

InCred! *finance*

Disciplined Risk. Sustainable Growth.

Annual Report
FY 2025-26





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Disclaimer: This document may contain statements about expected future events and financials of InCred Financial Services Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements.

Corporate Overview



About InCred Finance

InCred Finance is one of India's fastest-growing diversified NBFCs in terms of AUM and Profit growth. We offer a broad suite of loan products, supported by a risk-first approach, a technology-driven platform, a robust multi-channel distribution network, and an experienced management team.

We offer a diversified lending portfolio across five principal product verticals, each designed to address a broad spectrum of customer needs. These verticals comprise: Personal Loans, Student Loans, Secured Business Loans (covering both loans against property and school financing), Specialised MSME Loans (including embedded financing and asset backed financing), and Lending to Financial Institutions.



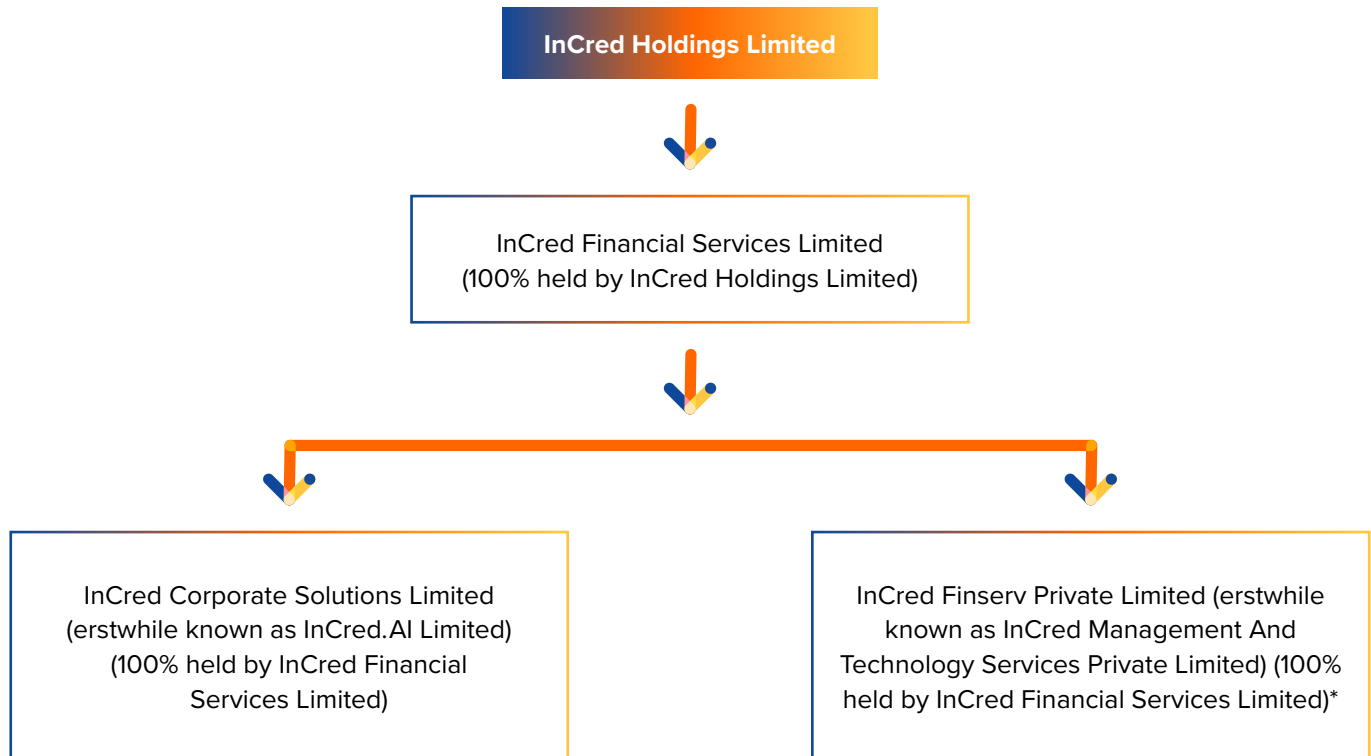
Fuelling India's Ambition

Driven by desire and defined by action, the heart of modern India beats with an unwavering ambition to realize its vast potential. InCred Finance fuels this powerful movement, providing the vital lifeblood of accessible and transparent credit tailored to the needs of underserved customer segments including both individuals and businesses.

Together, we are turning collective ambition into tangible transformation - shaping a nation of achievers. Building on this foundation, we have strategically entered select credit verticals that offer large scale and high growth potential and continuously launched innovative product lines, proving that effective, action-oriented delivery is at the very core of our success.



InCred Finance Structure



* Ceased to be subsidiary w.e.f November 04, 2026

Our Competitive Strengths

We believe the following key competitive strengths differentiate us from our competitors:

Diversified Product Portfolio

Retail Focused Lending Business with a Diversified Product Portfolio and Strong Growth in a Large Addressable Market

Risk First Approach

Risk First Approach Resulting in Healthy Asset Quality

In-House Developed Technological Platform

In-House Developed Technological Platform Across Entire Customer Value Chain

Multi-Channel Distribution Network

Multi-Channel Distribution Network Driving Accessibility and Customer Engagement

Experienced Professional Management Team

Highly Experienced Professional Management Team With Extensive Domain Experience Backed By Marquee Investor Base

Robust and Diversified Funding

Robust and Diversified Funding and Liability Management

InCredible Achievements



INR ~10,000 Crores+

LOANS DISBURSED (DURING FY26)



2,919+

EMPLOYEES



5,50,000+

CUSTOMERS



AA-/Stable

CRISIL AND ICRA



160+

BRANCHES

Product Offered



Personal Loans



Student Loans



Specialised MSME Loans



Secured Business Loans



Lending to Financial Institutions



Vision Steers Purpose



Our Vision

To create a trustworthy, transparent, and high integrity financial institution that positively advances the socio-economic well-being of lower-middle-class to middle-class Indian households while protecting the interests of all stakeholders.



Our Values

1. Ownership

Think like an "Owner". Own the outcome.

2. Integrity

Act with honesty and in the organization's interest, doing the right thing even when no one is watching

3. Collaboration

Think org first and support one another to achieve stronger collective outcomes.

4. Customer Focus

Guide customers with clarity, fairness and respect, to build long - term trust.

5. High Performance

Work hard with passion and discipline to deliver winning outcomes.

6. Innovation & Continuous Improvement

Seek better, smarter ways of doing things, practical problems - solving to improve products, processes & stakeholder experience.



Our Mission

To be relentless in inculcating and nurturing a culture of continuous innovation and execution excellence by combining cutting-edge technology, data science, and deep financial domain expertise and delivering the best-suited profitable product with the most dignified experience for every customer.



FY26 - An Excellent Year for InCred Finance

Assets Under Management

INR 15,881 Crores

UP 26% YOY

Total Income*

INR 1,644 Crores

UP 31% YOY

Profit After Tax

INR 444 Crores

UP 19% YOY

Net Interest Income

INR 1,408 Crores

Net Worth

INR 4,239 Crores

ROA

3.1%

Liquidity Coverage Ratio

185%

Capital to Risk Asset Ratio

24.9%

GNPA/NNPA

2.1%/0.8%

* Total Income is net of Finance Cost





Forging Ahead: Risk-First Approach Powers Results

“In a difficult year for the financial services industry in general and NBFCs in particular, we have held our ground with GNPA at 2.1% and NNPA at 0.8%. That’s a reflection of how deeply risk awareness is embedded in our culture.”

–Bhupinder Singh



Dear Stakeholders,

I'm delighted to bring you the InCred Finance Annual Report for FY 2026. Our FY26 performance is a testament to the company's ability to maintain its course in a turbulent world and hold steady to its mission of partnering Indian families on the path to their financial goals.

InCred Finance has now completed ten years of operation – ten years of innovation, momentum, and discipline. Every year, we've stayed on course, meeting and exceeding our revenue, growth and profitability targets. That's been made possible by our unique blend of entrepreneurial spirit with an institutional process-driven framework, disciplined risk management and cutting-edge technology.

At every stage from our inception to each subsequent milestone, whether it was the first disbursed loan, reaching INR 10,000 Crores AUM, or becoming a unicorn, we've always been grateful for the confidence that our investors have in us.

Our performance this year is a testament to our ability to build sustainable growth, growth that stays steady in difficult times. No matter what's happening in the world, our desire to play our part in the growth of our nation doesn't flag. We want to be the financial partner to every Indian, and in our pursuit of that goal we continue to scale our business across cities to reach out and provide financial access to new customers.

Sustainable Growth

The macroeconomic environment of FY 2026 was unstable, marked by the stress of trade tariffs on global supply chains on one hand, and the buoyancy of the AI-driven investment boom on the other. The culmination came with the flare-up of tensions in the Middle East, leading to a falling rupee, rising oil prices, and inflation.

Despite the complexity of geopolitics, I'm proud to say that this year, we hit INR 15,881 Crores in assets under management (AUM) and INR 444 Crores in profit after tax (PAT).

Strong Risk Management

This year showed the value of our robust risk management processes, which combine an institutional framework with an entrepreneurial approach to technology. At InCred, risk management is not a function – it is a philosophy that takes precedence over all business considerations, embedded at every stage of the lending lifecycle from customer selection and underwriting through to post-disbursal monitoring and collections. Technology and AI serve as the backbone of this framework, enabling us to identify, assess, and respond to risk with greater speed and precision.

The effectiveness of our approach shows in the numbers. In a difficult year for the financial services industry in general and NBFCs in particular, we have held our ground with GNPA at 2.1% and NNPA at 0.8%. That's a reflection of how deeply risk awareness is embedded in our culture.

Our Values

InCred's culture comes from its values, professional and ethical touchstones that we use to inform our everyday actions. Just like everything else at InCred, our values are constantly examined; we updated them in the past year to reflect what we've learned as we've grown from brand-new startup to Unicorn and beyond.

Our foremost value is Ownership: every employee of InCred thinks like an owner, taking full responsibility for their decisions, their work, and the ultimate outcome. Everyone is a part of our success in every way. Just as important as that is Integrity. Doing the right thing is incredibly important – even and especially when nobody's watching.

Our success is built on Collaboration. We're a team: and while we celebrate individual wins, we go the farthest when we're all working together for the collective win. Naturally, this is linked to High Performance – the natural result of passion, discipline and hard work, together with the talent that defines every InCredible.

This year, we've added two new values, which have been pivotal to our continued success. One is Customer Focus: we work with customers; our primary focus is to ensure that their goals are met. The other is Innovation and Continuous Improvement. The big wins are important, but we place just as much emphasis on the little ones. Every step, however small, takes us closer to our goals.

Our values extend beyond merely day-to-day operations and customer engagement. From our back-office to field operations, from API design to sales hiring, every aspect of the way we work is constantly scrutinised and improved. Of all the metrics that might show how our values-first strategy has worked for us, the one that gives me the most satisfaction is the impact we've made on people's lives. We have helped thousands of students pursue higher education in India and abroad. We have supported small businesses in their growth journeys. And through all of this, we have made a tangible difference to the lives of countless Indian families. That gives me more happiness than anything else.

As we look ahead to FY 2027 and beyond, we remain committed to this cause, to helping Indian families, to playing our role in India's economic story.

I would like to thank InCred's employees for their dedication and hard work, without which we wouldn't be able to achieve the results we do – and, above all, I would like to thank you, InCred's stakeholders, for your continued confidence and support.

Yours sincerely
Bhupinder Singh



Our Diversified Loan Offerings

Personal Loans

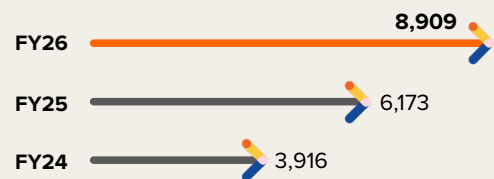
InCred offers personal loans primarily to creditworthy but underserved salaried individuals such as sales executives, teachers, and nurses amongst others, with an average monthly income of more than INR 40,000. The Company achieved an AUM of INR 8,909 crores in personal loans, registering a year-on-year growth of 44%. We specialise in providing loans primarily to salaried middle-income employees for high-involvement but low frequency use cases such as home renovations, emergency medical treatments, amongst others.

Our underwriting is powered by proprietary machine-learning models to assess the loan applicant's risk profile. These are robust statistically validated models that consume credit bureau data, digitised bank statement data, behavioural data from our InCred application, external data sources that assess the residence,

employment stability verification through active EPFO account and credits, as well as fraud detection tools that detect document tampering, location spoofing, and other signs of adverse applicant intent. These models are trained and validated on more than eight years of relevant history. In addition to these variables, customers are also appraised basis quantitative parameters such as fixed obligation to income ratio ("FOIR") to ensure prudent repayment capacity. These models and the related data sources are continuously refreshed and revalidated, as a "Champion (existing)" model-suite is always being tested against a "Challenger (updated)" model-suite.



AUM (INR crores)



Quick Facts



LOAN TICKET SIZE
~INR 1 lakh to
INR 6 lakhs



TENURE
1 years to
6 years



PERSONAL LOAN AUM
INR 8,909 crores



CUSTOMER PROFILE
Creditworthy
but underserved
salaried individuals



Student Loans

We offer student loans products designed for Indian students pursuing higher education abroad, including both secured and unsecured financing options. The product primarily serves students aiming to study in destinations such as the US, UK, Canada, Germany, and Ireland, with a significant focus on postgraduate and master's level programmes in STEM and business courses.

Loans are available for amounts ranging primarily from INR 10 Lakhs to INR 1 Crore, offered typically at floating interest rates between 11% and 14%. Our underwriting is centred around the academic merit of the borrower, the quality of the intended program of studies and the co-borrowers' financial profile. Interest rates are risk graded, with stronger academic profiles and higher-ranked colleges and courses qualifying for more favourable rates. Many of our borrowers come from middle-to-low-income families, and we take pride in helping them realise their dreams. Our student-first approach offers a seamless, digitally enabled experience, making it easy to apply for and secure student loans. We provide loans in INR with flexible repayment options and a moratorium that covers the full study period plus an additional up to 12 months, making it easier and more affordable for students to repay as they start earning. InCred Finance also offers pre-admission loan approvals, giving students peace of mind as they prepare for their higher education. Our dedicated counsellors and agents offer personalised support, guiding students through budgeting and financial planning. Every application is assessed on individual merit, focusing on the student's potential. InCred Finance's holistic approach ensures that students have practical financial solutions and guidance at every stage of their study-abroad journey.

AUM (INR crores)



Quick Facts



LOAN TICKET SIZE
INR 35 lakhs



TENURE
Around 14 years



STUDENT LOAN AUM
INR 3,189 crores

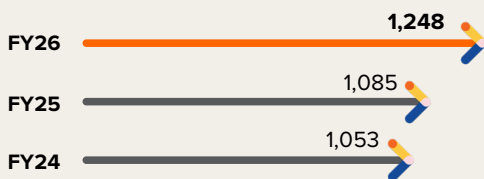


CUSTOMER PROFILE
Indian students
pursuing higher
education abroad

Specialised MSME Loans

InCred Finance offers a suite of specialised loan products to address the unique needs of MSMEs and Mid-Corporates operating in multiple sectors. Our embedded financing solution provides working capital to vendors active on e-commerce marketplaces, restaurants partnered with food delivery platforms, and direct-to-consumer brands, enabling them to manage operational requirements and growth opportunities. Additionally, our asset backed financing loans are aimed at MSMEs and Mid-Corporates, primarily sourced via asset leasing companies, and are secured against movable assets backed by lease receivables. These tailored offerings reflect our commitment to supporting the evolving financial needs of MSME and Mid-Corporates in emerging and technology-enabled industries.

AUM (INR crores)



Quick Facts



LOAN TICKET SIZE
Around
INR 11 lakhs



TENURE
12 to 48
months



SPECIALISED MSME LOANS
INR 1,248 crores



CUSTOMER PROFILE
MSMEs across
industries

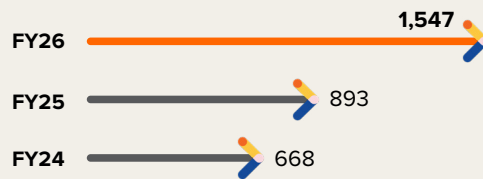


Secured Business Loans

InCred Finance offers a range of secured business loan products designed to support the diverse financial needs of small businesses and educational institutions.

Our LAP product provides property-backed term loans to small businesses such as retail traders, shopkeepers, and manufacturers, enabling them to access working capital or finance business expansion. The product is specifically designed to meet the credit requirements of these cash-generating but underserved customer categories, especially in Tier-II and Tier-III cities. This business is operated through our cluster branch network with sourcing happening through a mix of primarily direct channel and DSAs depending on the branch location and underwriting basis, a cash flow based underwriting framework that extends beyond formal documents and includes surrogate income validation. As at March 31, 2026, our LAP portfolio AUM stood at INR 1,062 crores, compared to INR 587 crores as at March 31, 2025 representing 81% growth on year-on-year basis backed by increase in employee base (254 net hire during year ended March 31, 2026) and a network of more than 145 branches. Additionally, our school financing solutions are tailored for affordable private K-12 schools, particularly in Tier-II and Tier-III cities, supporting their brownfield requirements such as addition of playgrounds or construction of hostel blocks. Here, our credit appraisal involves a robust education sector specific validation process which includes in depth personal discussions, independent property valuations and legal due diligence, and evaluating institutional track record.

AUM (INR crores)



Quick Facts



LOAN TICKET SIZE

Around
INR 24 lakhs



TENURE

6 to 12 years



SECURED BUSINESS LOANS AUM

INR 1,547 crores



BUSINESS PROFILE

Working capital and business expansion for small businesses, and brownfield expansion for schools





Lending to Financial Institutions

InCred Finance offer secured term loans to RBI regulated NBFCs to support their onward lending across multiple categories such as consumer, vehicle, gold, business loans and loans against property among others. FI loans are structured as term loans, typically with fixed interest rates and tenures mostly ranging from 6 to 36 months. Ticket sizes and tenure are determined based on the borrowing institution's business model, asset profile, size, and cash flow patterns.

AUM (INR crores)



Quick Facts



LOAN TICKET SIZE
INR 1 crore to
INR 25 crores



TENURE
6 to 36
months



LENDING TO FINANCIAL INSTITUTIONS AUM
INR 971 crores



FINANCIAL INSTITUTION PROFILE
RBI regulated
NBFCs across
different product
verticals industries



A Risk-Calibrated Business Strategy

Our lending philosophy is anchored in a risk-first approach, which guides our decision-making across all products and customer verticals. We implement a robust risk management framework that includes careful customer selection, tailored underwriting criteria for each product type including the use of financial and qualitative checks to determine creditworthiness, supported by our technological platform incorporating machine learning to improve credit evaluation

accuracy and strengthen fraud detection capabilities. Our framework incorporates product specific safeguards such as risk-based pricing, co-borrower requirements, escrow mechanisms, and coverage under credit guarantee schemes to further mitigate losses. Throughout the loan lifecycle, we maintain strong post-disbursal monitoring and early warning systems, complemented by proactive collections strategies.







The Technology Edge to Lending

We have built our operations on a modern, integrated technology platform, incorporating advanced tools and digital solutions at various stages of the lending lifecycle from customer sourcing and risk assessment to loan disbursal, post disbursal operations, collections, and customer service. This platform enables us to streamline processes, enhance data driven decision-making, and support scalable growth. We have progressively embedded artificial intelligence and machine learning capabilities across this platform, deploying AI-driven underwriting models, autonomous AI agents for customer origination and collections, and AI-powered tools across our technology team to accelerate software development. Throughout our operations, we use a variety of sophisticated tools and solutions including scorecard-based credit evaluation systems, workflow automation

platforms, and advanced data analytics applications to support consistency, reliability, and efficiency in the delivery of our products and services. We believe this artificial intelligence (“AI”) enabled technology foundation, combined with an optimised team sizing, allows us to scale operations and revenue without proportional increases in headcount, contributing to expanding operating leverage.

Highly Experienced Professional Management Team

Our operations are steered by our experienced professional management team. Our Chairman, Whole Time Director and Chief Executive Officer, Bhupinder Singh, is an industry veteran with over two decades of experience in the financial services sector. Our Whole-time Director and Chief Financial Officer, Gaurav Maheshwari, brings over 27 years of experience in the financial and corporate sectors. Prithvirajraj Chandrasekhar, Head – Consumer Finance, and Saurabh Jhalaria, Head – Education and MSME lending business, both have been associated with us since 2017. Our Chief Technology Officer, Ashwin Sekar and our Chief Human Resources Officer, Kamlesh Dangi, complement this leadership team. This leadership team’s collective experience and alignment with InCred’s long-term vision is a key enabler driving our growth and success.

Multi-Channel Distribution Network

We leverage a multi-channel distribution network to source customers across diverse categories both through our dedicated sales team and an extensive network of channel partners. Our digital presence is anchored by the “InCred” mobile & web applications enabling our customers to apply for loans through a streamlined digital process that reduces the need for physical paperwork. As on March 31, 2026, our mobile application had an installed base of over 4.5 lakhs users. Complementing our digital platform, we operate through a network of 160+ branches located across 19 states and union territories as at Mar 31, 2026, ensuring broad geographic reach and customer access while offering both flexibility and scalability in nationwide customer acquisition.



Fostering an Environment Where Talent and Values Align



In FY26, the Human Resources function at InCred Finance focused on scaling the organization efficiently while maintaining a high-performance, culturally aligned, and deeply engaged workforce. Amidst rapid expansion, our strategic priorities centered on talent retention, leadership development, peer-to-peer appreciation, and embedding our core organizational values. The results speak to a resilient workplace culture that outperforms market standards and positions InCred as an employer of choice.

To support the business' aggressive growth trajectory, our headcount witnessed substantial expansion, closing March 2026 at 2,919 total employees. This represents a 10% increase in manpower compared to the previous fiscal year, reflecting our intentional investment in scaling our teams to drive market expansion. To support this talent influx, we expanded our geographical footprint, bringing our total to 166 offices.

Senior Team Stability

At the leadership level, stability remained exceptionally high, ensuring consistent

strategic direction and governance. Over the years, InCred has cultivated strong leadership continuity, retaining 60% of the senior executive team for over five years. This deep stability was further reflected this year, with SVP and above attrition sitting at only 5%, representing just two departures out of a cohort of 40 senior executives.

Employee Engagement and Sentiment Analysis

Our regular pulse checks ensure that employee voices directly shape organizational policy, and the latest Employee Engagement Survey demonstrated extraordinary alignment and morale. We achieved a remarkable 99% participation rate, reflecting a highly transparent and participative workforce. This deep engagement is matched by record-high satisfaction; our overall sentiment score reached a peak of 4.21 out of 5 in February 2026. This latest result marks a steady, continuous improvement over the years, rising from 4.07 in 2018 & 2019, to 4.16 in 2021, to 4.19 in 2023 & 2024, and finally to our highest score yet.



Driving these results were standout scores across key cultural dimensions. Employees expressed exceptional organizational pride, yielding a 4.51 sentiment score for Pride & Advocacy, alongside a strong willingness to recommend InCred Finance as a top employer to family and friends (4.32). Furthermore, our focus on transparency translated into deep Strategic Alignment, with a score of 4.37 indicating a clear understanding of the company's vision and goals. Finally, managerial guidance and support was acknowledged, with Manager Guidance achieving a 4.34 sentiment score.



The InCred Learning League was launched with a mandate to curate top-tier in-house digital content alongside high-impact, in-person experiential learning journeys. In FY26, our training initiatives focused heavily on functional expertise, domain knowledge, compliance, and leadership pipelines. Our learning and development programs delivered measurable impact and high engagement, with 84% voluntary completion rate among employees.

Culture of Recognition

Recognition remains deeply embedded in our daily culture through the InCred Premier League (IPL) framework. In FY26, peer-to-peer and leadership-driven appreciation scaled to unprecedented heights, reinforcing positive behaviors and high performance across the organization. Over the course of the year, employees actively championed each other's success, exchanging a remarkable 17,143 total appreciations.



The House of Values: Looking Ahead

Our exponential growth in headcount and geographic reach makes our cultural anchor points more critical than ever. The House of Values serves as our operational North Star. By embedding these principles into our hiring, performance evaluations, and the Value Champion tracks of our IPL platform, we ensure that as InCred grows in scale, we remain firmly rooted in Value System – High Performance, Ownership, Integrity, Innovation & Continuous Improvement, Customer Focus, and Collaboration. In FY27, HR will continue to leverage these values to build a sustainable, high-growth financial institution driven by capable leaders and an engaged workforce.





Brand Impact: Strategic Marketing and Market Resonance

With the varied product and customer segments that we cater to, our marketing approach strikes a balance across both digital and traditional methods to reach a wider audience and achieve diverse marketing goals that support our brand strategy and expansion efforts in the competitive financial services market.

Our efforts include identifying the right opportunities for brand visibility, creating tailored digital campaigns for customer acquisition and retention, supporting on-ground sales events and leveraging social media platforms among others.

By utilising sophisticated segmentation, targeting, and positioning techniques, we are able to tailor products and communications to varied demographic segments, including both urban and semi-urban customers.

We have also engaged in content-driven outreach, publishing educational material to raise awareness about financial solutions and responsible borrowing, while building customer trust and confidence.

Our recent marketing initiatives includes the announcement of our association with cricketer Shreyas Iyer as our brand ambassador, and the launch of our long-term brand positioning campaign called 'Ask InCred' to promote financial literacy.

AI has unlocked a new era of marketing productivity for InCred Finance. We are now leveraging AI to instantly generate high-quality banners and video campaigns tailored to specific regional languages, complete with the cultural nuances and native slang that resonate with diverse borrowers. By breaking down language barriers, these AI-driven campaigns help InCred reach more people across India and connect with local communities in a trusted and relatable way.



Key Highlights

- Secured **2,000+ media mentions** across print, digital, and broadcast platforms.



- The **Shreyas Iyer** campaign delivered strong brand visibility and engagement at scale, reaching **9.3M+ users** and generating **10.1M impressions**.



- InCred Finance was a proud partner of the **Gujarat Giants** and **Jaipur Pink Panthers** during the **Pro Kabaddi League**.



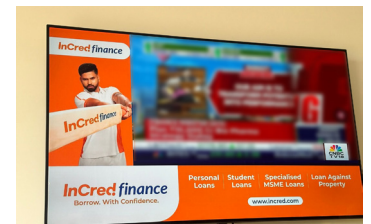
- The Ask InCred YouTube channel received the Silver Play Button, surpassing **425k subscribers**, with **4.5M+ TrueView** views, **61.3M impressions**, and **7.9M engagements**.



- The International **Women's Day** campaign, showcasing employee-led narratives, campaign generated over **1.1M** digital impressions.



- Website traffic saw an **uptick of 15%** over previous year to reach **6.1M** visitors.



- Featured on **CNBC-TV18** during the **Union Budget broadcast**.



- aFAQ Brand Storyz Gold Award for **Best Education Content**



Touching Lives, Enabling Futures: Our Journey of Shared Impact



At InCred Finance, we know that true social responsibility extends far beyond corporate metrics; it is found in the real, life-changing opportunities we co-create for people on the ground. Our approach focuses on moving past simple funding to actively champion models of youth growth, community health, and self-reliance. By providing structural resources, dedicated mentoring, and technical infrastructure, we work closely with grassroots partners to turn compassion into tangible, meaningful progress for families across India.

Across our dual focus areas of Education and Healthcare, we aim to design active learning spaces, bridge professional career opportunities for youth—especially girls from low-income households—upgrade local medical clinics, and secure vital infrastructure for families facing major health crises. By connecting digital tools with deep mentorship and advanced public health systems, we strive to build a long-term network that transforms vulnerable environments into places of dignity and hope.

Nurturing Potential through Education

Our educational strategy is centered on transforming classrooms into dynamic spaces of practical discovery. In public school settings, this philosophy comes alive through an interactive after-school digital model where 9,000+ government school students learned 21st-century skills like coding, science, and financial literacy by designing hands-on projects. This applied approach helps young minds move away from textbook memorization and develops independent, logical reasoning from an early age.

For older students standing on the threshold of higher education, we sponsored the professional dreams of 370 brilliant, low-income scholars across 11 states. Reflecting our strong commitment to diversity, 71% of these scholars are young women pursuing demanding fields like Engineering and Medicine, well-supported by InCred employees who volunteer to run personal career readiness workshops.

On a regional scale, we work closely with rural and primary education programs to ensure children in underserved areas do not fall behind. Through our resources dedicated to a remote free school, we transformed the learning space by upgrading school infrastructure, equipping a brand-new Computer Lab, a Science Lab, and a shared library for 120+ first-generation learners, alongside providing a dedicated bus to ensure a safe daily commute from distant villages.

Complementing these infrastructure upgrades, we backed a holistic development initiative for underprivileged girls in Nashik, Maharashtra. By introducing a professionally designed sports module alongside learning materials, this project uses the power of play to break down social barriers, build teamwork, and encourage both physical and academic well-being.



Our long-term commitment to nurturing female education is further reflected in our sponsorship of talented young women across 11 regional chapters. By providing academic scholarships, employability workshops, deep-dive mentoring, and corporate exposure, we successfully help fellows transition from financially constrained backgrounds into professional roles within the corporate world.

Healing and Safeguarding Communities

With the understanding that learning can only thrive when a child's physical and emotional well-being is secure, our healthcare strategy combines grassroots care upgrades with life-saving medical systems.

Through our childcare institutional support, we work to ensure a safe, nurturing, and complete living environment for 422 children across 12 partner homes. By combining targeted nutritional interventions that help reduce moderate malnutrition with key upgrades like clean water filters, solar water heaters, beds, and educational necessities, our goal is to build spaces where children feel thoroughly secure and valued. Alongside these efforts, specialized emotional well-being initiatives and professional counselling sessions focus on helping children heal, build resilience, and develop positive social behaviours within a supportive community.

On a broader public health scale, our initiatives supported the quality readiness of 301 public healthcare facilities across 9 districts of Madhya Pradesh to protect vulnerable mothers and newborns. Through continuous on-site mentoring, our collaborative efforts helped 43 government labor rooms achieve prestigious national quality certifications, making childbirth

significantly safer. The initiative also directly strengthened emergency care, lifting healthcare staff practical competency scores from a 50% baseline to an outstanding 87%–90% across critical areas like managing birth complications and newborn resuscitation..

A vital layer of our health mission focuses on standing with families battling the heavy financial and emotional weight of childhood cancer. Through our specialized pediatric oncology partnership at a premier medical institute, timely financial relief helps underprivileged families cover the high cost of intensive, tailored treatments. This essential funding allows children aged 6 to 16 to access critical therapy cycles and specialized care for aggressive conditions like leukemia and bone cancer.

To bring advanced cancer care to remote areas in Northeast India, we equipped underserved communities with high-tech medical machinery. We deployed Syringe and Infusion pumps to safely deliver medicine to 280 critical patients monthly, alongside emergency Crash Carts in children's recovery wards. Additionally, a funded Radiation Dosimeter system runs daily safety checks, ensuring safe, precise radiation treatment for over 1,550 cancer patients each month.

Looking Ahead with Hope and Purpose

At InCred Finance, our goal is to ensure that true progress is measured by the lasting, positive footprint we leave behind in society. We focus on creating sustainable programs that help people grow, improve health outcomes, and break down barriers. We are deeply proud to stand alongside our grassroots partners in the endeavor to bring a brighter, healthier, and more dignified future to every community we are privileged to serve.





An Execution-First Leadership

Board of Directors



Bhupinder Singh
Whole-Time Director & CEO



Gaurav Maheshwari
Whole-Time Director & CFO



Rupa Vora
Independent Director



Karnam Sekar
Independent Director



Sunita Gupta
Independent Director



Sankaran Nair Rajagopal
Independent Director



Vivek Anand P S
Non-Executive Director

Management Team



Prithviraj Chandrasekhar
Head-Consumer Finance



Saurabh Jhalaria
Head-Education and MSME Lending



Kamlesh Dangi
Chief Human Resource Officer



Ashwin Sekar
Chief Technology Officer



Mallika Mittal
Chief Risk Officer



Gajendra Thakur
Chief Compliance Officer





Statutory Reports





Directors' Report

DEAR MEMBERS,

The Board of Directors of InCred Financial Services Limited ("The Board") are pleased to present the Thirty First Annual Report for the Financial Year ended March 31, 2026.

FINANCIAL RESULTS

A summary of the Consolidated and Standalone financial performance of the Company, for the Financial Year ended March 31, 2026, as compared to previous Financial Year ended March 31, 2025, has been summarised below:

(INR in lakhs)

Particulars	Consolidated		Standalone	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Total Revenue from Operations	2,54,623.76	1,87,197.67	2,54,619.95	1,87,196.62
Other Income	2,032.03	1,064.26	2,001.08	1,061.20
Total Income	2,56,655.79	1,88,261.93	2,56,621.03	1,88,257.82
Total Expenses	1,96,996.53	1,38,114.18	1,96,502.95	1,38,125.13
Profit / (Loss) before tax and exceptional items	59,659.26	50,147.75	60,118.08	50,132.69
Exceptional Items	0	0	0	0
Profit / (Loss) before Tax	59,659.26	50,147.75	60,118.08	50,132.69
Total Tax Expense	15,895.99	12,749.00	15,728.37	12,915.72
Profit / (Loss) after Tax	43,763.27	37,398.75	44,389.71	37,216.97
Other Comprehensive Income	963.76	(681.12)	963.47	(681.17)
Total comprehensive income	44,727.03	36,717.63	45,353.18	36,535.80
Earnings per equity share (EPS)				
Basic (INR)	8.93	7.66	9.05	7.62
Diluted (INR)	8.93	7.66	9.05	7.62
Appropriations:				
Transfer to Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934	8,877.94	7,443.39	8,877.94	7,443.39

REVIEW OF FINANCIAL PERFORMANCE AND OPERATIONS OF THE COMPANY

The Company's performance during the year ended March 31, 2026, in comparison with the year ended March 31, 2025 on a standalone basis is summarized as follows:

- The Company has earned revenue from operations of INR 2,54,619.95 lakhs.
- Profit After Tax stood at INR 44,389.71 lakhs as against INR 37,216.97 lakhs in the previous year.
- The Asset Under Management (AUM) including co-lending grew to INR 15,881 crores as against INR 12,585 crores in previous year.

The Gross Non-Performing Assets ("GNPAs") and Net Non-Performing Assets ("NNPAs") as recognized stood at 2.10% and 0.77% of loans respectively.

BUSINESS AND OPERATIONS

The Company has been focusing on product diversification to mitigate individual asset class-related credit risk and expand its customer base. This diversification enables the Company to cater to a broader range of customers, thereby enhancing its market presence and competitiveness. Further, the Company has diversified its products and services under following categories:

Directors' Report (Contd.)

- Personal Loans
- Student Loans
- Secured Business Loans (covering both loan against property and school financing)
- Specialised MSME Loans (including embedded financing and asset-backed financing) and
- Lending to Financial Institutions

TRANSFER TO RESERVES

During the year, the Company has transferred INR 8,877.94 lakhs, representing 20% of the profits made in the year to a Special Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934 and as amended from time to time.

DIVIDEND

For the year ended on March 31, 2026, the Company has not proposed any dividend.

REGISTERED OFFICE OF THE COMPANY

The Company continues to have its registered office at 'Unit No. 1203, 12th Floor, B wing, The Capital, Plot No. C-70, G Block, Bandra Kurla Complex, Mumbai – 400051'.

Further, the Company has shifted its place of keeping and maintaining books of accounts from Unit No. 203, 2nd Floor, B wing, Kaledonia Building, Sahar Road, Andheri (East), Mumbai – 400069 to Unit No. A 401, 4th Floor, Kaledonia Building, Sahar Road, Andheri (East), Mumbai – 400069 w.e.f. January 31, 2026.

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

M/s. 'MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)' is the Registrar and Share Transfer Agent of the Company.

INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY/MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

RESERVE BANK OF INDIA (“RBI”) COMPLIANCE

The Company is in continuous compliance with the Reserve Bank of India Act, 1934, the Scale Based Regulations and other applicable Directions, Rules, Regulations, Guidelines, issued by Reserve Bank of India from time to time. The Company being a non-deposit taking systemically important Non-Banking Financial Company and classified as middle layer pursuant to Scale Based Regulations has not accepted any deposits from the public during the year under review and shall not accept any deposits from the public without obtaining prior approval of the RBI.

Further, the Company being an NBFC, disclosure requirements under Chapter V of the Act read with Rules 8(5)(v) and 8(5)(vi) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

CAPITAL ADEQUACY RATIO (CRAR)

The Company maintains a healthy CRAR of 24.90% which is much higher than the prescribed minimum CRAR of 15% as per prudential norms.

Following are the details of Tier I & II Capital of the Company as on March 31, 2026:

CRAR- Tier I Capital : 24.90%

CRAR- Tier II Capital : 0.00%

SHARE CAPITAL

Authorised Share Capital:

As on March 31, 2026, the Authorised Share Capital of the Company stood at INR 7,00,00,00,000/- comprising of 70,00,00,000 Equity Shares of INR 10/- each.

Directors' Report (Contd.)

During the financial year the Company has increased its Authorised Share Capital in compliance with the provisions of the Companies Act, 2013 from INR 500,00,00,000 (Rupees Five Hundred Crores only), divided into 50,00,00,000 (Fifty Crores) equity shares of INR 10/- (Rupees Ten only) each, to INR 700,00,00,000 (Rupees Seven Hundred Crores only), divided into 70,00,00,000 (Seventy Crores) equity shares of INR 10/- (Rupees Ten only) each. The said increase was approved by the Shareholders of the Company at the Annual General Meeting held on September 9, 2025.

Issued, Subscribed and Paid-up Share Capital:

As on March 31, 2026, the issued, subscribed and paid-up share capital of the Company stood at INR 490,53,23,360/- comprising of 49,05,32,336 fully paid-up equity shares of face value of INR 10/- each. M/s. InCred Holdings Limited, the holding company and its nominees hold the equity share capital of the Company.

During the financial year, the Board of Directors of the Company at its meeting held on May 7, 2025 had issued 22,22,222 equity shares through rights issue having face value of INR 10/- each at an issue price of INR 180/- per share aggregating to INR 39,99,99,960 to the Holding Company of the Company i.e. InCred Holdings Limited. The allotment was completed on May 15, 2025.

FUND RAISING

The Company has raised funds through Term Loans, External Commercial Borrowings, Working Capital and Pass-Through Certificates (PTCs) of INR 8,722 crores from Banks and Financial Institutions. The Company also raised INR 2,062 crores through issuance of Non-Convertible Debentures and Market Linked Debentures. Further, borrowings by way of Commercial Papers and Inter Corporate Deposits (ICDs) amounted to INR 265 crores.

In addition to the above, the Company has also raised funds of INR 1,745 crores by way of co-lending & direct assignment; leading to aggregate fresh borrowings of INR 12,793 crores in the FY 2025-26.

Further, the Company has issued 22,22,222 equity shares on a rights issue to the Holding Company of the Company i.e. InCred Holdings Limited as covered in Issued, Subscribed and Paid-up Share Capital section above.

INITIAL PUBLIC OFFERING OF THE HOLDING COMPANY

InCred Holdings Limited ("**Holding Company of the Company/IHL**") has initiated the process of raising capital through an Initial Public Offer ("**IPO**") comprising of fresh issue of Equity Shares by the Company and an Offer for Sale by certain existing Shareholders of the Company.

Pursuant to the Board and Shareholders approval received by IHL, it has received in-principle approvals from both BSE Limited and National Stock Exchange of India Limited. Further, the Company received final observations from SEBI on April 28, 2026 on the Pre-filed Draft Red Herring Prospectus and subsequently, the Updated Draft Red Herring Prospectus-I (UDRHP-I) was filed with SEBI and the Stock Exchanges on May 06, 2026.

DEBENTURE TRUSTEE

The details of Debenture Trustees are as under:

Name of Debenture Trustee - Catalyst Trusteeship Limited

Address - 901, 9th Floor, Tower B, Peninsula Business Park Tower, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400013

Tel. Nos - 022-49220505

Email addresses - dt@ctltrustee.com

Website - <https://www.catalysttrustee.com>

Directors' Report (Contd.)

