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period, or

(b) the additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period.

Accordingly, no separate disclosure on divergence is required to be made in the financial statements for the year ended March 31, 2026.

65. Disclosure on Modified Opinion

The auditor have expressed an unmodified opinion for the period/year ended on March 31, 2026, March 31, 2025.

66. Income and Expenditure of Exceptional Nature

The Company has not booked any income of exceptional nature during the period/year ended on March 31, 2026, March 31, 2025. But expenses of Exceptional nature regarding IPO has been booked in FY 2025-26 as per table below. Further no expenses of exceptional nature were booked in FY 2024-25.

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Advertisment Expenses	127.42	-
Legal & Professional Expenses	126.61	-
Software & Technical Expenses	1.42	-
Total	**255.46**	**-**

67. Details of Financing of Parent Company Products

There is no parent company of the company in FY 2025-26

68. Loans to Directors, Senior officers and Relatives of Directors

The Company has not provided any loans to directors, senior officers and relatives of directors during the period/year except as reported in note no. 48.

69. For all the softwares related to loan management system and Loan origination system, the audit trail feature remained enabled and fully operational throughout the entire year, ensuring continuous tracking of all relevant activities.Furthermore, there were no modifications or alterations made to the audit trail configuration during this period, maintaining consistency and integrity in the system's logging mechanism.

70. Due to rounding off, numbers presented in financials may not add up precisely to the totals provided.

71. Details of Dues to Micro and Small Enterprises as Defined under the MSMED Act, 2006

Payment against the supplies from the undertakings covered under the Micro, Small & Medium Enterprises Development Act, 2006 are generally made in accordance with the agreed credit terms. On the basis of information and record available with the management, the details of the outstanding balances of such suppliers and interest due on such accounts as on period/year ended on March 31, 2026 and March 31, 2025 is Disclosed under Note No . 15.2 .The Company has neither paid any interest nor such interest is payable to buyer covered under the MSMED Act, 2006.

72. Details of Ratings Assigned By Credit Rating Agencies and Migration Of Ratings during The Year

Particulars	Rating Agencies	Date of Rating Agencies	Rating valid upto	As at Mar 31, 2026	As at Mar 31, 2025
Bank Loan rating	Acuite Ratings & Research Limited	20-Mar-26	08-Mar-27	A	A-
Non-Convertible Debentures	Acuite Ratings & Research Limited	20-Mar-26	16-Feb-27	A	A-

Particulars	Rating Agencies	Date of Rating Agencies	Rating valid upto	As at Mar 31, 2025	As at Mar 31, 2024
Bank Loan rating	Acuite Ratings & Research Limited	02-Aug-24	31-Oct-25	A-	A-
Non-Convertible Debentures	Acuite Ratings & Research Limited	02-Aug-24	02-Aug-25	A-	A-

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

73. Remuneration of Non-Executive Directors

Name of Director	Nature of Payment	As at Mar 31, 2026	As at Mar 31, 2025
Anil B Patwardhan	Sitting Fees	11.80	10.20
Kishore Kumar Sansi	Sitting Fees	-	1.20
Surendra Mehta	Sitting Fees	8.40	9.60
Brijmohan sharma	Sitting Fees	9.40	4.20
Kalyanraman Chandrachoodan	Sitting Fees	5.50	-

74. Disclosure on Liquidity Risk:

1. Funding Concentration based on significant counterparty (both deposits and borrowings)

Particulars	Number of Significant Counterparties	Amount (₹ In Lakhs)	% of Total Deposits	% of Total Liabilities
As at Mar 31, 2026	47	1,33,731.19	0%	98.89%
As at Mar 31, 2025	47	1,13,706.31	0%	98.48%

2. Top 20 large deposits (amount in ₹ lakhs and % of total deposits) : Nil

3. Top 10 borrowings (amount in ₹ lakhs and % of total borrowings)

Particulars	Amount (₹ In Lakhs)	%
As at Mar 31, 2026	64,860.47	48.50%
As at Mar 31, 2025	61,334.31	53.94%

4. Funding Concentration based on significant instrument/product :

Name of the instrument/ product	As at Mar 31, 2026		As at Mar 31, 2025	
	Amount (₹ in lakh)	% of Total Liabilities	Amount (₹ in lakh)	% of Total Liabilities
a) Term Loan	1,26,443.28	93.50%	1,09,485.79	94.82%
b) Non-Convertible Debenture	6,156.10	4.55%	2,738.55	2.37%
c) Cash Credit/OD	0.84	0.00%	-	0.00%
d) Unsecured Loans	318.42	0.24%	656.06	0.57%
e) Subordinated Liability	796.13	0.59%	794.87	0.69%
f) Other	16.43	0.01%	31.04	0.03%
Total	**1,33,731.19**	**98.89%**	**1,13,706.31**	**98.48%**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

5. Stock Ratios:

Particulars	As at Mar 31, 2026			As at Mar 31, 2025		
	% of total public funds	% of total liabilities	% of total assets	% of total public funds	% of total liabilities	% of total assets
a) Commercial papers	NA	Nil	Nil	NA	Nil	Nil
b) Non-convertible debentures (original maturity of less than one year)	NA	Nil	Nil	NA	Nil	Nil
c) Other short-term liabilities, if any	**NA**	**41.45%**	**30.84%**	**NA**	**1.22%**	**0.99%**

*Other short-term liabilities for CY 2025–26 include all contractual obligations due within one year, such as trade payables, debt securities, borrowings, current tax liabilities, and other liabilities.In comparison, PY 2024–25 included only trade payables, deferred tax liabilities, and other financial and non-financial liabilities. Based on the current year's calculation, the ratio for PY 2024–25 is 36.65% of % of total liabilities & 29.96% of % of total Assets.