CREDIT RATING

During the period under review, CRISIL Ratings Limited and ICRA Limited had given the ratings as follows:

Rating Agency	Facilities	As of March 31, 2026
CRISIL Ratings Limited	Long Term Bank Loan Facilities	CRISIL AA-/Stable
	Non-convertible debentures	CRISIL AA-/Stable
	Principal Protected Market Linked Debenture	CRISIL PPMLD AA-/Stable
	Commercial paper	CRISIL A1+
	Pass Through Certificate	CRISIL AA (SO), CRISIL AAA (SO)
ICRA Limited	Non-convertible debentures	ICRA AA- /Stable
	Commercial paper	ICRA A1+
	Principal Protected Market Linked Debenture	PP – MLD (ICRA) AA- /Stable
	Pass Through Certificate	ICRA AA+ (SO)

CHANGES IN THE NATURE OF BUSINESS

The Company continues to carry on its business as a non-deposit taking Non-Banking Financial Company within the framework given by RBI for NBFCs and to undertake the factoring business.

Further, it is also a registered intermediary within the meaning of Insurance Regulatory and Development Authority of India ('IRDAI') as a corporate insurance agent.

DEPOSITS

The Company has not accepted any deposit from the public during the financial year under review and will not accept without adequate approvals.

DISCLOSURE RELATING TO HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has its Holding Company viz. InCred Holdings Limited and one subsidiary viz. M/s. InCred Corporate Solutions Limited (erstwhile known as InCred.AI Limited) ("ICSL") as on March 31, 2026.

During the year under review M/s. InCred Finserv Private Limited (erstwhile known as InCred Management and Technology Services Private Limited) ("IFPL") ceased to be subsidiary w.e.f. November 4, 2025.

PERFORMANCE AND FINANCIAL POSITION OF EACH SUBSIDIARY/ASSOCIATE AND JOINT VENTURE COMPANIES

The statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014, in Form AOC 1, is provided as **"Annexure B"**.

Pursuant to Section 129(3) of the Companies Act, 2013 ("the Act"), the Company has prepared Consolidated financial statements comprising of the balance sheet, profit & loss accounts and the cash flow statements of the Company which shall be placed before the ensuing Annual General Meeting of the Company. The audited Consolidated financial statements together with Auditors' Report form part of the Annual Report.

Directors' Report (Contd.)

DIRECTORS

The Board comprises of the following Directors as on March 31, 2026:

Sr. No.	Name of Director	DIN	Designation
1.	Mr. Bhupinder Singh	07342318	Whole-Time Director and CEO
2.	Mr. Gaurav Maheshwari	07639132	Whole-Time Director and CFO
3.	Mr. Vivek Anand PS	02363239	Non-Executive Director
4.	Ms. Rupa Vora	01831916	Independent Director
5.	Mr. Karnam Sekar	07400094	Independent Director
6.	Ms. Sunita Gupta	06902258	Independent Director
7.	Mr. Sankaran Nair Rajagopal	10087762	Independent Director

The composition of the Board is in accordance with the provisions of Section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), with an appropriate combination of Executive Directors, Non-Executive Director and Independent Directors.

As on the date of this report, the Board of Directors of the Company comprises of 7 directors comprising of 4 Independent Directors, 1 Non-executive Non-Independent Director and 2 Executive Directors.

Following changes with respect to the Board took place during the year under review:

Appointment/Cessation of Directors:

During the year under review, following Directors have resigned:

- Mr. Anil Nagu and Mr. Rohan Suri, Non-Executive Directors of the Company, resigned w.e.f. October 28, 2025, due to other commitments.
- Ms. Ambika Bisla, Non-Executive Independent Director of the Company resigned w.e.f. October 28, 2025, due to pre-occupation with her directorship with the InCred Capital group companies and her proposed appointment in the holding company of the company i.e. InCred Holdings Limited.

The Board places on record its appreciation for the valuable contribution and guidance provided by Mr. Anil Nagu, Mr. Rohan Suri and Ms. Ambika Bisla during their tenure.

Further the terms and conditions of appointment of Independent Directors are available on the website of the Company viz. www.incred.com. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and hold highest standards of integrity.

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

Director liable to retire by Rotation

Pursuant to the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Bhupinder Singh, Whole-Time Director will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment.

Necessary details for re-appointment as required under the Act is given in the notice of ensuing Annual General Meeting.

Directors' Report (Contd.)

FIT AND PROPER CRITERIA & CODE OF CONDUCT

Each of the Directors of the Company have confirmed that they fulfil the requirement of the "fit and proper" criteria as prescribed under Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions (as amended from time to time) and that they are not disqualified from being appointed/ continuing as Directors in terms of Section 164(2) of the Act. Further, all the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company.

DECLARATION FROM INDEPENDENT DIRECTORS

All Independent Directors have submitted a declaration of their independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulation and that they are not aware of any circumstance or situation, which exist 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.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following officials are the Key Managerial Personnel of the Company as on March 31, 2026, as well as on date of this report:

Name	Designation
Mr. Bhupinder Singh	Whole-Time Director and Chief Executive Officer
Mr. Gaurav Maheshwari	Whole-Time Director and Chief Financial Officer
Ms. Nikita Shetty*	Company Secretary & Compliance Officer

**Ms. Nikita Shetty was appointed as the Company Secretary & Compliance Officer w.e.f. March 31, 2026, in place of Mr. Gajendra Thakur, who has resigned from his position of Company Secretary & Compliance Officer w.e.f. close of business hours of March 30, 2026 to ensure segregation of roles between Compliance and Secretarial departments. He continues to hold the position of Chief Compliance Officer (CCO) pursuant to the RBI guidelines.*

BOARD DIVERSITY

The Company recognises and embraces the importance of a diverse Board. The Company believes that a truly diverse Board will leverage difference in thought, perspective, knowledge, skills, regional and industry experience, cultural and geographical backgrounds, age, ethnicity, race, gender that will help the Company retain its competitive advantage.

The policy regarding diversity of the Board forms part of Policy on appointment of Directors and Key Managerial Personnel, Remuneration of Directors, Key Managerial Personnel and Employees, approved by the Nomination and Remuneration Committee and Board of Directors is displayed on the website of the Company at <https://www.incred.com/Policies/>

REPORT ON CORPORATE GOVERNANCE

The Company recognises its role as a corporate citizen and endeavours to adopt practices and standards of corporate governance through transparency in business ethics, accountability to its customers, government and various stakeholders for building the strong foundation of the Company.

Thus, in accordance with terms of the Companies Act, 2013, Listing Regulations (to the extent applicable), Report on Corporate Governance of the Company forms an integral part of this report and annexed as **Annexure C**.

MEETINGS OF THE BOARD

The details of the Board Meetings held during FY 2025-26 have been disclosed in the Corporate Governance Report appended to this Report as **Annexure C**.

Directors' Report (Contd.)

COMMITTEES OF THE BOARD

The Board has constituted the following Board level committees to support the Directors in discharging their responsibilities and ensure expedient resolution of diverse matters in accordance with the applicable provisions of the Act and RBI regulations:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholder Relationship Committee
5. Risk Management Committee
6. IT Strategy Committee
7. Asset Liability Management Committee
8. Finance Committee
9. Customer Grievance Committee
10. Review Committee
11. Integrated Risk Committee

The Company Secretary acts as the Secretary of all the aforementioned Committees. The Board of Directors and the Committees also take decisions by circular resolutions, which are noted by the Board / respective Committees of the Board at their next meetings. The Board notes the minutes of meetings of all Committees at regular intervals.

The details of formation, constitution, terms of reference, meetings held and attendance of the Members are disclosed in the Corporate Governance Report appended to this report as **"Annexure C"**.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

Section 178 of the Act and Listing Regulations, requires the Nomination and Remuneration Committee ("NRC") to formulate a policy relating to the remuneration of the Directors, Senior Management/KMPs and other employees of the Company and recommend the same for approval of the Board.

Further, Section 134 of the Act stipulates that the Board's Report is required to include a statement on Company's Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and remuneration for KMPs and other employees.

The Board of Directors have, based on the recommendation of the NRC, approved the policy on Directors' appointment and remuneration for Directors, KMP and other employees as well as the Compensation policy of the Company framed in accordance with RBI Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs dated April 29, 2022, which is available on the website of the Company at https://www.incred.com/Investor_Relations.html

PERFORMANCE EVALUATION

The Board acknowledges its intention to establish and follow "best practices" in Board governance to fulfil its fiduciary obligation to the Company. The Board is committed to assessing its own performance as a Board to identify its strengths and areas in which it may improve its functioning.

The Company has laid down an Evaluation Policy for Board Evaluation setting the criteria based on which the Board has carried out an annual performance evaluation of its own performance, the individual directors as well as the evaluation of its various Committees. The evaluation was conducted based on a structured questionnaire which comprises performance criteria such as performance of duties and obligations, independence of judgement, level of engagement and participation, their contribution in enhancing the Board's overall effectiveness, etc. The Board has expressed their satisfaction with the evaluation process.

Directors' Report (Contd.)

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Board of Directors has established familiarisation programme for all the Independent Directors as per the requirement of Listing Regulations. The main objective of the programme is to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. through various programmes.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, based on the representations received from the operational management, confirm in pursuance to provisions of Section 134(5) of the Act, that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for that period;
3. have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. have prepared the annual accounts on a going concern basis;
5. have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
6. have devised proper systems to ensure compliance with the provisions of all applicable laws including Secretarial Standards and that such systems were adequate and operating effectively.

AUDITORS AND THEIR AUDIT REPORT

Statutory Auditors:

M/s. Deloitte Haskins & Sells (Firm Registration No. 117365W), Chartered Accountants, were appointed as Statutory Auditors of the Company till the conclusion of the 32nd (Thirty Second) Annual General Meeting to be held in the financial year 2027-28 as per the provisions of Section 139 of the Companies Act, 2013. Accordingly, their tenure as Statutory Auditor of the Company shall end upon conclusion of the ensuing 32nd (Thirty Second) Annual General Meeting.

Further, in accordance with the guidelines for the Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by the Reserve Bank of India vide their circular dated April 27, 2021, entities with an asset size of INR 15,000 Crores and above as at the end of previous year, the statutory audit should be conducted under joint audit of a minimum of two audit firms. As the Asset Size of the Company as on March 31st, 2026 exceeds INR 15,000 Crores, the Company is mandated to comply with the aforesaid requirement and appoint a new Audit Firm to act as a Joint Statutory Auditor along with the existing auditor of the Company.

Accordingly, the Board of Directors, subject to the approval of the Members of the Company has approved appointment of M/s. Kirtane & Pandit LLP as the Joint Auditor along with M/s. Deloitte Haskins & Sells for conducting the Statutory Audit of the Company for a term of three consecutive financial years commencing from F.Y. 2026-27, who will hold the office till the conclusion of 34th Annual General Meeting to be held in the year 2029.

AUDITORS' REPORT

The Auditors' Report to the Members during the year under review is unmodified/clean. The Notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Act.

Directors' Report (Contd.)

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Ashish Karodia & Co. to undertake the secretarial audit of the Company for the financial year 2025-26.

The Secretarial Audit Report is appended as **"Annexure D"** to this Report. There is no adverse remark, qualification, reservation or disclaimer in the Secretarial Audit Report.

REPORTING OF FRAUDS BY AUDITORS

During the year under review the Statutory Auditors, have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee/Board of Directors under Section 143(12) of the Act details of which need to be mentioned in this Report.

MAINTENANCE OF COST RECORDS

The Company is in the financial services industry. In view of the nature of activities which are being carried on by the Company, the maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act is not applicable to the Company and hence such accounts and records are not maintained.

INTERNAL AUDIT AND ITS ADEQUACY

The Company has in place a well-defined and robust internal audit plan, as agreed by the Audit Committee. Internal Audit is aligned in a way that provides an independent view to the Board of Directors, the Audit Committee and the Senior Management on the quality and efficacy of the internal controls, governance systems and processes in place. As per the agreed scope of audit, the appointed Internal Auditor, Mr. Bhushan Patkar periodically carries out audit on a test basis and reports his observations and recommendations to the Audit Committee for corrective and preventive actions.

Further, during the year Audit Committee has reviewed and also monitored the auditor's independence, performance, and effectiveness of audit process and has re-appointed, Mr. Bhushan Patkar as the Head – Internal Audit Function and Internal Auditor of the Company for a further period of three years w.e.f. August 9, 2026 to August 8, 2029 in accordance with the Reserve Bank of India (Non-Banking Financial Companies - Internal Audit Function) Directions, 2026 and pursuant to Section 138 of the Companies Act, 2013 ("the Act").

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls. M/s. Deloitte Haskins & Sells, Chartered Accountants, have issued an unqualified report on Internal Financial Controls.

To the best of our knowledge and belief, and according to the information and explanations obtained by us and based on the report(s) of Statutory Auditors of the Company for the financial year under review, the Directors are of the view that the internal financial controls with reference to the financial statements of the Company were adequate and operating efficiently.

PARTICULARS OF EMPLOYEES

The information required pursuant to the provisions of Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, has been appended as **"Annexure E"** to this report.

Directors' Report (Contd.)

In terms of second proviso to Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars as required pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said Annexure is available for inspection by the Members at the registered office of the Company.

The Board of Directors affirms that the remuneration paid to the employees of the Company is as per the Policy on Directors' appointment and remuneration for Directors, KMPs and other employees as well as the compensation policy framed in accordance with RBI Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs dated April 29, 2022 and in accordance with the requirements of the Act and Listing Regulations and none of the employees listed in the said Annexure are related to any Directors of the Company.

GENDER WISE COMPOSITION OF EMPLOYEES

In alignment with the principles of diversity, equity and inclusion (DEI) the Company discloses below the gender composition of its workforce as on March 31, 2026:

Male Employees - 2477

Female Employees - 442

Transgender Employees - 0

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a policy for prevention, prohibition and redressal of sexual harassment at workplace.

Further, the Company has constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder that looks into the complaints of aggrieved women employees, if any, and is instrumental in:

- promoting gender equality and justice and the universally recognized human right to work with dignity
- prevention of sexual harassment of women at the workplace.

During the year under review, the Company has not received any complaints in this regard during the financial year.

COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

During the year under review, the Company affirms its compliance with the provisions of the Maternity Benefit Act, 1961, for the financial year ended March 31, 2026. The Company has ensured that all eligible women employees were extended the statutory maternity benefits, including paid maternity leave and maternity cover through insurance, in accordance with the applicable maternity laws.

VIGIL MECHANISM

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, the Company has established vigil mechanism for directors, employees, and other external stakeholders to report genuine concerns. Vigil Mechanism forms part of Whistle Blower Policy, which has been approved by the Board of Directors.

The Vigil Mechanism Framework empowers all levels of employees including top management to raise voice against actual/ suspected violations. The framework ensures protection to the whistle-blower to avoid any sort of unfair or prejudicial employment practices. The Chairperson of the Audit Committee has direct access to all complaints raised through the framework. At the Audit Committee, a brief update is presented to the Members for their review. The Committee takes necessary actions to maintain confidentiality within the organisation on matters brought to its attention.

Directors' Report (Contd.)

The mechanism framed by the Company is in compliance with the requirements of the Act and Listing Regulations.

During the FY 2025-26, no whistle blower complaint was reported.

The Whistle-Blower policy & Vigil Mechanism has been hosted on the Company's website at the web link:

<https://www.incred.com>

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of the provisions of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report.

In terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 as amended ("CSR Rules"), the Company was required to make CSR expenditure of INR 749.93 lakhs for the financial year 2025-26 and the same has been spent. Accordingly, the Board of Directors has approved the CSR budget as recommended by the CSR Committee.

The Annual Report on CSR activities is annexed herewith as "**Annexure F**".

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for the Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Company has deployed software containing structural digital database for maintaining names of persons with whom unpublished price sensitive information (UPSI) is shared. The Code is available on the website of the Company at <https://www.incred.com>

ANNUAL RETURN AS PRESCRIBED UNDER THE ACT AND RULES MADE THEREUNDER

The Annual Return in Form MGT-7 as required under Section 92(3) of the Act shall be hosted on the website of the Company at <https://www.incred.com>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company, being a Non-Banking Financial Company registered with the RBI and engaged in the business of giving loans, is exempt from the provisions of Section 186 of the Act by virtue of Section 186(11) thereof.

Further, details of loans given, investments made, guarantees given and securities provided, if any, are given in the Notes to the Financial Statements as applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Board of Directors has approved the policy on transactions with related parties ("RPT Policy"), pursuant to the recommendation of the Audit Committee. In line with the requirements of the Act, RBI Regulations and the Listing Regulations, the Company has formulated the RPT Policy which is also available on the website of the Company at <https://www.incred.com>. The Policy on Related party transactions intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and the related parties.

Directors' Report (Contd.)

- All RPTs that were entered into during FY 2025-26 were on an arm's length basis and were in the ordinary course of business and disclosed in the Financial Statements. The Company has entered into transactions with its related parties in normal course of business and on an arm's length basis. Pursuant to section 177 of the Companies Act, 2013 and regulation 23 of Listing Regulations, 2015, all RPTs were placed before the Audit Committee for its approval.

The particulars of such contracts or arrangements with related parties referred to Section 188(1), as prescribed in Form AOC – 2 under Rule 8(2) of the Companies (Accounts) Rules, 2014, are specified in the “**Annexure G**” annexed to this Report. The Directors draw attention to notes to the Financial Statements which sets out related party disclosures.

The details required as per Regulation 53 (1)(f) of the Listing Regulations for the financial year 2025-26 are specified in note no. 34 of the Standalone Financial Statements of the Company for the year ended 31st March 2026.

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

There are no material changes or commitments which affect the financial position of the Company which have occurred between end of the financial year to which the financial statements relate, and the date of this Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

A. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & EXCHANGE EARNINGS & OUTGO

Considering that the Company is a Non-Banking Financial Company, the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant to its activities.

B. FOREIGN EXCHANGE EARNINGS & OUTGO

During the year under consideration, the Foreign Exchange Earnings and Expenditures were as follows:

(INR in lakhs)		
Particulars	FY 2026	FY 2025
Foreign exchange earnings	0.00	0.00
Foreign exchange expenditure	9,291.68	3,841.97

The Company has incurred INR 9,291.68 lakhs expenditure in foreign exchange and has not earned any foreign exchange during the year under review.

Directors' Report (Contd.)

RISK MANAGEMENT FRAMEWORK

The Company has constituted a Risk Management Committee ("RMC") in terms of the requirements of the Listing and RBI Regulations. The details of the same are disclosed in the Corporate Governance Report.

The Company has a risk management framework and Board members are informed about risk assessment and minimisation procedures and periodical review to ensure management controls risk by means of a properly designed framework.

The Company has in place a Risk Management Policy covering identification, assessment, measurement, mitigation and monitoring of all the key risks faced by the Company. This policy has been approved by the Board and is reviewed annually. The RMC assists the Board in providing oversight on the implementation of risk management framework laid down in the policy.

The Company, as it advances towards its business objectives and goals, is often subjected to various risks. Credit risk, market risk, liquidity risk and operational risk are some of the risks that the Company is exposed to and details of the same are provided in the Management Discussion and Analysis Report as enclosed herewith.

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

The Company has not filed any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), during the year.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, there was no instance of one-time settlement with any banks or financial institutions.

COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of provisions of Section 118 of the Act, the Company is in compliance with Secretarial Standards on meetings of the Board of Directors and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India.

ACKNOWLEDGEMENT

The Directors express their sincere gratitude to the RBI, Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, Ministry of Finance, Ministry of Corporate Affairs, National Company Law Tribunal, Insurance Regulatory and Development Authority, Registrar of Companies, National Securities Depository Limited, Central Depository Services (India) Limited, MUFG Intime India Private Limited, the Registrar and Share Transfer Agent of the Company, other government and regulatory authorities, lenders, financial institutions, debenture holders and the Company's bankers for the ongoing support extended by them. The Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and trust reposed by them in the Company. The Directors sincerely appreciate the commitment displayed by the employees of the Company and its subsidiaries across all levels, for exhibiting outstanding performance during the year.

For InCred Financial Services Limited

sd/-

Bhupinder Singh

Whole-Time Director and CEO

DIN: 07342318

sd/-

Gaurav Maheshwari

Whole-Time Director and CFO

DIN: 07639132

Place: Mumbai

Date: May 23, 2026



Annexure A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

InCred Financial Services Limited ('InCred' or 'Company' or 'We') is a retail-focused, diversified, middle-layer Non-Banking Financial Company ('NBFC') registered with the Reserve Bank of India ('RBI').

InCred offers a broad suite of loan products tailored to the diverse needs of our customers, supported by a risk-first approach, a technology-driven platform, a robust multi-channel distribution network, and an experienced management team. These verticals comprise: Personal Loans, Student Loans, Secured Business Loans, Specialised MSME Loans, and Lending to Financial Institutions.

MACROECONOMIC OVERVIEW

The global turbulence that defined FY25 carried into FY26. In addition to the persistent trade barriers casting uncertainty over international supply chains, the fourth quarter of FY26 saw tensions in West Asia escalate into an armed conflict. Against this backdrop, the International Monetary Fund (IMF) has flagged¹ global inflation rising to 4.4% in CY26 and global growth moderating to 3.1% in CY26 and 3.2% in CY27, despite AI and technology-led investment, accommodative financial conditions, and the private sector's rapid reconfiguration of supply chains. Energy markets have been at the epicentre of this conflict's economic fallout. The International Energy Agency notes that even as Saudi Arabia and the UAE have begun rerouting shipments to ports outside the Strait of Hormuz and non-West Asian producers have stepped up output, oil price volatility is expected to persist in the near term. India has not been immune to these pressures with Wholesale Price Index (WPI) inflation surging to 8.30% in April 2026² driven primarily by a spike in the Fuel and Power segment and sharp increases in crude petroleum and natural gas prices stemming from global supply disruptions. The Indian rupee has also come under sustained depreciation pressure with capital flows being strained and net FDI remaining negative since the second half of 2025³, resulting in a meaningful correction in Indian equity markets during FY26.

However, in the midst of this challenging global environment, the Indian economy has remained a standout with India's real GDP growth for FY26 estimated at 7.6%⁴. The economy continues to show strong resilience, fuelled primarily by strong domestic consumption and sustained infrastructure investment. India's structural foundation remains strong supported by domestic policy initiatives such as the landmark GST 2.0 reforms, which significantly simplified India's indirect tax structure, complemented by global tailwinds, including India's growing role as a primary beneficiary of the global "China+1" supply chain realignment. Recent trade partnerships such as the India-Europe Free Trade Agreement with the EU dropping tariffs on 99.5% of Indian exports have also bolstered India's trade and strategic position. India's fundamental growth trajectory remains intact over the medium to long term with IMF projecting India to grow at 6.5% in both CY26 and CY27⁵ — well ahead of the approximately 4% average for emerging and developing economies. Supported by a young and expanding working-age population, an ongoing push for financial inclusion, and a structurally low household credit-to-GDP ratio, India's long-term demand for financial services and credit remains well-underpinned - providing a strong structural tailwind for the NBFC sector in particular.

INDUSTRY OVERVIEW

The financial services sector continues to anchor India's economic engine, spanning a broad ecosystem of scheduled commercial banks, insurers, NBFCs, cooperatives, pension funds, mutual funds, and a range of smaller specialised institutions. NBFCs — numbering more than 9,000 registered entities — have emerged as indispensable participants in this ecosystem, addressing the credit requirements of a vast and heterogeneous population. The RBI's Scale Based Regulation framework, in force since October 1, 2022, organises the sector into a four-tier hierarchy (base, middle, upper, and top), with regulatory intensity scaling progressively in line with an NBFC's size, activity profile, and systemic relevance.

¹ <https://www.imf.org/-/media/files/publications/weo/2026/april/english/execsum.pdf>

² https://www.business-standard.com/economy/news/india-april-wholesale-wpi-inflation-cpi-retail-fuel-hike-oil-price-consumer-126051500938_1.html

³ <https://indianexpress.com/article/business/net-fdi-outflow-december-foreign-investors-repatriate-record-10543057/>

⁴ <https://economictimes.indiatimes.com/news/economy/indicators/rbi-gdp-growth-fy-2026-27-mpc-meeting-gdp-forecast-india-eases-growth-forecast-as-iran-war-oil-surge-risks-cloud-growth-trajectory/articleshow/130091660.cms?from=mdr>

⁵ <https://timesofindia.indiatimes.com/business/india-business/boost-for-india-imf-raises-gdp-growth-forecast-to-6-5-for-fy27-despite-middle-east-conflict-lower-us-tariffs-to-benefit-economy/articleshow/130260565.cms>

Annexure A (Contd.)

By complementing the traditional banking system, NBFCs have stepped in to address structural shortfalls in formal credit availability, leveraging their willingness to underwrite borrowers with thin credit files, ability to design contextual products, granular last-mile reach, and operational agility. The opportunity ahead is substantial - as per RBI's Financial Stability Report dated December 2025⁶, India's household debt stood at 41.3% of GDP as at end-March 2025, lower relative to most of the peer emerging market economies, pointing to significant headroom for credit deepening. Reflecting this opportunity, the country's retail lending pool is forecast to expand at a CAGR of 14% to 16% between FY25 and FY28, scaling from approximately INR 82 trillion to INR 122 trillion, on the back of broadening consumption, accelerating digital adoption, deeper financial inclusion, and improving disposable incomes⁷.

Within this credit landscape, NBFCs continue to grow faster than banks. The sector's AUM has scaled from roughly INR 24 trillion at the end of FY19 to INR 50 trillion in FY25, a CAGR of ~13%, and is expected to compound at 16% to 18% between FY25 and FY28, lifting NBFCs' share of overall systemic credit to 24% by FY28 from 21% in FY25. This sustained outperformance is anchored by NBFCs' targeted segment focus, deeper penetration into underserved geographies, the ability to underwrite cohorts that fall outside banks' filters, and continued investments in technology-led sourcing, underwriting, and collections.

This is despite the sector having navigated successive shocks over the past decade - demonetisation, the COVID-19 pandemic, the liquidity tremors that followed the collapse of a few large NBFCs and RBI risk weight hike to name a few. Through these cycles, NBFCs with strong governance, deeply embedded risk frameworks, and measured growth philosophies have visibly stood apart from the rest. In fact, they have come through each cycle with greater institutional maturity. With India retaining its position as the fastest-growing major economy globally and a burgeoning middle class, the consumption tailwinds underpinning credit demand are likely to remain durable, supporting a multi-year runway for the sector.

THE COMPANY

FY26 turned out to be yet another year of strong and well-rounded performance for InCred. By staying focused on our core strengths, we delivered robust AUM growth and sustained profitability momentum, while maintaining healthy asset quality. Also, in a landmark development, our parent, InCred Holdings Limited has received SEBI's approval on the Pre-filed DRHP, marking a pivotal step for its planned Initial Public Offering.

We believe the following key competitive strengths differentiate us from our competitors:

- **Retail-Focused, Diversified Franchise in a Large Addressable Market:** Our philosophy from Day 1 has been to be a retail-focused diversified franchise. This strategic diversification across product verticals strengthens our resilience to challenges in any specific vertical, supporting consistent asset quality, while driving cost optimisation and operational synergies. As at March 31, 2026, our AUM stood at INR 15,881 crores, with Personal Loans contributing 56%, Student Loans 20%, Secured Business Loans 10%, Specialised MSME Loans 8% and Lending to Financial Institutions 6% of the total AUM.
- **Risk First Approach Resulting in Healthy Asset Quality:** Our lending philosophy is anchored in a risk-first approach, where risk management takes precedence over all business considerations. Our approach is integrated across the entire product value chain, from careful customer selection and disciplined underwriting through to post-disbursal monitoring. Product specific defences include machine learning driven credit evaluation, collections routed through escrow accounts, and financially strong co-borrowers, amongst others. As a result, our Gross NPA stood at 2.1% and Net NPA at 0.8% as at March 31, 2026.
- **In-House Developed, AI-Enabled Technological Platform Across Entire Customer Value Chain:** We have built our operations on a modern, integrated technology platform, incorporating advanced tools and digital solutions at various stages of the lending lifecycle from customer sourcing and risk assessment to collections and customer service. This platform enables us to streamline processes, enhance data driven decision-making, and support scalable growth without proportional increases in headcount, contributing to expanding operating leverage. We have progressively embedded artificial intelligence and machine learning capabilities across this platform, deploying AI-driven underwriting models,

⁶ <https://rbidocs.rbi.org.in/rdocs/PublicationReport/Pdfs/OFSRDEC25D1EB9AAEE5724BD5A3E068490996BAD5.PDF>

⁷ <https://www.incredholdings.com/doc/Investor%20Relation/Others/Industry%20Report%2016.04.2026%20-%20Signed.pdf>

Annexure A (Contd.)

autonomous AI agents for customer origination and collections, and AI-powered tools across our technology team to accelerate software development.

- **Multi-Channel Distribution Network Driving Accessibility and Customer Engagement:** We leverage a multi-channel distribution network to source customers across diverse categories. Our digital presence is anchored by the “InCred” mobile & web applications enabling our customers through a streamlined digital process. Complementing our digital platform, we operate a network of branches and reach customers through our dedicated sales team and an extensive network of channel partners across our product verticals, ensuring broad geographic reach while offering both flexibility and scalability in customer acquisition.
- **Highly Experienced Professional Management Team with Extensive Domain Experience Backed by Marquee Investor Base:** Our operations are led by our promoter Bhupinder Singh, who has over two decades of experience in the financial services sector. Gaurav Maheshwari, our Chief Financial Officer, Prithviraj Chandrasekhar, Head – Consumer Finance, and Saurabh Jhalaria, Head – Education and MSME Lending Business are an integral part of the top management team, with our Chief Technology Officer, Ashwin Sekar, and our Chief Human Resources Officer, Kamlesh Dangi, complementing this leadership team. Additionally, our operations are supported by marquee investors and a strong employee base whose contributions are central to our success.
- **Robust and Diversified Funding and Liability Management:** We maintain a well-diversified liability profile across a broad range of lenders, borrowing instruments, and tenors, and implement prudent ALM policies with the aim of further optimising our borrowing costs and expanding our net interest margin. Our lender base comprises not only banks, but also mutual funds, development financial institutions, corporates, and retail investors, accessed through a balanced product mix including term loans, pass-through certificates, non-convertible debentures, market-linked debentures, inter-corporate deposits, co-lending arrangements, and commercial paper, among others. As at March 31, 2026, we are assigned AA- / Stable by both CRISIL Ratings and ICRA Limited.

FINANCIAL AND BUSINESS UPDATE

InCred’s sustained focus on its identified growth levers, anchored in disciplined risk management, translated into another strong performance during the year ended March 31, 2026. AUM expanded 26% year-on-year to INR 15,881 crores, while profit after tax (“PAT”) for the year came in at INR 444 crores. InCred continues to be well-capitalised, with a capital-to-risk weighted asset ratio (“CRAR”) of 24.9% as at March 31, 2026, comfortably above the regulatory threshold of 15%.

We offer a diversified lending portfolio across five principal product verticals, each strategically selected for its scale and high growth potential. These verticals comprise: Personal Loans, Student Loans, Secured Business Loans (covering both loan against property and school financing), Specialised MSME Loans (including embedded financing and asset backed financing), and Lending to Financial Institutions.

Personal Loans (March 31, 2026 AUM - INR 8,909 crores)

- We offer personal loans to creditworthy but underserved individuals, primarily salaried middle-income employees such as sales executives, teachers, and nurses amongst others
- The end use of the loan proceeds is typically to fund high-involvement but low frequency use cases like home renovations, emergency medical treatments, family celebrations such as weddings, amongst others
- We follow a multi-channel approach for sourcing, i.e. an applicant seeking a loan can approach us either directly through the InCred website or mobile application (available both on iOS and Android) or through digital and analogue channel partners (including DSAs, connectors, digital lending service providers and embedded channels). Additionally, for our existing high-quality customers, we offer additional loan financing under our upsell program through personalised loan recommendations with negligible incremental acquisition cost and within a rapid turnaround time
- Our underwriting is powered by proprietary machine-learning models — trained and validated on over eight years of history — that assess applicant risk using multiple sources such as credit bureau data, digitised bank statements, behavioural signals, EPFO-based employment verification, alongside quantitative parameters such as fixed obligation to income ratio (“FOIR”). These models are continuously refreshed through a “Champion vs. Challenger” framework and linked to a risk-based-pricing approach that offers more attractive terms to lower-risk applicants
- Our collections process is supported by a NACH instrument in nearly all instances. In the event of a failed EMI, a structured multi-stage collections process is triggered — starting with pre-due digital reminders and targeted pre-due live calling,

Annexure A (Contd.)

followed by tele-collections through in-house and specialised vendor teams, with escalation to field collection agencies with deep local knowledge for in-person follow-up and measures such as litigation against borrowers with ability but not intent to repay

Student Loans (March 31, 2026 AUM - INR 3,189 crores)

- We offer student loans designed for Indian students pursuing higher education abroad, primarily targeting destinations such as the U.S., UK, Canada, Germany, and Ireland, with a significant focus on postgraduate and master's level programmes in STEM and Business courses
- We source prospective borrowers through a combination of partner-driven leads and direct channels. Major lead generators include educational consultants, test preparation centres, and student portals as well as our own marketing campaigns and referrals from existing and former borrowers.
- Our internal scorecard-based underwriting model uses a well-defined matrix of approved colleges and eligible courses to provide a holistic future cash-flow based assessment of each applicant. Students are evaluated across several factors, including college and programme rankings, examination scores such as Graduate Record Examination, previous employment history, and future employability potential. To further strengthen risk mitigation, as a standard practice, we require two co-borrowers and assess to the student's continued academic progress for the release of the subsequent loan tranches

Secured Business Loans (March 31, 2026 AUM – INR 1,547 crores)

LOAN AGAINST PROPERTY ('LAP')

- Our LAP product is a secured term loan backed by primarily residential or commercial property and is typically availed for working capital, business expansion, or other productive purposes. Our typical borrower includes micro and small enterprise owners such as retail traders, shopkeepers, manufacturers, and salaried individuals with informal or semi-formal income, especially in Tier-II and Tier-III cities
- This business is operated through our cluster branch network with a typical branch comprising of Branch Manager, Credit Manager and Sales Officers. Sourcing happens through a mix of primarily direct channel and DSAs depending on the branch location
- We follow a cash flow based underwriting framework that extends beyond reliance on formal documents and include surrogate income validation with every loan application undergoing a mandatory personal visit by a credit manager. In addition to thorough bureau and loan-to-value limits, our risk evaluation requires technical valuation and legal title search reports to confirm property value and ownership. Post disbursal, continuous early warning system tracking and fraud control through dashboards are performed to minimise delinquencies. Portfolio is rigorously monitored through the hindsighting procedures and on-field audits by a dedicated team. Periodic revaluation of collateral is also carried out to validate its current market value, with collections handled by the branch manager and overdue cases handled through legal and collections team via mechanism such as recourse through SARFAESI Act for eligible cases

SCHOOL FINANCING

- Under school financing, we offer secured term financing primarily to privately operated K-12 schools in Tier-II and Tier-III cities to finance their brownfield requirements such as addition of playgrounds or construction of hostel blocks
- Our credit appraisal involves a underwriting process which includes in depth personal discussions, independent property valuations and legal due diligence, and evaluating institutional track record. We incorporate education sector specific validations and underwriting is based on cash flow assessments of borrower institutions. Post disbursal, funds are tracked to confirm end-use for sanctioned purposes and are regularly monitored through early warning systems and MIS dashboards

Specialised MSME Loans (March 31, 2026 AUM – INR 1,248 crores)

EMBEDDED FINANCING

- We provide business loans primarily to MSME merchants operating on business aggregator platforms and marketplaces such as food delivery and e-commerce platforms. Eligible borrowers include digitally enabled enterprises, direct-to-consumer brands, and technology companies
- For credit assessment, we employ vertical-specific scorecards with aggregator platforms enabling underwriting based on alternative data, including sales volatility, customer feedback and ratings, amongst others. One of the key risk defences that we have is escrow structure for select aggregator platforms and marketplaces, enabling us to establish a lien on future sales on these platforms, allowing loan repayment directly from ongoing business revenues. Additional protection is provided through coverage under government guarantee schemes such as the Credit Guarantee Fund for Micro Units and

Annexure A (Contd.)

the Credit Guarantee Fund Trust for Micro and Small Enterprises for eligible portfolio

- AUM in this vertical stood at INR 414 crores as at March 31, 2026

ASSET BACKED FINANCING

- Under this vertical, we finance lease receivables (primarily against movable assets) for companies with asset-backed revenue streams. Security is generally created over business assets such as IT equipment and furniture & fixture
- All loans undergo detailed credit and risk assessments, including financial analysis, collateral valuation, portfolio stress testing, and compliance checks. We apply a rigorous credit assessment and require security over qualifying assets. Here rate of interest is determined by risk profile, exposure, and historical payment behaviour. Repayments are typically structured on a monthly or quarterly basis, automated through standing instructions or direct debit mechanisms. Missed payments are managed with a defined collection protocol, including reminders and legal action, when needed
- Asset Backed Financing AUM stood at INR 834 crores as at March 31, 2026

Lending to Financial Institutions (*March 31, 2026 AUM – INR 971 crores*)

- We offer secured term loans to RBI-regulated NBFCs to support their onward lending across multiple categories such as consumer, vehicle, gold, business loans and loans against property among others
- The underwriting process is institution-centric and involves comprehensive evaluation of the quantitative factors such as prospective borrower's financial statements, portfolio quality, capital adequacy, and qualitative aspects such as promoter and management background and governance practices. Interest rates are risk-graded and security is created by a combination of cash collateral, underlying receivables, and personal or corporate guarantees. Post disbursal, periodic reviews of exposures are carried out through regular management information system reporting, audits, and branch visits to track repayment performance and identify early warning signs

OPPORTUNITIES AND THREATS

The dynamic financial services landscape of India presents a compelling platform for InCred's business of offering credit across diverse demographic segments — particularly those left underserved by the country's traditional banking institutions. India's economic vitality and resilience have provided sustained impetus to our growth, and structural tailwinds across our core verticals remain firmly intact.

According to the World Bank Global Findex Database 2025, while approximately 89% of Indian adults now hold a financial account, only around 31% of those are digitally enabled and up to 16% remain entirely inactive — a rate more than double the global average of 6% — underscoring the significant gap in meaningful financial access that persists even as formal inclusion has expanded. This presents a substantial opportunity for NBFCs such as ours, which can move with a speed and flexibility that traditional banks often lack. InCred's focus on technological innovation, combined with its branch-led physical distribution network, positions it well to address this gap and serve the next wave of credit demand.

The structural opportunity across our core product verticals is reinforced by strong market-level growth projections. Personal loan outstanding in India is projected to reach INR 22.0 trillion to INR 23.0 trillion by FY28 from INR 14.6 trillion in FY25, at a CAGR of 14% to 16%. The loan against property portfolio is expected to expand at a CAGR of 15% to 17% between FY25 and FY28, rising from INR 12.8 trillion to between INR 19.0 trillion and INR 21.0 trillion. The overseas education market — which directly underpins our student loans vertical — is projected to grow at a CAGR of approximately 13.6% from INR 5.9 trillion in CY25 to approximately INR 10.0 trillion by CY29.

In keeping with our philosophy of relentless risk management, we remain cognisant of the potential headwinds. The geopolitical environment in Q4 FY26 has been particularly turbulent — an escalation of the West Asian conflict and the associated rise in oil prices, combined with a weakening rupee, present near-term macroeconomic challenges for the Indian economy. In the overseas education funding, continued tightening by US authorities may further constrain demand, a risk we actively monitor in managing our student loans vertical. The competitive intensity in the NBFC sector is also rising, with established banks, fintech lenders, and other diversified NBFCs targeting the same underserved segments, necessitating continued differentiation through superior underwriting, technology, and customer experience. We are also mindful of the evolving domestic regulatory landscape requiring continued vigilance and proactive compliance. While the operating environment remains demanding, we continue to focus on the opportunities and maintain a constructive outlook for the business and the sector.

RISKS & CONCERNS

Annexure A (Contd.)

InCred operates in an evolving risk landscape. To navigate this environment effectively, the Company has put in place a comprehensive enterprise-level risk management framework that embeds risk considerations into both strategic and operational decision-making. The framework drives consistent identification, assessment, mitigation, monitoring, and reporting of risks across the organisation, with corrective actions and revised processes or systems instituted where required. Underpinning this mechanism is regular review, control, self-assessment, and tracking of key risk indicators.

The Company actively manages a broad spectrum of risks relevant to its business:

- **Credit Risk:** Credit risk relating to any product/exposure is governed by the respective Credit Policy which outlines types of products, target customer profile, credit approval process, exposure limits etc. Early warning indicators including delinquency trends, static pool analysis, and exposure limits enable us to stay ahead of emerging issues. The Credit Policy is approved by the Board of Directors, or by the Risk Management Committee acting under delegated authority
- **Operational Risk:** Operational risk is addressed through a multi-layered approach encompassing internal controls, process audits, Risk and Control Self-Assessments (RCSA), root cause analysis, process automation, technology-driven controls, and employee training. New products are subjected to risk assessments, and fraud incidents are systematically reviewed and escalated
- **Fraud Risk:** The Company has institutionalised a Fraud Risk Management framework which includes, among others, quality monitoring, fraud detection patterns, digital KYC and other evolving techniques. With digital fraud risks intensifying through emerging methods, our governance mechanism encompasses controls designed to prevent, detect, and respond through appropriate policy, process, and system interventions
- **Liquidity & Market Risk:** The Asset Liability Committee (ALCO) actively monitors interest rates, cash flows, and investments, deploying stress testing and scenario analysis to ensure resilience against market events. Our Liquidity Coverage Ratio stood at 185% as at March 31, 2026, comfortably above the regulatory minimum of 100%, while our structural liquidity policy continues to maintain cumulative positive gaps across all tenors
- **Regulatory & Compliance Risk:** We identify these risks by monitoring regulatory changes, audit findings, and compliance breaches. The Chief Compliance Officer disseminates regulatory guidelines and oversees compliance. We analyse compliance risks in all products and processes with compliance reports presented quarterly to the Risk Management Committee and Board
- **Technology & Information Security Risk:** The Company operates within a comprehensive IT governance framework where we identify, assess, and prioritise these risks and update our response strategies as needed. We routinely report technology and cybersecurity matters to the Risk Management Committee and IT Strategy Committee, including outages, security compliance, preventive tools/ techniques and security systems and manpower and incident response. We also use monitoring tools to detect threats and incidents in real time
- **Legal Risk:** Legal risk mitigation is anchored in comprehensive contract lifecycle management and proactive dispute resolution through negotiation, mediation, and arbitration. Strategic risks are continually assessed through competitor analysis, regulatory landscape evaluation, and scenario planning to anticipate market shifts and sustain competitive positioning
- **Reputational Risk:** Reputational risk is managed through strong customer service, ethical business conduct, and proactive stakeholder engagement. Customer concerns are addressed promptly, supported by strict enforcement of our code of ethics

Annexure A (Contd.)

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established defined internal control practices across all processes, units, and functions, with policies and procedures designed to ensure adequate controls over business processes. The Company operates on a three-layer defence model — the first line of defence comprises Management and its controls, the second line includes Risk and Compliance, and the third line is the Internal Audit function. The assurance functions — Risk, Compliance, and Internal Audit — undertake regular testing of internal controls.

The compliance function is headed by the Chief Compliance Officer (CCO), who provides guidance on compliance-related matters. The risk management function is led by the Chief Risk Officer (CRO), while the internal audit function operates under the Head of Internal Audit, who functionally reports to the Audit Committee. Internal Audit's responsibilities include executing the risk-based audit plan, and the Audit Committee of the Board reviews the performance of both the audit and compliance functions while monitoring the overall effectiveness of internal controls through Internal Audit.

Based on the above, the Company has a comprehensive internal control system in place that is commensurate with its size, nature, and operations.

THE WAY AHEAD

Despite FY26 having begun with a challenging macro environment, we believe India's fundamentals remain strong and the economy will continue to provide meaningful growth opportunities. Our conviction in the long-term potential of the NBFC sector remains firmly intact — we fully expect it to be one of India's major growth engines over the next decade.

At InCred, we remain committed to our key growth strategies. We plan to scale our existing portfolio by deepening our presence in established distribution channels while actively seeking new avenues for customer engagement and acquisition. Beyond our existing verticals, we will introduce new products through both organic and inorganic opportunities, in a structured and disciplined manner, as we have done historically. Risk management will remain our key focus area and with technology as a key enabler, we will continue refining risk assessment, underwriting, and monitoring processes through leveraging data analytics, artificial intelligence, and machine learning to improve credit evaluation accuracy and strengthen fraud detection capabilities. On the liabilities front, our priorities are to expand and diversify our borrowing base across lenders and borrowing instruments, maintain a prudent mix of long- and short-term borrowings, and sustain a disciplined focus on cost of funds. Finally, our employees have always been central to our growth strategy — we will maintain our focus on talent acquisition while investing in capability-building for our existing workforce, ensuring our people are ready to meet our evolving business needs. Underpinning all of this will be our continued commitment to regulatory compliance and governance, which remain non-negotiable pillars of how we operate.

For InCred Financial Services Limited

sd/-

Bhupinder Singh

Whole-Time Director and CEO

DIN: 07342318

sd/-

Gaurav Maheshwari

Whole-Time Director and CFO

DIN: 07639132

Place: Mumbai

Date: May 23, 2026



Annexure B

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A": SUBSIDIARIES

(INR in lakhs)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures		
Sr. No.	Particulars	
1	CIN/any other registration number of subsidiary company	U74999MH2021PLC358271
2	Name of the Subsidiary	InCred Corporate Solutions Limited (formerly known as InCred.AI Limited)
3	Date since when subsidiary was acquired	26/07/2022
4	Provisions pursuant to which the company has become a subsidiary (Section 2(87)(i)/Section 2(87)(ii))	Section 2(87)(ii)
5	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2025, to March 31, 2026
6	Reporting currency	INR
7	Exchange rate on the last day of the relevant financial year in the case of foreign subsidiaries	NA
8	Share Capital	1.00
9	Reserves and Surplus	(4.16)
10	Total assets (Fixed assets + Investments + Other assets)	3.52
11	Total liabilities (Deposits + Borrowings + Other liabilities + Provisions)	6.68
12	Investments	0.00
13	Turnover	0.00
14	Profit/ (Loss) Before Tax	(2.50)
15	Provision for tax	0.00
16	Profit/ (Loss)After Tax	(2.50)
17	Proposed dividend	0.00
18	% of shareholding	100%

- Names of subsidiaries which are yet to commence operations - NA
- Names of subsidiaries which have been liquidated or sold during the year – InCred Finserv Private Limited (formerly known as InCred Management and Technology Services Private Limited) w.e.f. November 4, 2025 has been sold during the year

Annexure B (Contd.)

PART “B”: ASSOCIATES & JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate companies and Joint Ventures		
Sr. No.	Particulars	
1	Name of Associate/Joint Venture	NIL
2	Latest audited balance sheet date	
3	Date on which the Associate or Joint Venture was associated or acquired	
4	Shares of Associate/joint Ventures held by the Company on the year end a. Number b. Amount of investment in associates/ joint venture c. Extent of holding %	
5	Description of how there is significant influence	
6	Reason why the associate/joint venture is not consolidated	
7	Net worth attributable to shareholding as per latest audited balance sheet	
8	Profit/ loss for the year	
i	Considered in consolidation	
ii	Not considered in consolidation	

- Names of associates or joint ventures which are yet to commence operations - NIL
- Names of associates or joint ventures which have been liquidated or sold during the year - NIL

For InCred Financial Services Limited

sd/-
Bhupinder Singh
 Whole-Time Director and CEO
 DIN: 07342318

sd/-
Gaurav Maheshwari
 Whole-Time Director and CFO
 DIN: 07639132

Place: Mumbai
 Date: May 23, 2026



Annexure 'C' to Board's Report

CORPORATE GOVERNANCE REPORT

[Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

A. PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of Corporate Governance, business ethics and ethical conduct through transparency and accountability. Corporate Governance is about the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

The Company ensures good governance through the implementation of effective policies and procedures, and is constantly striving to better them and adopt the best practices. The requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") mandated by the Securities and Exchange Board of India ("SEBI") have been complied with as applicable to the Company. A report on compliance with the SEBI Listing Regulations as prescribed by SEBI is given below.

B. BOARD OF DIRECTORS

The members of the Board of the Company are eminent personalities from various fields and are entrusted with the responsibilities of management, general affairs, direction and performance of the Company. The Board is responsible for and committed to sound principles of Corporate Governance in the Company.

The Board of Directors of the Company possess the required expertise, skill and experience to effectively manage and direct the Company to attain its organisational goals. They also have leadership qualities, proven competence, integrity, with a strategic bent of mind.

Each member of the Board of Directors of the Company has ensured that his/her personal interest does not run in conflict with the Company's interests and used their professional judgment to maintain both the substance and appearance of independence and objectivity.

1. Composition of Board

The composition of Board is in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI Listing Regulations. As on the date of this Report, the Board consists of 7 Directors comprising 4 Independent Directors, 1 Non-executive Non-Independent Director and 2 Executive Directors.

The composition of Board of Directors of the Company as on March 31, 2026, is as follows:

Sr. No.	Name of Director	DIN	Designation
1	Mr. Bhupinder Singh	07342318	Whole-Time Director and CEO
2	Mr. Gaurav Maheshwari	07639132	Whole-Time Director and CFO
3	Ms. Rupa Vora	01831916	Independent Director
4	Mr. Karnam Sekar	07400094	Independent Director
5	Ms. Sunita Gupta	06902258	Independent Director
6	Mr. Sankaran Nair Rajagopal	10087762	Independent Director
7	Mr. Vivek Anand PS	02363239	Non-Executive Director

Annexure C (Contd.)

Ms. Ambika Bisla, Non-Executive Independent Director of the Company, resigned with effect from October 28, 2025, due to her pre-occupation with directorship responsibilities in InCred Capital group companies and her proposed appointment in the holding Company of the Company i.e. InCred Holdings Limited. Further, Mr. Anil Nagu and Mr. Rohan Suri, Non-Executive Directors of the Company, also resigned with effect from October 28, 2025, owing to other commitments. The Company confirms that there are no other material reasons other than those provided in the resignation letter. Further, details of other changes in composition of the Board during the Financial Year 2025-26 is mentioned in the Director's Report.

All the Independent Directors have confirmed to the Board that they meet the criteria for independence in terms of the definition of 'Independent Director' stipulated under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act. These confirmations have been placed before the Board for its consideration and noting. Further, the Whole-Time Directors of the Company are not serving as Independent Directors in any other companies. None of the Directors of the Company are inter-se related to each other.

2. Board Procedure

The Board meets at regular intervals to discuss and decide on policy of the Company / business and strategy apart from other Board business. The Board meetings (including Committee meetings) of the Company as well as of its subsidiaries are scheduled in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, separate special Board/ Committee meetings are held or the approval is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent meeting.

The Company Secretary approaches various business / department heads in advance with regard to matters requiring the approval of the Board/ Committees to enable inclusion of the same in the agenda for the respective meetings. The detailed agenda together with the relevant attachments is circulated to the Directors in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

In case it is not practical to circulate any document in advance or if the agenda is of a confidential nature, the same is placed at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items are taken up with the approval of the Chairperson and majority of Directors. Senior management personnel are invited to the Board / Committee meeting(s) to provide additional inputs for the items being discussed by the Board / Committee(s).

Further, presentations are made on business operations to the Board of various businesses of the Company. Additionally, presentations are made on various matters including the financial statements, fundraising etc. The Company Secretary is responsible for preparation of the agenda and convening of the Board and Committee meetings. The Company Secretary attends all the meetings of the Board and its Committees, advises / assures the Board on compliance and governance principles and ensures appropriate recording of minutes of the meetings.

With a view to leveraging technology and reducing paper consumption, the Company has adopted a web-based application for sharing the Board / Committee agenda. The Directors of the Company receive the agenda in electronic form through this application, which can be accessed only through i-Pad. The application meets the high standards of security and integrity that is required for storage and transmission of Board / Committee agenda in electronic form. On the request of certain directors, agenda may be shared through email.

During the year meetings were held in person as well as through video conferencing/Other Audio Visual Means. Necessary infrastructural support was provided to the Directors, to ensure seamless attendance in all meetings. The proceedings of the meetings are recorded and stored in accordance with the requirements of the Act.

Annexure C (Contd.)

The draft minutes of the proceedings of the meetings of the Board / Committee(s) are circulated to all the members of the Board or the Committee for their perusal, within fifteen days from the date of the conclusion of the meeting. Comments, if any, received from the Directors are incorporated in the minutes. The minutes are approved by the members of the Board / Committee(s) and confirmed.

3. Meeting of Independent Directors

Section 149(8) of the Act read with Schedule IV of the Act and Regulation 25(3) of SEBI Listing Regulations require the Independent Directors of the Company to hold at least one meeting as per regulatory requirements without the attendance of non-independent directors and members of the management. In view of the aforesaid requirements, the meeting of the Independent Directors of the Company was held on March 26, 2026.

4. Meetings & Attendance

During the financial year ended March 31, 2026, 8 (Eight) Board meetings were held on May 07, 2025, August 01, 2025, August 05, 2025, October 29, 2025, November 14, 2025, January 31, 2026, February 11, 2026, and March 30, 2026.

The Annual General Meeting of the Financial Year ended on March 31, 2025, was held on September 09, 2025.

The details of attendance of the members of the Board at the meetings held during the year and also the number of other Directorships and Memberships / Chairmanships of Committees held by them as on March 31, 2026, are as follows:

Annexure C (Contd.)

Name of the Director (1)	Nature of Directorship	Board Meetings held / conducted during their tenure	No. of Board Meetings attended	No. of Directorships in other companies (2)	No. of Committee Memberships / Chairmanships (including the Company) (3)		No. of Independent Directorships (Including the Company) (4)	Whether AGM Attended (Yes/No)
					Member	Chairman		
Mr. Bhupinder Singh	Chairperson (Whole-Time Director & CEO)	8	7	14	1	0	0	Yes
Mr. Gaurav Maheshwari	Whole-Time Director & CFO	8	8	2	3	0	0	Yes
Mr. Vivek Anand PS	Non-Executive Director	8	8	3	2	-	0	Yes
Ms. Rupa Vora	Independent Director	8	8	6	7	4	0	Yes
Mr. Karnam Sekar	Independent Director	8	8	4	6	3	2	Yes
Ms. Sunita Gupta	Independent Director	8	8	-	2	1	0	Yes
Mr. Sankaran Nair Rajagopal	Independent Director	8	8	1	2	0	1	Yes

Notes:

- (1) Attendance of Directors resigned during the year 2025-26 are not included.
- (2) Excludes Directorship in foreign company.
- (3) Memberships include Chairmanships. Only memberships of Audit Committee and Stakeholders Relationship Committee are considered. This includes memberships in public company and in high value debt listed entities.
- (4) Equity listed companies and HVDL are considered.

Except, Mr. Karnam Sekar holding Independent Directorship in UGRO Capital Limited and Laurus Labs Limited and Mr. Sankaran Nair Rajagopal holding Independent Directorship in Manappuram Finance Limited, none of the Directors of the Company hold directorships in any equity listed companies as on March 31, 2026. Subsequently, Mr. Sankaran Nair Rajagopal has resigned from the position of Independent Director of Manappuram Finance Limited w.e.f. May 05, 2026.

Annexure C (Contd.)

5. Information to the Board:

The Board of Directors has access to the information within the Company, which inter alia includes

- Annual revenue budgets and capital expenditure plans of the Company and its subsidiaries.
- Quarterly results placed before the Board.
- Minutes of the meetings of the Board of Directors and Committees and Minutes of the Board meetings of subsidiaries
- Material default, if any, in the financial obligations to and by the Company or substantial nonpayment.
- Any issue, which involves possible public liability claims of substantial nature, including any judgment or order, if any, which may have strictures on the conduct of the Company.
- Appointment of any Key Management Personnel or Senior Management Personnel
- Any other details as may be required.

6. Post-meeting internal communication system:

The important decisions taken at the Board / Committee meetings are communicated to the departments / subsidiary companies concerned promptly to enable timely action, if required.

7. Board-skills / expertise / competencies

Sr. No.	Skills / Expertise / Competence	Mr. Bhupinder Singh	Mr. Gaurav Maheshwari	Mr. Vivek Anand PS	Ms. Rupa Vora	Mr. Karnam Sekar	Ms. Sunita Gupta	Mr. Sankaran Nair Rajagopal
1	Knowledge of Sector	✓	✓	✓	✓	✓	✓	✓
2	Accounting and Finance	✓	✓	✓	✓	✓	✓	✓
3	Corporate Governance and Compliances	✓	✓	✓	✓	✓	✓	✓
4	Strategy Development and Implementation	✓	✓	✓	✓	✓	✓	✓
5	Information Technology	✓	✓	✓	✓	✓	✓	✓
6	Stakeholders Relationship	✓	✓	✓	✓	✓	✓	✓
7	Risk Management System	✓	✓	✓	✓	✓	✓	✓
8	CEO/Senior Management Experience / Leadership	✓	✓	✓	✓	✓	✓	✓

Annexure C (Contd.)

8. Performance Evaluation:

The Nomination and Remuneration Committee has approved a policy for evaluation of the Board, its Committees and Directors and the same has been approved by the Board of the Company. The process for the aforesaid evaluation as required under the Act is given in the Board's Report.

9. Succession Planning:

The Company has a mechanism and policy in place for ensuring orderly succession for appointments to the Board and to the Senior Management.

10. Confirmation of Independent Directors:

In the opinion of the Board, Independent Directors fulfil the conditions required for independent directors as per the provisions of the Companies Act, 2013, the SEBI Listing Regulations and all other applicable laws and are independent of the management.

Further, the Web Link of Familiarization Programme imparted to Independent Directors is disclosed as follows: <https://www.incred.com>

C. BOARD COMMITTEES

The structure of a Board and the planning of the Board's work are key elements to effective governance. Establishing Committees is one way of managing the work of the Board, thereby strengthening the Board's governance role. The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities of the Company. The Board is regularly briefed about the deliberations, including summary of discussions and decisions, taken by the Committees through the minutes of the meetings. The business transacted by the Committees of the Board is placed before the Board for noting/ recommendation/approval as applicable.

The Board has currently constituted the following Board level Committees pursuant to the provisions of the Companies Act 2013, SEBI Listing Regulations, Reserve Bank of India regulations and other applicable laws:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility ("CSR") Committee
4. Stakeholder Relationship Committee
5. Risk Management Committee
6. IT Strategy Committee
7. Asset Liability Management Committee
8. Finance Committee
9. Customer Grievance Committee
10. Review Committee
11. Integrated Risk Committee

1. Audit Committee ("AC")

Terms of reference:

The role of the AC includes the following:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Providing recommendations for the appointment, remuneration and terms of appointment of auditors of the Company.
- 3) Approval of payments to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing with the management, the annual financial statements and the auditor's report thereon, before submission to the Board for approval, with particular reference to:
 - i. matters required to be included in the director's responsibility statement, to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - ii. changes, if any, in the accounting policies and practices, and reasons for the same;

Annexure C (Contd.)

- iii. major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions; and
 - vii. modified opinion(s) in the draft audit report.
- 5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
 - 6) Reviewing, with the management, the statement of uses/application/end use of funds raised through an issue (public issue, rights issue, preferential issue etc.); the statement of funds utilised 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) Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process.
 - 8) Approval of, or any subsequent modification of, the transactions of the Company with related parties.
 - 9) Scrutiny of inter-corporate loans and investments.
 - 10) Valuation of undertakings or assets of the Company, wherever necessary.
 - 11) Evaluation of the internal financial controls and risk management systems.
 - 12) Reviewing, with the management, performance of the statutory and the internal auditors, adequacy of the internal control systems.
 - 13) Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - 14) Discussions with the internal auditors of any significant findings and follow-ups thereon.
 - 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and reporting the matter to the Board.
 - 16) Discussions with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - 17) To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - 18) To review the functioning of the whistle blower mechanism.
 - 19) Approval of the appointment of the chief financial officer after assessing the qualifications, experience and background etc. of the candidate.
 - 20) Reviewing the utilization of loans and/ or advances from/ investment by the Company in, its subsidiary exceeding INR 100 crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/ advances extended or investments made by the Company in its subsidiary.
 - 21) To consider and comment on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
 - 22) Any other role/ function as may be specifically referred to the Committee by the Board, or as may be required under the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI(LODR)") or any other applicable law(s) for the time being in force.

The Committee shall mandatorily review the information pertaining to the following:

- i. management discussions and analysis of financial conditions and results of operations;
- ii. statement of significant related party transactions (as defined by the Committee), submitted by management;
- iii. management letters/ letters of internal control weaknesses issued by the statutory auditors;
- iv. internal audit reports relating to internal control weaknesses;
- v. the appointment, removal and terms of remuneration of the chief internal auditor; and
- vi. statement of deviations: (A) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI(LODR); and (B) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of SEBI(LODR).

Annexure C (Contd.)

Composition:

The Audit Committee of the Board of Directors of the Company as on March 31, 2026 consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1.	Ms. Rupa Vora	July 26, 2022
2.	Mr. Vivek Anand PS	July 26, 2022
3.	Mr. Karnam Sekar	July 26, 2022
4.	Ms. Sunita Gupta	March 30, 2023
5.	Mr. Sankaran Nair Rajagopal	March 30, 2023

Meetings and Attendance:

The AC met eight times during the year on May 07, 2025, August 01, 2025, August 05, 2025, October 29, 2025, November 11, 2025, January 31, 2026, February 11, 2026 and March 30, 2026. The attendance of members at the meetings was as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee during their tenure	
			Held	Attended
1	Ms. Rupa Vora	Chairperson	8	8
2	Mr. Vivek Anand PS	Member	8	8
3	Mr. Karnam Sekar	Member	8	8
4	Ms. Sunita Gupta	Member	8	8
5	Mr. Sankaran Nair Rajagopal	Member	8	8

All the recommendations by the AC to the Board during the year have been accepted.

All the members of the AC are financially literate and have accounting or related financial management expertise. The Company Secretary is the Secretary to the Committee.

2. Nomination and Remuneration Committee("NRC")**Terms of reference:**

The role of the NRC includes the following:

- 1) Identification of persons qualified to become directors, and to make recommendations to the Board for their appointment/removal or filling of vacancies on the Board.
- 2) Identification of persons for appointment as the Senior Management Personnel of the Company and to make recommendations to the Board for their appointment/removal.
Note: As per Section 178(5) of the Companies Act, 2013, the term "Senior Management Personnel" of a company shall mean members of the core management team of the company (excluding the board of directors), comprising of all members of management one level below the executive directors, including the functional heads.
- 3) Administration and superintendence of the Employee Stock Option Schemes of the Company (as may be applicable).
- 4) Formulation, supervision and implementation of the following policies:
 - i. Appointment & Remuneration Policy for the Directors and Key Managerial Personnel;
 - ii. Employees Remuneration Policy; and
 - iii. Policy for Annual Performance Evaluation of the Directors.

Annexure C (Contd.)

- 5) Formulation of the criteria for determining qualifications, positive attributes and independence of a director, and to recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees. While formulating such policy the Committee shall ensure that:
 - i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - ii. the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - iii. the remuneration to directors, key managerial personnel and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- 6) For the appointment of each independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - i. use the services of external agencies, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates
- 7) Formulation of criteria for evaluation of performance of independent directors and the Board of Directors.
- 8) Devising a policy on diversity of the Board of Directors.
- 9) Providing recommendation as to 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. Recommend to the Board, all remuneration, in whatever form, payable to the Senior Management Personnel.
- 10) Any other role / functions as may be specifically required to be performed by the aforesaid Committee as per RBI regulations/master direction/circular/notification and any other assignment as may be referred to the Committee by the Board of Directors and / or other committees of Directors of the Company, or as may be required under the Companies Act, 2013, [the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, , guidelines/ circulars/ directions/ rules issued by the Reserve Bank of India (including the RBI Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs, dated April 29, 2022)], or other applicable law(s), for the time being in force.

Composition:

The Nomination and Remuneration Committee of the Board of Directors of the Company as on March 31, 2026, consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1	Mr. Bhupinder Singh	July 26, 2022
2	Mr. Karnam Sekar	March 30, 2023
3	Mr. Sankaran Nair Rajagopal	March 30, 2023
4	Ms. Sunita Gupta	October 29, 2025

Meetings and Attendance:

The NRC met two times during the year on May 07, 2025 and March 30, 2026.

Annexure C (Contd.)

The attendance of members at the meetings were as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee during their tenure	
			Held	Attended
1.	Mr. Karnam Sekar	Chairperson	2	2
2.	Mr. Bhupinder Singh	Member	2	2
3.	Ms. Rupa Vora*	Member	1	1
4.	Mr. Sankaran Nair Rajagopal	Member	2	2
5.	Ms. Ambika Bisla#	Member	1	1
6.	Mr. Rohan Suri#	Member	1	1
7.	Ms. Sunita Gupta^	Member	1	1

*ceased to be member of the Committee w.e.f. October 29, 2025

#ceased to be member of the Committee w.e.f. October 28, 2025

^Appointed as a member of the Committee w.e.f. October 29, 2025

Remuneration Policy:

The remuneration of the Board members is based on the Company's size, its economic and financial position, industrial trends and compensation paid by peer companies. The compensation reflects each Board member's responsibility and performance.

Remuneration to Executive Directors, KMPs and other employees:

- Remuneration to the Executive Directors is proposed by the Committee and recommended to the Board for its approval subject to the approval of the shareholders' as per the Act, wherever applicable;
- Employee remuneration is determined based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs and in terms with the Company's HR policies;
- Increments to the existing remuneration of the Directors is be placed before the Committee for its approval / ratification, as the case may be. The remuneration proposed is consistent with the regulatory requirements, strategy of the company and in line with the comparable market and internal remuneration benchmarks; and
- Increments to the existing remuneration of employees including the Chief Financial Officer and the Company Secretary of the Company is in terms of the internal HR policy on remuneration of employees. The remuneration proposed will be consistent with the strategy of the company and in line with the comparable market and internal remuneration benchmarks.

Remuneration to NEDs and Independent Directors:

- Independent Directors are paid sitting fees for attending the meetings of the Board and the Committees of which they are members. The Board may at its discretion revise the sitting fees payable to the NEDs and/or Independent Directors from time to time provided in accordance with the Act.
- Directors are reimbursed for any expenses incurred by them for attending meetings of the Board and its Committees.
- Independent Directors are not entitled to any stock option of the Company.
- None of the Non-Executive Directors of the Company hold any Equity or convertible instruments in the Company.

The Company paid sitting fees of INR 1,00,000 per Board and Committee meeting for the F.Y. 2025-26.

None of the Non-Executive Directors have any pecuniary relationship with the Company.

As required under Schedule V of the SEBI Listing Regulations, the criteria for payment to NEDs is available on the website of the Company. Further, the performance evaluation criteria for Independent Directors as required under Schedule V of the SEBI Listing Regulations is included in the Board's Report.

Annexure C (Contd.)

Details of remuneration paid to Directors for the financial year ended March 31, 2026:

a) Remuneration to Executive Director(s)

The details of remuneration paid during the year to Mr. Bhupinder Singh, Whole-Time Director and Chief Executive Officer and Mr. Gaurav Maheshwari, Whole-Time Director and Chief Financial Officer are as follows:

Amount (INR)			
Name of the Director	Salary and Perquisites	Total	Stock Options#
Mr. Bhupinder Singh	104,978,400	104,978,400	Nil
Mr. Gaurav Maheshwari	27,478,404	27,478,404	Nil

#ESOP's granted by holding company i.e InCred Holdings Limited

b) The details of remuneration to the Independent Directors are as follows:

Amount (INR)

Name of the Director	Sitting Fees for Board Meeting	Sitting Fees for Committee Meetings*	Total
Ms. Rupa Vora	8,00,000	29,00,000	37,00,000
Mr. Karnam Sekar	8,00,000	29,00,000	37,00,000
Ms. Sunita Gupta	8,00,000	20,00,000	28,00,000
Ms. Ambika Bisla	3,00,000	7,00,000	10,00,000
Mr. Sankaran Nair Rajagopal	8,00,000	23,00,000	31,00,000

*No sitting fees is payable for the meeting of Independent Directors.

3. Corporate Social Responsibility Committee ("CSR")

Terms of reference:

The role of CSR Committee includes the following:

- 1) To finalise and appraise to the Board a corporate social responsibility (CSR) policy for the Company.
- 2) To recommend CSR activities and expenditure on the same.
- 3) To monitor implementation of the CSR policy of the Company from time to time.
- 4) To formulate and recommend to the Board an annual action plan in pursuance of the CSR policy of the Company (containing such details as may be required under applicable law(s), including the Companies Act, 2013 and rules made thereunder).
- 5) Any other role/ functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company, or as may be required under the Companies Act, 2013 and rules made thereunder, as amended from time to time, or SEBI (LODR) or any other applicable law(s) for the time being in force.

Composition:

The CSR Committee of the Board of Directors of the Company as on March 31, 2026 consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1.	Ms. Rupa Vora	July 26, 2022
2.	Ms. Sunita Gupta	March 30, 2023
3.	Mr. Gaurav Maheshwari	January 27, 2025
4.	Mr. Vivek Anand PS	October 29, 2025

Annexure C (Contd.)

Meetings and Attendance:

The Committee met three times in the year on May 7, 2025, July 17, 2025 and January 22, 2026 during the financial year 2025-26. The attendance of members at the meetings were as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee during their tenure	
			Held	Attended
1	Ms. Rupa Vora	Chairperson	3	3
2	Mr. Vivek Anand [^]	Member	1	1
3	Mr. Karnam Sekar [*]	Chairperson	2	2
4	Ms. Ambika Bisla [#]	Member	2	2
5	Ms. Sunita Gupta	Member	3	3
6	Mr. Gaurav Maheshwari	Member	3	3

^{*}ceased to be a member of the Committee w.e.f. October 29, 2025

[#]ceased to be a member of the Committee w.e.f. October 28, 2025

[^]Appointed as a member of the Committee w.e.f. October 29, 2025

4. Stakeholders Relationship Committee ("SRC")**Terms of reference:**

The role of the SRC includes the following:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Composition:

The Stakeholders Relationship Committee of the Board of Directors of the Company as on March 31, 2026 consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1	Ms. Sunita Gupta	March 30, 2023
2	Mr. Bhupinder Singh	July 26, 2022
3	Ms. Rupa Vora	May 07, 2024
4	Mr. Karnam Sekar	May 07, 2024
5	Mr. Gaurav Maheshwari	January 27, 2025

Annexure C (Contd.)

Meetings and Attendance:

The SRC met four times during the year on May 07, 2025, August 01, 2025, November 14, 2025 and January 22, 2026. The attendance of members at the meetings was as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee during their tenure	
			Held	Attended
1	Ms. Sunita Gupta	Chairperson	4	4
2	Mr. Bhupinder Singh	Member	4	3
3	Ms. Ambika Bisla*	Member	2	2
4	Mr. Karnam Sekar	Member	4	4
5	Ms. Rupa Vora	Member	4	4
6	Mr. Gaurav Maheshwari	Member	4	4

**ceased to be a member of the Committee w.e.f. October 28, 2025*

Details of Shareholders' requests / complaints:

The investor complaints are processed in a centralised web-based complaints redress system. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

Status report on number of shareholder complaints received and replied by the Company for the financial year 2025-26:

Activity	Pending at the beginning of the year	Received during the year	Disposed of during the year	Unresolved at the end of the year
Investor Complaints	NIL	NIL	NIL	NIL

Annexure C (Contd.)

5. Risk Management Committee (“RMC”)

Terms of reference:

The role of the RMC includes the following:

- 1) Review and manage the Risk Management framework and processes of the Company in compliance with the regulatory provisions and the best practices;
- 2) To formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
- 3) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 4) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 5) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 6) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 7) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- 8) To review framework for monitoring and managing various types of risks including credit risk, market risk, fraud risk and status of compliance with the Anti-Money Laundering (AML) Standards;
- 9) To review the various risk related aspects of the loan and asset portfolio,
- 10) To review and approve the various policies pertaining to the following:
 - a) Lending activities of the Company;
 - b) Retail loans granted by the Company;
 - c) Know Your Customer (KYC) and AML;
 - d) Recovery and Collections;
- 11) Any such other role/functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company or as may be required under the Companies Act, 2013, SEBI (LODR) or any other law for the time being in force.
- 12) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

Annexure C (Contd.)

Composition:

The Risk Management Committee of the Board of Directors of the Company as on March 31, 2026 consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1	Mr. Bhupinder Singh	July 26, 2022
2	Ms. Rupa Vora	July 26, 2022
3	Ms. Mallika Mittal*	April 01, 2025
4	Mr. Sankaran Nair Rajagopal	March 30, 2023
5	Mr. Karnam Sekar	May 07, 2024

**Ms. Mallika Mittal has been appointed as a member of the Committee in place of Mr. Krishna Bahety w.e.f. April 1, 2025*

Meetings and Attendance:

The Committee met five times during the year on May 06, 2025, July 28, 2025, November 10, 2025 January 28, 2026 and March 30, 2026. The attendance of members at the meetings was as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee during their tenure	
			Held	Attended
1	Mr. Bhupinder Singh	Chairperson	5	4
2	Ms. Rupa Vora	Member	5	5
3	Mr. Karnam Sekar	Member	5	5
4	Mr. Sankaran Nair Rajagopal	Member	5	5
5	Mr. Anil Nagu*	Member	2	2
6	Ms. Mallika Mittal	Member	5	5

**Ceased to be a member of the Committee w.e.f. October 28, 2025*

Annexure C (Contd.)

6. IT Strategy Committee ("ITSC")

As per the RBI regulations applicable to the Company, the Board of Directors of the Company has constituted an ITSC.

Terms of reference:

The role of ITSC includes the following:

1. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place.
2. Ascertaining that management has implemented processes and practices that ensure that IT delivers value to the business.
3. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable.
4. 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.
5. Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.
6. In relation to any IT outsourced operations, the Committee shall:
 - i. Institute an appropriate governance/ risk management mechanism for all outsourced/ IT outsourced processes/ operations, comprising of risk-based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end-to-end manner.
 - ii. Define the approval authorities for outsourcing depending on the nature of risks and materiality of outsourcing.
 - iii. Develop sound and responsive outsourcing risk management policies and procedures, commensurate with the nature, scope, and complexity of outsourcing arrangements.
 - iv. Undertake a periodic review of outsourcing strategies and all existing material outsourcing arrangements.
 - v. Evaluate the risks and materiality of all prospective outsourcing based on the framework developed by the Board.
 - vi. Periodically review the effectiveness of policies and procedures.
 - vii. Communicate significant risks in outsourcing to the Board on a periodic basis.
 - viii. Ensure an independent review and audit, in accordance with approved policies and procedures.
 - ix. Ensure that contingency plans have been developed and tested adequately.
 - x. Ensure that the business of the Company is not adversely compromised on account of outsourcing. To ensure that sound business continuity management practices are adopted as issued by the RBI and seek proactive assurance that the outsourced service provider maintains readiness and preparedness for business continuity on an ongoing basis.
7. To settle any question, difficulty or doubt that may arise in regard to the above matters.
8. Any such other role/functions as may be specifically referred to the Committee by the Board of Directors.

Composition:

The **IT Strategy** Committee of the Board of Directors of the Company as on March 31, 2026 consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1	Ms. Sunita Gupta	March 30, 2023
2	Mr. Karnam Sekar	July 26, 2022
3	Mr. Sankaran Nair Rajagopal	March 30, 2023
4	Mr. Ashwin Sekar	July 26, 2022
5	Ms. Rupa Vora	May 07, 2024
6	Mr. Gaurav Maheshwari	January 27, 2025

Annexure C (Contd.)

Meetings and Attendance:

The Committee met four times during the year on May 06, 2025, July 28, 2025, November 10, 2025 and January 22, 2026. The attendance of members at the meetings was as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee during their tenure	
			Held	Attended
1	Ms. Sunita Gupta	Chairperson	4	4
2	Mr. Karnam Sekar	Member	4	4
3	Mr. Ashwin Sekar	Member	4	4
4	Mr. Sankaran Nair Rajagopal	Member	4	4
5	Ms. Ambika Bisla*	Member	2	2
6	Mr. Suriya Nagarajan**	Member	3	3
7	Ms. Rupa Vora	Member	4	4
8	Mr. Gaurav Maheshwari	Member	4	4

*Ceased to be a member of the Committee w.e.f. October 28, 2025

**Ceased to be a member of the Committee w.e.f. November 28, 2025

Note: Mr. Gaurav Jain was appointed as a member of the Committee w.e.f. April 01, 2026

7. Asset Liability Management Committee ("ALCO")

Terms of reference:

- 1) To review/ monitor the Asset Liability Management (ALM) profile and systems of the Company from time to time;
- 2) To monitor and manage the following by taking appropriate steps and recommending suitable measures to the Board:
 - i. Liquidity Risk;
 - ii. Market Risk;
 - iii. Interest Rate Risk;
 - iv. Funding and Capital Planning
- 3) To monitor and advise maturity profile and mix of the incremental Assets and Liabilities of the Company, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of the Company.
- 4) To formulate Interest Rate view of the Company and advise future business strategy accordingly if required. To advise on appropriate mix of between Fixed v/s Floating Interest Rate liabilities/ resources and assets etc.;
- 5) To advise on Funding, Source & Mix of Liabilities, Product Pricing for the loans etc.;
- 6) To advise on benchmark Floating Reference Rate (RFRR) and to amend / change the same from time to time, as required;
- 7) To review the ALM returns and take suitable remedial measures;
- 8) To adopt, amend, revise and modify ALM Policy of the Company in compliance with the regulatory requirements;
- 9) To assess the funding and capital planning for the Company;
- 10) To advise roadmap for profit planning and growth projections of the Company.
- 11) To ensure adherence to the risk tolerance/ limits set by the Board as well as implementing the liquidity risk management strategy of the Company.
- 12) Any other role/ functions as may be specifically referred to ALCO by the Board, or as may be required under directions/ circulars/ notifications/ guidelines issued by the Reserve Bank of India from time to time, or other applicable law(s) for the time being in force.

Annexure C (Contd.)

Composition:

The Asset Liability Management Committee of the Board of Directors of the Company as on March 31, 2026 consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1	Mr. Bhupinder Singh	July 26, 2022
2	Mr. Gaurav Maheshwari	December 16, 2024
3	Mr. Saurabh Jhalaria	July 26, 2022
4	Ms. Mallika Mittal	April 01, 2025

Meetings and Attendance:

The Committee met five times during the year on May 07, 2025, July 31, 2025, November 11, 2025, January 29, 2026 and March 27, 2026. The attendance of members at the meetings was as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee during their tenure	
			Held	Attended
1	Mr. Bhupinder Singh	Chairperson	5	5
2	Mr. Saurabh Jhalaria	Member	5	5
3	Mr. Gaurav Maheshwari	Member	5	5
4	Ms. Mallika Mittal	Member	5	5

8. Finance Committee ("FC")**Terms of reference:**

- 1) To approve borrowing of monies (otherwise than by issue of debentures) by way of availing financial facilities from financial institution(s)/ bank(s) or other entities in the form of term loan(s), guarantee(s), line of credit or in any other forms ("Facilities"), within the overall limits approved by the Board/ shareholders, in connection with the Company's business requirement, and taking necessary actions connected therewith.
- 2) To appoint security trustee(s) and/or create charge/ mortgage in favour of the lenders of the Company.
- 3) To consider opening of bank accounts with various banks, apply and avail corporate internet banking, fax indemnity facility, email indemnity, online account statement viewing facility with respect to accounts maintained with various banks, and to revise signatories for operating various bank accounts of the Company as and when necessary.
- 4) To review and approve an assignment/ securitization transaction or a transaction relating to the transfer of financial assets or cash flows.
- 5) To review and approve arrangements and tie-ups with the banks for various banking facilities and/ or cash management services.
- 6) To consider and approve availing of bank guarantees from various banks.
- 7) To consider availing of corporate credit cards, including credit card facility in the name of employees/ officials of the Company and the terms of such facilities.
- 8) To approve investment of surplus funds of the Company, within the limits approved by the Board, in Mutual Funds, Fixed Deposits, Government Securities, securities of any company, body corporate etc., and redemption thereof.
- 9) To review and recommend the investment policy to the Board.
- 10) To review and approve the 'demand and call loan policy' and other related policies relating to finance and treasury (except the policies on asset liability management and rate of interest) of the Company.
- 11) To decide on matters relating to the finalization of the terms and conditions of non-convertible debentures (NCDs) to be issued on private placement basis and allotted from time to time, within

Annexure C (Contd.)

the aggregate limit as approved by the Board; decide the opening and closing date for receiving application and date of allotment /deemed date of allotment; and apply with stock exchanges for listing of the NCDs.