6. Laxmi India Finance Limited (LIFL) has an Assets Liability Management Committee (ALCO), a Board level sub-Committee to oversee liquidity risk management. ALCO consists of Managing Director, Executive Director and Independent Director and Chief Financial Officer attends the meeting as an Invitee. The ALCO Meetings are held once in every Quarter. LIFPL has a Risk Management Committee (RMC) a sub-committee of the Board, which oversee overall risks to which the company s exposed including risk management. The ALCO and RMC also updates the Board at regular intervals.

75. Capital Adequacy Ratio

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Tangible Net worth(1)	46,366.42	25,748.10
Less: Deferred Tax Asset, Intangible Assets, Unrealised Gain(Net of Tax), deferred revenue expenses, impairment reserves and 50% of Credit Enhancement (2)	2,214.59	1,971.53
Tier 1 Capital (1-2)= (3)	44,151.83	23,776.57
Tier 2 Capital (Provision on Asset less 50% of Credit Enhancment) (4)	882.12	974.63
Total Capital Fund (3+4)= (5)	45,033.94	24,751.20
Adjusted value of funded risk assets (on balance sheet item) (6)	1,71,840.30	1,18,909.83
Adjusted value of non-funded risk assets (off Balance sheet item) (7)	541.60	65.54
Total Risk Weighted assets (6+7)= (8)	1,72,381.91	1,18,975.37
CRAR/CAR(5/8)	26.12%	20.80%
CRAR (Tier-I Capital)	25.61%	19.98%
CRAR (Tier-II Capital)	0.51%	0.82%

*Liquidity Coverage Ratio not Applicable

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

76. NPA Movement

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Net NPA's to Net Advance %	1.09%	0.48%
Movement of NPAs (Gross)		
(a) Opening Balances	1,218.33	597.12
(b) Add: Additions during year and change in existing	3,040.01	1,136.59
(c) Less: Reductions during year	(872.98)	(454.04)
(d) Less: Sold to ARC	(182.82)	(61.34)
(e) Closing Balance	3,202.54	1,218.33
Movement of NPAs (Net)		
(a) Opening Balances	545.97	272.15
(b) Add: Additions during year	1,531.42	491.32
(c) Add: Reductions during year	(365.01)	(190.23)
(d) Less: Sold to ARC	(92.84)	(27.28)
(e) Closing Balance	1,619.54	545.97
Movement of provision for NPAs		
(a) Opening Balances	672.36	324.97
(b) Provision made during the year	1,508.58	645.27
(c) Write-off/Write back of excess	(507.97)	(263.81)
(d) Sold to ARC	(89.98)	(34.07)
(e) Closing Balance	1,583.00	672.36

77. Disclosure in the notes to accounts in respect of securitisation transactions as required under revised guidelines On securitisation transactions issued by RBI vide circular no. DNBS.PD.No.301/3.10.01/2012-13 dated 21.08.2012.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
1. No of SPVs sponsored by the NBFC for securitisation transactions	Nil	Nil
2. Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	Nil	Nil
3. Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	Nil	Nil
a) Off-balance sheet exposures		
· First loss	Nil	Nil
· Others	Nil	Nil
b) On-balance sheet exposures		
· First loss	Nil	Nil
· Others	Nil	Nil
4. Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
· First loss	Nil	Nil
· loss	Nil	Nil
ii) Exposure to third party securitisations		
· First loss	Nil	Nil
· Others	Nil	Nil
b) On-balance sheet exposures		
i) Exposure to own securitisations		
· First loss	Nil	Nil
· Others	Nil	Nil
ii) Exposure to third party securitisations		
· First loss	Nil	Nil
· Others	Nil	Nil
5. Sale consideration received for the securitised assets and gain / loss on sale on account of securitisation	Nil	Nil
6. Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Nil	Nil
7. Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
(a) Amount paid	Nil	Nil
(b) Repayment received	Nil	Nil
(c) Outstanding amount	Nil	Nil
8. Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Nil	Nil
9. Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.	Nil	Nil
10. Investor complaints		
(a) Directly / Indirectly received and;	Nil	Nil
(b) Complaints outstanding	Nil	Nil