- 12) To appoint the debenture trustee, legal advisors, depositories, custodians, registrar and transfer agent and other intermediaries, in accordance with the provisions of the applicable debt regulations and the related formalities.
- 13) To approve, authorize officials to sign and execute offer document(s), offer letter(s), information memorandum(s) as per the prescribed format, if any, including any declaration, confirmation, affirmation, indemnity and undertaking in respect of the NCDs to the potential investors, listing application(s), various agreements including but not limited to Deed of Hypothecation, Debenture Trust Deed, Debenture Trustee Agreement, Listing Agreement, undertakings, deeds, declarations, affidavits, certificates, documents, etc., and all other documents; and to do all such acts, deeds and things, and to comply with all formalities, as may be required in connection with and incidental to, the offering of NCDs on private placement basis including the post issue formalities and with power to settle any question, difficulties or doubts that may arise in regard to the issue or allotment of such NCDs as may be deemed fit.
- 14) To appoint dealers and to negotiate agreements to deal in foreign / commodity exchange and financial derivatives, including but not limited to foreign exchange spot, forwards, options, currency swaps and interest rate swaps and determine/approve overall policies for hedging and forex risk management.
- 15) To delegate authorities from time to time to the executives/ authorized representatives to implement the decisions of the Committee from time to time.
- 16) Any other role/ functions as may be specifically referred to the Committee by the Board.

Composition:

The Finance Committee of the Board of Directors of your Company as on March 31, 2026 consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1	Mr. Bhupinder Singh	July 26, 2022
2	Mr. Gaurav Maheshwari	January 27, 2025
3	Ms. Apeksha Munwanea	December 16, 2024

Meetings and Attendance:

The Committee met Fifty times during the year as on April 10, 2025, April 30, 2025, May 15, 2025, May 28, 2025, May 30, 2025, June 26, 2025, June 27, 2025, July 04, 2025, July 18, 2025, July 22, 2025, August 12, 2025, August 20, 2025, August 25, 2025, August 29, 2025, September 09, 2025, September 15, 2025, September 22, 2025, September 23, 2025, September 29, 2025, September 30, 2025, October 06, 2025, October 08, 2025, October 15, 2025, October 24, 2025, October 24, 2025, October 30, 2025, November 10, 2025, November 17, 2025, November 19, 2025, November 25, 2025, December 08, 2025, December 12, 2025, December 22, 2025, December 26, 2025, December 29, 2025, January 13, 2026, January 20, 2026, January 29, 2026, February 04, 2026, February 11, 2026, February 18, 2026, February 25, 2026, February 26, 2026, March 04, 2026, March 11, 2026, March 18, 2026, March 23, 2026, March 24, 2026, and March 25, 2026 and March 30, 2026. The attendance of members at the meetings was as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee during their tenure	
			Held	Attended
1	Mr. Bhupinder Singh	Chairperson	50	42
2	Ms. Apeksha Munwanea	Member	50	50
3	Mr. Gaurav Maheshwari	Member	50	50

Annexure C (Contd.)

9. Customer Grievance Committee ("CGC")**Terms of reference:**

- 1) To oversee and guide implementation of customer service enhancement initiatives.
- 2) To review grievance redressal and issues bearing on the quality of services rendered by the Company to its customers, adherence to Fair Practices Code, Review of awards under Ombudsman scheme and implementation of internal ombudsman policy with respect to determining the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman.
- 3) To review the performance of the Company with respect to Customer Services.
- 4) Any specific observation from RBI in the inspection reports pertaining to Customer Service.
- 5) Such other matters as may be assigned by the Board of Directors or prescribed under any of the directions, circulars, or guidelines issued by Reserve Bank of India or otherwise directed by them, from time to time.

Composition:

The Customer Grievance Committee of the Board of Directors of your Company as on March 31, 2026 consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1	Ms. Rupa Vora	May 07, 2024
2	Mr. Karnam Sekar	May 07, 2024
3	Mr. Sankaran Nair Rajagopal	October 25, 2024
4	Mr. Gaurav Maheshwari	January 27, 2025

Meetings and Attendance:

The Committee met four times during the year as on May 07, 2025, August 01, 2025, November 14, 2025, and January 22, 2026

The attendance of members at the meetings was as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee held during their tenure	
			Held	Attended
1	Ms. Rupa Vora	Chairperson	4	4
2	Mr. Karnam Sekar	Member	4	4
3	Mr. Sankaran Nair Rajagopal	Member	4	4
4	Mr. Gaurav Maheshwari	Member	4	3

10. Review Committee**Terms of reference:**

- 1) To review the proposal of the Identification Committee for reporting a borrower/ guarantor/ promoter/ director/ entity ("Person") as wilful defaulter along with the written response to the show-cause notice issued by the Company.
- 2) To meet soon after proposal of classifying a wilful defaulter is passed by the Identification Committee.
- 3) To pass a reasoned order, as deemed fit by it.

Annexure C (Contd.)

Composition:

The Review Committee of the Board of Directors of your Company as on March 31, 2026 consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1	Mr. Bhupinder Singh	October 25, 2024
2	Mr. Karnam Sekar	October 25, 2024
3	Mr. Sankaran Nair Rajagopal	October 25, 2024

Meetings and Attendance:

The attendance of members at the meetings was as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee held during their tenure	
			Held	Attended
1	Mr. Bhupinder Singh	Chairperson	-	-
2	Mr. Karnam Sekar	Member	-	-
3	Mr. Sankaran Nair Rajagopal	Member	-	-

11. Integrated Risk Committee

Terms of reference:

- 1) Review and approve ICAAP assessment and Stress testing scenarios
- 2) To evaluate the investigation findings and approve the classification of the account as Fraud, approve issuance of Reasoned Order, reporting of the account to RBI, suggest any additional checks, evaluate the corrective measures suggested basis investigation
- 3) To review the Outsourcing Risk Management Framework
- 4) To review Model Validation exercise
- 5) To review performance of restructuring accounts
- 6) Any other Risk related item and / basis RBI regulations/master direction/circular/notification and any other assignment as may be referred to the Committee

Composition:

The Integrated Risk Committee of the Board of Directors of your Company as on March 31, 2026 consists of the following Members:

Sr. No.	Name of Director	Member of Committee since
1	Mr. Bhupinder Singh	August 09, 2024
2	Mr. Saurabh Jhalaria	May 16, 2023
3	Mr. Prithviraj Chandrasekhar	May 16, 2023
4	Mr. Gaurav Maheshwari	December 16, 2024
5	Ms. Mallika Mittal	April 01, 2025
6	Mr. Gajendra Thakur	May 16, 2023
7	Mr. Ashwin Sekar	May 16, 2023

Annexure C (Contd.)

Meetings and Attendance:

The attendance of members at the meetings was as follows:

Sr. No.	Name of Director	Capacity	Number of Meetings of the Committee during their tenure	
			Held	Attended
1	Mr. Bhupinder Singh	Member	7	7
2	Mr. Saurabh Jhalaria	Member	7	7
3	Mr. Prithviraj Chandrasekhar	Member	7	7
4	Mr. Gaurav Maheshwari	Member	7	7
5	Ms. Mallika Mittal	Member	7	7
6	Mr. Gajendra Thakur	Member	7	7
7	Mr. Ashwin Sekar	Member	7	7

Note: Mr. Vaidyanathan Ramamoorthy, Mr. Rajiv Sukumar, Mr. Ayush Mittal and Ms. Apeksha Munwanee ceased to be members of the Committee w.e.f. May 07, 2025

D. PARTICULARS OF SENIOR MANAGEMENT

Details of Senior Management as on 31st March 2026:

Name of SMP	Designation
Mr. Bhupinder Singh	Whole-Time Director and CEO
Mr. Gaurav Maheshwari	Whole-Time Director and CFO
Mr. Saurabh Jhalaria	Head – Education and MSME lending
Mr. Prithviraj Chandrasekhar	Head – Consumer Finance
Mr. Ashwin Sekar	Chief Technology Officer
Mr. Kamlesh Dangi	Chief Human Resource Officer
Ms. Mallika Mittal	Chief Risk Officer
Mr. Gajendra Thakur	Chief Compliance Officer
Ms. Nikita Shetty	Company Secretary

The details of change in Senior Management Personnel (“SMP”) during the Financial Year 2025-26 and since the close of previous Financial Year is given hereunder:

Ms. Nikita Shetty was appointed as the Company Secretary & Compliance Officer w.e.f. March 31, 2026, in place of Mr. Gajendra Thakur, who has resigned from his position w.e.f. close of business hours of March 30, 2026, to ensure segregation of roles between Compliance and Secretarial departments. He continues to hold the position of Chief Compliance Officer (CCO) pursuant to the RBI guidelines.

Annexure C (Contd.)

E. DIRECTORS ON BOARDS OF MATERIAL SUBSIDIARIES

The Company does not have any material subsidiaries.

F. OTHER INFORMATION

Training of Directors:

All Directors of the Company are aware and are also updated as and when required, of their roles, responsibilities and liabilities.

Information to Directors:

The Directors have access to the information within the Company, which inter alia, includes items as mentioned in point no. B5 of the Corporate Governance Report. Presentations are made regularly to the Board and its Committees, where Directors get an opportunity to interact with the management. Independent Directors have the freedom to interact with the Company's management. Interactions happen during Board / Committee meetings, when senior management personnel are asked to make presentations about the performance of the Company / business to the Board.

Statutory Auditors:

M/s. Deloitte Haskins & Sells, Statutory Auditors of the Company has signed the Audit Report for F.Y 2025-26.

Code of Conduct:

The Company has laid down a Code of Conduct for all the Board members including Independent Directors and senior management personnel. The Code of Conduct is available on the website of the Company.

All the Board Members and the Senior Management Personnel of your Company have affirmed their compliance with the Code of Conduct for the year ended March 31, 2026. A declaration to this effect as signed by the Chief Executive Officer(s) is enclosed as “Annexure H”.

Vigil Mechanism Framework / Whistle Blower Mechanism:

The Company has in place a Whistle Blower Mechanism which seeks to define and establish the mechanism for the stakeholders of the Company and its subsidiaries and group companies on the framework for reporting instances of unethical/improper conduct and actioning suitable steps to investigate and correct the same. The policy on Whistle Blower Mechanism details the following:

- a. Procedure to disclose any suspected unethical and/or improper practice taking place in the Company;
- b. Protection available to the person making such disclosure in good faith;
- c. Mechanism for actioning and reporting on such disclosures to the relevant authority within the Company; and relevant authority and its powers to review disclosures and direct corrective action relating to such disclosures.

A quarterly report with number of complaints received, if any and their outcome are placed before the Audit Committee.

The details of establishment of such mechanism have been disclosed on the website of the Company.

As on March 31, 2026, no whistle blower complaint was reported.

During the year, no person has been declined access to the Audit Committee, wherever desired.

Annexure C (Contd.)

General Body Meetings:

The details of AGM of the Company for the previous three years are as under:

Year	Date & Time	Venue / Mode of conducting the meeting	Details of Special Resolution passed
FY 2023-24	June 27, 2023 at 11.00 a.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	1. Appointment of Mr. Sankaran Nair Rajagopal (DIN: 10087762) as an Independent Director of the Company. 2. Appointment of Ms. Sunita Gupta (DIN: 06902258) as an Independent Director of the Company. 3. Appointment of Ms. Ambika Bisla (DIN: 09789579) as an Independent Director of the Company. 4. Issuance of Non-Convertible Debentures/Bonds during F.Y 2023-24.
FY 2024- 25	July 08, 2024 at 11.30 a.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	1. Approval for increase in overall borrowing powers of the Company 2. Approval for creation of mortgage/ charge on the Company's assets with respect to Borrowings 3. Issuance of Non- Convertible Debentures/Bonds during F.Y. 2024-25 4. Approval for revision in the terms of the remuneration to be paid to Mr. Bhupinder Singh, Whole-Time Director & CEO of the Company
FY 2025-26	September 09, 2025 at 02:50 p.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	1. Issuance of Non- Convertible Debentures/Bonds during F.Y. 2025-26

The details of EGM of the Company for the previous three years are as under

Year	Date & Time	Venue / Mode of conducting the meeting	Details of Special Resolution passed
FY 2023-24	September 14, 2023 at 11.00 a.m.	At the Registered Office of the Company	1. Amendment in the object clause of Memorandum of Association of the Company
FY 2024- 25	March 25, 2025 at 11.00 a.m.	At the Registered Office of the Company	1. Appointment of Mr. Gaurav Maheshwari (DIN: 07639132) as the Whole-Time Director of the Company 2. Increase in the limit of managerial remuneration payable to Whole-Time Directors of the Company
FY 2025-26	February 11, 2026 at 09:45 a.m.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") At a Shorter Notice	1. Approval for adoption of the altered articles of association of the Company 2. Issuance of non-convertible debentures/ bonds during F.Y. 2026-27:

Annexure C (Contd.)

Postal Ballot:

The Company had not passed any resolution through Postal Ballot during FY 2025-26. Further, currently, there is no proposal which is envisaged to be passed through Postal Ballot. If a Resolution is passed by way of Postal Ballot, the Company will follow the process as per regulatory requirements.

Other Disclosures:

- During the year, there were no transactions of material nature with the Directors, management, their relatives or the subsidiaries, which had potential conflict with the interests of the Company.
- Details of all related party transactions form a part of the Financial Statements as required under Ind AS-24 and the same forms part of the Annual Report.
- The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time while preparing the Financial Statements.
- There were no instances of non-compliance on any matter relating to capital markets, during the last three years nor any penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any Statutory Authority except the following:
 - » The Company has received communication of delayed intimation under regulation 60(2) of SEBI Listing Regulations from BSE and NSE in FY 2023-24. The Company has responded to the said communication and has made payment of the penalties levied. The Company has also received communication of delayed intimation under regulation 60(2) of SEBI Listing Regulations from BSE in FY 2025-26 the Company has responded to the aforesaid communication and has made payment of the penalties levied.
- As on the date of this report, the Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses 1A of Regulation 62 of the SEBI Listing Regulations.
- The web link with respect to the policy for determining 'material subsidiaries' and policy on dealing with related party transactions are mentioned in the Board's Report.
- The Company has also complied with the discretionary requirements stipulated under Regulation 27 of the SEBI Listing Regulations.
- As on March 31, 2026, there were no funds unutilized requiring disclosure as specified under SEBI Listing Regulations.
- Mr. Ashish Karodia, Practising Company Secretary has certified that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as a Director of the Company by SEBI or Ministry of Corporate Affairs or any other statutory authority. The said certificate forms part of this report.
- During F.Y 2025-26, total consolidated fees of INR 125 Lakhs excluding certification and out of pocket expenses was paid to the Statutory Auditors (i.e. Deloitte Haskins & Sells) and all entities in the network firm / network entity of which the Statutory Auditors are a part of, for all the services rendered to the Company and its subsidiaries.
- The Company is committed to fostering a diverse, inclusive, and respectful work environment, providing equal opportunities free from discrimination and harassment. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has implemented a Gender-Neutral Policy to prevent and address sexual harassment. An Internal Complaints Committee (ICC) ensures a prompt, confidential, and fair process for grievance redressal. The number of complaints received, disposed of and pending as on 31 March 2026 are given below:

Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of the financial year	0

Annexure C (Contd.)

- Details of loans and advances made by the Company and its subsidiaries to firms/companies in which directors are interested are specified in note no. 34 of the Standalone Financial Statements of the Company for the year ended March 31st 2026.
- In terms of amendments made to the SEBI Listing Regulations, the Board of Directors confirm that during the year, it has accepted all mandatory recommendations received from its committees.
- For disclosure pertaining to credit rating, please refer the Board's Report.

Means of Communication:

- Quarterly Results are communicated through Newspaper Advertisements in prominent national dailies like Business Standard.
- The Financial results are also displayed on the website of the Company.
- The Annual Report is circulated to all the Members, auditors, debenture trustees, debenture holders etc and are available on the stock exchanges in prescribed manner.
- Management Discussion and Analysis forms a part of the Annual Report which is sent to the Members of the Company.
- Price sensitive information and such other matters which in the opinion of the Company are of importance to the debentureholders/shareholders/investors are promptly intimated to the Stock Exchange in terms of the SEBI Listing Regulations.

General Shareholders' Information

Annual General Meeting	September 30, 2026
Financial Year	April 01, 2025 to March 31, 2026
Date of Book Closure	Not applicable
Dividend Payment Date	Not applicable
Name and address of Stock Exchanges (Non-convertible Debentures) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001. National Stock Exchange of India Limited, Exchange Plaza, Plot No. C-1, Block G, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051. The Company has paid the applicable listing fees to the Stock Exchanges for FY 2025-26.
Listing of Non-Convertible Debentures ("NCDs")	Secured, Redeemable, Non-Convertible Debentures issued by the Company on public and/or private placement basis are listed on National Stock Exchange of India Limited and BSE Limited as on March 31, 2026 Subsequently, all the Debentures listed on National Stock Exchange of India Limited have been fully redeemed w.e.f. May 02, 2026
CIN	U67190MH1995PLC360817

Annexure C (Contd.)

In case the securities are suspended from trading, the Board's Report shall explain the reason thereof	Not applicable
Registrar and Share Transfer Agent("RTA")	M/s. MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India. Tel: +91 22 4918 6000 Fax: +91 22 4918 6060 E-mail: investor.helpdesk@in.mpms.mufg.com Toll Free: 1800 102 7796
Share Transfer System	All transmission, transposition, issue of duplicate share certificate(s)/Letter of Confirmation, etc., as well as requests for dematerialisation/ rematerialisation are processed at MUFG Intime India Private Limited ("MUFG"). The work related to dematerialisation / rematerialisation is handled by MUFG through connectivity with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') The Securities and Exchange Board of India ('SEBI') vide its circular dated 25 January 2022, has mandated listed entities to issue shares in dematerialised form only while processing any service requests.
Distribution of Shareholding as on March 31, 2026:	NA

Categories of the Shareholders as on March 31, 2026:

Category	No. of Shares	%
Promoters	49,05,32,336*	100
Financial Institutions	-	-
Foreign Institutional Investors & Foreign Portfolio Investors	-	-
Alternate Investment Funds	-	-
Mutual Funds	-	-
Bodies Corporate	-	-
Directors & Relatives	-	-
Resident Individuals & Others	-	-
Banks	-	-
Non-Resident Indians	-	-
TOTAL	49,05,32,336	100

*Including shares held by Nominee Shareholders

Annexure C (Contd.)

Dematerialization of Shares:

The number of shares held in dematerialized and physical form are as under:

Particulars	No. of Shares	%
NSDL	49,05,32,333	100
CDSL	3	Negligible
Physical	-	-
TOTAL	49,05,32,336	100

Dematerialization of shares and liquidity	As on March 31, 2026, the entire equity capital was held in the dematerialized form.
Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company does not have any outstanding GDRs / ADRs / Warrants or any Convertible instruments as on March 31, 2026.
Commodity price risk or foreign exchange risk and hedging activities	Not Applicable
Plant Locations	As the Company is engaged in a Non-Banking Financial Services, this section is not applicable.
Credit Rating	The Credit Rating details of the Company are disclosed in the Directors' Report, which forms part of this Annual Report
Address for correspondence	All correspondence by Members should be forwarded to the Company's RTA, M/s. MUFG Intime India Private Limited at the following address. MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India. Tel: +91 22 4918 6000 Fax: +91 22 4918 6060 E-mail: investor.helpdesk@in.mpms.mufg.com Toll Free: 1800 102 7796 To the Company's dedicated e-mail id for Investors correspondences, queries or complaints is incred.compliance@incred.com
Name and Address of the Compliance Officer	Ms. Nikita Shetty Company Secretary and Compliance Officer InCred Financial Services Limited Unit No. 1203, 12th Floor, B Wing, The Capital, Bandra Kurla Complex, Mumbai 400051 E-mail: incred.compliance@incred.com
Unclaimed shares lying in the Suspense Account:	Not applicable
Transfer of Amounts / Shares to Investor Education and Protection Fund ("IEPF")	Pursuant to the provisions of Sections 124 and 125 of the Act read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, dividend / interest / refund of applications which remains unclaimed / unpaid for a period of 7 years is required to be transferred to IEPF. Further, the IEPF Rules mandate the companies to transfer all shares on which dividend remains unclaimed/ unpaid for a period of 7 consecutive years to the demat account of the IEPF Authority. During the year under review, the Company has not transferred any sum to IEPF. Further, the amount pertains to the interest and/or principal amount due on debenture, the Company has not declared any dividend till date.

Annexure C (Contd.)

Code of Conduct for prevention of Insider Trading

The Company has framed the Code of Conduct for Prevention of Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information in line with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The objective of the Code is to prevent purchase and / or sale of listed securities of the Company by an Insider based on unpublished price sensitive information. Under this Code, Designated Persons are prohibited from dealing in the listed securities of the Company during the closure of Trading Window.

Further, SEBI has mandated every listed entity, to maintain a Structured Digital Database (SDD) containing details of persons with whom any Unpublished Price Sensitive Information (UPSI) is shared. As per the SEBI (PIT) Regulations 2015, this database must be secured through adequate internal controls such as time stamping and audit trails so as to prevent any kind of tampering. The above mandate was primarily introduced with a view to maintain a trail of information and aid SEBI in investigations pertaining to insider trading by establishing a link between insiders and persons who communicate and trade on the basis of such UPSI. In line with the same, the Company has availed TRACK IN Software from **MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)** so as to comply with the said requirement.

Further, Ms. Nikita Shetty, Company Secretary has been designated as the Compliance Officer for monitoring compliances with this Code.

Secretarial Audit

The Board of Directors of the Company at its meeting held on May 7, 2025, had appointed Ashish Karodia, Practicing Company Secretary as the Secretarial Auditor of the Company for FY 2025-26.

Debenture Trustee

The details of Debenture Trustees are provided in the Board's Report

For InCred Financial Services Limited

sd/-

Bhupinder Singh

Whole-time Director and CEO

DIN: 07342318

Place: Mumbai

Date: May 23, 2026

sd/-

Gaurav Maheshwari

Whole-Time Director and CFO

DIN: 07639132

Annexure C (Contd.)

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

[Issued in accordance with the provisions of Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
InCred Financial Services Limited

Dear Board Members,

Subject: Certificate of Compliance under Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

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

For InCred Financial Services Limited

sd/-
Bhupinder Singh
Whole-time Director and CEO
DIN: 07342318

sd/-
Gaurav Maheshwari
Whole-Time Director and CFO
DIN: 07639132

Place: Mumbai
Date: May 23, 2026

Annexure C (Contd.)

**PRACTISING COMPANY SECRETARIES CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE
REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**
CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members of InCred Financial Services Limited
U67190MH1995PLC360817
Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C-70,
G Block, BKC, Mumbai City, Mumbai, Maharashtra, India, 400051

We have examined the compliance of the conditions of Corporate Governance by **INCRED FINANCIAL SERVICES LIMITED** (herein after called the "Company" / "IFSL") for the year ended on March 31, 2026, as stipulated and as applicable under Regulations 15 to 27, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), for the period and to the extent applicable.

Further, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015 dated January 22nd, 2025, the compliance of the Regulations 15 to 27 of the Listing Regulations are applicable to those high value debt listed entities which has its outstanding value of principal outstanding of listed debt securities is above Rupees 5,000 Crores (Rupees Five Thousand Crores only) as on March 31st, 2026. Since the Company has no other securities listed on any stock exchange apart from its debt securities and the outstanding value of principal outstanding of listed debt securities is less than the threshold limit of INR 5,000 Crores only, the Regulations 15 to 27 of Listing Regulations are not applicable to the Company as at March 31st, 2026.

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

The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31st, 2026.

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

Place: Indore
Date: May 23, 2026

Sd/-
CS Ashish Karodia
Practising Company Secretary
Membership No. F 6549
Certificate of Practice No. 6375
Peer Review Certificate No.
UDIN: F006549H000433459

Annexure C (Contd.)

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
INCRED FINANCIAL SERVICES LIMITED
U67190MH1995PLC360817
Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C-70,
G Block, BKC, Mumbai City, Mumbai, Maharashtra, India, 400051

We have examined the following documents:

- a. Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- b. Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents') as received from the Directors of the Company for the Financial Year 2025-26, produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

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 and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	Date of Appointment in the Company*
1	Mr. Bhupinder Singh	26-07-2022
2	Mr. Vivek Anand PS	26-07-2022
3	Ms. Rupa Vora	26-07-2022
4	Mr. Karnam Sekar	26-07-2022
5	Ms. Sunita Gupta	30-03-2023
6	Mr. Sankaran Nair Rajagopal	30-03-2023
7	Mr. Gaurav Maheshwari	27-01-2025

**Date of appointment is as per MCA Portal*

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act. Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Indore
Date: May 23, 2026

Sd/-
CS Ashish Karodia
Practising Company Secretary
Membership No. F 6549
Certificate of Practice No. 6375
UDIN: F006549H000433635



Annexure 'D'

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,
InCred Financial Services Limited
U67190MH1995PLC360817
Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C-70,
G Block, BKC, Mumbai City, Mumbai, Maharashtra, India, 400051

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by INCRED FINANCIAL SERVICES LIMITED (CIN: U67190MH1995PLC360817) (herein after called the "Company" / "IFSL"). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under; (as may be applicable to the Company)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (as may be applicable to the Company);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings
- (v) IRDAI (Registration of Corporate Agents) Regulations, 2015 and amendments thereof
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the audit period)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021; (Not applicable to the Company during the audit period)
 - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
 - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period)

Annexure D (Contd.)

- g) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

Further we report that a fine of INR 11,800 was levied on the Company under Regulation 60(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for delay in filing of record date intimation for interest payment date of debentures and the same has been duly paid by the Company.

(vii) Other laws applicable specifically to the Company are:

- a) All the Rules, Regulations, Directions, Guidelines and Circulars issued by the Reserve Bank of India, as amended from time to time.
- b) The Prevention of Money-Laundering Act, 2002 and The Prevention of Money Laundering (Maintenance of Records) Rules, 2005.
- c) Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- d) Employees' State Insurance Act, 1948

We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for the compliances under the following applicable Act (if applicable), Law & Regulations to the Company:

- a) Reserve Bank of India Act, 1934 and its circulars, Master Circulars, notifications and its Directions as prescribed for NBFCs, as informed /confirmed to us.
- b) Applicable Direct and Indirect Tax Laws.
- c) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- d) The Insurance Regulatory and Development Authority (Registration of Corporate Agents) Regulations, 2015 and amendments thereof.
- e) Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- f) Employees' State Insurance Act, 1948.
- g) The Prevention of Money-Laundering Act, 2002 and The Prevention of Money Laundering (Maintenance of Records) Rules, 2005.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- b) The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited and BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as 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 generally for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

Annexure D (Contd.)

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

We further report that due to the repetitive nature of the transactions like issuance of the debentures, we have verified the documents on sample basis during the audit process.

We further report that during the audit period the Company, the following events had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The Company has offered, issued and allotted 22,22,222 Equity Shares of INR 10 each on May 07, 2025, at a premium of INR 170 per Equity Share, aggregating INR 39,99,99,960/- (Indian Rupees Thirty-Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred and Sixty Rupees), on a 'Rights Issue Basis' to the Equity Shareholders.
2. The Company has increased its Authorised Share Capital in compliance with the provisions of the Companies Act, 2013 from INR 500,00,00,000 (Indian Rupees Five Hundred Crores only), divided into 50,00,00,000 (Fifty Crores) equity shares of INR 10/- (Indian Rupees Ten only) each, to INR 700,00,00,000 (Indian Rupees Seven Hundred Crores only), divided into 70,00,00,000 (Seventy Crores) equity shares of INR 10/- (Indian Rupees Ten only) each. The said increase was approved by the Members of the Company at the Annual General Meeting held on September 9, 2025.
3. During the year under review Mr. Gajendra Thakur resigned from the position of Company Secretary and Compliance Officer with effect from close of business hours of March 30, 2026 and will continue to hold the position of Chief Compliance Officer pursuant to the RBI guidelines. Consequently, Ms. Nikita Shetty has been appointed as the Company Secretary and Compliance Officer with effect from March 31, 2026.
4. During the year under review, Mr. Anil Nagu (DIN: 00110529) resigned from the position of Non-Executive Director of the Company with effect from October 28, 2025.
5. During the year under review, Mr. Rohan Rakesh Suri (DIN: 07074450) resigned from the position of Non-Executive Director of the Company with effect from October 28, 2025.
6. During the year under review, Ms. Ambika Bisla (DIN: 09789579) resigned from the position of Independent Director of the Company with effect from October 28, 2025.
7. During the year under review, InCred Finserv Private Limited ("IFPL") ceases to be a subsidiary of the Company w.e.f. November 04, 2025.

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

On: 23.05.2026
At Indore
UDIN: F006549H000433272

sd/-
CS Ashish Karodia
MEMBERSHIP NO.:6549
COP NO.:6375

Annexure D (Contd.)

ANNEXURE–A TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
InCred Financial Services Limited
U67190MH1995PLC360817
Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C-70,
G Block, BKC, Mumbai City, Mumbai, Maharashtra, India, 400051

Our Secretarial Audit 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 my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company since the same have been subject to review by statutory financial auditor, Cost auditor and other designated professionals.
4. Wherever required, I 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 are the responsibility of the management. My examination was limited to the verification of procedures on a test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On: 23.05.2026
At Indore
UDIN: F006549H000433272

CS Ashish Karodia
MEMBERSHIP NO.:6549
COP NO.:6375



Annexure 'E' to Board's Report

PARTICULARS OF EMPLOYEES

A. The ratio of the remuneration of each Directors to the median employee's remuneration and other details in terms of sub-section (12) of the Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Particulars	Disclosure			
		Mr. Bhupinder Singh (Whole-Time Director and CEO)		Mr. Gaurav Maheshwari (Whole-Time Director and CFO)	
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.	133		34.8	
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	Mr. Bhupinder Singh (Whole-time Director and CEO)	Mr. Gaurav Maheshwari (Whole-time Director and CFO) ⁽¹⁾	Mr. Gajendra Thakur (Company Secretary) ⁽²⁾	Ms. Nikita Shetty (Company Secretary) ⁽³⁾
		15%	-	11%	-
3.	The percentage increase in the median remuneration of employees in the financial year(4).	-9%			
4.	The number of permanent employees on the rolls of Company.	2,919			
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	8.8% change in the remuneration of employees			
6.	Affirmation that the remuneration is as per remuneration policy of the Company.	We affirm that the remuneration is as per the nomination and remuneration policy of the Company.			

(1) Mr. Gaurav Maheshwari was appointed as a Whole-Time Director of the Company w.e.f. January 27, 2025, and CFO of the Company w.e.f. December 12, 2024. Accordingly the remuneration received by him for FY 2024-25 is not comparable with the remuneration received by him for FY 2025-26 and hence, the percentage increase / decrease in his remuneration, has not been computed.

(2) Mr. Gajendra Thakur has resigned from his position as the Company Secretary of the Company w.e.f. close of business hours of March 30, 2026 and continues to hold the position of Chief Compliance Officer (CCO) pursuant to the RBI guidelines.

(3) Ms. Nikita Shetty was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. March 31, 2026. Since her employment remains on the payroll of Holding Company i.e. M/s. InCred Holdings Limited and owing to her date of appointment the percentage increase / decrease in her remuneration, has not been computed.

(4) Consequent to cessation of InCred Finserv Private Limited ("IFPL") as a Company subsidiary, ~ 540 employees were transferred from IFPL to IFSL payroll.

For InCred Financial Services Limited

sd/-

Bhupinder Singh

Whole-time Director and CEO

DIN: 07342318

sd/-

Gaurav Maheshwari

Whole-time Director and CFO

DIN: 07639132

Place: Mumbai

Date: May 23, 2026



Annexure 'F' to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. The Company's CSR mission is to contribute to the social and economic development of the community through a series of targeted initiatives. Company's strategy is to integrate its activities in community development, social responsibility and environmental responsibility and encourage each business unit or function to include these considerations into its operations. The Company, for Corporate Social Responsibility activities, strives to promote education and ensure environmental sustainability/ ecological balance etc.

The CSR Policy adopted by your Company is available on the website of the Company at <https://www.incred.com>

2. The CSR committee of the Board of Directors comprises the following:

Sr. No.	Name of Director	Designation	Number of CSR meetings held/entitled to attend during the year	Number of CSR meetings attended during the year
1	^Mr. Karnam Sekar	Independent Director	2	2
2	Mr. Gaurav Maheshwari	Whole-Time Director and CFO	3	3
3	Ms. Rupa Vora	Independent Director	3	3
4	^Ms. Ambika Bisla	Independent Director	2	2
5	Ms. Sunita Gupta	Independent Director	3	3
6	*Mr. Vivek Anand	Non-Executive Director	1	1

*Appointed on the Committee w.e.f. October 29, 2025

^Ceased to be member of the Committee w.e.f. October 28, 2025

3. The Composition of CSR Committee, CSR Policy and CSR projects approved by the Board of our Company is available on the website of the Company at <https://www.incred.com>
4. Impact assessments of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable
5. Amount available for set off in pursuance of sub -rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amount required for set off for the financial year: NIL
6. Average net profit of the company as per section 135(5): INR 37,473.07 Lakhs

Annexure F (Contd.)

7. CSR obligation

Sr. No.	Particulars	Amount (INR in lakhs)
a.	Two percent of average net profits of the company as per section 135(5)	749.46
b.	Surplus arising out of the CSR Projects or programmes or activity of the previous financial years	NIL
c.	Amount required to be set off for the financial year	NIL
	Total CSR obligation for the financial year (7a + 7b- 7c)	749.46

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year: (In INR lakhs)	Amount spent (In INR)				
	Total Amount transferred to Unspent CSR Account as per section 136		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in INR)	Date of Transfer	Name of the fund	Amount (in INR)	Date of Transfer
751.33	NIL				

(b) Details of CSR amount spent against ongoing projects for the financial year: **NA**

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the project	Items from the list of activities in Schedule VII of the act.	Local Area (Yes/No)	Location of the Project		Project duration	Amount allocated for the project (in INR)	Amount spent in the current financial year (in INR)	Amount transferred to unspent CSR account for the project as per section 135(6) (in INR)	Mode of Implementation Direct (Yes/No)	Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration No.
	Total											

Annexure F (Contd.)

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Items from the list of activities in schedule VII of the act	Local Area (Yes/ No)	Location of the project		Amount spent for the project (in INR lakhs)	Mode of Implementation on Direct (Yes/ No)	Mode of Implementation through Implementing Agency	
				State	District			Name	CSR Registration number
1	Project Nanhi Kali	Education	Yes	Maharashtra		4.35	No	K.C Mahindra	CSR00000511
2	Udayan Shalini Fellowship Program	Education	Yes	Gujarat, Karnataka, Delhi, Andhra Pradesh, Madhya Pradesh, Uttar Pradesh	Ahmedabad, Bengaluru, Delhi, Faridabad, Hyderabad, Meerut, Noida, Pune, Vijayawada, West Mumbai	62.83	No	Udayan Care	CSR00000619
3	Vidyadhan Scholarship Program	Education	No	Andhra Pradesh, Bihar, Delhi, Goa, Gujarat, Karnataka, Kerala, Maharashtra, Odisha, Tamil Nadu, Puducherry and Telangana		140.00	No	SD Foundation	CSR00000627
4	Medical equipments for Cancer treatment	Promoting health care	No	Assam	Assam	59.50	No	Cachar Cancer Hospital	CSR00003079
5	Projects 'Institutional Child Care Support Program'	Promoting health care	Yes	Maharashtra, Madhya Pradesh		84.60	No	Catalysts For Social Action	CSR00002803
6	Nurse Mentoring and Facility Enhancement - NMFE	Promoting health care	No	Madhya Pradesh	Chhindwara, Betul, Seoni, Gwalior, Morena, Damoh, Barwani, Khargone, Pandhurna	46.87	No	The Antara Foundation	CSR00000106
7	Cancer treatment of underprivileged children	Promoting health care	No	Karnataka		102.50	No	Manipal Academy of Higher Education	CSR00015389
8	STEM education for school children of public schools	Education	Yes	Uttar Pradesh, Maharashtra, Delhi	Lucknow, Varanasi, Mumbai, Pune, Delhi	75.55	No	Mentorme	CSR00001497
9	Free School - Shri Gnan Mandir School,	Education	Yes	Maharashtra	Pune	124.23	No	Art of Living (AOL)	CSR00002469
10	Scholarship for graduation students of KREA Univ.	Education	No	Tamil Nadu		50.00	No	KREA University	CSR00012893

Annexure F (Contd.)

(d) Amount spent in administrative overheads: INR 0.90 Lakhs

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the financial year (8b + 8c + 8d + 8e): INR 751.33 Lakhs

(g) Excess amount for set off, if any: None

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of preceding financial year(s): NA

10. In case of creation or acquisition of capital asset, furnish the details relating to asset so created

(a) Date of creation or acquisition of the capital asset (s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

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

For InCred Financial Services Limited

sd/-

Bhupinder Singh

Whole-time Director and CEO

DIN: 07342318

sd/-

Rupa Vora

Independent Director

DIN: 01831916

Place: Mumbai

Date: May 23, 2026



Annexure G to Board's Report

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:
There were no contracts or arrangements or transactions entered into during the year ended March 31, 2026, which were not at arms length basis.
2. Details of material contract or arrangements or transactions at arm's length basis:
There were no material contract or arrangements or transactions entered into during the year ended March 31, 2026, as per section 188 of Companies Act, 2013.

For InCred Financial Services Limited

sd/-

Bhupinder Singh

Whole-time Director and CEO

DIN: 07342318

Place: Mumbai

Date: May 23, 2026

sd/-

Gaurav Maheshwari

Whole-Time Director and CFO

DIN: 07639132



Annexure 'H' to Board's Report

DECLARATION BY THE CHIEF EXECUTIVE OFFICER

(Pursuant to Regulation 26(3) read with PART D of Schedule V of SEBI (LODR) Regulations, 2015)

This is to certify that, in line with the requirement of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Directors of the Board and Senior Management Personnel have solemnly affirmed that to the best of their knowledge and belief, they have complied with the provisions of the Code of Conduct during the financial year 2025-26.

For InCred Financial Services Limited

sd/-

Bhupinder Singh

Whole-time Director and CEO

DIN: 07342318

Place: Mumbai

Date: May 23, 2026

Financial Statements





Independent Auditors' Report

To The Members of InCred Financial Services Limited Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **InCred Financial Services 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 Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of 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 standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Independent Auditors' Report (Contd.)

Key Audit Matter	Auditor's Response
<u>Impairment of loans</u> Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets into stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of loans when their ECL is assessed on a collective basis, • 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. • Adjustments to model driven ECL results. The relevant disclosures are made in standalone financial statements for ECL including those related to judgements and estimates used by the Management in determination of the ECL. Refer Note 1(D)(5), 6 and 32 (A) to the standalone financial statements.	Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of impairment of loans. In particular, our procedures include: We examined Board approved policy approving methodologies for computation of ECL that addresses policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the borrowers. We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates used by the Management. We tested accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2026 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. We tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. We tested the appropriateness of EAD, PD and LGD on sample basis. We assessed the adequacy and appropriateness of disclosures in compliance with Ind AS 107 in relation to ECL.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including Annexures (the "report"), but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon. The report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Independent Auditors' Report (Contd.)

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work

Independent Auditors' Report (Contd.)

and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit on the separate financial statements we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors and 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as at March 31, 2026 - Refer Note 39 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 4 to the standalone financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

Independent Auditors' Report (Contd.)

- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 47(vi) to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the Note 47(vii) to the standalone financial statements no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
 - vi. Based on our examination, which included test checks, the Company has used an accounting software system for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software system. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with and audit trail has been preserved by the Company as per the statutory requirements for record retention, since enabled.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 117365W)

G. K. Subramaniam
(Partner)
(Membership No. 109839)
UDIN: 26109839KCDZPK1570

Place: Mumbai
Date: May 23, 2026



Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to standalone financial statements of InCred Financial Services Limited (the “Company”) as at March 31, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT’S AND BOARD OF DIRECTORS’ RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company’s management and Board of Directors’ are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A Company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Annexure “A” To The Independent Auditor’s Report (Contd.)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026 based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note.