78. Disclosure In The Notes To Accounts In Respect Of Assignment Transactions As Required Under Revised Guidelines On Securitisation Transactions Issued By RBI Vide Circular No. Dnbs.Pd.No.301/3.10.01/2012-13 Dated 21.08.2012.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
1. No of SPVs sponsored by the NBFC for assignment transactions	10	9
2. Total amount of assigned assets as per books of the SPVs sponsored by the NBFC	10,234.99	11,482.67
3. Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
· First loss	Nil	Nil
· Others	Nil	Nil
b) On-balance sheet exposures		
· First loss	Nil	Nil
· Others	1,356.14	1,283.66

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

	Particulars	As at Mar 31, 2026	As at Mar 31, 2025
4.	Amount of exposures to assignment transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	· First loss	Nil	Nil
	· loss	Nil	Nil
	ii) Exposure to third party securitisations		
	· First loss	Nil	Nil
	· Others	Nil	Nil
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	· First loss	Nil	Nil
	· Others	Nil	Nil
	ii) Exposure to third party securitisations		
	· First loss	Nil	Nil
	· Others	Nil	Nil
5.	Sale consideration received for the securitised assets and gain / loss on sale on account of securitisation	Nil	Nil
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Nil	Nil
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	(a) Amount paid	Nil	Nil
	(b) Repayment received	Nil	Nil
	(c) Outstanding amount	Nil	Nil
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Nil	Nil
9.	Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.	Nil	Nil
10.	Investor complaints		
	(a) Directly / Indirectly received and;	Nil	Nil
	(b) Complaints outstanding	Nil	Nil

79. In accordance with the RBI notification dated April 7, 2021 the company is required to refund/adjust 'Interest on interest' to borrowers. As required by RBI notification, the methodology for calculation of such interest on interest has recently been circulated by the Indian Bank's Association. The company has not recorded the liability towards estimated interest relief.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Interest on interest to be adjusted/refunded	-	-
Total	**-**	**-**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

80. Detail of Impairment Loss Allowance Reserve

As at Mar 31, 2026

Asset Classification as per RBI Norm	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	1,42,391.89	560.24	1,41,831.65	582.27	(22.03)
	Stage 2	4,659.06	100.65	4,558.41	18.64	82.01
	Subtotal	**1,47,050.95**	**660.89**	**1,46,390.06**	**600.91**	**59.98**
Non-Performing Assets (NPA)#						
Substandard	Stage 3	2,931.91	1,471.56	1,460.35	580.52	891.04
Doubtful						
upto 1 year	Stage 3	210.52	99.13	111.39	41.94	57.20
1 to 3 years	Stage 3	59.73	12.24	47.49	17.92	(5.68)
More than 3 years	Stage 3	0.38	0.08	0.31	0.19	(0.12)
	Subtotal for doubtful	270.63	111.45	159.19	60.05	51.40
Loss	Stage 3		-			
	Subtotal for NPA	3,202.54	1,583.01	1,619.54	640.57	942.44
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1		-	-	-	-
	Stage 2		-	-	-	-
	Stage 3		-	-	-	-
	Subtotal	**-**	**-**	**-**	**-**	**-**
Total	Stage 1	1,42,391.89	560.24	1,41,831.65	582.27	(22.03)
	Stage 2	4,659.06	100.65	4,558.41	18.64	82.01
	Stage 3	3,202.54	1,583.01	1,619.53	640.57	942.44
	Total	**1,50,253.49**	**2,243.88**	**1,48,009.60**	**1,241.48**	**1,002.42**

The Reserve Bank of India has issued the Master Direction – Reserve Bank of India (Non-Banking Financial Company– Registration, Exemption and Framework for Scale Based Regulation) Directions, 2025 as amended. The Master Directions categorises NBFCs in Base Layer (NBFC-BL), Middle Layer (NBFC-ML), Upper Layer (NBFC-UL), Top Layer (NBFC-TL). The Company is categorised under ""Middle Layer"" pursuant to the Master Directions. Hence now company is required to recognise NPA on 90 days basis In terms of requirement of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, non-banking financial companies (NBFCs) are required to create an impairment reverse for any short fall in impairment allowance under Ind AS 109 and income recognition and asset classification and provisioning (IRACP) norms (including provision on standard assets). The impairment allowance under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard assets provisioning), as at March 31, 2026 and March 31, 2025 and accordingly, no amount is required to be transferred to impairment reserve.

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

As at Mar 31, 2025

Asset Classification as per RBI Norm	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	1,08,647.30	494.24	1,08,153.06	460.39	33.85
	Stage 2	4,158.68	166.56	3,992.12	16.63	149.93
	Subtotal	**1,12,805.98**	**660.80**	**1,12,145.18**	**477.02**	**183.78**
Non-Performing Assets (NPA)#						
Substandard	Stage 3	1,158.92	647.86	511.06	158.85	489.02
Doubtful						
upto 1 year	Stage 3	28.86	11.58	17.28	5.80	5.77
1 to 3 years	Stage 3	29.43	11.87	17.56	8.83	3.04
More than 3 years	Stage 3	1.12	1.05	0.07	0.60	0.44
	Subtotal for doubtful	59.41	24.50	34.91	15.23	9.25
Loss	Stage 3		-			
	Subtotal for NPA	1,218.33	672.36	545.97	174.08	498.27
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	**-**	**-**	**-**	**-**	**-**
Total	Stage 1	1,08,647.30	494.24	1,08,153.06	460.39	33.85
	Stage 2	4,158.68	166.56	3,992.12	16.63	149.93
	Stage 3	1,218.33	672.36	545.97	174.08	498.29
	Total	**1,14,024.31**	**1,333.15**	**1,12,691.14**	**651.10**	**682.05**

81. Details of penalties imposed by RBI and other regulators:

No penalties have been imposed by RBI or any other regulator on the Company during the period ended March 31, 2026 and March 31, 2025.

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

82. Disclosure as required under RBI notification no.RBI/2020-21/16/DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6,2020 on "Resolution Framework for COVID-19-related Stress":for the period/ Year ended March 31, 2026, March 31, 2025.

Type of borrower (A)	(A)	(B)	(C)	(E)	(D)
	No's of accounts where resolution plan has been implemented under this window	Exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Add. funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	--	
Corporate persons*	-	-	-	--	
Of which, MSMEs	-	-	-	--	
Others	-	-	-	--	
Total	-	-	-	--	

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

83. Disclosure as required under RBI notification no.RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6,2020 on "Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances for the period/ Year ended March 31, 2026, March 31, 2025.

No. of accounts restructured	Amount (₹ in Lakhs)
0	0

*During the year, the company has not restructure account under scheme

84. Exposure to Capital Market

	Particulars	As at Mar 31, 2026	As at Mar 31, 2025
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in Corporate debt	10.21	8.63
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds,convertibledebentures, and units of equity-oriented mutual funds	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

	Particulars	As at Mar 31, 2026	As at Mar 31, 2025
(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		
(x)	All exposures to Alternative Investment Funds:		
	1. Category I	-	-
	2. Category II	-	-
	3. Category III	-	-
Total exposure to capital market		-	-

85. Exposure to Real Estate Sector

The Company has following exposure to Real Estate Sector as on March 31, 2026 and March 31, 2025 :

	Particulars	As at Mar 31, 2026	As at Mar 31, 2025
A.	**Direct Exposure (Fund and Non Fund Based)**		
	i) Residential Mortgages-	-	3,281.36
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		
	ii) Commercial Real Estate-	-	-
	Lending fully secured by commercial real estates (Office buildings, retail space, multi- purpose commercial purpose commercial premises, multi family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels land acquisition, development and construction etc.).		
	iii) Investment is mortgage Backed Securities(MBS) and other securitized exposures-		
	a) Residential	-	-
	b) Commercial Real Estate	-	-
	Total Exposure to Real Estate	-	-
B.	**Indirect Exposure (Fund and Non Fund Based)**	**-**	**-**
	Fund based and non fund based exposures on National Housing and Housing Finance companies.		

86. Derivatives

a) The Company has not dealt in any market linked or non market linked derivative

b) The Company has not entered into any forward Rate Agreement / Interest Rate Swap for derivative

c) The Company has not entered into any exchange traded derivative

87. Details of financial assets sold to securitization / reconstruction Company for asset reconstruction

The Company has not sold any financial assets except as reported in Note no. 99 to securitization / reconstruction Company for asset reconstruction during the period/year ended on March 31, 2026 and March 31, 2025.

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

88. The Company has not purchased any non-performing financial assets during the period/year ended on March 31, 2026 and March 31, 2025. Company has sold stress loan assets to ARC during the period ended March 31, 2026 and March 31, 2025

89. The Company has not restructured any non-performing financial assets during the period/ Year ended March 31, 2026 and March 31, 2025.

90. There is no financing of parent Company products during the year ended on March 31, 2026 and March 31, 2025

91. The Company has not exceeded the single borrower limits / group borrowers limits during the financial year ended March 31, 2026 and March 31, 2025 as set as RBI.

92. The Company has not given any unsecured advances against intangible securities such as charge over the rights licenses, authority, etc. during the year ended on March 31, 2026 and year ended on March 31, 2025.

93. The company has not given any loan for Loans against gold and silver collateral in FY 2025-26

94. The Company has not disburse any loan related to project finance in FY 2025-26.

95. The Company has not offering any Non-Fund Based (NFB) Credit Facilities

96. Company has not undertaken any transactions in the currency futures & options market, in accordance with the guidelines issued by SEBI.

97. Company has not undertaken any transaction in regarding of Credit Default Swaps

98. Provisions and Contingencies (₹ in lakhs)

	Particulars	As at Mar 31, 2026	As at Mar 31, 2025
1.	Provisions for depreciation on Investment	-	-
2.	Provision towards NPA	910.64	347.39
3.	Provision made towards Income tax	1,983.89	1,506.00
4.	Other Provision and Contingencies (with details)		
	Gratuity	102.94	34.48
	Other provision	41.49	46.34
5.	Provision for Standard Assets	0.10	476.58

99. Off-Balance Sheet SPVs sponsored

Name of the SPV Sponsored	
Domestic	**Overseas**
Nil	Nil

100. Off-Balance Sheet Exposures and Structured products

Company does not have any off-balance sheet exposures or investments in structured products.