For Deloitte Haskins & Sells

Chartered Accountants
(Firm’s Registration No. 117365W)

G. K. Subramaniam

Partner
(Membership No. 109839)
UDIN: 26109839KCDZPK1570

Place: Mumbai

Date: May 23, 2026



Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on other legal and regulatory requirements’ section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. a. A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.

B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Property, Plant and Equipment, were physically verified during the year by the management, in accordance with a regular programme of verification which in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.
- c. Based on our examination of the documents provided to us, we report that, the title deeds of the immovable property, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the Standalone Financial Statements included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- d. The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d), of the Order is not applicable to the Company.
- e. No proceedings 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 in 2016) and rules made thereunder.
- ii. a. The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.
- b. The Company has been sanctioned working capital limits in excess of five crores rupees, in aggregate from banks on the basis of security of loans (assets) during the year. In our opinion, the quarterly statements filed with banks are in agreement with the unaudited books of account.
- iii. As explained in Note 1 to the Standalone Financial Statements, the Company is registered as non-banking financial Company (“NBFC”) with the Reserve Bank of India (“RBI”) and as a part of its business activities is engaged in the business of lending across various types of loans.

During the year, in the ordinary course of its business, the Company has made investments and granted loans and advances in the nature of loans, secured and unsecured, but not provided guarantee / security to companies, firms, limited liability partnerships and other parties. With respect to such investments and loans and advances:

- a. The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans.
- b. In our opinion, having regard to the nature of the Company’s business, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company’s interest.

Annexure “B” To The Independent Auditor’s Report (Contd.)

- c. In respect of loans and advances in the nature of loans (together referred to as “loan assets”), the schedule of repayment of principal and payment of interest has been stipulated. Note 1(D)(5) to the Standalone Financial Statements explains the Company’s accounting policy relating to impairment of financial assets which include loan assets. In accordance with that policy, loan assets with balance as at March 31, 2026, aggregating INR 29,723.18 lakhs were categorised as credit impaired (“Stage 3”) and INR 15,296.83 lakhs were categorised as those where the credit risk has increased significantly since initial recognition (“Stage 2”). Disclosures in respect of such loans have been provided in Note 32(A) to the Standalone Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating INR 13,68,610.79 lakhs, where credit risk has not significantly increased since initial recognition (categorised as “Stage 1”), delinquencies in the repayment of principal and payment of interest aggregating INR 927.37 lakhs were also identified. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company’s business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.
- d. The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is INR 21,656.62 lakh. Reasonable steps are being taken by the Company for recovery of the principal and interest.
- e. The Company’s principal business is to give loans, and hence reporting under clause 3(iii)(e) of the Order is not applicable.
- f. The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.
- iv. The Company has not advanced loans or made investments in or provided guarantee or security to parties covered by section 185 of the Act and the provisions of section 186 of the Act are not applicable to the Company. Hence reporting under paragraph 3(iv) of the Order is not applicable.
- v. In our opinion the Company has complied with the directives issued by the Reserve Bank of India with regard to the deposits accepted and amounts deemed to be deposits during the year. According to the information and explanations given to us, the Company being Non-Banking Finance Company registered with RBI provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable and no order has been passed by the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- vi. The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Act.
- vii. In respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees’ State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been delays in respect of remittance of Professional Tax dues. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable except as given below:

Annexure “B” To The Independent Auditor’s Report (Contd.)

Name of Statute	Nature of the Dues	Amount (INR in lakhs)	Period to which the Amount Relates	Due Date	Date of payment	Remarks, if any
Professional Tax	Professional Tax	0.28	FY 25-26	Various dates	May 22, 2026	The Company is in the process of obtaining the registration under the Statute.

(b) There are no dues of Goods and Services Tax, Provident Fund, Employees’ State Insurance, Income Tax, Cess and other material statutory dues which have not been deposited on account of dispute.

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. a. The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. In our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application in respect of term loans raised towards the end of the year.
- d. On the basis of the maturity profile of financial assets and financial liabilities provided in Note 32(B) to the Standalone Financial Statements, financial liabilities maturing within the 12 months following the reporting date (i.e. March 31, 2026) are less than expected recoveries from financial assets during that period. Further, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.
- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. a. To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

Annexure “B” To The Independent Auditor’s Report (Contd.)

- b. To the best of our knowledge, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - c. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements, etc., as required by the applicable accounting standards.
- xiv.
 - a. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 - b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi.
 - a. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.
 - b. During the year the Company has not conducted any Non-Banking Financial activities or Housing Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934.
 - c. The Company is not a Core Investment Company (“CIC”) and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.
 - d. The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Annexure “B” To The Independent Auditor’s Report (Contd.)

- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- xxi. According to the information and explanations given to us, and based on the CARO reports issued by the auditor of the subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm’s Registration No. 117365W)

G. K. Subramaniam
(Partner
(Membership No. 109839)
UDIN: 26109839KCDZPK1570)

Place: Mumbai

Date: May 23, 2026



Standalone Financial Statements

Balance Sheet as at March 31, 2026

(INR in lakhs)

Particulars	Note No	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	2	54,901.08	63,991.58
(b) Bank balance other than cash and cash equivalents	3	27,449.49	17,234.70
(c) Derivative financial instruments	4	12,113.12	884.14
(d) Trade Receivables	5	1,129.72	1,680.80
(e) Loans	6	13,73,198.87	10,48,702.05
(f) Investments	7	44,733.73	51,631.83
(g) Other financial assets	8	10,757.85	12,153.27
Total financial assets		15,24,283.86	11,96,278.37
(2) Non-financial assets			
(a) Current tax assets (Net)	53	1,596.84	980.27
(b) Deferred tax assets (Net)	9	16,615.02	25,457.92
(c) Property, plant and equipment	10A	4,833.06	5,489.84
(d) Capital work-in-progress	10B	150.16	230.18
(e) Goodwill	46	6,126.09	6,126.09
(f) Other intangible assets	11	42.43	189.94
(g) Other non-financial assets	12	6,127.73	5,910.28
Total non-financial assets		35,491.33	44,384.52
Total Assets		15,59,775.19	12,40,662.89
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Derivative financial instruments	4	4,568.62	2,145.27
(b) Payables	13		
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		111.87	1.79
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		713.68	321.33
(c) Debt securities	14	2,29,626.27	1,77,399.33
(d) Borrowings (other than debt securities)	15	8,66,590.35	6,58,251.41
(e) Other financial liabilities	16	29,691.77	28,910.97
Total financial liabilities		11,31,302.56	8,67,030.10
(2) Non-financial liabilities			
(a) Current tax liabilities (net)	53	1,517.73	-
(b) Provisions	17	1,661.57	1,053.50
(c) Other non-financial liabilities	18	1,408.27	1,019.28
Total non-financial liabilities		4,587.57	2,072.78
EQUITY			
(a) Equity share capital	19	49,053.23	48,831.01
(b) Other equity	20	374,831.83	3,22,729.00
Total equity		4,23,885.06	3,71,560.01
Total Liabilities and Equity		15,59,775.19	12,40,662.89

The accompanying notes from 1 to 54 form an integral part of the standalone financial statements

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
ICAI Firm Registration No.: 117365W

G.K. Subramaniam
Partner
Membership No: 109839

Place: Mumbai
Date: May 23, 2026

For and on behalf of the Board of Directors of
InCred Financial Services Limited
CIN: U67190MH1995PLC360817

Bhupinder Singh
Whole-Time Director and CEO
DIN: 07342318

Place: Mumbai
Date: May 23, 2026

Gaurav Maheshwari
Whole-Time Director and CFO
DIN: 07639132

Place: Mumbai
Date: May 23, 2026

Nikita Shetty
Company Secretary
Membership No: A29555

Place: Mumbai
Date: May 23, 2026

Standalone Financial Statements (Contd.)

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

(INR in lakhs)

Particulars	Note No	Year ended March 31, 2026	Year ended March 31, 2025
Revenue From operations			
(i) Interest income	21	2,33,065.64	1,69,157.98
(ii) Dividend income		-	49.90
(iii) Fees and commission income	22	21,343.51	13,722.61
(iv) Net gain on fair value changes	23	1,395.63	2,394.57
(v) Net gain on derecognition of financial instruments under amortised cost category		(1,184.83)	1,871.56
(I) Total revenue from operations		2,54,619.95	1,87,196.62
(II) Other income	24	2,001.08	1,061.20
(III) Total income (I + II)		2,56,621.03	1,88,257.82
Expenses			
(i) Finance costs	25	92,236.00	62,761.94
(ii) Impairment on financial instruments (net of recoveries)	26	30,110.19	18,776.74
(iii) Employee benefits expenses	27	40,929.84	32,199.40
(iv) Depreciation and amortization expenses	10A & 11	1,860.99	1,802.36
(v) Others expenses	28	31,365.93	22,584.69
(IV) Total expenses		1,96,502.95	1,38,125.13
(V) Profit before tax (III - IV)		60,118.08	50,132.69
Tax Expense:			
(i) Current Tax		7,209.55	682.70
(ii) Deferred Tax		8,518.82	12,233.02
(VI) Total Tax Expense	29	15,728.37	12,915.72
(VII) Profit for the year (V - VI)		44,389.71	37,216.97
(VIII) Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement gain/(loss) of the defined benefit plans		(50.92)	(62.83)
(ii) Income tax relating to items that will not be reclassified to profit or loss		12.82	15.81
Subtotal (A)		(38.10)	(47.02)
(B) (i) Items that will be reclassified to profit or loss			
(a) Debt instruments through other comprehensive income		99.76	(80.98)
(b) The effective portion of gains and loss on hedging instruments in a cash flow hedge		1,238.70	(766.48)
(ii) Income tax relating to items that will be reclassified to profit or loss		(336.89)	213.31
Subtotal (B)		1,001.57	(634.15)
Other comprehensive income / (loss) (A + B)		963.47	(681.17)
(IX) Total comprehensive income for the year (VII + VIII)		45,353.18	36,535.80
(X) Earnings per equity share (Face Value : INR 10 per share)	30		
Basic (Rs.)		9.05	7.62
Diluted (Rs.)		9.05	7.62

The accompanying notes from 1 to 54 form an integral part of the standalone financial statements

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
ICAI Firm Registration No.: 117365W

G.K. Subramaniam
Partner
Membership No: 109839

Place: Mumbai
Date: May 23, 2026

For and on behalf of the Board of Directors of
InCred Financial Services Limited
CIN: U67190MH1995PLC360817

Bhupinder Singh
Whole-Time Director and CEO
DIN: 07342318

Place: Mumbai
Date: May 23, 2026

Gaurav Maheshwari
Whole-Time Director and CFO
DIN: 07639132

Place: Mumbai
Date: May 23, 2026

Nikita Shetty
Company Secretary
Membership No: A29555

Place: Mumbai
Date: May 23, 2026



Standalone Financial Statements

Cash Flow Statement for the year ended March 31, 2026

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from operating activities		
Profit before tax	60,118.08	50,132.69
Adjustments to reconcile net profit to net cash generated from / (used in) operating activities		
Depreciation and amortization expenses	1,860.99	1,802.36
Loss on sale of property, plant and equipment	1.66	71.26
Net (gain) on fair value changes	(1,395.63)	(2,394.57)
Net Loss/(gain) on derecognition of financial instruments	1,184.83	(1,871.56)
Interest income	(2,33,065.64)	(1,69,157.98)
Finance costs	92,236.00	62,259.42
Impairment on financial instruments	29,996.33	18,776.74
Share based payment to employees	2,971.89	2,984.01
Dividend income	-	(49.90)
Provision for diminution on investment	113.86	-
Retirement Benefit expenses	671.28	239.86
	(45,306.35)	(37,207.67)
Interest received on loans	2,19,559.67	1,61,883.66
Interest paid on borrowings and debt	(91,418.26)	(64,073.66)
Cash generated from operation before working capital changes	82,835.06	60,602.33
Working capital adjustments		
Increase in Loans	(3,49,494.72)	(3,36,331.93)
Decrease in other financial assets	210.59	329.12
Increase in other non financial assets	(217.45)	(2,560.93)
(Increase)/Decrease in trade receivables	554.28	(1,687.55)
Increase in trade payables	502.43	51.23
Increase in other financial liabilities	1,348.65	513.02
(Decrease) / Increase in other non financial liabilities	388.99	(571.78)
Decrease in provisions	(114.13)	(61.83)
	(3,46,821.36)	(3,40,320.65)
Income taxes paid	(6,308.38)	568.96
Net cash used in operating activities	(2,70,294.68)	(2,79,149.36)
Cash flow from investing activities		
Purchase of property, plant and equipment	(1,022.55)	(2,167.04)
Purchase of intangibles assets	(35.81)	(17.66)
Deletion of Capital work-in-progress	80.02	106.47
Proceeds from sale of subsidiaries	492.71	-
Purchase of investments	(17,37,344.99)	(16,61,614.16)
Proceeds from sale of investments	17,37,578.09	16,70,048.06
Interest income from investing activities	8,491.22	2,087.93
Investment in term deposits with banks	(6,33,203.24)	(4,55,841.07)
Proceeds from maturity of term deposits with banks	6,22,988.45	4,46,930.33
Net cash used in investing activities	(1,976.10)	(467.14)

Standalone Financial Statements (Contd.)

Cash Flow Statement for the year ended March 31, 2025

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from financing activities		
Issue of equity shares (including securities premium)	3,999.98	-
Payment of Lease liability	(714.95)	(845.92)
Proceeds from of borrowings (other than debt securities)	5,31,345.55	4,82,843.12
Proceeds of debt securities	98,676.00	1,24,300.00
Repayment of borrowings (other than debt securities)	(3,23,349.78)	(2,22,112.49)
Redemption of debt securities	(46,776.52)	(41,690.83)
Net cash generated from financing activities	2,63,180.28	3,42,493.88
Net increase in cash and cash equivalents	(9,090.50)	62,877.38
Cash and cash equivalents at the beginning of the year	63,991.58	1,114.20
Cash and cash equivalents at the end of the year	54,901.08	63,991.58

The accompanying notes from 1 to 54 form an integral part of the standalone financial statements

As per our report of even date

For Deloitte Haskins & Sells

Chartered Accountants

ICAI Firm Registration No.: 117365W

For and on behalf of the Board of Directors of

InCred Financial Services Limited

CIN: U67190MH1995PLC360817

G.K. Subramaniam

Partner

Membership No: 109839

Bhupinder Singh

Whole-Time Director and CEO

DIN: 07342318

Gaurav Maheshwari

Whole-Time Director and CFO

DIN: 07639132

Place: Mumbai

Date: May 23, 2026

Place: Mumbai

Date: May 23, 2026

Place: Mumbai

Date: May 23, 2026

Nikita Shetty

Company Secretary

Membership No: A29555

Place: Mumbai

Date: May 23, 2026

Standalone Financial Statements (Contd.)

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

A. EQUITY SHARE CAPITAL

Particulars	(INR in lakhs)	As at March 31, 2025	As at March 31, 2026
Balance as at the beginning of the year		48,831.01	48,831.01
Changes in equity share capital during the year		222.22	-
Balance as at the end of the year		49,053.23	48,831.01

B. OTHER EQUITY

Particulars	Reserves and Surplus						Debt instruments through OCI	Cash flow hedge reserve	Equity instruments through OCI	Total
	Special reserve	Securities premium	Deemed equity	Capital contribution from parent	Retained earnings	Merger Reserve				
Balance at March 31, 2025	17,536.39	109,690.13	-	1,11,267.26	67,862.03	17,030.92	(99.03)	(574.05)	15.36	3,22,729.00
Profit for the year	-	-	-	-	44,389.71	-	-	-	-	44,389.71
Other comprehensive income for the year (net of tax)	-	-	-	-	(38.10)	-	74.65	926.92	-	963.47
Total comprehensive income for the year (net of tax)	-	-	-	-	44,351.61	-	74.65	926.92	-	45,353.18
Transfer / utilisations	-	3,777.76	-	-	-	-	-	-	-	3,777.76
Additions during the year (cash premium)	8,877.94	-	-	-	(8,877.94)	-	-	-	-	-
Transferred to special reserve from retained earnings	-	-	-	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-	-	-	-
Share based payment expense	-	-	-	2,971.89	-	-	-	-	-	2,971.89
Balance at March 31, 2026	26,414.33	1,13,467.89	-	1,14,239.15	1,03,335.70	17,030.92	(24.38)	352.87	15.36	3,74,831.83

Standalone Financial Statements (Contd.)

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

(INR in lakhs)

Particulars	Reserves and Surplus						Debt instruments through OCI	Cash flow hedge reserve	Equity instruments through OCI	Total
	Special reserve	Securities premium	Deemed equity	Capital contribution from parent	Retained earnings	Merger Reserve				
Balance at March 31, 2024	10,093.00	1,09,690.13	27.74	1,08,283.25	38,107.73	17,030.92	(38.43)	(0.50)	15.36	2,83,209.19
Profit for the year	-	-	-	-	37,216.97	-	-	-	-	37,216.97
Other comprehensive income for the year (net of tax)	-	-	-	-	(47.02)	-	(60.60)	(573.55)	-	(681.17)
Total comprehensive income for the year (net of tax)	-	-	-	-	37,169.95	-	(60.60)	(573.55)	-	36,535.80
Transfer / utilisations	-	-	-	-	-	-	-	-	-	-
Additions during the year (cash premium)	-	-	-	-	-	-	-	-	-	-
Transferred to special reserve from retained earnings	7,443.39	-	-	-	(7,443.39)	-	-	-	-	-
Transferred to retained earnings	-	-	(27.74)	-	27.74	-	-	-	-	-
Share based payment expense	-	-	-	2,984.01	-	-	-	-	-	2,984.01
Balance at March 31, 2025	17,536.39	1,09,690.13	-	1,11,267.26	67,862.03	17,030.92	(99.03)	(574.05)	15.36	3,22,729.00

As per our report of even date

For **Deloitte Haskins & Sells**

Chartered Accountants

ICAI Firm Registration No.: 117365W

G.K. Subramaniam

Partner

Membership No: 109839

Place: Mumbai

Date: May 23, 2026

For and on behalf of the Board of Directors of

InCred Financial Services Limited

CIN: U67190MH1995PLC360817

Bhupinder Singh

Whole-Time Director and CEO

DIN: 07342318

Place: Mumbai

Date: May 23, 2026

Gaurav Maheshwari

Whole-Time Director and CFO

DIN: 07639132

Place: Mumbai

Date: May 23, 2026

Nikita Shetty

Company Secretary

Membership No: A29555

Place: Mumbai

Date: May 23, 2026



Notes to the Standalone Financial Statements

(1) Material Accounting Policies and Other Explanatory Information

A. Corporate Information

InCred Financial Services Limited ("Company") (CIN: U67190MH1995PLC360817) incorporated in India on February 3, 1995, under the provisions of the Companies Act, 1956.

The Company received a Certificate of Registration from the Reserve Bank of India ('RBI'), on October 25, 2000 to commence/carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits. The Company currently holds a Certificate of Registration from RBI dated September 28, 2022 bearing number B-13.02417 and classified as NBFC Middle layer NBFC under the RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

The registered office of the Company is Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai – 400051.

The standalone financial statements are authorized for issue by the Company's Board of Directors on May 23, 2026.

B. Basis of preparation

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the RBI Master Directions and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109 /22.10.106/2019-20 dated March 13, 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. The Company uses accrual basis of accounting except as explained in Note D15.

i. Functional and presentation currency

The Standalone Financial Statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

ii. Basis of measurement

The Standalone Financial Statements have been prepared under the historical cost convention except for the following items:

- a. Certain financial assets and derivatives that are measured at fair value and
- b. Net defined benefit asset / liability – plan assets are measured at fair value less present value of defined benefit obligation.

iii. Use of estimates and judgements

The preparation of standalone financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements, reported amounts of revenues and expenses during the period. Actual results may defer from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions in the accounting estimates are recognised prospectively.

Significant accounting estimates and judgements:

- i. Business model assessment
- ii. Fair value of financial instruments
- iii. Impairment of financial assets

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

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 objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.
- e) The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

ii. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii. Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, 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 judgements and estimates include :

- a) 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 life time expected credit loss basis.
- b) Development of ECL models, including the various formulae and the choice of inputs.
- c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
- d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

C. Presentation of financial statements

The standalone financial statements of the Company are presented as per Division III of Schedule III, as amended, of the Act applicable to NBFCs, as notified by the Ministry of Corporate Affairs ('MCA'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows. The disclosure requirements with respect to items in the Balance Sheet and Standalone Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and RBI regulations to the extent applicable.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS.

D. Material accounting policies and other explanatory information

1. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair values of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2. Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital are some examples of financial instruments.

All financial instruments are at amortised cost, unless otherwise specified.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognises the financial instruments on settlement date.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

i. Financial assets**Initial measurement**

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss and trade receivables, which do not contain a significant financing component and are recorded at transaction price. Generally, the transaction price is treated as fair value unless proved to the contrary.

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. The Company classifies its financial assets in the following measurement categories:

Financial assets measured at amortised cost

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment), unless the asset is designated at FVTPL:

- i. the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair value through other comprehensive Income ('FVOCI')

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- i. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ii. the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair Value through Profit and Loss ('FVTPL')

A financial asset which is not classified in above category is subsequently measured at FVTPL. Where assets are measured at fair value, gains and losses are recognized entirely in the Standalone Statement of Profit and Loss.

Subsequent measurement

The assets classified in the aforementioned categories are subsequently measured as follows:

Financial assets at Amortised cost

These assets are subsequently measured at amortised cost at each reporting period using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in standalone statement of profit and loss. Any gain or loss on derecognition is recognised in standalone statement of profit and loss.

Debt investments at FVOCI

These assets are subsequently measured at each reporting period at fair value. Interest income under the EIR method, foreign gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Standalone Statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Equity investments designated at FVOCI

These assets are subsequently measured at each reporting period at fair value. Dividends are recognised as income in standalone statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to standalone statement of profit and loss .

Financial assets at FVTPL

These assets are subsequently measured at each reporting period at fair value. Net gains and losses, including any interest or dividend income, are recognised in Standalone Statement of Profit and Loss.

ii. Financial liabilities

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.

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

iii. Derecognition

Financial assets

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) when the contractual rights to receive cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the asset.

The Company sells, assigns (including Co-lending transaction) its loans to counter-parties wherein the risk and reward of the asset is transferred for the entire/substantial portion of the Loan. As per Ind AS 109, Financial assets are derecognized on the date of assignment. Any right on interest on sold portion of asset is recognized as a financial asset at fair value, basis the scheduled cash flows on execution of the transaction estimated for prepayments and defaults. Estimated costs to be incurred for servicing the de-recognised portion is recorded as servicing liability at fair value.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in profit or loss.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial assets subsequently measured at amortised cost are generally held for collection of contractual cashflow. The Company on looking at economic viability of certain portfolios measured at amortised cost may enter into immaterial and infrequent transaction for sale of loans which doesn't affect the business model of the Company.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

iv. Offsetting of financial instruments

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

v. Derivatives recorded at fair value through profit and loss

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at a future date.

The Company enters into derivative transactions with various counterparties to hedge its foreign currency risks, interest rate risks and equity price risks, respectively. These include cross-currency swaps, forward foreign exchange contracts, futures and options on equities.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are included in net gain on fair value changes unless hedge accounting is applied.

vi. Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

If the hybrid contract contains a host that is a financial asset / financial liability within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

3. Share capital

Equity and preference shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

4. Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment if any in the standalone financial statements.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

5. Impairment of financial assets

Overview of the Expected Credit Losses ('ECL') principles

- The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.
- The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss)
- Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances upto 30 days default under this category. 12'month ECL is recognized on stage 1 exposures.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk. Lifetime ECL is recognized for exposures with significant increase in credit risk.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage.

W.e.f October 1, 2022, a financial instrument is considered as Stage 3 if the asset crosses 90 days pass due and remains in overdue category. This is aligned to the definition of default for loan assets stipulated in RBI circular dated November 12, 2021 – "Prudential Norms on Income Recognition, Asset classification and Provisioning pertaining to Advances – Clarifications" (the "RBI circular"). For exposures that have become credit impaired, a lifetime ECL is recognized. Stage 3 exposures represent Non-Performing Assets (NPA).

Credit-impaired financial assets:

At each reporting period, the Company assesses whether financial assets carried at amortised cost and FVOCI 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.

- Evidence that a financial asset is credit-impaired includes the following observable data:
 - a) Significant financial difficulty of the borrower or issuer;
 - b) A breach of contract such as a default or past due event;
 - c) The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
 - d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
 - e) The disappearance of an active market for a security because of financial difficulties.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

The mechanics of ECL:

The Company calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

While estimating the PD, the Company reviews macro-economic developments occurring in the economy and market it operates in. On annual basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, private consumption rate, Gross national saving/investment, real wholesale & retail trade and services with the estimate of PD. Typically, these macro-economic scenarios span a base case, plus an upside and downside scenario.

The ECL model allows for multiple macro-economic scenarios to be reflected in a probabilistic manner. The weights are reviewed on annual basis.

The Company also uses a model in unsecured personal Loan portfolio as part of its Probability of Default (PD) estimation within the Expected Credit Loss (ECL) framework. The model is derived using internal data elements such as credit history, repayment behavior, and borrower demographics, enabling the Company to build a comprehensive borrower risk profile. This scoring mechanism is integrated to assess the credit quality of individual exposures and assign risk grades, which are then mapped to corresponding PD values.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. For products where empirical data is available LGD is determined based on historical recoveries.

For other products in absence of enough historical data, LGD rates are adopted from RBI circular "Implementation of the Internal Rating Based (IRB) Approaches for Calculation of Capital Charge for Credit Risk" by RBI dated December 22, 2011.- (RBI/2011-12/311 DBOD.No.BP.BC.67/21.06.202/2011-12) .

The Company may also make additional impairment allowance based on its assessment of risk profile and create safeguard from potential future events.

Write-offs

The Company writes off Retail secured and unsecured loans which have a days past due (DPD) for more than 18 months and 15 months respectively. However, Small and Medium Enterprises (SME) Secured and Unsecured Loans, are written off on a case-to-case basis, based on the probability of recoverability. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

6. Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

During the year, hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

7. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

8. Share-based payment arrangements

- a. The employee share options are granted and settled through equity instruments issued by the Holding Company, InCred Holdings Limited.
- b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.
- c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.
- d. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Standalone Statement of Profit and Loss.
- e. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

9. Lease Accounting

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company revises the lease term if there is a change in the non-cancellable period of a lease

At the date of commencement of the lease, the Company recognizes 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 twelve

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

months or less (short-term leases) and low value leases.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates.

10. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income ('OCI').

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends to realise the asset or settle the liability on a net basis or simultaneously.

Deferred tax

Income tax comprises of current tax and deferred tax. Income tax is recognised based on tax rates and tax laws enacted, or substantively enacted, at the reporting date and on any adjustment to tax payable in respect of previous years. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is recognised in the same statement as the related item appears. Deferred tax is recognised for temporary differences between the accounting base of assets and liabilities in the Balance Sheet, and their tax bases. Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled. The carrying amount of deferred tax assets is reviewed at each reporting date by the Company and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and deferred tax liabilities are offset basis the criteria given under Ind AS 'Income Taxes'.

11. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

- (i) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates,
- (ii) any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Standalone Statement of Profit and Loss.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Standalone Statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

ii. Depreciation

Depreciation is provided on straight line basis as per the useful life given under Schedule II of the Companies Act, 2013, and is generally recognised in the Standalone Statement of Profit and Loss.

Depreciation on additions / (disposals) is provided on a pro-rata basis i.e., from / (upto) the date which the asset is ready for use / (disposed of).

The useful life as per Schedule II are as follows:

Asset	Useful life as per Schedule II
Buildings	60 years
Furniture & fixtures	10 years
Office equipment	5 years
Computers and printers	3 years
Vehicles	8 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimated useful life as given above best represent the period over which management expects to use these assets.

12. Intangible assets

i. Recognition and measurement

Intangible assets (computer software) are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

ii. Subsequent expenditure

Subsequent expenditure on an intangible asset is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in the Statement Profit and Loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful life using the straight-line method, and is included in depreciation, amortisation and impairment in the Standalone Statement of Profit and Loss.

The intangible assets are amortised over the estimated useful life of 3 years.

Amortisation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

13. Impairment of non-financial assets

The carrying values of these assets at each balance sheet date are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of these asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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.

If the carrying amount of these assets exceed the estimated recoverable amount, an impairment loss is recognised in the Standalone Statement of Profit and Loss for such excess amount.

In respect of assets (except goodwill) for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Such reversal of impairment loss is recognised in the Standalone Statement of Profit and Loss, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

14. Revenue from operations

Recognition of interest and fee income or expense:

Dividend income is recognised on the date on which the Company's right to receive the payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is recognised by applying the effective interest rate to the recoverable amount of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Processing fees earned on origination of loan, adjusted for cost, are amortized on effective interest rate over the life of the loan.

Fee and commission income:

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations.

Loan related charges such as cheque bounce charges, foreclosure charges, are recognised only on receipt basis.

15. Income from de-recognition of assets:

Gains arising out of de-recognition transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the transaction is entered into with the transferee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction estimated for prepayments and defaults, discounted at the applicable rate entered into with the transferee is recorded upfront, net off estimated cost, in the statement of profit and loss.

16. Finance Cost

Finance costs include interest expense calculated using the EIR on respective financial instruments and borrowings including foreign currency borrowings measured at amortised cost, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. All other Borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

17. Employee benefits

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Contribution to provident fund and Employees' State Insurance Corporation (ESIC)

Company's contribution paid/payable during the period to provident fund and ESIC is recognised in the Statement of profit and loss.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

iii. **Gratuity**

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of profit and loss.

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

iv. **Compensated absence**

The Company does not have a policy of encashment of unavailed leaves for its employees and are not permitted to carry forward the leaves. Hence there is no liability towards compensated absence.

18. **Foreign currency**

Transaction and balances

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each closing date, foreign currency monetary items are reported using the closing exchange rate.

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined. Exchange differences are recognised in the Standalone Statement of Profit and Loss.

19. **Earnings per share**

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

20. **Statement of Cash flows**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

21. **Segment Reporting**

The Company operates in a single reportable segment i.e., financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment. The Company operates in a single geographical segment i.e. domestic.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

22. Provisions, contingent liabilities and contingent assets

a. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Standalone Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

c. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. The Company assesses its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts periodically and ensures that appropriate treatment has been made as required under Ind AS.

d. Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each reporting date.

23. Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as exceptional items.

24. Standards issued but not yet effective upto the date of issuance of the financial statements

There are no standards that are notified and not yet effective as on date.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

2. CASH AND CASH EQUIVALENTS

(InR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks in current accounts	38,295.32	62,990.19
Fixed deposit with bank with original maturity of less than 3 months	16,605.76	1,001.39
Total	54,901.08	63,991.58

3. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(InR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed deposits with bank with original maturity of more than 3 months*	27,449.49	17,234.70
Total	27,449.49	17,234.70

*Includes lien marked fixed deposits for borrowings amounting to INR 23,355.07 lakhs as at March 31, 2026 and 12,998.67 lakhs as at March 31, 2025

4. DERIVATIVE FINANCIAL INSTRUMENTS AT FAIR VALUE

(InR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(A) Derivative financial assets at fair value		
(i) Cross Currency Interest Rate Swaps		
Cash flow hedge (Notional amount (INR in lakhs): March'26 : 1,00,451.88 and March'25 : 72,207.23)*	11,327.08	514.67
(ii) Currency Derivatives		
Embedded Derivatives and Forwards (Notional amount (INR in lakhs) : March'26 : 18,047.81 and March'25 : 20,520.00 (Refer Note 15)	786.04	369.47
Total	12,113.12	884.14
(B) Derivative financial liabilities at fair value		
Embedded Derivative on Market Linked Debentures (Notional amount (INR in lakhs) : March'26 : 33,476.00 ; and Foreign Currency Term Loan (Notional amount (INR in lakhs) : March'26 : 17,360.00		
Embedded Derivatives on Market Linked Debentures (Notional amount (INR in lakhs): March'25 : 14,470.00 ;and Forwards (Notional amount (INR in lakhs) : March'25 : 21,438.09 (Refer note 15)	4,568.62	2,145.27
Total	4,568.62	2,145.27

*Derivative transactions comprise of currency, forwards and interest rate swaps. The Company undertakes such transactions for hedging borrowings in foreign currency.

5. TRADE RECEIVABLES

(InR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good – Secured	-	-
Considered good – Unsecured	78.06	511.36
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables – credit impaired	-	-
Unbilled Trade Receivables	1,056.20	1,176.19
Sub Total	1,134.26	1,687.55
Less: Impairment loss allowance	(4.54)	(6.75)
Total	1,129.72	1,680.80

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Trade receivables ageing schedule :

As at March 31, 2026

Particulars	Not due	Unbilled	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	-	1,056.20	78.06	-	-	-	-	1,134.26
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed	-	-	-	-	-	-	-	-

As at March 31, 2025

Particulars	Not due	Unbilled	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	-	1,176.19	511.36	-	-	-	-	1,687.55
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed	-	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

6. LOANS

Particulars	(INR in lakhs)	
	As at March 31, 2026	As at March 31, 2025
	Amortised cost	Amortised cost
(A) (i) Term loans*	14,13,630.80	10,77,795.34
(ii) Loans repayable on demand	-	-
Total - Gross (A)	14,13,630.80	10,77,795.34
Less: Impairment loss allowance	(40,431.93)	(29,093.29)
Total - Net of impairment loss allowance (A)	13,73,198.87	10,48,702.05
(B) (i) Secured by tangible assets**	3,24,334.39	2,62,823.33
(ii) Covered by Bank and Government guarantees	16,766.33	14,355.74
(iii) Unsecured	10,72,530.08	800,616.27
Total - Gross (B)	14,13,630.80	10,77,795.34
Less: Impairment loss allowance	(40,431.93)	(29,093.29)
Total - Net of impairment loss allowance (B)	13,73,198.87	10,48,702.05
(C) Loans in India		
(i) Public sectors	-	-
(ii) Others	14,13,630.80	10,77,795.34
Total - Gross (C)	14,13,630.80	10,77,795.34
Less: Impairment loss allowance	(40,431.93)	(29,093.29)
Total - Net of impairment loss allowance (C)	13,73,198.87	10,48,702.05

*Does not include outstanding of INR 1,74,473.69 lakhs (PY : 1,80,712.05 lakhs) derecognised on account of Co-Lending/ Direct assignment transaction.

**Secured by charge on immovable properties, vehicles, inventories and receivables.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

7. INVESTMENTS

Particulars	(INR in lakhs)	
	As at March 31, 2026	As at March 31, 2025
(A) At Amortised Cost		
- Debt securities	1,613.35	4,892.11
Less: Allowance for impairment loss on amortised cost	(6.45)	(19.57)
Net at Amortised Cost (A)	1,606.90	4,872.54
(B) At Fair Value Through Other Comprehensive Income (FVOCI)		
- Debt securities	36,753.51	16,278.03
Less: Allowance for impairment loss FVOCI	(144.93)	(72.75)
Net At Fair Value Through Other Comprehensive Income (FVOCI) (B)	36,608.58	16,205.28
(C) At Fair Value Through Profit or Loss (FVTPL)		
- Debt securities	3,255.38	1,891.61
- Mutual Fund	3,002.19	28,045.16
- Convertible Preference shares	250.01	-
Less: Allowance for impairment loss FVTPL	-	-
Net At Fair Value Through Profit or Loss (FVTPL) (C)	6,507.58	29,936.77
(D) Others (At cost less impairment, if any)		
- Subsidiaries (Refer Note 34)	1.00	2,297.57
- Convertible Preference Shares	9.67	9.67
Total	10.67	2,307.24
Less: Allowance for impairment loss others	-	(1,690.00)
Net Others (D)	10.67	617.24
Total - Gross (A+B+C+D)	44,885.11	53,414.15
Investments in India	44,885.11	53,414.15
Total - Allowance for impairment	(151.38)	(1,782.32)
Total - Net (A+B+C+D)	44,733.73	51,631.83

8. OTHER FINANCIAL ASSETS

Particulars	(INR in lakhs)	
	As at March 31, 2026	As at March 31, 2025
	Amortised cost	Amortised cost
Security Deposits	813.04	770.47
Retained interest on loans derecognised*	9,307.71	10,458.49
Receivable from related parties (Refer note 34)	52.90	112.23
Balances with partners	163.74	411.44
Margin money deposit	-	-
Receivable from assigned portfolio	60.82	41.56
Others (includes ECLGS receivable, collection receivables)	365.46	365.89
Sub Total	10,763.67	12,160.08
Less: Allowance for impairment loss	(5.82)	(6.81)
Total	10,757.85	12,153.27

*The excess interest spread on loans derecognized based on behavioural cashflows is recognized upfront on net present value.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

9. DEFERRED TAX

The major components of deferred tax assets arising on account of timing differences are as follows:

(INR in lakhs)				
Particulars	Net balance as at March 31, 2025	Recognised in profit or loss	Recognised in OCI	Net balance as at March 31, 2026
Deferred tax assets				
Provision for impairment loss on financial instruments	13,788.51	2,360.11	-	16,148.62
Provision for employee benefit plans	242.62	309.40	12.82	564.84
Disallowance of merger expenses	107.39	(53.69)	-	53.70
Lease liability	89.97	(15.47)	-	74.50
Fair value change on financial instruments	(17.26)	(18.02)	-	(35.28)
Unabsorbed business loss/capital loss	11,369.06	(10,960.03)	-	409.03
Difference between written down value of property plant and equipment and Intangible assets as per the books of accounts and income tax	204.31	56.39	-	260.70
Fair value change of investment valued at Fair value through OCI	40.60	239.09	(336.89)	(57.20)
Provision for expenses	1,580.78	378.13	-	1,958.91
(A)	27,405.98	(7,704.09)	(324.07)	19,377.82
Deferred tax liabilities				
EIR impact on financial instruments	(2,610.07)	(649.11)	-	(3,259.18)
Others	662.01	(165.62)	-	496.39
(B)	(1,948.06)	(814.73)	-	(2,762.79)
Deferred tax asset (net) (A+B)	25,457.92	(8,518.82)	(324.07)	16,615.03

Note - The company is earning profits and expects to utilise deferred tax asset in coming years.

(INR in lakhs)				
Particulars	Net balance as at March 31, 2024	Recognised in profit or loss	Recognised in OCI	Net balance as at March 31, 2025
Deferred tax assets				
Provision for impairment loss on financial instruments	11,521.36	2,267.15	-	13,788.51
Provision for employee benefit plans	1,466.04	(1,239.23)	15.81	242.62
Disallowance of merger expenses	161.09	(53.70)	-	107.39
Lease liability	94.77	(4.80)	-	89.97
Fair value change on financial instruments	65.11	(82.37)	-	(17.26)
Unabsorbed business loss/capital loss	23,651.18	(12,282.12)	-	11,369.06
Difference between written down value of property plant and equipment and Intangible assets as per the books of accounts and income tax	122.34	81.97	-	204.31
Fair value change of investment valued at Fair value through OCI	8.11	(180.82)	213.31	40.60
Provision for expenses	1,118.93	461.85	-	1,580.78
(A)	38,208.93	(11,032.07)	229.12	27,405.98
Deferred tax liabilities				
EIR impact on financial instruments	(747.41)	(1,862.66)	-	(2,610.07)
Others	0.30	661.71	-	662.01
(B)	(747.11)	(1,200.95)	-	(1,948.06)
Deferred tax asset (net) (A+B)	37,461.82	(12,233.02)	229.12	25,457.92

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

10A. PROPERTY, PLANT AND EQUIPMENT

Particulars	Buildings*	Furniture and fixtures	Leasehold Improvements	Office equipment	Computer & Printer	Vehicles	Right-of-use assets**	Total
(INR in lakhs)								
Year ended March 31, 2025								
At carrying cost at the beginning of the year	22.71	481.39	1,959.11	647.33	1,760.87	509.64	3,684.62	9,065.67
Additions during the year	-	93.39	691.08	162.61	524.59	501.96	209.94	2,183.57
Disposals	-	-	-	-	(312.09)	(92.05)	-	(404.14)
Gross carrying value as at March 31, 2025	22.71	574.78	2,650.19	809.94	1,973.37	919.55	3,894.56	10,845.10
Accumulated depreciation as at the beginning of the year	2.30	112.95	524.98	243.86	1,259.04	106.40	1,840.83	4,090.36
Depreciation for the year	0.38	50.59	307.95	130.63	376.44	91.78	623.39	1,581.16
Disposals	-	-	-	-	(311.72)	(4.54)	-	(316.26)
Accumulated depreciation as at March 31, 2025	2.68	163.54	832.93	374.49	1,323.76	193.64	2,464.22	5,355.26
Net carrying value as at March 31, 2025	20.03	411.24	1,817.26	435.45	649.61	725.91	1,430.34	5,489.84
Year ended March 31, 2026								
At carrying cost at the beginning of the year	22.71	574.78	2,650.19	809.94	1,973.37	919.55	3,894.56	10,845.10
Additions during the year	-	71.61	324.84	72.32	359.74	212.44	-	1,040.93
Disposals	-	(1.54)	(7.36)	(1.69)	(1.68)	(17.73)	-	(30.00)
Gross carrying value as at March 31, 2026	22.71	644.85	2,967.67	880.57	2,331.43	1,114.26	3,894.56	11,856.03
Accumulated depreciation as at the beginning of the year	2.68	163.54	832.93	374.49	1,323.76	193.64	2,464.22	5,355.26
Depreciation for the year	0.38	58.62	415.74	145.00	427.54	123.94	506.39	1,677.62
Disposals	-	(1.30)	(2.98)	(1.22)	(1.61)	(2.81)	-	(9.91)
Accumulated depreciation as at March 31, 2026	3.06	220.86	1,245.69	518.27	1,749.69	314.77	2,970.61	7,022.97
Net carrying value as at March 31, 2026	19.65	423.99	1,721.98	362.29	581.74	799.49	923.95	4,833.06

* There is no immovable property where the title deed of such immovable property is not held in the Company's name or jointly held with others.