101. The Company is not registered under any other regulator other than Reserve Bank of India, Ministry of Corporate Affairs and SEBI during the period/ Year ended March 31, 2026 and company was registered under Reserve Bank of India and Ministry of Corporate Affairs during the period/ year ended March 31, 2025

Notes

Forming Part of Financial Statements (Contd.)

102. Concentration of Advances, Exposures and NPA's (Stage III)

a) Concentration of advances

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Total advance to twenty largest borrowers	4,771.68	2,427.99
Percentage of advances to twenty largest borrowers to total advances of the NBFC	3.18%	2.13%

b) Concentration of exposures

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Total exposure to twenty largest borrowers	4,771.68	2,427.99
Percentage of exposures to twenty largest borrowers to total advances of the NBFC	3.18%	2.13%

c) Concentration of NPA(STAGE III)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Total exposure to Top 4 NPA	131.59	168.81

d) Sector wise NPA - Revise as per RBI Circular (Format) and Notes on the below format is also added

Sector	As at Mar 31, 2026			As at Mar 31, 2025		
	Total Exposure*	Gross NPAs (in Lakhs)	Percentage of Gross NPA to total exposure	Total Exposure	Gross NPAs (in Lakhs)	Percentage of Gross NPA to total exposure
Agriculture & allied activities	-	-	0.00%	-	-	0.00%
MSME	1,09,251.24	703.62	0.64%	-	-	0.00%
Corporate borrowers	5,606.02	-	0.00%	874.08	-	0.00%
Services	-	-	0.00%	-	-	0.00%
Unsecured personal loans	3,365.85	5.24	0.16%	1,463.90	13.55	0.93%
Auto loans	14,339.72	2,065.32	14.40%	20,093.20	183.42	0.91%
Other personal loans**	17,690.66	428.35	2.42%	91,593.11	1,021.36	1.12%

**Other personal loans includes Non MSME loans against property, Non MSME construction loans etc. in FY 2025-26, whereas Other personal loans includes MSME, loans against property, construction loans etc in FY 2024-25.

103. Overseas Assets (for those with Joint ventures and subsidiaries abroad)

There are no overseas assets owned by the Company.

Notes

Forming Part of Financial Statements (Contd.)

104. a) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No.		Particulars	As at Mar 31, 2026	As at Mar 31, 2025
		Complaints received by the NBFC from its customers		
1		Number of complaints pending at beginning of the year	14	15
2		Number of complaints received during the year	415	341
3		Number of complaints disposed during the year	427	342
	3.1	Of which, number of complaints rejected by the NBFC	0	0
4		Number of complaints pending at the end of the year	2	14
		Maintainable complaints received by the NBFC from Office of Ombudsman		
5		Number of maintainable complaints received by the NBFC from Office of Ombudsman	13	11
	5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	13	11
	5.2	Of 5, number of complaints resolved through conciliation/ mediation/advisories issued by Office of Ombudsman	0	0
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6		Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

"Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCS which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

b) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
As at Mar 31, 2026					
Ground - 1 Credit Information Companies reports related	13	280	14%	0	0
Ground - 2 Staff behaviour	0	3	50%	0	0
Ground - 3 Loan Documents/ NOC Required	0	10	-41%	0	0
Ground - 4	0	0	0%	0	0
Ground - 5	0	0	0%	0	0
Others	1	122	58%	2	0
Total	**14**	**415**		**2**	**0**

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

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
As at Mar 31, 2025					
Ground - 1 Credit Information Companies reports related	10	245	283%	13	0
Ground - 2 Staff behaviour	1	2	0%	0	0
Ground - 3 Loan Documents/ NOC Required	0	17	70%	0	0
Ground - 4	0	0	0%	0	0
Ground - 5	0	0	0%	0	0
Others	4	77	64%	1	0
Total	15	341		14	0

105. No frauds were reported during the year ended March 31, 2026 and March 31, 2025.

106. Disclosure pursuant to the RBI circular-Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025 and Reserve Bank of India (Non-Banking Financial Companies - Financial Statement : Presentation & Disclosure) Direction 2025 dated Nov 28, 2025, as amended.

a) Details of transfer through assignment in respect of loans not in default during the period/year ended March 31, 2026 and March 31, 2025

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
No of Loan account Assigned	972	1062
Total Amount of Loan (Rs in Lacs)	4,117.39	5114.64
Assigned Part of Loan Assigned (Rs in Lacs)	3,499.78	4603.17
Retention of beneficial economic interest (MRR) (Rs. In Lacs)	617.61	511.46
Weighted average maturity (Residual Maturity)	54 Months Approx	53 Months Approx
Weighted average holding period	14 Months Approx	15 Months Approx
Coverage of tangible security coverage	100%	100%
Rating-wise distribution of rated loans	Unrated	Unrated

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

b) Details of acquired through assignment in respect of loans not in default during the period/year ended March 31, 2026 and March 31, 2025

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
No of Loan account Assigned	4251	5649
Total Amount of Loan (Rs in Lacs)	3,192.95	3,063.84
Assigned Part of Loan Acquired (Rs in Lacs)	2,873.65	2,757.46
Retention of beneficial economic interest (MRR) (Rs. In Lacs)	319.29	306.38
Weighted average maturity (Residual Maturity)	28 Months Approx.	19 Months Approx.
Weighted average holding period	12 Months Approx.	11 Months Approx.
Coverage of tangible security coverage	100%	100%
Rating-wise distribution of rated loans	Unrated	Unrated

c) Details of stressed loan transferred during the period/year ended March 31, 2026 and March 31, 2025 :

Name of the instrument/ product	As at Mar 31, 2026		As at Mar 31, 2025	
	To Asset Reconstruction Companies (ARC)		To Asset Reconstruction Companies (ARC)	
	NPA	SMA	NPA	SMA
No. of accounts	544	525	413.00	470.00
Aggregate principal outstanding of loans transferred*	1,505.27	1,943.85	1,095.37	1,552.66
Weighted average residual tenor of the loans transferred	Less than 4 years	Less than 4 years	Less than 3 years	Less than 4 years
Net book value of loans transferred (at the time of transfer)	1,102.60	1,936.08	572.43	1,546.42
Aggregate consideration	1,279.48	1,652.27	668.45	1,442.86
****Additional consideration realized in respect of accounts transferred in earlier years**	-	-	-	-

"*Company had sold Stress loan assets in which write off assets was ₹ 276.92 Lakhs for the period ended March 31, 2026 and ₹ 461.42 Lakhs for period ended March 31, 2025.

** Company is yet to realize additional consideration on a pool level hence this figure is Nil

The company has reversed provisions amounting to Rs. 133.53 lakh in the profit and loss account on account of the sale of stressed loans.

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

Details of rating of Security receipt of ARC('SR's')

Particulars	Rating Agency	Recovery Rating	Gross Value of SR(Company share)	
			As at Mar 31, 2026	As at Mar 31, 2025
RARC Trust 078	Infomerics Valuation And Rating Private Limited	More than 150%	6.88	307.88
	Ratings		IVR RR 1+ (IVR Double R One Plus)	IVR RR 1+ (IVR Double R One Plus)
RARC Trust 087	Infomerics Valuation And Rating Private Limited	Range of 100% - 150%	338.39	455.25
	Ratings		IVR RR 1 (IVR Double R one)	IVR RR 1 (IVR Double R one)
ASERAC	Infomerics Valuation And Rating Ltd.	Range of 100% - 150%	489.73	610.21
	Ratings		IVR RR 1 (IVR Double R one)	Unrated
CFM ARC	Brickwork Ratings India Private Limited	More than 100% and Upto 150%	896.65	1,156.90
	Ratings		BWR RR1 (BWR Double R one)	NA
CFM ARC	Brickwork Ratings India Private Limited	NA	2,532.10	-
	Ratings		Unrated	NA

d) During the year ended March 31, 2026, the company has acquired the retail business of other company as a going concern under business transfer agreement for Purchase consideration of Rs. 5,169.35 lakhs. The transaction has been recorded in books of accounts as per INDAS 103 "Business combination". The company has paid above stated purchase consideration for acquiring net identifiable asset of Rs 5,244.41 lakhs, resulted gain on bargain purchase of Rs 75.06 lakhs which has been transferred in capital reserve.

Particulars	As at Mar 31, 2026
Number of Loan Accounts assigned	1750
Total Amount of Loan (Rs in Lacs)	5,334.78
Assigned Part of Loan Accquired (Rs in Lacs)	5,334.78
Retention of Beneficial Economic Interest (Average)	-
Weighted average maturity (Residual Maturity)	49 Months Approx.
Weighted average holding period	19 Months Approx.
Coverage of Tangible Security Coverage	97.19%
Rating wise Distribution of rated Loans	Unrated

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

107. All secured listed non-Convertible Debentures of the Company including those issued during year ended March 31, 2026, are secured by first and exclusive charge on receivables of the Company by way of hypothecation to the extent of minimum 100% or higher of the amount outstanding and the Personal Guarantee of Deepak Baid, Aneesha Baid and Prem Devi Baid as stated in Information Memorandum and key information document. Further, the Company has maintained asset cover as stated in the offer document which is sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.