** Refer Note 38 for recognition of right-of-use assets

10B. CAPITAL WORK-IN-PROGRESS

Particulars	As at March 31, 2026			As at March 31, 2025		
	Opening Balance	Additions	Deletions	Closing Balance	Opening Balance	Closing Balance
Capital work-in-Progress	230.18	316.43	(396.45)	150.16	336.65	230.18
Total	230.18	316.43	(396.45)	150.16	336.65	230.18

*There are no capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan

Ageing Schedule	As at March 31, 2026			As at March 31, 2025		
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years
Projects in progress	150.16	-	-	-	230.18	-
	150.16	-	-	-	230.18	-

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

11. OTHER INTANGIBLE ASSETS

(INR in lakhs)	
Particulars	Computer software
Year ended March 31, 2025	
At cost at the beginning of the year	1,481.69
Additions during the year	17.66
Gross carrying value as at March 31, 2025	1,499.35
Accumulated amortization:	
Accumulated amortization as at the beginning of the year	1,088.29
amortization for the year	221.12
Accumulated amortization as at March 31, 2025	1,309.41
Net carrying value as at March 31, 2025	189.94
Year ended March 31, 2026	
At cost at the beginning of the year	1,499.35
Additions during the year	35.81
Gross carrying value as at March 31, 2026	1,535.16
Accumulated amortization:	
Accumulated amortization as at the beginning of the year	1,309.41
amortization for the year	183.32
Accumulated amortization as at March 31, 2026	1,492.73
Net carrying value as at March 31, 2026	42.43

12. OTHER NON-FINANCIAL ASSETS

(INR in lakhs)		
Particulars	As at March 31, 2026	As at March 31, 2025
	Amortised cost	Amortised cost
Prepaid expenses	2,211.08	2,347.05
Advances to vendors	1,626.99	828.29
GST receivable	2,289.66	2,734.94
Total	6,127.73	5,910.28

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

13. PAYABLES

(INR in lakhs)		
Particulars	As at March 31, 2026	As at March 31, 2025
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	111.87	1.79
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	713.68	321.33
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	825.55	323.12

There are no trade payables that are "Not Due" or "Unbilled" as on March 31, 2026 and March 31, 2025.

The management has identified enterprises which qualify under the definition of micro enterprises and small enterprises, as defined under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Accordingly, the disclosure in respect of amount payable to such enterprises as mentioned below is based on information received and available with the Company.

(INR in lakhs)		
Particulars	As at March 31, 2026	As at March 31, 2025
(i) Principal amount remaining unpaid	111.87	1.79
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
(iv) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006	-	-
(v) Amount of interest accrued and remaining unpaid at the end of the year	-	-
(vi) 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	-	-

Payables ageing schedule as on March 31, 2026:

(INR 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	
(i) MSME	111.87	-	-	-	111.87
(ii) Others	713.68	-	-	-	713.68

Payables ageing schedule as on March 31, 2025:

(INR 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	
(i) MSME	1.79	-	-	-	1.79
(ii) Others	321.33	-	-	-	321.33

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

14. DEBT SECURITIES

		(INR in lakhs)	
Particulars		As at March 31, 2026	As at March 31, 2025
Debtures (Secured)		Amortised cost	Amortised cost
Commercial Papers (Unsecured)		2,04,273.29	1,48,641.53
Total		25,352.98	28,757.80
Debt securities in India		2,29,626.27	1,77,399.33
Debt securities outside India		2,29,626.27	1,77,399.33
Total		-	-
Total		2,29,626.27	1,77,399.33

		(INR in lakhs)	
Terms and conditions		Maturity date	As at March 31, 2026
Sr No	Particulars	Nature of security	Terms of repayment
1	2500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 792 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.5x times the performance of NIFTY till a pre-defined cap of NIFTY Performance. Maximum Return is capped at 33%. Cap of NIFTY performance is 22% above the initial level of NIFTY. If NIFTY Final level is less than the initial level then the MLD redeems at par with zero coupon payment.
2	1,47,712, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 1185 days from the date of allotment. Coupon to be paid quarterly.
3	1,69,758, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 1185 days from the date of allotment. Coupon to be paid annually.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
4	5,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 729 days from the date of allotment. Coupon to be paid annually.	21-May-26	5,398.61	5,347.31
5	10,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 728 days from the date of allotment. Coupon to be paid annually.	18-Aug-26	10,534.38	10,410.90
6	12,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 729 days from the date of allotment. Coupon to be paid quarterly.	21-Aug-26	12,114.66	12,084.35
7	21,500, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 729 days from the date of allotment. Coupon to be paid semi-annually.	18-Sep-26	21,482.95	21,314.16

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)					
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026
8	2500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 949 days from the date of allotment. Minimum Return paid out is 10% irrespective of the performance of NIFTY. Additional to this, the MLD gives a leverage participation(1.5x) over NIFTY Performance starting from 6.67% to 25% of NIFTY Performance. So Maximum Return is 37.5%. If NIFTY Performance is above 25% then the MLD gets knocked out and the MLD pays a flat 30% return at maturity. If NIFTY Level is below the Initial Level of NIFTY then the MLD redeems with the 10% minimum return.	12-Oct-26	2,589.98
9	5,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 1096 days from the date of allotment. Coupon to be paid annually.	29-Oct-26	5,173.91
10	5,72,845, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 1096 days from the date of allotment. Coupon to be paid annually.	10-Nov-26	1,971.52
11	8,69,739, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 1096 days from the date of allotment. Coupon to be paid monthly.	10-Nov-26	8,694.19
					2,354.11
					5,132.64
					3,911.36
					8,615.87

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
12	9,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 730 days from the date of allotment. Coupon to be paid quarterly.	11-Dec-26	9,005.49	8,948.70
13	5,500, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 730 days from the date of allotment. Coupon to be paid annually.	31-Dec-26	5,583.42	5,530.86
14	40,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 730 days from the date of allotment. Coupon Payment to be paid quarterly	28-May-27	39,758.40	-
15	5,500, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 910 days from the date of allotment. Coupon to be paid quarterly.	19-Jul-27	5,580.22	5,565.40

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)					
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026
16	10,000 Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 910 days from the date of allotment. Coupon to be paid quarterly.	16-Aug-27	10,038.42
17	3500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1250 days from the date of allotment. For NIFTY Performance between 0% to 10%, the MLD pays a 1x participation rate. From 10% to 35% of NIFTY Performance the MLD pays a 2x leveraged participation. So Maximum Return is 60%. If NIFTY performance is more than 35% any of the final observation date then the MLD gets knocked out and pays 40% flat return.	8-Nov-27	2,909.02
18	2,500, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 1092 days from the date of allotment. Principal & Coupon Payment to be paid quarterly	25-Nov-27	1,466.10
19	2596, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 791 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.4x times the performance of Gold till a pre-defined cap of Gold Performance. Maximum Return is capped at 32.20%. Cap of Gold performance is 23% above the initial level of Gold Performance. If Gold Performance Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	30-Nov-27	2,228.65
					-

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
20	10000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 728 days from the date of allotment. Coupon to be paid quarterly,	6-Dec-27	9,949.20	-
21	2500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 791 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.4x times the performance of NIFTY till a pre-defined cap of NIFTY Performance. Maximum Return is capped at 29.40%. Cap of NIFTY performance is 21% above the initial level of NIFTY. If NIFTY Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	8-Dec-27	2,188.99	-
22	11,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 710 days from the date of allotment. Coupon to be paid monthly.	24-Dec-27	11,114.58	-

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)					
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026 As at March 31, 2025
23	2500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 791 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.4x times the performance of NIFTY till a pre-defined cap of NIFTY Performance. Maximum Return is capped at 29.40%. Cap of NIFTY performance is 21% above the initial level of NIFTY. If NIFTY Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	11-Feb-28	2,136.97 -
24	10,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 739 days from the date of allotment. Coupon to be paid quarterly.	6-Mar-28	9,957.13 -
25	4800, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed annual coupons at the end of 1204 days from the date of allotment. Minimum annual return is 7.5%. Additional bonus payout linked to the annual performance of NIFTY capped at 18%. If NIFTY Annual Performance is greater than 18%, then the MLD gets knocked out in that year and pays flat 7.5%. NIFTY level gets reset every year. After 3 annual returns, principal is paid out at maturity.	12-May-28	4,571.48 4,454.17

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)					
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026
					As at March 31, 2025
26	2680, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed annual coupons at the end of 792 days from the date of allotment. Minimum annual return is 7%. Additional bonus payout linked to the annual performance of NIFTY capped at 13%. If NIFTY Annual Performance is greater than 13%, then the MLD gets knocked out in that year and pays flat 7%. NIFTY level gets reset every year. After 2 annual returns, principal is paid out at maturity.	30-May-28	2,113.19
27	3000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	"Redeemable at par at the end of 908 days from the date of allotment. Coupon to be paid quarterly."	14-Aug-28	3,009.34
28	2500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1094 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.2x times the performance of Gold Performance. If Gold Performance Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	13-Oct-28	2,002.24

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	(INR in lakhs)	
					As at March 31, 2026	As at March 31, 2025
29	3500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1277 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.3x times the performance of Gold till a pre-defined cap of Gold Performance. Maximum Return is capped at 78.00%. Cap of Gold performance is 60% above the initial level of Gold Performance. If Gold Performance Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	15-Jan-29	2,709.66	-
30	3900, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1277 days from the date of allotment. Minimum Return paid out is 24.71% irrespective of the performance of Gold. Additional to this, the MLD gives a leverage participation (1.x) over Gold Performance starting from 24.71% to 50.00% of Gold Performance. So Maximum Return is 50.00%. If Gold Performance is above 50% then the MLD gets knocked out and the MLD pays a flat 50% return at maturity. If Gold Performance Level is below the Initial Level of Gold then the MLD redeems with the 24.71% minimum return.	19-Jan-29	3,739.11	-
31	250, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 929 days from the date of allotment if NIFTY final fixing level is greater than or equal to 25% of the initial fixing level or else at par	8-Apr-25	-	3,114.01

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)					
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026
					As at March 31, 2025
32	17,38,325, Secured Rated Listed Redeemable Non-Convertible issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 820 days from the date of allotment. Coupon to be paid quarterly.	2-May-25	17,620.57
33	2,54,599, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 820 days from the date of allotment. Coupon to be paid annually.	2-May-25	2,583.53
34	173, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1205 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.25x times the performance of NIFTY . Maximum Return is uncapped.. If NIFTY Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	8-May-25	2,247.15
35	1,32,867, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 547 days from the date of allotment. Coupon to be paid monthly.	10-May-25	1,334.22

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
36	8,76,454, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 731 days from the date of allotment. Coupon to be paid quarterly.	10-Nov-25	-	3,310.23
37	1,92,719, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 731 days from the date of allotment. Coupon to be paid monthly.	10-Nov-25	-	1,927.40
38	117, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1229 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.3x times the performance of NIFTY till a pre-defined cap of NIFTY Performance. Maximum Return is capped at 50%. Cap of NIFTY performance is 38.46% above the initial level of NIFTY. If NIFTY Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	5-Dec-25	-	1,093.34

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)					
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2025 As at March 31, 2026
39	4,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 820 days from the date of allotment. Coupon to be paid quarterly.	12-Dec-25	- 1,334.74
40	Commercial Paper	Unsecured	Issued at a discount and redeemable at par. The tenure is 180 days to 365 days with an discount rate ranging from 8.70%-9.60%	NA	25,352.98 28,757.80
	Total				2,29,626.27 1,77,399.33

Note: Interest rate ranging from 8.60%-10.30% applies to debentures outstanding as at March 31, 2026. The above also includes debentures which are linked to market index..

15. BORROWINGS (OTHER THAN DEBT SECURITIES)

(INR in lakhs)			
Particulars	As at		As at
	March 31, 2026	March 31, 2025	
	Amortised cost	Amortised cost	
(a) Term loans (Secured)			
(i) from banks	6,01,737.73	5,05,946.34	
(ii) from other parties	86,253.43	99,996.11	
(b) Pass Through Certificates (Secured)	1,43,944.10	52,308.96	
(c) Loans repayable on demand (Secured)			
(i) from banks	34,655.09	-	
Total	8,66,590.35	6,58,251.41	
Borrowings in India	7,64,768.19	5,89,344.79	
Borrowings outside India (comprises External Commercial Borrowings)	1,01,822.16	68,906.62	
Total	8,66,590.35	6,58,251.41	

Note : The borrowings from banks, financial institutions and others have been used for the specific purpose for which it was borrowed.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Terms and conditions		(INR in lakhs)	
Particulars	Nature of security	Terms of repayment	As at March 31, 2026
Borrowings			
a) Banks	Term Loan from Banks are secured by way of a first pari passu charge over all the receivables; both present and future of the Company; to the extent they meet the asset cover requirement of each lender, stipulated in respect of the outstanding facilities.	Loans are repayable in monthly or quarterly installments with original tenure ranging from 6 to 84 months and interest ranging from 7.15%-11.00%.	4,43,049.02
aii) Others	Term Loan from others are secured by way of a first pari passu charge over all the receivables; both present and future of the Company; to the extent they meet the asset cover requirement of each lender, stipulated in respect of the outstanding facilities.	Loans are repayable in monthly or quarterly installments with original tenure ranging from 24 to 38 months and interest rate ranging from 8.60%-10.55%	93,986.80
b) External Commercial Borrowings (Banks and Other)	Term Loan from Others (External Commercial Borrowings) are secured by way of a first pari passu charge over all the receivables; both present and future of the Company; to the extent they meet the asset cover requirement of each lender, stipulated in respect of the outstanding facilities.	Loans are repayable on maturity or periodical installments with original tenure upto 60 months and interest rate is linked to SOFR.	68,906.62
c) Pass Through Certificates (Secured)	Secured by an exclusive charge by way of hypothecation/ assignment of specific loan receivables	Facility tenure ranging from 25 to 64 months repayable on monthly basis and interest rate ranging from 8.45%-9.50%	52,308.96
d) Loans repayable on demand (WCDL and CC)	Working Capital Demand Loans ("WCDL") and Cash Credit ("CC") from Banks are secured by way of a first pari passu charge over all the receivables; both present and future of the Company; to the extent they meet the asset cover requirement of each lender, stipulated in respect of the outstanding facilities.	CC / WCDL facilities are repayable on demand with renewal at the end of 1 year with interest rate ranging from 7.73% to 10.25%.	-
Total			8,66,590.35
			6,58,251.41

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

16. OTHER FINANCIAL LIABILITIES

Particulars	(INR in lakhs)	
	As at March 31, 2026	As at March 31, 2025
	Amortised cost	Amortised cost
Lease liability (Refer Note 38)	1,219.97	1,787.82
Collaterals received towards loans	3,177.78	4,833.78
Security deposits	156.77	124.47
Payable to related parties (Refer Note 34)	91.43	6.24
Payable on assigned portfolio	6,236.09	6,856.24
Advance/Payable from/to the customers	1,002.17	2,006.81
Provision for expenses	8,239.06	6,580.90
Servicing liability on loans derecognised	1,140.89	1,576.20
Payable to employees	5,505.98	4,530.00
Others	2,921.63	608.51
Total	29,691.77	28,910.97

17. PROVISIONS

Particulars	(INR in lakhs)	
	As at March 31, 2026	As at March 31, 2025
Provision for Gratuity	1,640.07	1,040.56
Expected credit loss provision on undrawn loan commitments	21.50	12.94
Total	1,661.57	1,053.50

18. OTHER NON-FINANCIAL LIABILITIES

Particulars	(INR in lakhs)	
	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	1,408.27	1,019.28
Total	1,408.27	1,019.28

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

19. EQUITY SHARE CAPITAL

(INR in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of INR 10/- each	70,00,00,000	70,000.00	50,00,00,000	50,000.00
Total	70,00,00,000	70,000.00	50,00,00,000	50,000.00
Issued, subscribed and paid up capital				
Equity Shares of INR 10/- each fully paid up	49,05,32,336	49,053.23	48,83,10,114	48,831.01
Total	49,05,32,336	49,053.23	48,83,10,114	48,831.01

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

The shareholders of the Company at the Annual General Meeting held on September 09, 2025 had approved the increase of Authorised Share Capital of the Company from INR 5,00,00,00,000 (Indian Rupees Five Hundred Crores only) divided into 50,00,00,000 (Fifty Crores) equity shares having the face value of INR 10/- (Indian Rupees Ten) each to INR 700,00,00,000 (Indian Rupees Seven Hundred Crores only) divided into 70,00,00,000 (Seventy Crores) equity shares having the face value of INR 10/- (Indian Rupees Ten) each.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Equity shares held by holding company

Out of the equity shares issued by the company, shares held by its holding company :

(INR in lakhs)

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares held	Amount	No. of shares held	Amount
InCred Holdings Limited (including shares held by Nominee Shareholders)*	49,05,32,336	49,053.23	48,83,10,114	48,831.01
Total	49,05,32,336	49,053.23	48,83,10,114	48,831.01

*Includes 395 shares held as registered owner by Mr. Bhupinder Singh, Promoter of the Company and there are 5 other shareholders holding 1 share each.

Equity shares held by promoter**/promoter group

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares held	% of shares held	No. of shares held	% of shares held
InCred Holdings Limited (including shares held by Nominee Shareholders)*	49,05,31,941	100.00%	48,83,09,719	100.00%
Bhupinder Singh	395	0.00%	395	0.00%
Total	49,05,32,336	100.00%	48,83,10,114	100.00%

*Includes shares held as nominee by 5 other shareholders.

**Promoter here means Promoters defined as per section 2(69) of Companies Act, 2013.

As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Changes During the year	No. of shares at the end of the year	% of Total Shares	% change during the year
InCred Holdings Limited (including shares held by Nominee Shareholders)*	48,83,09,719	22,22,222	49,05,31,941	100%	0.46%
Bhupinder Singh	395	-	395	0.00%	0.00%
Total	48,83,10,114	22,22,222	49,05,32,336	100%	0.46%

*Includes shares held as nominee by 5 other shareholders.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Changes During the year	No. of shares at the end of the year	% of Total Shares	% change during the year
InCred Holdings Limited (including shares held by Nominee Shareholders)*	48,83,09,719	-	48,83,09,719	100%	0.00%
Bhupinder Singh	395	-	395	0.00%	0.00%
Total	48,83,10,114	-	48,83,10,114	100%	0.00%

*Includes shares held as nominee by 5 other shareholders.

Details of shareholder(s) holding more than 5% of the total equity shares in the company :

(INR in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares held	% Holding	No. of shares held	% Holding
InCred Holdings Limited (including shares held by Nominee Shareholders)	49,05,32,336	100.00%	48,83,10,114	100.00%
Total	49,05,32,336	100.00%	48,83,10,114	100.00%

Aggregate number of shares issued for consideration other than cash during the period for a period of five years immediately preceding

During the current financial year the Company has issued Nil equity shares for consideration other than cash.

Equity shares reconciliation

(INR in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
At the beginning of the year	48,83,10,114	48,831.01	48,83,10,114	48,831.01
Add: Shares issued during the year	22,22,222	222.22	-	-
At the end of the year	49,05,32,336	49,053.23	48,83,10,114	48,831.01

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

20. OTHER EQUITY

(INR in lakhs)		
Particulars	As at March 31, 2026	As at March 31, 2025
Other equity		
Special reserve	26,414.33	17,536.39
Securities premium	1,13,467.89	1,09,690.13
Capital contribution from parent	1,14,239.15	1,11,267.26
Retained earnings	1,03,335.70	67,862.03
Merger reserve	17,030.92	17,030.92
Debt instruments through OCI	(24.38)	(99.03)
Cash flow hedge reserve	352.87	(574.05)
Equity instruments through OCI	15.36	15.36
Total	3,74,831.84	3,22,729.00

Nature and purpose of each reserves:

- (i) **Special reserve** - As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. The appropriation to the special reserve would be done based on March 31, 2026 net profit numbers.
- (ii) **Securities premium** - Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.
- (iii) **Deemed equity** - Security deposits placed by InCred Finserv Private Limited (formerly known as InCred Management and Technology Services Private Limited) (wholly owned subsidiary) on behalf of the Company is reported as deemed equity
- (iv) **Capital contribution from parent** - The capital contribution from parent is the outcome of share issued by InCred Holdings Limited (formerly known as KKR Capital Markets Pvt Ltd) to shareholders of InCred Prime Limited (formerly known as "InCred Financial Services Limited") as a part of purchase consideration in lieu of demerger of identified NBFC business. The reserves also includes share based arrangement where the Holding Company has granted equity settled options to the employees of the company. Refer Note No 37.
- (v) **Share based payment reserve** - Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee stock option schemes operated by the Company for its employees. Refer Note no 37.
- (vi) **Retained earnings** - Retained earnings represents the amount of accumulated earnings of the Company.
- (vii) **Merger Reserve** - The "Merger Reserve" is created on account of difference between legal capital of erstwhile InCred Prime Finance Limited (formerly, InCred Financial Services Limited) ('erstwhile IFSL') and InCred Financial Services Limited (formerly, KKR India Financial Services Limited) ('new IFSL') along with capital contribution from parent. The Demerger was executed in FY 2022-23 through the NCLT order. (Refer Note 45)
- (viii) **Other comprehensive income:**
 - (a) **Debt instruments through other comprehensive income** - The Company recognises changes in the fair value of debt instruments held with a dual business objective of collect and sell in other comprehensive income. These changes are accumulated in the FVOCI debt investments reserve. The Company transfers amounts from this reserve to profit or loss when the debt instruments are derecognised. Any impairment loss on such instruments is reclassified immediately to the Statement of Profit and Loss.
 - (b) **Cash Flow hedge reserve** - This represents the cumulative gains / (losses) arising on the revaluation of derivative instruments designated at cash flow hedges through other comprehensive income.
 - (c) **Equity instruments through other comprehensive income** - The Company has opted to recognise changes in the fair value of certain investments in equity in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity investments are derecognised.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

21. INTEREST INCOME

(InR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
On Financial Assets measured at amortised cost:		
-Interest on loans	2,24,574.42	1,67,070.05
-Interest income from investments	2,182.76	575.42
-Interest on deposits with banks	2,466.59	1,032.17
On Financial Assets measured at fair value through profit or loss:		
-Interest on loans	-	-
On Financial Assets measured at fair value through Other Comprehensive Income:		
-Interest income from investments	3,841.87	480.34
Total	2,33,065.64	1,69,157.98

Note - No revenue from transactions with a single customer amounted to 10% or more of the Company's total revenue for the year ended March 31, 2026 and March 31, 2025.

22. FEES AND COMMISSION INCOME

(InR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Service and administration charges	21,343.51	13,722.61
Total	21,343.51	13,722.61
Geographical Markets		
Within India	21,343.51	13,722.61
Outside India	-	-
Total	21,343.51	13,722.61
Timing of revenue recognition		
Services transferred at a point in time	21,343.51	13,722.61
Services transferred over time	-	-
Total	21,343.51	13,722.61

Note: For receivable balances against the income, refer note no 5

23. NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

(InR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net gain/ (loss) on financial instruments at fair value through profit or loss		
-Investments	1,246.74	1,529.00
-Derivatives	148.89	865.57
Total	1,395.63	2,394.57
Fair value changes:		
-Realised	1,399.57	1,260.94
-Unrealised	(3.94)	1,133.63

24. OTHER INCOME

(InR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Marketing income	1,500.73	565.20
Business support charges	170.66	127.50
Others	329.69	368.50
Total	2,001.08	1,061.20

Note: For receivable balances against the income, refer note no. 5

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

25. FINANCE COSTS

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
On financial liabilities measured at amortised cost:		
(i) Interest on borrowings	64,396.26	46,734.34
(ii) Discount on Commercial Paper	1,915.90	1,802.75
(iii) Interest on Debentures	17,836.36	11,625.52
(iv) Interest on Inter Corporate Debts ("ICD")	-	237.57
(v) Interest on Pass Through Certificate	7,552.32	1,655.78
(vi) Interest on lease liability (Refer Note 38)	147.10	203.46
(vii) Other finance cost	388.06	502.52
Total	92,236.00	62,761.94

26. IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
On Financial instruments measured at amortised cost:		
(i) Loans (including amount written off, net of recovery)*	30,012.65	18,743.61
(ii) Investments	100.74	19.57
(iii) Others	(3.20)	13.56
Total	30,110.19	18,776.74

*Of the above INR 13,730.80 lakhs pertains to write-off during year ended March 31, 2026 and INR 10,513.23 lakhs during year ended March 31, 2025 and INR 4,775.06 lakhs pertains to recovery from write off during year ended March 31, 2026 and INR 9,955.33 lakhs during year ended March 31, 2025.

27. EMPLOYEE BENEFITS EXPENSES

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	34,752.10	27,524.83
Contribution to provident and other funds	892.62	666.86
Share based payment to employees (Refer Note 37)	2,971.89	2,983.98
Staff welfare expenses	1,641.95	783.87
Retirement Benefit expenses (Refer Note 35)	671.28	239.86
Total	40,929.84	32,199.40

28. OTHER EXPENSES

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Information Technology expenses	4,619.34	3,795.06
Collection expenses	10,958.72	6,789.57
Legal, professional and consultancy charges	7,538.70	6,347.73
Office Expense	1,874.89	1,258.80
Travelling and conveyance	1,451.76	849.93

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Advertisement, publicity and sales promotion expenses	1,596.60	1,244.47
Rating fees	276.36	279.53
Payment to auditors	153.63	157.02
Directors' sitting fees (Refer Note 34)	154.25	156.96
Stamp Duty & Filing fees	50.77	68.29
Bank charges	71.72	42.96
Repairs and maintenance	106.40	40.75
Corporate Social responsibility (Refer Note 42)	751.33	295.61
Rent (Refer Note 38)	921.11	400.01
Membership and Subscription	21.55	18.59
Miscellaneous expenses	818.80	839.41
Total	31,365.93	22,584.69

Payment to the auditors:

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Auditor's remuneration		
- Audit fees	136.25	136.25
In other capacity		
- Certification services	16.90	16.90
- Taxation	-	-
Other of pocket expenses	0.48	3.87
Total	153.63	157.02

29. TAX EXPENSE

(a) Amounts recognised in profit and loss

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Current tax expense		
Current year	7,209.55	682.70
Current tax expense	7,209.55	682.70
Deferred tax expense		
Origination and reversal of temporary differences	8,518.82	12,233.02
Deferred tax expense	8,518.82	12,233.02
Tax expense for the year	15,728.37	12,915.72

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(b) Amounts recognised in other comprehensive income

(INR in lakhs)

Particulars	Year ended March 31, 2026			Year ended March 31, 2025		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
(a) Remeasurements of defined benefit liability (asset)	(50.92)	12.82	(38.10)	(62.83)	15.81	(47.02)
Items that will be reclassified to profit or loss						
(a) Debt instruments through other comprehensive income	99.76	(25.11)	74.65	(80.98)	20.38	(60.60)
(b) The effective portion of gains and loss on hedging instruments in a cash flow hedge	1,238.70	(311.78)	926.92	(766.48)	192.92	(573.56)
	1,287.54	(324.07)	963.47	(910.29)	229.11	(681.18)

(c) Amounts recognised directly in equity

There are no temporary difference recognised directly in equity for the year ended March 31, 2026 and March 31, 2025.

(d) Reconciliation of effective tax rate

(INR in lakhs)

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
Profit before tax as per Statement of profit and loss (A)	60,118.08		50,132.69	
Statutory tax rate	25.17%		25.17%	
Tax using the Company's domestic tax rate (B)	15,130.52		12,618.40	
Tax effect of:				
Tax effect of amounts which are not deductible in calculating taxable income	189.09		74.40	
Tax impact of earlier year	246.08		206.85	
Other adjustments	162.68		16.07	
Effective tax amount	15,728.37		12,915.72	
Effective tax rate	26.16%		25.76%	

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

30. EARNINGS PER SHARE

Basic and diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

i. Profit attributable to Equity shareholders:

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Profit attributable to equity holders of the Company used in calculating basic earnings per share	44,389.71	37,216.97
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	44,389.71	37,216.97

ii. Weighted average number of ordinary shares

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (A)	49,02,64,452	48,83,10,114
Adjustments for calculation of diluted earnings per share (B)	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (A+B)	49,02,64,452	48,83,10,114
Basic earnings per equity share (Amount in INR)	9.05	7.62
Diluted earnings per equity share (Amount in INR)	9.05	7.62

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

31. FAIR VALUE MEASUREMENTS**A. Accounting classification**

Carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below :

Particulars	As at March 31, 2026					As at March 31, 2025				
	FVTPL	FVOCI	Amortised Cost	Total	FVTPL	FVOCI	Amortised Cost	Total	(INR in lakhs)	
Financial assets										
Cash and cash equivalents	-	-	54,901.08	54,901.08	-	-	63,991.58	63,991.58	63,991.58	
Bank balance other than cash and cash equivalents	-	-	27,449.49	27,449.49	-	-	17,234.70	17,234.70	17,234.70	
Derivative financial instruments	786.04	11,327.08	-	12,113.12	369.47	514.67	-	884.14	884.14	
Trade Receivables	-	-	1,129.72	1,129.72	-	-	1,680.80	1,680.80	1,680.80	
Loans	-	-	13,73,198.87	13,73,198.87	-	-	10,48,702.05	10,48,702.05	10,48,702.05	
Investments										
-Debt securities	3,255.38	36,608.58	1,606.90	41,470.86	1,891.61	16,205.28	4,872.54	22,969.43	22,969.43	
-Mutual Fund	3,002.19	-	-	3,002.19	28,045.16	-	-	28,045.16	28,045.16	
-Convertible Preference Shares	250.01	-	-	250.01	-	-	-	-	-	
Other financial assets	-	-	10,757.85	10,757.85	-	-	12,153.27	12,153.27	12,153.27	
Total financial assets	7,293.62	47,935.66	14,69,043.91	15,24,273.19	30,306.24	16,719.95	11,48,634.94	11,95,661.13	11,95,661.13	
Financial liabilities										
Derivative financial instruments	4,568.62	-	-	4,568.62	2,145.27	-	-	2,145.27	2,145.27	
Trade Payables	-	-	825.55	825.55	-	-	323.12	323.12	323.12	
Debt securities	-	-	2,29,626.27	2,29,626.27	-	-	1,77,399.33	1,77,399.33	1,77,399.33	
Borrowings (other than debt securities)	-	-	8,66,590.35	8,66,590.35	-	-	6,58,251.41	6,58,251.41	6,58,251.41	
Other financial liabilities	-	-	29,691.77	29,691.77	-	-	28,910.97	28,910.97	28,910.97	
Total financial liabilities	4,568.62	-	11,26,733.94	11,31,302.56	2,145.27	-	8,64,884.83	8,67,030.10	8,67,030.10	

Note: Investment in subsidiaries (less impairment) and convertible preference shares amounting to INR 10.67 lakhs as at March 31, 2026 and INR 617.24 lakhs as at March 31, 2025 is carried at cost and does not form part of the above.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

B. Fair Value

Fair values of financial assets and financial liabilities measured at fair value, including their levels in the fair value hierarchy, are presented below.

Particulars	Fair value					(INR in lakhs)		
	As at March 31, 2026			As at March 31, 2025				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Derivative Financial Instruments	-	12,113.12	-	12,113.12	-	884.14	-	884.14
Investment in debt securities	22,687.05	17,176.91	-	39,863.96	15,703.82	2,393.07	-	18,096.89
Investment in Convertible preference shares	-	250.01	-	250.01	-	-	-	-
Investment in Mutual Fund	3,002.19	-	-	3,002.19	28,045.16	-	-	28,045.16
Total	25,689.24	29,540.04	-	55,229.28	43,748.98	3,277.21	-	47,026.19
Financial liabilities								
Derivative Financial Instruments	-	4,568.62	-	4,568.62	-	2,145.27	-	2,145.27
Total	-	4,568.62	-	4,568.62	-	2,145.27	-	2,145.27

This section explains the judgments and estimates made in determining the fair value of the financial instrument that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath table.

Particulars	Fair value					(INR in lakhs)		
	As at March 31, 2026			As at March 31, 2025				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	54,901.08	-	-	54,901.08	63,991.58	-	-	63,991.58
Bank balance other than cash and cash equivalents	27,449.49	-	-	27,449.49	17,234.70	-	-	17,234.70
Investments								
- Debt securities	-	-	1,606.90	1,606.90	-	-	4,872.54	4,872.54
Trade Receivables	-	-	1,129.72	1,129.72	-	-	1,680.80	1,680.80
Loans	-	-	13,43,268.23	13,43,268.23	-	-	10,89,315.05	10,89,315.05
Other financial assets	-	-	10,757.85	10,757.85	-	-	12,153.27	12,153.27
Total	82,350.57	-	13,56,762.70	14,39,113.27	81,226.28	-	11,08,021.66	11,89,247.94
Financial Liabilities								
Trade Payables	-	-	825.55	825.55	-	-	323.12	323.12
Debt securities	-	-	2,31,613.76	2,31,613.76	-	-	1,78,325.40	1,78,325.40
Borrowings (other than debt securities)	-	-	8,67,909.95	8,67,909.95	-	-	6,58,011.71	6,58,011.71
Other financial liabilities	-	-	29,691.77	29,691.77	-	-	28,910.97	28,910.97
Total	-	-	11,30,041.02	11,30,041.02	-	-	8,65,571.20	8,65,571.20

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Cash and cash equivalents	54,901.08	54,901.08	63,991.58	63,991.58
Bank balance other than cash and cash equivalents	27,449.49	27,449.49	17,234.70	17,234.70
Derivative Financial instruments	12,113.12	12,113.12	884.14	884.14
Trade Receivables	1,129.72	1,129.72	1,680.80	1,680.80
Loans	13,73,198.87	13,43,268.23	10,48,702.05	10,89,315.05
Investments				
-Mutual funds	3,002.19	3,002.19	28,045.16	28,045.16
-Debt securities at fair value through profit & loss	3,255.38	3,255.38	1,891.61	1,891.61
-Debt securities at Other comprehensive income	36,608.58	36,608.58	16,205.28	16,205.28
-Debt securities at amortised cost	1,606.90	1,606.90	4,872.54	4,872.54
-Convertible Preference shares	250.01	250.01	-	-
Other financial assets	10,757.85	10,757.85	12,153.27	12,153.27
Total	15,24,273.19	14,94,342.55	11,95,661.13	12,36,274.13
Financial liabilities				
Derivative Financial instruments	4,568.62	4,568.62	2,145.27	2,145.27
Trade Payables	825.55	825.55	323.12	323.12
Debt securities	2,29,626.27	2,31,613.76	1,77,399.33	1,78,325.40
Borrowings (other than debt securities)	8,66,590.35	8,67,909.95	6,58,251.41	6,58,011.71
Other financial liabilities	29,691.77	29,691.77	28,910.97	28,910.97
Total	11,31,302.56	11,34,609.64	8,67,030.10	8,67,716.47

Except for those financial instruments for which the fair value amounts are mentioned in the above table (which is different than the carrying value), the Company considers that the carrying amounts recognised in the financial statements approximate their fair values. For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

C. Measurement of fair values

The following sets out the Company's basis of establishing fair values of amortised cost financial instruments and their classification between Levels 1, 2 and 3. As certain categories of financial instruments are not actively traded, there is a significant level of management judgement involved in calculating the fair values:

Financial instruments held at amortised cost**i. Cash and bank balance:**

The fair value of cash and balances with bank is their carrying amounts

ii. Loans and advances to customers:

For loans and advances to customers, the fair value of floating rate loans is their carrying amounts. Loans and advances are presented net of provisions for impairment. The fair value of loans and advances to customers with a residual maturity of less than one year generally approximates the carrying value. The fair value of fixed rate loans were calculated based on discounted cash flows using a current lending rate. The carrying value of Stage 3 loans are considered as fair value.

iii. Other financial assets:

The carrying amount of these financial instruments is considered to be a reasonable approximation of fair value as they are short term in nature.

iv. Investment in debt securities:

The Company has investments in debt securities with fixed rates. The carrying amount of these financial instruments is considered to be a reasonable approximation of fair value as they are short term in nature.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

v. Debt securities and borrowings:

The estimated fair value of fixed interest bearing borrowings without quoted market prices is based on discounted cash flows using the prevailing rates at which Company has borrowed for debts with a similar credit risk and remaining maturity. For market linked debentures, the fair value published by CRISIL Rating Agency as at March 31, 2026 has been considered for fair valuation. For floating rate borrowings, the carrying value is a reasonable approximation to the fair value.

vi. Other financial liabilities:

The carrying amount of these financial instruments is considered to be a reasonable approximation of fair value as they are either short term in nature.

Financial instruments held at fair value

i. Investment in mutual funds:

The investment in mutual funds are valued using the closing NAV in the market.

ii. Investment in debt securities:

Fair value is based on market-observable data such as secondary market prices for its traded debt and where no data is available, it is estimated using market yield on the balance period to maturity on similar instruments using G-Sec rates adjusted for credit risk of the instruments.

Gains or losses on transfers amongst categories

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of reporting period

Inter-level transfers

There are no transfers of financial assets and liabilities measured at fair value between Levels 1 and 2 and Level 2 and 3 during the period ended March 31, 2026 and March 31, 2025.

D. Sensitivity analysis of financial instruments at Level 3

Particulars		As at March 31, 2026		As at March 31, 2025	
		Delta effect of		Delta effect of	
	Input name	+ 1% change	- 1% change	+ 1% change	- 1% change
Financial Assets:					
Loans	Discount rate	(11,298.91)	11,561.29	(8,413.74)	8,598.69
Financial Liabilities:					
Debt securities	Discount rate	(433.18)	427.62	(719.56)	725.08
Borrowings (other than debt securities)	Discount rate	(4,690.10)	4,805.58	(2,159.07)	2,212.96

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

32. FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk, market risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance. The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

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, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

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.

A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations i.e. receivables from customers, investments in debt securities. Credit risk arises from loans and advances, investments carried at amortized cost and deposits with banks and financial institutions.

i) Credit risk management

The Company's key objective is to maintain a strong culture of responsible lending, and robust risk policies and control frameworks. The Company considers various factors, which provide an assessment of the borrower's ability-to-pay and willingness-to-pay. While the techniques used for assessment vary across product-segments, the credit principles remain a common factor. To mitigate this risk, the Company has a robust system of credit line management for various transactions, including over-withdrawals, loan approvals, account inactivity, etc. These measures are also audited by Internal Audit to ensure adequacy of risk controls on an ongoing basis.