108. Ratio Disclosures:

	Particulars	As at Mar 31, 2026	As at Mar 31, 2025
1.	Debt-Equity ratio [Debt securities+Borrowings (other than debt securities)] / Total Equity	2.88	4.42
2.	Net Worth(Rs. in Lakhs) [Total Equity]	46468.58	25746.23
3.	Net Profit after tax (Including OCI) (Rs. in Lakhs)	4967.58	3591.01
4.	Earnings per share		
	Basic (Rs.)	10.20	8.78
	Dilluted (Rs.)	10.20	8.78
5.	Total debts to total assets ratio [Debt securities+Borrowings (other than debt securities)] / Total Assets	73.57%	80.50%
6.	Net profit margin [Profit after tax / Total Income]	15.54%	14.48%
7.	Current Ratio	Not Applicable	Not Applicable
8.	Current Liability Ratio	Not Applicable	Not Applicable
9.	Debt Service Coverage Ratio	Not Applicable	Not Applicable
10.	Interest Service Coverage Ratio	Not Applicable	Not Applicable
11.	Outstanding Reedemable Preference Shares (Qty and Amount)	Not Applicable	Not Applicable
12.	Capital Redemption Reserve/ Debenture Redemption Reserve	Not Applicable	Not Applicable
13.	Long Term Debt to Working Capital	Not Applicable	Not Applicable
14.	Bad Debts to Accounting Receivable Ratio	Not Applicable	Not Applicable
15.	Inventory Turnover Ratio	Not Applicable	Not Applicable
16.	Debtor Turnover Ratio	Not Applicable	Not Applicable
17.	Operating Margin	Not Applicable	Not Applicable
18.	Sector specific equivalent ratio, as applicable		
	(a) Gross stage 3 asset ratio (Gross Stage-3 / Total Loans)	2.13%	1.07%
	(b) Net stage 3 asset ratio	1.09%	0.48%
	(c) Capital to risk-weighted assets ratio (Calculated as per RBI guidelines)	26.12%	20.80%
	(d) Liquidity coverage Ratio	Not Applicable	Not Applicable

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

109. Direction issued by Reserve Bank of India vide Circular DBOD. No. BP.BC. 85/21.06.200/2013-14 dated January 15, 2014, as amended from time to time, we would like to declare the same in the prescribed format provided by the RBI:

The company do not have any Foreign Currency Exposure till March 31, 2026

Since there is no foreign exposure, hence requirement of hedging contracts`s conformity in line with pronouncement of the Institute of Chartered Accountants in respect of their hedge effectiveness vis-a-vis the underlying exposure is not applicable

Since there is no foreign exposure , hence requirement under Unhedged Foreign Currency Exposure is not applicable to the company.

110. Other Income / Other Expenses

Foreign Exchange Fluctuation :

As per IND AS 21 - The Effects of Changes in Foreign Exchange Rates Exchange, differences arising on settlement and translation of foreign currency transactions are recognized in the Statement of Profit and Loss in the period in which they arise.

The net exchange differences recognized during the year are as follows:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Gain/(Loss) on Foreign Exchange Transaction	(0.05)	-

111. Additional notes

a) Earnings in foreign currency during the period ended March 31, 2026: Nil (period ended March 31, 2025 - Nil)

b) Expenditure in foreign currency on account of professional fees period ended March 31, 2026: USD 9500 (period ended March 31, 2025 - Nil)

c) Expenditure in foreign currency on account of payment of interest for period ended March 31, 2026: Nil (period ended March 31, 2025 - Nil)

112. Draw Down from Reserves

No reserves have been draw down during the period ended March 31, 2026 and March 31, 2025.

113. Area of Operation

The Company operates its financing activities in India and does not have any joint ventures or overseas subsidiaries.

114. Revenue Recognition

The Company has no revenue recognition transactions that have been postponed pending the resolution of significant uncertainties.

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

115. Related party disclosure

Item\Related Party	Parent (as per ownership control)		Subsidiaries		Associates / Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others**		Total	
	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025	As at Mar 31, 2026	As at Mar 31, 2025
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others*														
Director Remuneration	-	-	-	-	-	-	586.50	586.50	-	-	-	-	586.50	586.50
Sitting Fees	-	-	-	-	-	-	35.10	25.20	-	-	-	-	35.10	25.20
Salary, Allowances & Bonus	-	-	-	-	-	-	71.74	52.58	-	-	257.14	178.64	328.88	231.22
Number of ESOP granted	-	-	-	-	-	-	-	0.39	-	-	-	-	-	0.39
Equity Share Capital issued	-	-	-	-	-	-	0.16	9.75	-	10.53	-	-	0.16	20.27
Rent paid	-	-	-	-	-	-	21.23	20.99	-	-	-	-	21.23	20.99
Advances to staff	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances to staff Repaid	-	-	-	-	-	-	2.80	0.75	-	-	-	-	2.80	0.75
CSR Expenses	-	-	-	-	-	-	-	-	-	10.00	-	-	-	10.00
Donation	-	-	-	-	-	-	-	-	2.00	-	-	-	2.00	-

*Detailed information regarding Key Management Personnel and their relative amounts is provided in Note No. 48.

The amount in the "Others" column relate to senior management personnel.