The key factors considered include:

- **Income and cash flow analysis:** The borrower's income from multiple sources is assessed, along with the borrower's obligations and financial commitments. Hence, the funds available to repay the loan/EMI is computed, and the loan is tailored to be affordable to the borrower. For certain product types working capital gap is also calculated. For student loans, country risks are also taken into consideration for income assessment.
- **Credit history analysis:** The borrower's experience in managing debt is considered. Prior delinquencies are considered. A strong repayment track record is typically an indicator of the customer's ability-to-pay. Exceptions and nuances, like customers with a limited credit history but with strengths like job-tenure or asset-ownership, are also considered to make appropriate credit decisions.
- **Borrower's profile and intended use of the funds:** The borrower's intended use of funds is considered as a part of the credit process, including the calculation of working capital cycle for certain product types. In some product-segments, the use of funds may be certified by the borrower or controlled by disbursing directly to the end-use. Borrower profiles which are not in targeted market-segments are screened out.
- **Security cover provided:** The Company has a well defined credit policy which lays out the security to be provided. In certain cases, providing the relevant collateral is a pre-condition for loan sanction.
- **Collectability and geo-location:** The borrower's location, accessibility, stability and contact-ability are all considered before loan sanction. In cases where there are doubts or concerns about any of these factors, an adverse adjustment to the risk-profile is made.
- **Risk Management of unsecured exposure :** The Company periodically monitors sectoral limits for consumer credit in line with the extant regulations. Also, there is a Board approved framework in place for periodic review and monitoring of sub-sectoral limits and adherence to the exposure limits on an ongoing basis by the Risk Management Committee of the Board. The Company has data analytics led early warning process to check stress build up of portfolio in certain pockets and is always vigilant to mitigate the risks through timely policy changes and other sourcing related actions to maintain the portfolio quality . Also, effective collection strategies, proactive communication, and building robust collection capacities are essential measures to mitigate risks and ensure sustainable growth. By focusing on these areas, the Company enhances its resilience and better manage the challenges associated with loan collections. The Company has separate data science/analytics team which monitors the vintage curve, bounce rates, collection efficiency, portfolio metrics and delinquencies further periodic re-audit of existing cases to unearth delinquency trends and credit learnings.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Measurement of Expected Credit Losses ('ECL')

The Company has segmented its outstanding portfolio based on multiple factors such as risk profile, product type, credit underwriting policy, sourcing channels etc. for the computation of ECL.

A three-stage model for impairment based on changes in credit quality since initial recognition has been implemented. The Company has primarily used Days Past Due ('DPD') basis for staging of the portfolio and has opted for the rebuttable presumption prescribed by the standard to recognize default in case payments are overdue more than 90 days and a Significant Increase in Credit Risk ('SICR') in case payments are overdue for more than 30 days in addition to some other qualitative indicators to identify SICR.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis /collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3.

"The Company measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Company's internally developed statistical models and other historical data. In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors such as real GDP, unemployment rate, private consumption etc. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly. While considering the macroeconomic factor, company consider economic span of base case, plus upside and downside scenario.

The Company also uses an internally developed model in unsecured personal Loan portfolio as part of its Probability of Default (PD) estimation within the Expected Credit Loss (ECL) framework. The internally developed model is a proprietary Machine Learning based scoring system designed to evaluate the risk level of loan accounts and combines various data points as per the Credit Bureau of the borrower. The model is derived using internal data elements such as credit history, repayment behaviour, and borrower demographics, enabling the Company to build a comprehensive borrower risk profile. This scoring mechanism is integrated to assess the credit quality of individual exposures and assign risk grades, which are then mapped to corresponding PD values. The use case of this model in ECL computation is to further break down a portfolio segment by grouping the borrowers exhibiting similar risk characteristics.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Portfolio Segment	Lending verticals	PD			EAD	LGD
		Stage 1	Stage 2	Stage 3		
Unsecured	Personal Loan	An empirical PD is derived basis the historical portfolio default rates. Forward looking PD is estimated from a statistical model that takes the empirical PD and future the macro-economic forecast as inputs.		100%	Exposure at Default (EAD) is the amount which the borrower owes as at the reporting date (including overdue and undrawn amount)	As per empirical data
	Student Loans					Considered 65% for unsecured portfolio as per regulatory guidelines
	Supply Chain Finance					
	Embedded Finance (Unsecured Business Loan)					As per empirical data
Secured	Asset Backed Finance	An empirical PD is derived basis the historical portfolio default rates. Forward looking PD is estimated from a statistical model that takes the empirical PD and future the macro-economic forecast as inputs		100%	Exposure at Default (EAD) is the amount which the borrower owes as at the reporting date (including overdue and undrawn amount)	Considered 50% for secured portfolio as per regulatory guidelines
	Secured School Finance					
	Lending to Other Financial Institutions	In absence of sufficient default data, a management judgement-based PD is used in line with industry benchmarks				
	Loan Against Property	“Stage 1 empirical PD is derived basis the historical portfolio default rates. Forward looking PD is estimated from a statistical model that takes the empirical PD and future the macro-economic forecast as inputs For Stage 2, in absence of sufficient default data, a management judgement-based PD is used in line with industry benchmarks “	Considered 40% for in line with industry benchmarks			

As at March 31, 2026

(INR in lakhs)

Particulars	Asset group	Gross carrying amount (GCA)	Expected credit losses (ECL)	Net carrying amount (NCA)
Stage 1	Term Loans*	13,68,610.79	16,251.76	13,52,359.03
	Loan commitments	21,394.97	21.50	21,373.47
Stage 2	Term Loans	15,296.83	5,231.08	10,065.75
Stage 3	Term Loans	29,723.18	18,949.09	10,774.09

* Out of the above GCA of 13,68,610.79 from 5,25,127 loan accounts, 5,14,694 loan accounts with GCA of INR 13,49,350.39 lakhs are zero days past due.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

As at March 31, 2025

(INR in lakhs)				
Particulars	Asset group	Gross carrying amount (GCA)	Expected credit losses (ECL)	Net carrying amount (NCA)
Stage 1	Term Loans*	10,41,117.54	11,213.18	10,29,904.36
	Loan commitments	39,082.62	12.94	39,069.68
Stage 2	Term Loans	15,738.63	4,683.64	11,054.99
Stage 3	Term Loans	20,939.17	13,196.47	7,742.70

* Out of the above GCA of INR 10,41,117.54 lakhs from 3,95,117 loan accounts, 3,83,721 loan accounts with GCA of INR 10,03,641.70 lakhs are zero days past due.

Collateral held

"The Company periodically monitors the quality as well as the value of the security to meet the prescribed limits. The collateral held by the Company varies on case to case basis and includes:

- First/Subservient charge on the Land and/or Building of the project or other projects
- First/Subservient charge on the fixed and current assets of the borrower
- Hypothecation over receivables from funded project or other projects of the borrower
- Default Loss Guarantee (DLG) in the form of cash collateral, lien on fixed deposits etc."

Further, the Company on the basis of its assessment of credit risk classifies loans under Stage 2 irrespective of its overdues status during the period, including loans under one-time resolution (OTR) framework prescribed by the Reserve Bank of India (RBI) for COVID-19 related stress. These accounts are upgraded to Stage 1 as and when they demonstrate satisfactory behaviour under the revised repayment schedule.

(iii) Reconciliation of Loan exposure and Loan loss allowance

For Loan exposure

The below table signifies movement of gross carrying amount:

(INR in lakhs)			
Reconciliation of Loan exposure	Stage 1	Stage 2	Stage 3
Loan exposure on March 31, 2025	10,41,117.54	15,738.63	20,939.17
Change in opening credit exposure	(4,78,052.70)	(7,258.28)	(11,151.97)
New credit exposures during the year, net of repayment*	8,40,548.65	2,174.92	3,305.64
Transferred to 12-month ECL	1,536.64	(1,398.51)	(138.13)
Transferred to Lifetime ECL not credit impaired	(13,988.93)	14,079.22	(90.29)
Transferred to Lifetime ECL credit impaired	(22,550.41)	(8,039.15)	30,589.56
Write – offs	-	-	(13,730.80)
Loan exposure on March 31, 2026	13,68,610.79	15,296.83	29,723.18

*represents outstanding balance of loan exposures originated during the year as at reporting date.

Reconciliation of Loan exposure	Stage 1	Stage 2	Stage 3
Loan exposure on March 31, 2024	7,16,171.95	12,815.87	15,936.35
Change in opening credit exposure	(3,40,891.65)	(7,973.80)	(7,913.01)
New credit exposures during the year, net of repayment*	6,91,326.12	4,228.50	4,608.24
Transferred to 12-month ECL	1,518.75	(1,425.12)	(93.63)
Transferred to Lifetime ECL not credit impaired	(11,086.03)	11,187.71	(101.68)
Transferred to Lifetime ECL credit impaired	(15,921.61)	(3,094.53)	19,016.13
Write – offs	-	-	(10,513.23)
Loan exposure on March 31, 2025	10,41,117.54	15,738.63	20,939.17

*represents outstanding balance of loan exposures originated during the year as at reporting date.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

For Loan loss allowance:

(INR in lakhs)

Reconciliation of loss allowance	Stage 1	Stage 2	Stage 3
Loss allowance on March 31, 2025	11,213.17	4,683.64	13,196.47
Change in opening credit exposure	(2,942.57)	2,129.35	13,926.48
New credit exposures during the year, net of repayment*	9,347.83	799.56	1,808.81
Transferred to 12-month ECL	283.18	(194.55)	(88.63)
Transferred to Lifetime ECL not credit impaired	(443.18)	488.05	(44.87)
Transferred to Lifetime ECL credit impaired	(1,206.67)	(2,674.97)	3,881.63
Write – offs	-	-	(13,730.80)
Loss allowance on March 31, 2026	16,251.76	5,231.08	18,949.09

*represents outstanding balance of loss allowance on loan exposures originated during the year as at reporting date.

(INR in lakhs)

Reconciliation of loss allowance	Stage 1	Stage 2	Stage 3
Loss allowance on March 31, 2024	5,989.37	3,382.05	9,675.31
Change in opening credit exposure	(2,312.88)	1,299.18	10,111.03
New credit exposures during the year, net of repayment*	7,434.85	1,296.29	2,731.33
Transferred to 12-month ECL	459.51	(410.07)	(49.44)
Transferred to Lifetime ECL not credit impaired	(103.50)	156.76	(53.26)
Transferred to Lifetime ECL credit impaired	(254.17)	(1,040.57)	1,294.73
Write – offs	-	-	(10,513.23)
Loss allowance on March 31, 2025	11,213.18	4,683.64	13,196.47

*represents outstanding balance of loss allowance on loan exposures originated during the year as at reporting date.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

For investments

(InR in lakhs)

Reconciliation of loss allowance	Stage 1
Loss allowance on March 31, 2024	1,696.71
Changes in loss allowances due to Assets used or released	85.61
Loss allowance on March 31, 2025	1,782.32
Changes in loss allowances due to Assets used or released	(1,630.94)
Loss allowance on March 31, 2026	151.38

The company has assessed the impairment allowance on trade receivables and other financial assets and has taken the impairment loss of INR 10.36 lakhs as at March 31, 2026 and 13.56 lakhs as at March 31, 2025. Investments at amortised cost and FVOCI are all classified as Stage I

For loan commitments

(InR in lakhs)

Reconciliation of loss allowance	Stage 1
Loss allowance on 31 March 2024	8.85
Changes in loss allowances due to Assets used or released	4.09
Loss allowance on 31 March 2025	12.94
Changes in loss allowances due to Assets used or released	8.56
Loss allowance on 31 March 2026	21.50

Offsetting financial assets and financial liabilities

There are no financial assets and Financial liabilities which are subject to offsetting, enforceable master netting arrangements and similar agreements.

B. Liquidity risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Company has formulated an Asset Liability Management Policy. The Asset Liability Management Committee ('ALCO') is responsible for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities. "

The Company has the following uncancellable undrawn credit lines available as at the end of the reporting period:

(InR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
- Expiring within one year	6,927.00	91,600.00
Total	6,927.00	91,600.00

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of reporting period ends respectively has been considered.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

As at March 31, 2026

(INR in lakhs)

Particulars	Note No	Contractual cash flows					
		Carrying amount	Gross nominal inflow/ (outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial liabilities							
Derivative financial instruments	4	4,568.62	(4,568.62)	(903.13)	(3,665.49)		
Trade Payables	13	825.55	(825.55)	(825.55)	-	-	-
Debt securities	14	2,29,626.27	(2,59,853.19)	(1,29,692.86)	(1,30,160.33)	-	-
Borrowings (other than debt securities)	15	8,66,590.35	(9,77,952.56)	(3,83,222.09)	(4,80,747.86)	(1,12,763.22)	(1,219.39)
Other financial liabilities	16	29,691.77	(29,691.77)	(26,923.37)	(594.18)	-	(2,174.21)
Commitments	39	21,752.15	(21,752.15)	(10,231.07)	(11,521.08)	-	-
Total		11,53,054.71	(12,94,643.84)	(5,51,798.07)	(6,26,688.94)	(1,12,763.22)	(3,393.60)

As at March 31, 2025

(INR in lakhs)

Particulars	Note No	Contractual cash flows					
		Carrying amount	Gross nominal inflow/ (outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial liabilities							
Derivative financial instruments	4	2,145.27	(2,145.27)	(620.34)	(1,358.99)	(165.94)	-
Trade Payables	14	323.12	(323.12)	(323.12)	-	-	-
Debt securities	12	1,77,399.33	(2,01,088.43)	(78,781.66)	(1,16,910.80)	(5,395.97)	-
Borrowings (other than debt securities)	15	6,58,251.41	(7,80,016.87)	(3,10,978.25)	(3,43,793.16)	(1,20,881.69)	(4,363.76)
Other financial liabilities	16	28,910.97	(28,910.97)	(19,149.74)	-	(1,188.80)	(8,572.42)
Commitments	39	39,439.80	(39,439.79)	(14,638.42)	(24,801.37)	-	-
Total		9,06,469.90	(10,51,924.45)	(4,24,491.53)	(4,86,864.32)	(1,27,632.40)	(12,936.18)

The following table details the Company's expected maturity for its financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis. Hence, maturities of the relevant assets have been considered below.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

As at March 31, 2026

(INR in lakhs)

Particulars	Note No	Contractual cash flows					
		Carrying amount	Gross nominal inflow/ (outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial assets							
Cash and cash equivalents	2	54,901.08	54,935.62	54,935.62	-	-	-
Bank balance other than cash and cash equivalents	3	27,449.49	28,926.14	22,794.34	6,131.80	-	-
Derivative financial instruments	4	12,113.12	12,113.12	12,113.12	-	-	-
Trade Receivables	5	1,129.72	1,129.72	1,129.72			
Loans	6	13,73,198.87	22,47,164.10	6,89,937.32	7,80,923.87	3,31,295.19	4,45,007.72
Investments (other than investments at cost)	7	44,723.06	55,156.18	12,219.44	22,602.98	13,132.07	7,201.69
Other financial assets	8	10,757.85	10,757.85	-	216.64	-	10,541.21
Total		15,24,273.19	24,10,182.73	7,93,129.56	8,09,875.29	3,44,427.26	4,62,750.62

As at March 31, 2025

(INR in lakhs)

Particulars	Note No	Contractual cash flows					
		Carrying amount	Gross nominal inflow/ (outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial assets							
Cash and cash equivalents	2	63,991.58	63,994.56	63,994.56	-	-	-
Bank balance other than cash and cash equivalents	3	17,234.70	17,949.17	14,849.40	3,099.76	-	-
Derivative financial instruments	4	884.14	884.14	884.14	-	-	-
Trade Receivables	5	1,680.80	1,680.80	1,680.80	-	-	-
Loans	6	10,48,702.05	17,59,486.86	5,36,501.35	5,43,341.64	2,09,915.75	4,69,728.11
Investments (other than investments at cost)	7	51,014.59	56,179.51	39,352.44	9,614.59	2,326.93	4,885.55
Other financial assets	8	12,153.27	12,153.28	931.13	-	-	11,222.15
Total		11,95,661.13	19,12,328.31	6,58,193.82	5,56,056.01	2,12,242.69	4,85,835.81

C. Market risk

Market risk or Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely. The Company has Asset and Liability Management Committee (ALCO) and has empowered it to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Exposure to interest rate risk

Company's interest rate risk arises majorly from borrowings, loans and investments. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(INR in lakhs)

Particulars	Nominal amount	
	As at March 31, 2026	As at March 31, 2025
Loans		
- Fixed rate loans	10,27,857.82	7,20,982.01
- Variable rate loans	3,83,764.72	3,31,932.28
Bank balance other than cash and cash equivalents	44,055.25	18,236.09
Fixed rate investments in debt securities at amortised cost	1,613.35	4,892.11
Fixed rate investments in debt securities at other comprehensive income	36,753.51	16,278.03
Total	14,94,044.65	10,92,320.52
Debt and Borrowings		
Fixed rate Debt and Borrowings	(5,45,793.90)	(3,89,379.38)
Variable rate Debt and Borrowings	(5,55,882.09)	(4,49,935.92)
Total	(11,01,675.99)	(8,39,315.30)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or 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 instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liabilities/assets outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates.

If interest rates related to loans and borrowings had been 1% higher/ lower and all other variables were held constant, the Company's Profit before tax for the year ended/ Other Equity (pre-tax) as on March 31, 2026 and March 31, 2025 would increase/ (decrease) by the following amounts:

(INR in lakhs)

Particulars	Profit or (loss) before tax		Equity (before tax)	
	+ 1% Change	- 1% Change	+ 1% Change	- 1% Change
March 31, 2026				
Variable-rate instruments	(1,721.17)	1,721.17	(1,721.17)	1,721.17
Cash flow sensitivity (net)	(1,721.17)	1,721.17	(1,721.17)	1,721.17
March 31, 2025				
Variable-rate instruments	(1,180.04)	1,180.04	(1,180.04)	1,180.04
Cash flow sensitivity (net)	(1,180.04)	1,180.04	(1,180.04)	1,180.04

The risk estimates provided assume a parallel shift of 1% interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year end.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

D. Other Price risk

The Company is currently exposed to the price risk arising from investments classified in mutual funds and classified in the Balance Sheet at fair value through Other Comprehensive Income. If the market price of the investment had been higher/lower by 1% from the market price existing as at March 31, 2026, profit or loss(pre-tax) for the year ended March 31, 2026 would increase/decrease by INR 255.04 lakhs (March'25 : 154.97 lakhs) with a corresponding increase /decrease in the Total Equity of the Company as at March 31, 2026.

E. Capital Management risk

The Company's objective for capital management is to maximize shareholder's value, safeguard business continuity, meet the regulatory requirement and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term/other strategic investment plans. The funding requirements are met through borrowings, retained earnings and operating cash flow generated.

The Company, as an NBFC the RBI requires it to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the Tier 1 Capital shall not be less than 10 percent at any point of time. The Capital management process of the Subsidiary ensures to maintain to healthy CRAR at all the time.

The Company has a board approved policy on Resource Planning along with Asset Liability Management (ALM) policy. The policy prescribes the sources of funds, threshold for mix from various sources, key considerations for borrowings etc.

For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes terms loans from banks and NBFCs, Commercial Papers, Non-Convertible Debentures (NCDs), Direct Assignment and Securitisation (PTC) etc.

In addition to the above, the Company being a middle layer NBFC as per RBI norms, we are required to make a thorough internal assessment of the need for capital, commensurate with the risks in our business. ICAAP factors in credit risk, market risk, operational risk and all other residual risks as applicable. The company has a board approved policy on ICAAP which interalia includes identification and assessment of various risks, capital requirement under normal and stressed scenarios, forward looking assessment of capital based on financial projections etc. The capital adequacy, profitability and other risk appetite thresholds under the ICAAP assessment are periodically reviewed and monitored for any proactive action related to the Capital Risk Management. The outcome of ICAAP assessment is periodically presented to the Risk Management Committee (RMC) and Board.

(INR in lakhs)

Gearing Ratio	As at March 31, 2026	As at March 31, 2025
Net Debt	10,13,866.05	7,54,424.46
Total Equity	4,23,885.06	3,71,560.01
Net Gearing Ratio	2.39	2.03

F. Foreign Currency Risk

The Company's borrowings in foreign currency are governed by RBI guidelines (RBI master direction RBI/FED/2018-19/67 dated 26 March 2019 and updated from time to time) which requires entities raising ECB for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure (Principal and Coupon). The Company hedges its entire ECB exposure for the full tenure of the ECB as per Board approved policy. The Company for its ECB, evaluates the foreign currency exchange rates, tenure of ECB and its fully hedged costs. The Company is following hedge accounting. The Company manages its currency risks by entering into derivatives contracts as hedge positions and the same are being governed through the Board approved policy.

33. CHANGES IN LIABILITY ARISING FROM FINANCING ACTIVITIES

A. Changes in capital and asset structure arising from financing activities and investing activities (Ind AS 7 'Statement of Cash Flows')

The Company does not have any financing activities and investing activities which affect the capital and asset structure of the Company without the use of cash and cash equivalents.

B. Changes in liability arising from financing activities (Ind AS 7 'Statement of Cash Flows')

Company's interest rate risk arises majorly from borrowings, loans and investments. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)

Particulars	As at April 01, 2025	Cash flows	Change in fair value	Other	As at March 31, 2026
Debt securities	1,77,399.33	51,899.48	-	327.46	2,29,626.27
Borrowings other than debt securities	6,58,251.41	2,07,995.77	-	343.17	8,66,590.35
Total	8,35,650.74	2,59,895.25	-	670.63	10,96,216.62

(INR in lakhs)

Particulars	As at April 01, 2024	Cash flows	Change in fair value	Other	As at March 31, 2025
Debt securities	96,989.56	82,609.17	-	(2,199.40)	1,77,399.33
Borrowings other than debt securities	4,04,365.93	2,60,730.63	-	(6,845.15)	6,58,251.41
Total	5,01,355.49	3,43,339.80	-	(9,044.55)	8,35,650.74

(i) Other includes interest accrued but not paid on borrowing, amortization of processing fees etc.

(ii) Total Liabilities comprises of Debt securities and Borrowings (other than debt securities)

34. RELATED PARTY DISCLOSURES

Key managerial personnel ("KMP")

Name of the KMP	Designation	Nature of change (resignation, appointment)	Effective date
Mr. Bhupinder Singh	Whole-Time Director & CEO	Appointment	26.07.2022
Mr. Vivek Anand PS	Non-Executive Director	Appointment	26.07.2022
Ms. Rupa Vora	Independent Director	Appointment	26.07.2022
Mr. Karnam Sekar	Independent Director	Appointment	26.07.2022
Mr. Sankaran Nair Rajagopal	Independent Director	Appointment	30.03.2023
Ms. Sunita Gupta	Independent Director	Appointment	30.03.2023
Ms. Ambika Bisla	Independent Director	Resignation	28.10.2025
Mr. Rohan Suri	Non-Executive Director	Resignation	28.10.2025
Mr. Anil Nagu	Non-Executive Director	Resignation	28.10.2025
Mr. Gaurav Maheshwari	Whole-Time Director (WTD) & CFO	Appointment	WTD: 27.01.2025; CFO: 16.12.2024
Mr. Vivek Bansal	Whole-Time Director & CFO	Resignation	03.10.2024

Enterprises where key management personnel exercises significant influence

1. InCred Capital Financial Services Limited
2. InCred Asset Management Private Limited
3. InCred Wealth and Investments Services Private Limited
4. InCred Wealth Private Limited
5. InCred Capital Wealth Portfolio Managers Private Limited
6. InCred Research Services Private Limited
7. InCred Alternative Investments Private Limited
8. Oro Financial Consultants Private Limited
9. InCred Value Plus Private Limited
10. Alpha Fintech Private Limited
11. InCred TechInvest Private Limited (Formerly known as "Booth Fintech Private Limited")
12. InCred Premier Distribution Private Limited (Formerly known as "mValu Technology Services Private Limited")
13. InCred Global Wealth Limited (Dubai)
14. InCred Finserv Private Limited (formerly known as InCred Management and Technology Services Private Limited) (w.e.f Nov 4, 2025)
15. InCred Prime Finance Private Limited (Formerly known as InCred Financial Services Limited) (w.e.f September 02, 2024)

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

A. Names of related parties and nature of relationship

Holding Company	Country of Incorporation	Proportion of ownership interest (% holding)	
		As at March 31, 2026	As at March 31, 2025
InCred Holdings Limited	India	100.00%	100.00%

Direct subsidiaries:

Name of subsidiaries	Country of Incorporation	Principal place of business	Proportion of ownership interest (% holding)	
			As at March 31, 2026	As at March 31, 2025
InCred Finserv Private Limited (formerly known as InCred Management and Technology Services Private Limited) (ceased to be subsidiary w.e.f. November 4, 2025)	India	Mumbai	NA	100.00%
InCred Corporate Solutions Limited (Formerly known as "InCred.AI Limited")	India	Mumbai	100.00%	100.00%

Transactions with key management personnel

i. Key management personnel compensation

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Employee benefit expenses	1,324.30	1,718.10
Directors' sitting fees	154.25	156.96

As the liabilities for gratuity and share based payments are provided on actuarial basis for the Company as a whole and hence the amounts pertaining to the key management personnel are not included in the above.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Summary of transaction and balance receivable / payable are as follows:

Related Party	Relationship	Nature of Transaction	(INR in lakhs)	
			Year ended March 31, 2026	Year ended March 31, 2025
InCred Holdings Limited	Parent	Balance Sheet transactions		
		Issue of Equity Share capital	4,000.00	-
		Transfer out / (in) of gratuity liability	49.78	-
		Expense transactions		
		Arranger fees for MLD/CP	467.36	278.44
		License fee for software	817.50	-
		Balance outstanding		
		Balance Receivable	-	2.99
		Other Payables	82.79	120.00
		Balance Sheet transactions		
InCred Corporate Solutions Limited (Formerly known as "InCred.AI Limited")	Subsidiary	ICD Given	-	5.00
		Income transactions		
		Interest on ICD	0.55	0.48
		Balance outstanding		
		Balance Receivable		
		ICD Receivable	6.03	5.48
		Investment in subsidiary	1.00	1.00
		Balance Sheet transactions		
		Transfer out / (in) of gratuity liability	-8.18	0.50
		Expense transactions		
InCred Finserv Private Limited (formerly known as InCred Management and Technology Services Private Limited)	Subsidiary	Business support expense	793.99	1,738.54
		Balance outstanding		
		Balance Receivable	-	49.78
		Investment in subsidiary	-	2,296.57
		Balance outstanding		
		Advances/Receivables	5.26	0.20
		Balance outstanding		
		Advances/Receivables	5.26	0.20
		Balance outstanding		
		Advances/Receivables	5.26	0.20
InCred Asset Management Private Limited	Enterprises over which KMP has significant control	Balance outstanding		
		Advances/Receivables	5.26	0.20
		Balance outstanding		
		Advances/Receivables	5.26	0.20
		Balance outstanding		
		Advances/Receivables	5.26	0.20
		Balance outstanding		
		Advances/Receivables	5.26	0.20
		Balance outstanding		
		Advances/Receivables	5.26	0.20

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Related Party	Relationship	Nature of Transaction	(INR in lakhs)	
			Year ended March 31, 2026	Year ended March 31, 2025
InCred Capital Financial Services Limited	Enterprises over which KMP has significant control	Balance Sheet transactions		
		ICD taken	-	15,000.00
		Repayment of ICD taken (including interest)	-	15,157.79
		ICD given	42,000.00	35,000.00
		Repayment of ICD given (including interest)	57,864.45	30,805.48
		Issue of Debentures	10,246.00	5,880.00
		Subscription to Debentures	2,163.00	493.00
		Proceeds from sale of subsidiary	-	-
		Purchase of investments	4,710.31	-
		Sale of investments	10,360.60	392.25
		Transfer out / (in) of gratuity liability	14.10	-0.13
		Income transactions		
		Interest on ICD	864.45	805.48
		Expense transactions		
		Interest on ICD	-	157.79
InCred Wealth Private Limited	Enterprises over which KMP has significant control	Balance outstanding		
		Advances/Receivables	26.95	25.71
		Investments in debentures	3,116.00	1,373.00
		Outstanding debenture payable	1,912.00	773.00
		ICD Payable	-	15,000.00
		Other Payables	-	-
		Balance Sheet transactions		
		ICD given	11,500.00	5,000.00
		Repayment of ICD given (including interest)	16,822.77	4,154.12
		Income transactions		
		Interest on ICD	322.77	154.12
		Balance outstanding		
		ICD Receivable	-	5,000.00
		Other Payables	0.06	-

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Related Party	Relationship	Nature of Transaction	(INR in lakhs)	
			Year ended March 31, 2026	Year ended March 31, 2025
InCred Wealth & Investment Services Private Limited	Enterprises over which KMP has significant control	Balance Sheet transactions		
		Issue of Debentures	3,000.00	12,500.00
		Purchase of investments	3,723.65	-
		Proceeds from sale of investments	19,617.77	3,755.47
		Expense transactions		
		Fee and commission	-	231.30
		Balance outstanding		
InCred Capital Wealth Portfolio Managers Private Limited	Enterprises over which KMP has significant control	Advances/Receivables	0.00	11.01
		Outstanding debenture payable	2.00	4.40
		Expense transactions		
		Fee and commission	48.08	-
		Balance Sheet transactions		
		Proceeds from sale of investments	4,738.16	-
		Balance outstanding		
Alpha Fintech Private Limited	Enterprises over which KMP has significant control	Advances/Receivables	8.31	20.45
		Balance Sheet transactions		
		Issue of Debentures	1,700.00	-
		Expense transactions		
		Fee and commission	50.00	-
		Balance outstanding		
		Advances/Receivables	2.49	20.09
Oro Financial Consultants Private Limited	Enterprises over which KMP has significant control	Other Payables	50.00	-
		Outstanding debenture payable	-	16.69
		Balance Sheet transactions		
		Transfer out / (in) of gratuity liability	-	-
		Balance outstanding		
		Advances/Receivables	16.71	2.90
		Balance Sheet transactions		
InCred Alternative Investments Private Limited	Enterprises over which KMP has significant control	Transfer out / (in) of gratuity liability	-	4.93
		Balance outstanding		
		Advances/Receivables	0.30	-
		Other Payables	-	4.73
		Balance outstanding		
		Advances/Receivables	-	-
		Outstanding debenture payable	15.00	15.00
InCred Value Plus Private Limited	Enterprises over which KMP has significant control	Other Payables	2.80	0.97

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Related Party	Relationship	Nature of Transaction	(INR in lakhs)	
			Year ended March 31, 2026	Year ended March 31, 2025
InCred TechInvest Private Limited (Formerly known as "Booth Fintech Private Limited")	Enterprises over which KMP has significant control	Balance Sheet transactions		
		ICD given	5,000.00	-
		Repayment of ICD given (including interest)	5,086.30	2,400.00
		Income transactions		
		Interest on ICD	86.30	-
InCred Premier Distribution Private Limited (Formerly known as "mValu Technology Services Private Limited")	Enterprises over which KMP has significant control	Balance outstanding		
		Advances/Receivables	0.03	-
		Balance Sheet transactions		
		Repayment of ICD given (including interest)	-	1,500.00
		Balance outstanding		
InCred Prime Finance Private Limited	Enterprises over which KMP has significant control	Advances/Receivables	0.32	6.30
		Balance Sheet transactions		
		Transfer out / (in) of gratuity liability	0.53	-17.74
		Balance outstanding		
		Advances/Receivables	-	18.47
Mr. Bhupinder Singh	Key managerial personnel ("KMP")	Other Payable	0.52	-
		Balance Sheet transactions		
		Sale of subsidiary	493.00	-

* w.e.f. November 04, 2025, InCred Finserv Private Limited cease to be a subsidiary of InCred Financial Services Limited subsequent to transfer of entire stake to Mr. Bhupinder Singh.

Notes:

- During the current year, the Holding Company has issued employee stock options to the employees of the Company (Refer Note 37 for further details).
- No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- Other than those mentioned above, there are no debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

35. EMPLOYEE BENEFITS

1. The Company has recognised the following amounts in the Profit & Loss Account towards contributions to provident fund and other funds:

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Provident fund	892.62	666.86

2. Gratuity

Every employee who will complete five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per Payment of Gratuity Act, 1972.

Table showing change in the present value of projected benefit obligation

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	1,040.56	803.79
Interest cost	75.20	57.39
Current Service cost	281.49	182.47
Past Service cost - incurred during the year	314.59	-
Liability Transferred In/ Acquisitions	8.77	20.78
Liability Transferred Out/ Divestments	(64.68)	(10.14)
Benefit Paid Directly by the Employer	(66.77)	(76.56)
Actuarial Loss / (Gains) on Obligations - Due to Change in Demographic Assumptions	-	19.34
Actuarial Loss / (Gains) on Obligations - Due to Change in Financial Assumptions	(10.52)	(21.06)
Actuarial Losses on Obligations - Due to Experience	61.43	64.55
Liability at the end of the year	1,640.07	1,040.56

Note:- Actuarial Losses on Obligations - Due to Experience Adjustment: FY 24: 68.58 lakhs, FY 23: 87.72 lakhs and FY 22: 95.44 lakh.

Amount recognized in the Balance Sheet

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Present value of benefit obligation at the end of the year	(1,640.07)	(1,040.56)
Fair value of plan assets at the end of the year	-	-
Funded Status (Deficit)	(1,640.07)	(1,040.56)
Net (Liability)/Asset Recognized in the Balance Sheet	(1,640.07)	(1,040.56)

Expenses recognized in the Statement of Profit and Loss

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Current service cost	281.49	182.47
Interest cost	75.20	57.39
Past Service Cost - Recognized	314.59	-
Expenses recognised	671.28	239.86

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Expenses recognized in the Other comprehensive income (OCI)

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Actuarial Loss / (Gains) on obligation for the year	50.92	62.83
Net Loss / (Income) for the year recognized in OCI	50.92	62.83

The actuarial assumptions used to determine benefit obligations as at March 31, 2026 and March 31, 2025 are as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Discount Rate	6.77%	6.55%
Salary escalation rate	8.00%	8.00%
Expected Rate of return on Plan Assets	N.A	N.A
Rate of Employee Turnover	28%	28%
Retirement Age	60 years	60 years
Mortality Rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors

Balance sheet reconciliation

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Opening net liability	1,040.56	803.79
Expenses recognized in Statement of Profit and Loss	671.28	239.86
Expenses recognized in OCI	50.92	62.83
Net Liability/(Asset) Transfer In	8.77	20.78
Net (Liability)/Asset Transfer Out	(64.68)	(10.14)
Benefit Paid Directly by the Employer	(66.77)	(76.56)
Net liability recognized in the Balance Sheet	1,640.08	1,040.56

Weighted average duration of the defined benefit obligations as at March 31, 2026 and March 31, 2025 is 4.00 years and 4.00 years respectively

Cash Flow Projection

Maturity analysis of the benefit payments: from the employer

Particulars	(INR in lakhs)	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Projected benefits payable in future years from the date of reporting		
1st following year	335.73	216.62
2nd following year	304.68	189.70
3rd following year	274.42	173.15
4th following year	243.94	153.35
5th following year	226.72	129.59
Sum of years 6 to 10	509.65	326.68
Sum of years 11 and above	159.56	105.74

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Sensitivity analysis

Particulars	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Projected benefit obligation on current assumptions	1,640.08	1,040.56
Delta effect of +1% change in rate of discounting	(45.91)	(29.31)
Delta effect of -1% change in rate of discounting	49.10	31.37
Delta effect of +1% change in rate of salary increase	62.48	39.79
Delta effect of -1% change in rate of salary increase	(59.43)	(37.83)
Delta effect of +1% change in rate of employee turnover	(14.36)	(9.12)
Delta effect of -1% change in rate of employee turnover	14.82	9.43

Qualitative disclosures

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

36 . SOCIAL SECURITY CODE

The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the 'New Labour Codes' on November 21, 2025. Accordingly, the Company has assessed the impact of these changes and based on certain estimates and assumptions, has recognised an incremental provision of ₹ 314.59 lakhs under 'Employee benefits expenses' for the year ended March 31, 2026 (accounted in quarter ended December 31, 2025), based on available information. The Company continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of liability pertaining to employee benefits.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

37. SHARE-BASED PAYMENT ARRANGEMENTS

A. Description of share-based payment arrangements

i. Share option plans (equity-settled)

The Board of Directors of InCred Holdings Limited (the "Holding Company") on August 26, 2022 adopted Employees Stock Incentive Plan under which share options shall be granted to eligible employees of the Holding Company and the Company from time to time ("New ESOP Scheme"). Such Scheme also covered employees of the Company which were transferred pursuant to the Scheme of Arrangement, holding Employee Stock Options under the ESOP Scheme of erstwhile IFSL ("Erstwhile ESOP Scheme"). The options granted to employees under the Erstwhile ESOP scheme continue to have similar terms and conditions in respect of vesting / exercise etc. under the New ESOP Scheme. As assessed by the Company, grant of options under the New ESOP Scheme to employees of erstwhile IFSL does not form part of consideration discharged as the Company is assessed to be accounting acquiree as per Ind AS 103.

Consequently, the charge towards share-based payment in terms of Ind AS 102 has been recorded on a basis that such New ESOP Scheme is only a continuation of Erstwhile ESOP Scheme. The liability towards the employee ESOP cost in the books of the Company is compensated by way of capital contribution by Holding Company in the Company.

The Company has established share option plans that entitle the employees of the Company and its subsidiary companies to purchase the shares of the Company. Under these plans, holders of the vested options are entitled to purchase shares at the exercise price of the shares determined at the respective date of grant of options.

The key terms and conditions related to the vesting of grants under these plans are continued employment with the company from the date of grant of option till the date of vesting (25% each year); all options are to be settled by the delivery of shares.

A. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using Black-Scholes Option pricing model. The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year are as follows:

The model inputs for options granted during

Particulars / Grant date	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair value as on grant date	67.99 to 85.35	68.48 to 110.70
Share prices during the year , on grant dates	136.07	134.99 to 136.07
Exercise price	90.00	40 to 90
Expected volatility (weighted average volatility)	40%	40%
Rate of Employee Turnover	15%	18%
Expected life	3 years to 6 years	3 years to 6 years
Risk- free interest rate (based on government bonds)	5.84% to 6.75%	6.77% to 7.19%
Method used to determine expected volatility	The expected volatility is based on price volatility of listed companies in same industry.	

B. Reconciliation of outstanding share options

Set out below is a summary of options granted under the plan:

Particulars	Average exercise price per option		Number of options	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Opening balance	50.84	41.80	2,67,60,873	2,81,00,429
Add: Options granted during the year	90.00	85.94	38,56,000	50,27,250
Less: Options exercised during the year	37.30	41.19	(24,27,475)	(56,99,869)
Less: Options lapsed during the year	73.77	63.47	(5,93,975)	(6,66,937)
Options outstanding as at the year end	56.56	50.84	2,75,95,423	2,67,60,873
Option exercisable of the above			1,79,31,974	1,44,65,798
Weighted average remaining contractual life of options outstanding at end of the year:			6.6	4.12

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

38. LEASE ACCOUNTING

The Company has entered into leasing arrangements for premises. Right of Use Assets ("ROU") has been included under 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

i. Following are the changes in the carrying value of right of use assets (ROU):

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	1,430.34	1,843.79
Addition during the year	-	209.94
Disposals during the year	-	-
Depreciation for the year	(506.39)	(623.39)
Balance as at the end of the year	923.95	1,430.34

ii. The following is the movement in lease liabilities:

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	1,787.82	2,220.34
Addition during the year	-	209.94
Finance cost accrued during the year	147.10	203.46
Payment of Lease liabilities made during the year	(714.95)	(845.92)
Balance as at the end of the year	1,219.97	1,787.82

iii. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Less than one year	683.06	714.95
Between one and five years	643.31	1,326.36
More than five years	35.22	35.22
Total	1,361.59	2,076.53

iv. Maturity Analysis of carrying value of lease liability

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Within 12 months	594.62	567.85
After 12 months	625.35	1,219.97
Total	1,219.97	1,787.82

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

v. Expenses recognised in the statement of Profit and Loss

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation expense on right-of-use assets (Refer Note 10A)	506.39	623.39
Interest expense on lease liabilities (Refer Note 25)	147.10	203.46
Expense relating to short-term leases (Refer Note 28)	921.11	400.01

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

39. CONTINGENT LIABILITIES AND COMMITMENTS

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Commitments		
Undrawn committed credit lines*	21,394.97	39,082.62
Obligation on investments in partly paid up preference shares	357.18	357.18
Total	21,752.15	39,439.80

*Does not include undrawn commitments which are unconditionally cancellable by the Company or improbable for future drawdowns. Such lines are not considered for impairment allowance testing.