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

116. Schedule to the balance sheet

Annex I

	Particulars Liabilities side		Amount Out-standing	Amount Overdue
1.	**Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid**			
	(a) Debenture :	Secured	6,156.10	-
		Unsecured	-	-
	(b) Deferred Credits			
	(c) Term Loans		1,26,778.97	-
	(d) Inter-corporate loans and borrowing		-	-
	(e) Commercial Paper		-	-
	(f) Public Deposits		-	-
	(g) Other Loans (specify nature)			
	(i) Subordinated Liabilities		796.13	-

	Particulars Assets Side	Amount Out-standing
2.	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**	
	(a) In the form of Unsecured debentures	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-
	(c) Other public deposits	-
3.	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**	
	(a) Secured	1,41,650.39
	(b) Unsecured	6,380.08
4.	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**	
	(i) Lease assets including lease rentals under sundry debtors:	
	(a) Financial lease	229.68
	(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 asset financing activities	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	1,48,009.61

Notes

Forming Part of Financial Statements (Contd.) (₹ In Lakhs)

	Particulars Assets Side	Amount Out-standing
5.	**Break-up of Investments**	
	Current Investments	
	Quoted	
	(i) Shared	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	11,023.47
	(iii) Units of mutual funds	7.23
	(iv) Government Securities	-
	(v) Others	-
	Unquoted	
	(i) Shared	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	Long Term investments	
	Quoted	
	(i) Shared	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	84.48
	(iv) Government Securities	-
	(v) Others (please specify)	-
	(a) Invesment in Security Receipts	4,776.09
	Unquoted	
	(i) Shared	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

Notes

Forming Part of Financial Statements (Contd.)

(₹ In Lakhs)

	Category	Amount net of provisions		
		Secured	Unsecured	Total
6.	**Borrower group-wise classification of assets financed as in (3) and (4) above:**			
	(1) Related Parties			
	(a) Subsidiaries			
	(b) Companies in the same group			
	(c) Other related parties			
	(2) Other than related parties	1,41,880.07	6,380.08	1,48,260.15

	Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
7.	**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**		
	(1) Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	(2) Other than related parties	15,891.27	15,891.27

	Particulars	Amount
8.	**Other information**	
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	3,202.54
	(ii) Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	1,619.54
	(iii) Assets acquired in satisfaction of debt	-

Notes

Forming Part of Financial Statements (Contd.)

ASSET LIABILITY MANAGEMENT (ALM)

As at Mar 31, 2026

(₹ In Lakhs)

Particulars	1 day To 7 days	8 day To 14 days	15 day To 30/31 days	Over1 Month To 2 Months	Over2 Months To 3 Months	Over 3 Months To 6 Months	Over 6 Months To 1 Year	Over 1 Year To 3 Years	3 to 5 years	Over 5 years	Total
Asset											
Advances	1,460.25	811.44	1,187.42	3,868.83	4,186.29	11,120.25	24,497.16	66,779.70	30,871.74	3,226.51	1,48,009.61
Fixed Asset/ Intangible asset	-	-	-	-	-	-	-	-	-	1,716.52	1,716.52
Investments	7.23	-	3,300.93	500.00	3,227.13	1,510.50	2,484.91	345.27	4,430.82	84.48	15,891.27
Cash & bank	4,235.64	1,124.05	-	1,150.83	301.79	1,373.00	2,389.94	2,645.22	307.42	-	13,527.89
Other assets	68.60	53.30	187.17	114.13	83.35	264.45	470.90	750.96	141.52	498.29	2,632.67
Total	**5,771.73**	**1,988.79**	**4,675.51**	**5,633.80**	**7,798.56**	**14,268.20**	**29,842.91**	**70,521.16**	**35,751.50**	**5,525.80**	**1,81,777.96**
Liabilities											-
Borrowings	1,096.55	385.27	2,815.13	4,205.56	5,368.73	12,577.20	28,569.68	67,969.33	10,739.42	4.34	1,33,731.19
Other Liabilities	127.49	69.63	757.70	8.62	11.18	38.01	25.02	71.40	317.35	73.02	1,499.41
Total	**1,224.04**	**454.90**	**3,572.83**	**4,214.18**	**5,379.92**	**12,615.21**	**28,594.70**	**68,040.73**	**11,056.77**	**77.36**	**1,35,230.61**
Difference	4,547.69	1,533.90	1,102.68	1,419.62	2,418.65	1,653.00	1,248.21	2,480.43	24,694.73	5,448.45	46,547.35
Cumulative Mix	4,547.69	6,081.59	7,184.27	8,603.89	11,022.54	12,675.53	13,923.74	16,404.17	41,098.90	46,547.35	1,68,089.65
									Equity	46,547.35	46,547.35

1. Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification/ disclosure.

As per our report of even date attached
For **S.C. Bapna & Associates**
Chartered Accountants
Firm Registration. No. - 115649W

Deepika Nalwaya
Partner
Membership No. - 407184

Place : Jaipur
Date : 13th May, 2026

For and on Behalf of the Board of Directors of
Laxmi India Finance Limited
(Formerly known as Laxmi India Finance Private Limited)

Deepak Baid
Managing Director
DIN: 03373264

Aneesha Baid
Whole-Time Director
DIN: 07117678

Gopal Krishan Sain
Chief Financial Officer
Membership No. - 418989

Sourabh Mishra
Company Secretary
Membership No. - 51872

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