There are no litigations and proceedings against the Company which requires any provision or disclosure as contingent liability.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

40. CURRENT AND NON-CURRENT MATURITY

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

(INR in lakhs)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	54,901.08	-	54,901.08	63,991.58	-	63,991.58
Bank balance other than cash and cash equivalents	22,010.80	5,438.70	27,449.49	14,366.21	2,868.50	17,234.70
Derivative financial instruments	12,113.12	-	12,113.12	884.14	-	884.14
Loans	4,28,076.54	9,45,122.33	13,73,198.87	3,64,614.10	6,84,087.95	10,48,702.05
Investments	9,057.78	35,675.96	44,733.73	37,725.28	13,906.55	51,631.83
Trade Receivables	1,129.72	-	1,129.72	1,680.80	-	1,680.80
Other financial assets	-	10,757.85	10,757.85	931.13	11,222.14	12,153.27
Sub total	5,27,289.04	9,96,994.83	15,24,283.86	4,84,193.24	7,12,085.14	1,196,278.37
Non-financial assets						
Current Tax assets (Net of provision for tax)	-	1,596.84	1,596.84	-	980.27	980.27
Deferred Tax assets (Net of deferred tax liabilities)	-	16,615.02	16,615.02	-	25,457.92	25,457.92
Property, plant and equipment	-	4,833.06	4,833.06	-	5,489.84	5,489.84
Capital Work-in-progress	-	150.16	150.16	-	230.18	230.18
Goodwill	-	6,126.09	6,126.09	-	6,126.09	6,126.09
Other intangible assets	-	42.43	42.43	-	189.94	189.94
Other non-financial assets	2,295.45	3,832.28	6,127.73	3,563.23	2,347.05	5,910.28
Sub total	2,295.45	33,195.88	35,491.33	3,563.23	40,821.29	44,384.52
Total assets	5,29,584.48	10,30,190.71	15,59,775.19	4,87,756.48	7,52,906.43	12,40,662.89
LIABILITIES						
Financial liabilities						
Derivative financial instruments	903.13	3,665.49	4,568.62	620.34	1,524.93	2,145.27
Trade payables	825.55	-	825.55	323.12	-	323.12
Debt securities	1,16,418.73	1,13,207.54	2,29,626.27	67,123.56	1,10,275.77	1,77,399.33
Borrowings (other than debt securities)	3,28,617.50	5,37,972.85	8,66,590.35	2,39,486.16	4,18,765.25	6,58,251.41
Other financial liabilities	26,923.37	2,768.40	29,691.77	19,149.74	9,761.22	28,910.97
Sub total	4,73,688.28	6,57,614.28	11,31,302.56	3,26,702.93	5,40,327.17	8,67,030.10
Non-Financial liabilities						
Current tax liabilities (net)	1,517.73	-	1,517.73	-	-	-
Provisions	335.73	1,325.84	1,661.57	216.62	836.88	1,053.50
Other non-financial liabilities	1,408.27	-	1,408.27	1,019.28	-	1,019.28
Sub total	3,261.73	1,325.84	4,587.57	1,235.91	836.88	2,072.78
Total liabilities	4,76,950.01	6,58,940.12	11,35,890.13	3,27,938.84	5,41,164.05	8,69,102.88

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

41. FOREIGN CURRENCY TRANSACTIONS

Particulars	(INR in lakhs)	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Remittance in foreign currency		
Legal, professional and consultancy charges	59.25	718.90
Information Technology expenses	25.07	146.88
Miscellaneous expenses	-	4.01
Interest on External Commercial Borrowings	8,740.43	2,971.73
Interest on Debentures	466.93	-
Bank Charges	-	0.45
Total	9,291.68	3,841.97

42. CORPORATE SOCIAL RESPONSIBILITY

Particulars	(INR in lakhs)	
	Year Ended March 31, 2026	Year Ended March 31, 2025
(a) Total amount required to be spent during the year*	749.46	293.77
(b) Total amount of expenditure incurred during the year	751.33	295.61
(c) (Shortfall)/Excess at the end of the year	1.87	1.84
(d) Total amount of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA

* Amount required to be spent under Section 135 of the Companies Act, 2013 has been calculated for the entire financial year.

The Company works in the areas of Education & Public Health to contribute back to the society under Corporate Social Responsibility in following ways :

- Championing child STEM education, giving them the power of knowledge & confidence to lead their way towards a brighter future;
- Enabling higher education for bright college youth to join the workforce and support their families, paving the way for youth success, through mentoring & scholarships;
- Fostering academic excellence and leadership in talented college girls from underserved backgrounds to empower them;
- Providing training and support to primary healthcare staff for better facility management and improved capability & capacities;
- Supporting childcare institutions & healthcare providers to enhance facilities, hygiene, nutrition, and medical care, alongside education, life skills, recreation, and vocational training programs;
- Sponsor the treatment of cancer in children and provide financial support for essential medical equipment;
- Supporting schools through infrastructure and educational enhancements.

Notes:

- No amount has been spent by the Company for the construction/ acquisition of any new asset during the period ended March 31, 2026 and March 31, 2025
- There have been no related party transactions during the period ended March 31, 2026 and March 31, 2025 in respect of CSR activities.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

43. CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As a NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of the Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Common Equity Tier1 (CET1) capital	3,68,193.33	2,99,132.56
Other Tier 2 capital	-	5,239.96
Total capital	3,68,193.33	3,04,372.52

Regulatory capital consists of CET 1 capital, which comprises share capital, share premium, retained earnings including current year profit and loss with certain deductions as per regulatory guidelines.

44. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	As at March 31, 2026	As at March 31, 2025	% change
CRAR (%)	24.90%	26.11%	-4.62%
CRAR - Tier I Capital (%)	24.90%	25.66%	-2.95%
CRAR - Tier II Capital (%)	0.00%	0.45%	-100.00%
Liquidity Coverage Ratio (LCR)*	184.71%	798.80%	-76.88%

CRAR : (Tier I Capital + Tier II Capital) / Total Risk Weighted Assets

CRAR - Tier I Capital : Tier I Capital / Total Risk Weighted Assets

CRAR - Tier II Capital : Tier II Capital / Total Risk Weighted Assets

*Liquidity Coverage Ratio is calculated as simple average of daily observations over the trailing 90 days.

45. COMPOSITE SCHEME OF ARRANGEMENT:

Under the Composite Scheme of Arrangement (the 'Scheme') effective from April 01, 2022, the identified NBFC business of InCred Prime Finance Private Limited (erstwhile Incred Financial Services Limited) has been demerged with InCred Financial Services Limited (formerly, KKR India Financial Services Limited).

Further as per the Scheme, the remaining NBFC business (i.e. after excluding identified NBFC business demerged under the Scheme) shall continue to be carried out by IFSL. Accordingly, the net assets of INR 1,077.31 lakhs pertaining to the remaining NBFC business will continue to remain in the erstwhile IFSL.

The deemed purchase consideration, represented by the equity instruments to be issued in accordance with Ind AS 103 pursuant to the reverse merger, has been compared with the net assets recognized under the Scheme. The resulting difference has been accounted for as goodwill.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

46. GOODWILL

The carrying amount of goodwill acquired in business combination as follows:

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	6,126.09	6,126.09
Goodwill arising on account of business combination	-	-
Impaired during the year	-	-
Balance at the end of year	6,126.09	6,126.09

Above goodwill arises due to difference between purchase consideration and the net asset acquired on account of composite scheme referred in note 45. The goodwill is supported by the potential realisation of the sale of the underlying security (land). During the previous year, there have been legal proceedings (by the Regulatory Authority) resulting in attachment of the said security. The Company is in the process of contesting the proceedings. As of the date of reporting, the management, based on the opinion received from the external legal counsel and internal assessment, has not made any adjustment to the carrying value of the goodwill.

47. OTHER STATUTORY INFORMATION

During the current year and previous year:

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off as on the reporting date March 31, 2026 and March 31, 2025.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency.
- The quarterly statement of current assets submitted to banks / financial institutions which are provided as security against the borrowings are in agreement with the books of accounts.

Funding Transactions:

- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - 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
- The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- There are no scheme of arrangements which have been filed by the Company under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act except for those which has been disclosed.
- The Company, being a Non-Banking Financial Company ("NBFC") registered with the Reserve Bank of India, classified as NBFC Middle layer NBFC under the RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, the provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable.
- The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.
- The Company has not revalued any property plant and equipment and intangible assets.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

48. DISCLOSURE PURSUANT TO RBI NOTIFICATION RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 DATED 6 AUGUST 2020 AND RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 DATED 5 MAY 2021

(INR in lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at September 30, 2025 (A)	Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2026	Of (A) amount written off during the half-year ended March 31, 2026#	Of (A) amount paid by the borrowers during the half-year ended March 31, 2026	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at March 31, 2026
Personal Loans*	35.13	0.32	-	29.66	5.15
Corporate persons	-	-	-	-	-
- of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	35.13	0.32	-	29.66	5.15

*includes resolution framework implemented pursuant to OTR 2.0 till 30 September 2021 for personal loans and small business loans

includes accounts written off during the half year ended March 31, 2026 were classified as NPA prior to being written off

49. FEES / REMUNERATION RECEIVED FROM BANCASSURANCE

The Company has earned INR 6,369.93 lakhs from bancassurance business (Income from selling life insurance policies) during year ended March 31, 2026 (previous year: INR 5,162.55).

50. BACKUP OF BOOKS OF ACCOUNTS AND AUDIT TRAIL

The Company has used an accounting software for maintaining its books of account for the year ended 31 March 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. These Audit trail has been preserved by the Company as per the statutory requirements for record retention, since enabled.

51. ADDITIONAL DISCLOSURES REQUIRED BY RESERVE BANK OF INDIA ('RBI')**1 Fraud reported during the year**

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of cases	INR in lakhs	No. of cases	INR in lakhs
Amount involved is greater than or equal to 1 lakh	12	42.02	60	103.51
Amount involved is less than 1 lakh	28	6.29	93	50.19
Total	40	48.31	153	153.70

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

2 Off-Balance Sheet SPVs sponsored

The Company does not have any off-Balance Sheet SPVs sponsored.

3

(a) Currency futures and options

The Company has not undertaken any transactions in the currency futures and options market in the year ended March 31, 2026.

(b) Project Finance

The Company has not lent any funds for the financial year ended March 31, 2026 and March 31, 2025 through project finance activities nor has any recoverable balance as at the same date.

(c) Credit Default Swaps

The Company has not participated in any Credit Default Swap (CDS) transactions during the financial years ended March 31, 2026 and March 31, 2025.

4 Off-balance sheet exposures and structured products

Refer Note 39 to the financial statements for the off-balance sheet exposures.

5 Net profit or loss for the year, prior period items and changes in accounting policies

There are no prior period items which are impacting the company's current year profit and loss.

6 Revenue recognition

There are no such circumstances in which revenue has been postponed pending the resolution of significant uncertainties.

7 Loans to Directors, Senior Officers and relatives of Directors

Particulars	As at March 31, 2026	As at March 31, 2025
i) Directors and their relatives	Nil	Nil
ii) Entities associated with directors and their relatives	Nil	Nil
iii) Senior officers and their relatives	Nil	Nil

8 Capital to Risk Assets Ratio (CRAR)

The ratios calculated in accordance with the guidelines of Reserve Bank of India, are as under:

Particulars	As at March 31, 2026	As at March 31, 2025
i) CRAR (%)	24.90%	26.11%
ii) CRAR - Tier I Capital (%)	24.90%	25.66%
iii) CRAR - Tier II Capital (%)	0.00%	0.45%
iv) Amount of subordinated debt raised as Tier-II capital	-	-
v) Amount raised by issue of Perpetual Debt Instruments	-	-
vi) Risk weighted asset	14,78,446.80	11,65,872.57

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

9 Investments

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(1) Value of investments		
(i) Gross value of investments		
(a) In India	44,885.11	53,414.15
(b) Outside India	-	-
(ii) Provisions for depreciation		
(a) In India	151.38	1,782.32
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	44,733.73	51,631.83
(b) Outside India	-	-
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	1,782.32	1,696.71
(ii) Add : Provisions made during the year	151.38	92.32
(iii) Less : Write-off/write-back of excess provisions during the year	(1,782.32)	(6.71)
(iv) Closing balance	151.38	1,782.32

10 Derivatives

(a) Forward rate agreement/interest rate swap

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) The notional principal of swap agreements*	1,00,451.88	72,207.23
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	11,327.08	514.67
(iii) Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	11,327.08	514.67

*The Company has hedged its foreign currency borrowings through CCIRS (cross currency interest rate swaps). For Accounting Policy & Risk Management Policy. (Refer note no. 1 and 32)

(b) Exchange traded interest rate derivatives

The Company has not traded in exchange traded interest rate derivative during the current and previous year.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(c) Disclosures on risk exposure in derivatives

Qualitative disclosure

As per the ALM policy of the company, the company ensures that transactions involving currency risk should be fully hedged. However, unhedged transactions can be done only with prior approval of the ALCO.

The Company undertake the derivatives transactions to prudently hedge the risk in context of a particular borrowing and to maintain a mix of fixed and floating rate borrowings. The company reviews the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks, potential savings from the proposed transaction etc. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, Basis Risk etc.

Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors are closely monitored and controlled. Un-wind transactions are done only with prior approval of the CEO/ CFO / Treasury Head.

Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizeable trading capacity and capability to enter into transactions in any markets around the world.

The respective functions of trading, confirmation and settlements are performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions is quarterly monitored and reviewed by CFO and Treasury Head.

Quantitative disclosure

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Derivatives (notional principal amount) for hedging	1,18,499.69	93,645.32
(ii) Marked to market positions		
(a) Asset	12,113.12	514.67
(b) Liability	683.53	483.02
(iii) Credit exposure	-	-
(iv) Unhedged exposures	-	-

(d) Unhedged Foreign Currency Exposure - NIL (PY: Nil). (Refer Note No 1 and 32)

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

11 Disclosures relating to securitisation

(a) DISCLOSURE RELATING TO SECURITISATION PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 DATED 28 NOVEMBER 2025 FOR NON-STC SECURITISATION TRANSACTIONS.

(INR in lakhs)			
Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	1	1
2	Total amount of securitised assets as per books of the SPEs	1,63,341.40	66,418.48
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	(a) Off-Balance Sheet exposures		
	• First loss	-	-
	• Others	-	-
	(b) On-Balance Sheet exposures		
	• First loss	18,676.58	6,641.85
	• Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	(a) Off-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	(ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	(b) On-Balance Sheet exposures		
	(i) Exposure to own securitisations		
	• First loss	8,518.76	4,335.36
	• Others	-	-
	(ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7	Performance of facility provided. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	(a) Amount paid	-	-
	(b) Repayment received	-	-
	(c) Outstanding amount	8,190.71	5,100.51
8	Average default rate of portfolios observed in the past.	1.21%	0.62%
9	Amount and number of additional/top up loan given on same underlying asset.	-	-
10	Investor complaints:		
	(a) Directly/Indirectly received and	-	-
	(b) Complaints outstanding	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(b) Disclosures pursuant to RBI Notification - RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 DATED 28 NOVEMBER 2025

I) Details of transfer through assignment in respect of loans not in default during the year ended March 31, 2026

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
i) Amount of Loan accounts assigned*	90,713.86	97,041.12
ii) Retention of Beneficial Economic Interest (in%)	0%-27.62%	10%-20%
iii) Weighted Average Maturity (in Years)	5.57 Years	5.14
iv) Weighted Average Holding Period (in Years)	0.83 Years	0.91 years
v) Coverage of tangible security Coverage (in%)	2.88 times	NA
vi) Rating-wise distribution of rated loans	Unrated	Unrated

*The above transaction includes Direct Assignment through Co-lending option II amounting to INR 40,581 lakhs (PY- INR 57,701 lakhs) pursuant to RBI notification RBI/2020-21/63/FIDD.CO.Plan.BC.No.8/04.09.01/2020-21

II) Details of overdue loans (NPA and SMA) transferred during the year ended March 31, 2026:

(INR in lakhs)

Particulars	To permitted transferees	
	As at March 31, 2026	As at March 31, 2025
No of Accounts	2.00	1.00
Aggregate principal outstanding of loans transferred	685.07	8,500.00
Weighted average residual tenor of the loans transferred	< 1 Year	< 1 Year
Net book value of loans transferred (at the time of transfer)	Nil	Nil
Aggregate consideration	342.00	2,975.00
Additional consideration realised in respect of accounts transferred in earlier years	Nil	Nil

III) Details of loans not in default acquired during the year ended March 31, 2026:

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
i) Amount of Loan accounts assigned	62226.14	6,330.32
ii) Retention of Beneficial Economic Interest by originator (in%)	0%-10.00%	10.00%
iii) Weighted Average Residual Maturity (in years)	1.56 Years	9.56 Years
iv) Weighted Average Holding Period (in years)	0.80 Years	1.16 Years
v) Weighted average coverage of tangible security (%)	1.43 times	1.77 times
vi) Rating wise distribution of loans acquired	Unrated	Unrated

IV) Details of non-performing financial assets purchased during the year ended March 31, 2026.

(INR in lakhs)

Particulars	From NBFC	
	As at March 31, 2026	As at March 31, 2025
i) Aggregate principal outstanding of loans acquired	8.60	-
ii) Aggregate consideration	3.40	-
iii) Weighted average residual tenor of loans acquired	1.52 Years	-

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

IV) 'Details of Co-Lending Arrangements (CLAs) entered during the year ended March 31, 2026 on an aggregate basis.

Particulars	(INR in lakhs) As Partner RE
Quantum of CLAs	
- Number of CLA partners (No)	3
- Number of outstanding cases (No)	94,761
- Amount of gross outstanding (Rs)	17,745.55
Amount disbursed under CLA (Rs)	50,278.16
Weighted average rate of interest (%)	33.53%
Fees received (Rs)	Nil
Fees paid (Rs)	Nil
Broad sectors in which CLA was made	Business loan, Personal loan
Performance of loans under CLA	-
- Standard loans (Rs)	17,039.13
- Non-performing loans (Rs)	706.42
Details related to default loss guarantee (if any) (Rs)	Partners have provided DLG of upto 5% of total disbursement

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

12 Asset liability management maturity pattern of certain items of assets and liabilities as at March 31, 2026

Particulars	(INR in lakhs)										
	1 to 7 Days	8 to 14 Days	15 days to 30/31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	22,118.67	13,994.74	8,028.80	38,968.08	38,674.67	1,13,438.51	1,92,853.06	4,92,825.49	1,93,379.54	2,58,917.30	13,73,198.87
Investments	3,002.19	286.05	135.45	1,273.76	624.79	2,862.60	872.92	18,820.75	11,394.28	5,460.92	44,733.73
Borrowings	6,214.92	1,945.55	13,194.11	26,383.01	38,548.09	1,27,669.44	2,10,938.70	4,79,983.27	62,230.16	1,190.47	9,68,297.72
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	90.41	-	1,595.61	161.36	7,588.55	2,549.73	8,156.76	63,814.77	43,961.71	-	1,27,918.90

Asset liability management maturity pattern of certain items of assets and liabilities as at March 31, 2025

Particulars	(INR in lakhs)										
	1 to 7 Days	8 to 14 Days	15 days to 30/31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	17,926.58	11,918.27	13,828.99	38,620.59	40,724.72	1,11,277.33	1,30,317.62	3,21,971.88	1,06,447.01	2,55,669.06	10,48,702.05
Investments	28,045.16	-	-	-	4,872.55	1,373.77	3,433.80	7,720.35	1,623.44	4,562.76	51,631.83
Borrowings	3,073.21	3,721.02	9,442.23	41,619.00	38,547.42	74,749.63	1,25,951.82	3,64,172.82	77,467.36	4,019.70	7,42,764.21
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	110.49	-	1.81	210.21	357.19	1,936.45	6,889.25	40,338.91	43,042.22	-	92,886.53

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

13 Exposure to sensitive sector

a Exposure to real estate sector

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Direct Exposure		
i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	98,673.73	52,201.83
ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits.	5,029.69	5,970.35
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
B. Indirect Exposure		
Fund based and non based exposures on National housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector	1,03,703.42	58,172.18

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

b Exposure to capital market

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	260.68	2,307.24
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds.	NA	NA
(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.	NA	NA
(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.	NA	NA
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	NA	NA
(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.	NA	NA
(vii) Bridge loans to companies against expected equity flows / issues.	NA	NA
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds.	NA	NA
(ix) Financing to stockbrokers for margin trading.	NA	NA
(x) All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	NA	NA
Total exposure to capital market	260.68	2,307.24

14 Details of financing of parent company products

During the current year, the Company has given ICD of INR Nil to the parent company (PY : INR Nil)

15 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the prudential exposure limits for Single Borrower Limit (SGL) / Group Borrower Limit (GBL) in the current year and previous year.

16 Unsecured advances

The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses, authority. For details of unsecured advances, refer note 6

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

17 Miscellaneous**(a) Registration obtained from other financial sector regulators**

Particulars	Reg. Number
RBI Registration Number (COR)	B-13.02417
RBI Registration Number (COR) to carry on the factoring business	N-13.02479
IRDAI – Corporate Agent	CA0900
Corporate Identification number (CIN)	U67190MH1995PLC360817

(b) Related Party Transactions

Refer Note 34 to the Financial statements for the transaction with the related parties.

(c) Credit rating

Rating Agency	Facilities	As at March 31, 2026	As at March 31, 2025
CRISIL Ratings Limited	Long Term Bank Loan Facilities	CRISIL AA-/Stable	CRISIL AA-/Stable
	Non-convertible debentures	CRISIL AA-/Stable	CRISIL AA-/Stable
	Principal Protected Market Linked Debenture	CRISIL PPMLD AA-/ Stable	CRISIL PPMLD AA-/ Stable
	Commercial paper	CRISIL A1+	CRISIL A1+
	Pass Through Certificate	CRISIL AA (SO), CRISIL AAA (SO), CRISIL AA+ (SO)	CRISIL AA (SO)
ICRA Limited	Market Linked Debentures	PPMLD ICRA AA- /Stable	PPMLD ICRA AA- /Stable
	Non-convertible debentures	ICRA AA- /Stable	ICRA AA- /Stable
	Commercial paper	ICRA A1+	ICRA A1+
	Pass Through Certificate	ICRA AA+ (SO), ICRA AAA (SO), ICRA AA (SO)	ICRA AA+ (SO)

18**(a) Provisions and contingencies**

(INR in lakhs)

Break up of 'Provisions and contingencies' shown under the head expenditure in Profit and Loss account	As at March 31, 2026	As at March 31, 2025
Provisions for depreciation on investment	(1,630.94)	85.61
Provision towards NPA/ Write off	5,752.62	3,521.16
Provision made towards income tax	15,728.37	12,915.72
Provision for Standard Assets	5,586.03	6,525.40

(b) Draw down from reserves

During the year, the Company has not drawn down any amount from Reserves.

(c) Concentration of Advances, Exposures and NPAs**(c) (i) Concentration of advances**

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total advances to twenty largest borrowers	46,730.17	59,363.37
Percentage of advances to twenty largest borrowers to total advances of the NBFC	3.31%	5.51%

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(c) (ii) Concentration of exposures

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total exposure to twenty largest borrowers/customers	54,422.74	59,363.37
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC on borrowers/customers	3.84%	5.32%

(c) (iii) Concentration of NPAs

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total exposure to top four NPA accounts	1,982.67	1,583.57

(c) (iv) Intragroup Exposures

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Amount of Intragroup Exposures	3,262.41	22,138.96
Total amount of Top-20 Intragroup Exposures	3,262.41	22,138.96
% of Intragroup Exposure to Total Exposure of the NBFC on borrowers/customers	0.23%	1.99%

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(c) (v) Sector-wise exposure and NPAs	Sector	(INR in lakhs)				
		As at March 31, 2026		As at March 31, 2025		% Gross NPAs to total exposure in that sector
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	
	1. Agriculture and Allied Activities	13,088.35	149.63	14,676.58	105.76	0.72%
	2. Industry (Micro and Small, Medium and Large)	47,615.60	787.12	39,023.97	194.39	0.50%
	2.1. Micro and Small	27,989.22	291.25	13,253.99	194.39	1.47%
	2.2. Medium	3,936.07	-	5,417.15	-	0.00%
	2.3. Large	15,690.31	495.87	20,352.83	-	0.00%
	3. Services	3,04,780.83	5,871.43	2,63,288.52	4,879.09	1.85%
	3.1. Transport Operators	10,914.67	29.28	3,936.43	2.34	0.06%
	3.2. Computer Software	1,169.44	-	1,845.95	-	0.00%
	3.3. Tourism, Hotels and Restaurants	15,226.14	607.81	11,287.73	503.87	4.46%
	3.4. Shipping	246.25	-	-	-	-
	3.5. Aviation	-	-	-	-	-
	3.6. Professional Services	7,601.84	31.62	7,159.00	-	0.00%
	3.7. Trade	73,820.26	1,633.56	74,541.02	2,202.23	2.95%
	3.7.1. Wholesale Trade (other than food procurement)	1,184.35	24.24	14,808.71	22.25	0.15%
	3.7.2. Retail Trade	72,635.90	1,609.32	59,732.31	2,179.97	3.65%
	3.8. Commercial Real Estate	1,106.08	-	1,791.42	-	0.00%
	3.9. Non-Banking Financial Companies (NBFCs) of which,	97,142.94	985.80	81,946.23	685.07	0.84%
	3.9.1. Housing Finance Companies (HFCs)	1,287.39	-	2,416.65	685.07	-
	3.9.2. Public Financial Institutions (PFIs)	-	-	-	-	-
	3.10. Other Services*	97,553.22	2,583.36	80,780.74	1,485.58	1.84%
	4. Personal Loans	10,69,540.98	22,915.01	7,99,888.89	15,759.93	1.97%
	4.1. Consumer Durables	-	-	-	-	-
	4.2. Housing (Including Priority Sector Housing)	-	-	0.18	-	0.00%
	4.3. Advances against Fixed Deposits	-	-	-	-	0.00%
	4.4. Advances to Individuals against share, bonds, etc.	-	-	-	-	-
	4.5. Credit Card Outstanding	-	-	-	-	-
	4.6. Education	2,58,118.83	502.60	2,64,224.69	453.92	0.17%
	4.7. Vehicle Loans	1,923.74	-	2,827.28	1.06	0.04%
	4.8. Loans against gold jewellery	-	-	-	-	-
	4.9. Other Personal Loans	8,09,498.41	22,412.41	5,32,836.74	15,304.95	2.87%

* Other Services include services which are not indicated elsewhere.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

19 Movement of NPAs

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(i) Net NPAs to net advances (%)	0.77%	0.73%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	22,376.18	15,936.35
(b) Other adjustments	-	-
(c) Additions during the year	33,895.21	25,061.37
(d) Reductions during the year	26,548.20	18,621.54
(e) Closing balance	29,723.18	22,376.18
(iii) Movement of NPAs (Net)		
(a) Opening balance	7,742.70	6,261.04
(b) Other adjustments	-	-
(b) Additions during the year	14,278.28	9,487.28
(c) Reductions during the year	11,246.89	8,005.61
(d) Closing balance	10,774.09	7,742.71
(iv) Movement of provisions for NPAs		
(a) Opening balance	14,633.48	9,675.31
(b) Other adjustments	-	-
(c) Provisions made during the year	19,616.92	15,574.10
(d) Write-off of excess provisions	15,301.31	10,615.93
(e) Closing balance	18,949.09	14,633.48

20 Overseas Assets (For those with Joint Ventures and Subsidiaries Abroad)

The Company does not have any joint ventures or subsidiaries abroad, hence not applicable.

- 21 In accordance with Master Direction RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025. Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025, the Company has not lent against gold jewellery during the year ended March 31, 2026 (March 31, 2025:NIL)

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

22 Customer Complaints

Sr No	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Complaints received by the NBFC from its customers			
1	Number of complaints pending at the beginning of the year	40	16
2	Number of complaints received during the year	4,479	1,511
3	Number of complaints disposed during the year	4,313	1,487
3.1	Of which, number of complaints rejected by the NBFC	2,041	184
4	Number of complaints pending at the end of the year	206	40
5*	Maintainable complaints received by the NBFC from Office of Ombudsman	467	276
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	450	260
5.2	Of 5, number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman	17	16
5.3	Of 5, number of complaints resolved after passing of Awards by the Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

*Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2026 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2021) and covered within the ambit of the Scheme.

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

For the year ended March 31, 2026

Collections Related	22	2,928	286%	142	8
Sales Related Complaint	5	700	136%	35	2
Post Disbursal queries	4	425	132%	20	1
Partner Related	5	229	106%	2	-
Bureau Related	2	155	58%	6	2
Others	2	42	-36%	1	-
Total	40	4,479		206	13

For the year ended March 31, 2025

Collections Related	8	757	12%	22	-
Sales Related Complaint	2	296	-31%	5	-
Post Disbursal queries	1	183	169%	4	-
Partner Related	-	111	593%	5	-
Bureau Related	1	98	-6%	2	1
Others	4	66	29%	2	-
Total	16	1,511		40	1

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

23 Schedule to the Balance Sheet as per Master Directions

a Loans & Advances availed by the Non-Banking Financial company inclusive of interest accrued thereon but not paid:

(INR in lakhs)

Sr. No.	Particulars	As at March 31, 2026		As at March 31, 2025	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	Liabilities side :				
	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:				
	(a) Debentures*				
	- Secured	2,04,273.29	-	1,48,641.53	-
	- Unsecured	-	-	-	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	687,991.16	-	6,05,942.45	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial Paper	25,352.98	-	28,757.80	-
	(f) Public Deposits	-	-	-	-
	(g) Other Loans	1,78,599.19	-	52,308.96	-
	*other than falling within the meaning of public deposits				
(2)	Assets side :				
	Break-up of loans and advances including bills receivables:				
	(a) Secured	3,41,100.73	3,988.10	2,77,179.07	3,489.00
	(b) Unsecured	10,72,530.08	14,496.18	8,00,616.27	10,574.73

b Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
(ii)	Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
(iii)	Other loans counting towards AFC activities:		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

c Break-up of investments:

(INR in lakhs)

Sr. No.	Particulars	As at	As at
		March 31, 2026	March 31, 2025
	Current investments :		
1	Quoted:		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debenture and bonds	4,084.57	4,419.38
	(iii) Units of mutual funds	3,002.19	28,045.16
	(iv) Government securities	-	-
	(v) Others	-	-
2	Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	364.12	388.20
	(iii) Units of mutual funds	-	-
	(iv) Government securities	968.99	-
	(v) Others	637.91	4,872.55
	Non- current investments:		
1	Quoted:		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	31,372.78	12,317.88
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
2	Unquoted:		
	(i) Shares: (a) Equity	1.00	607.57
	(b) Preference	259.68	9.67
	(ii) Debentures and bonds	4,042.50	971.42
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-

d Borrower group-wise classification of assets, financed as in (3) and (4) above:

(INR in lakhs)

Sr. No.	Category	As at		
		March 31, 2026		
		Amount (Net of provisions)		
		Secured	Unsecured	Total
1.	Related Parties			
	(a) Subsidiaries	-	6.03	6.03
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2.	Other than related parties	3,32,696.21	10,40,496.63	13,73,192.84
	Total	3,32,696.21	10,40,502.66	13,73,198.87

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)

Sr. No.	Category	As at March 31, 2025		
		Amount (Net of provisions)		
		Secured	Unsecured	Total
1.	Related Parties			
	(a) Subsidiaries	-	5.46	5.46
	(b) Companies in the same group	-	19,920.00	19,920.00
	(c) Other related parties	-	-	-
2.	Other than related parties	2,71,483.12	7,57,293.48	10,28,776.60
	Total	2,71,483.12	7,77,218.94	10,48,702.06

e Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(INR in lakhs)

Sr. No.	Category	As at March 31, 2026		As at March 31, 2025	
		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1.	Related Parties				
	(a) Subsidiaries	1.00	1.00	2,297.57	607.57
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2.	Other than related parties	44,884.11	44,732.73	51,116.58	51,024.26
	Total	44,885.11	44,733.73	53,414.15	51,631.83

f Other information

(INR in lakhs)

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Gross non-performing assets		
	(a) Related parties	-	-
	(b) Other than related parties	29,723.18	22,376.18
(ii)	Net non-performing assets		
	(a) Related parties	-	-
	(b) Other than related parties	10,774.09	7,742.71
(iii)	Assets acquired in satisfaction of debt	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

24 Disclosure as per RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 4th November, 2019 - Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

a Funding Concentration based on significant counterparty

(INR in lakhs)

Sr. No.	Number of Significant Counterparties	Amount	% of Total Deposits	% of Total liabilities
1	20	6,18,770.52	NA	54.47%

b Top 20 large deposits : NA

c Top 10 Borrowings

(INR in lakhs)

Amount	% of Total borrowings
4,68,854.26	42.77%

d Funding Concentration based on significant instrument/product

(INR in lakhs)

Sr. No.	Name of Instrument	Amount	% of Total liabilities
1	Term Loan	5,86,169.00	51.60%
2	Non Convertible Debentures	1,74,053.33	15.32%
3	PTC	1,43,944.10	12.67%
4	External Commercial Borrowings	1,01,822.16	8.96%
5	Cash Credit / WCDL	34,655.09	3.05%
6	Market Linked Debentures	30,219.96	2.66%
7	Commercial paper	25,352.98	2.23%

e Stock Ratios

Sr. No.	Name of Instrument	% of Total public funds	% of Total Liabilities	% of Total Assets
a	Commercial paper	2.31%	2.23%	1.63%
b	Non-convertible debentures (Original maturity of less than 1 year)	0.00%	0.00%	0.00%
c	Other short term liabilities	43.51%	41.99%	30.58%

f Institutional set-up for liquidity risk management

The Board holds ultimate responsibility for overseeing liquidity risk management. It sets the strategic direction, policies, and procedures for managing liquidity risk within predefined tolerance levels. To support these efforts, the Board has delegated certain responsibilities to the Asset Liability Management Committee (ALCO), which regularly reports the liquidity position to the Board. The ALCO is assisted by a dedicated support group responsible for ensuring seamless data flow and operational efficiency in preparing information for the committee's review. The Risk Management Committee of the Board also evaluates the structural liquidity and cash flow position to ensure proactive management of liquidity challenges, reinforcing the organization's resilience and stability in the face of dynamic market conditions.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

24 Disclosure as per RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 4th November, 2019 - Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies (Contd.)

LCR Disclosure

Particulars	As at March 31, 2026		As at December 31, 2025		As at September 30, 2025		As at June 30, 2025	
	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)	32,705.26	29,707.18	36,267.98	33,619.19	25,872.73	23,011.96	27,964.39	25,459.29
Cash Outflows								
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	1,933.33	2,223.33	3,152.17	3,625.00	-	-	166.11	191.03
4 Secured wholesale funding	39,819.34	45,792.24	39,163.73	45,038.29	33,065.28	38,025.08	37,433.62	43,048.67
5 Additional requirements, of which	-	-	-	-	-	-	-	-
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	13,876.67	15,958.18	12,427.20	14,291.28	8,784.60	10,102.29	9,813.98	11,286.08
7 Other contingent funding obligations	311.17	357.85	247.66	284.81	237.32	272.92	277.41	319.02
8 TOTAL CASH OUTFLOWS	55,940.51	64,331.60	54,990.76	63,239.38	42,087.21	48,400.29	47,691.12	54,844.79
Cash Inflows								
9 Secured lending@	14,779.93	11,084.95	24,995.21	18,746.40	30,709.78	23,032.34	44,729.95	33,547.46
10 Inflows from fully performing exposures	48,780.60	36,585.45	46,426.04	34,819.53	24,331.30	18,248.47	25,336.20	19,002.15
11 Other cash inflows	42,555.77	31,916.83	26,902.27	20,176.70	34,277.91	25,708.44	64,087.17	48,065.38
12 TOTAL CASH INFLOWS	1,06,116.30	79,587.23	98,323.52	73,742.64	89,319.00	66,989.25	1,34,153.33	1,00,615.00

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Particulars	As at March 31, 2026			As at December 31, 2025			As at September 30, 2025			As at June 30, 2025		
	Total unweighted value	Total weighted value	Total Adjusted Value	Total unweighted value	Total weighted value	Total Adjusted Value	Total unweighted value	Total weighted value	Total Adjusted Value	Total unweighted value	Total weighted value	Total Adjusted Value
13 TOTAL HQLA			29,707.18			33,619.19			23,011.96			25,459.29
14 TOTAL NET CASH OUTFLOWS			16,082.90			15,809.84			12,100.07			13,711.20
15 LIQUIDITY COVERAGE RATIO (%)			184.71%			212.65%			190.18%			185.68%
Details of HQLA												
Cash & Bank Balance	6,630.97	6,630.97		8,200.19	8,200.19		6,546.51	6,546.51		10,978.76	10,978.76	
Government Securities	6,100.00	6,100.00		11,683.46	11,683.46		2,631.48	2,631.48		-	-	
HQLA 1 (A)	12,730.97	12,730.97		19,883.65	19,883.65		9,177.99	9,177.99		10,978.76	10,978.76	
Investment with long term rating of AA- or above	19,968.77	16,973.45		15,838.23	13,462.49		15,676.00	13,324.60		16,180.32	14,077.88	
Investment with long term rating between A+ and BBB-	5.52	2.76		546.11	273.05		1,018.74	509.37		805.31	402.65	
HQLA 2 (B)	19,974.29	16,976.21		16,384.34	13,735.55		16,694.74	13,833.97		16,985.63	14,480.53	
Total HQLA (A+B)	32,705.26	29,707.18		36,267.98	33,619.19		25,872.73	23,011.96		27,964.39	25,459.29	

Liquidity Coverage Ratio is calculated as simple average of daily observations over the trailing 90 days.

The company has implemented the prescribed format and calculated its LCR on daily basis by dividing company's stock of HQLA by its total net cash outflows over a 30 days stress period. The company has maintained average HQLA of INR 32,705.26 lakhs as on March 31, 2026. The company has maintained average LCR of 184.71% as on March 31, 2026 as against minimum requirement of 100%.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

24 Disclosure as per RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 4th November, 2019 - Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies (Contd.)

LCR Disclosure

Particulars	As at March 31, 2025		As at December 31, 2024		As at September 30, 2024		As at June 30, 2024	
	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)	67,619.71	65,844.86	41,138.26	39,190.39	48,762.55	48,509.78	37,120.78	36,468.36
Cash Outflows								
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	-	-	3,979.44	4,576.36	9,954.11	11,447.22	-	-
4 Secured wholesale funding	16,340.45	18,791.52	7,464.86	8,584.59	8,769.19	10,084.56	22,172.65	25,498.55
5 Additional requirements, of which	-	-	-	-	-	-	-	-
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	12,002.49	13,802.86	20,593.67	23,682.72	18,029.42	20,733.83	12,357.75	14,211.41
7 Other contingent funding obligations	328.17	377.40	5,375.28	6,181.57	-	-	-	-
8 TOTAL CASH OUTFLOWS	28,671.11	32,971.78	37,413.25	43,025.24	36,752.71	42,265.62	34,530.40	39,709.96
Cash Inflows								
9 Secured lending@	40,100.00	30,075.00	23,100.00	17,325.00	17,694.00	13,270.50	17,330.00	12,997.50
10 Inflows from fully performing exposures	39,350.80	29,513.10	44,239.35	33,179.51	38,943.18	29,207.39	39,711.35	29,783.51
11 Other cash inflows	33,272.44	24,954.33	22,628.58	16,971.44	44,715.36	33,536.52	2,869.56	2,152.17
12 TOTAL CASH INFLOWS	1,12,723.24	84,542.43	89,967.93	67,475.95	101,352.54	76,014.41	59,910.91	44,933.18

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Particulars	As at March 31, 2025		As at December 31, 2024		As at September 30, 2024		As at June 30, 2024	
	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value	Total unweighted value	Total weighted value
		Adjusted Value		Adjusted Value		Adjusted Value		Adjusted Value
13 TOTAL HQLA		65,844.86		39,190.39		48,509.78		36,468.36
14 TOTAL NET CASH OUTFLOWS		8,242.95		10,756.31		10,566.41		9,927.49
15 LIQUIDITY COVERAGE RATIO (%)		798.80%		364.35%		459.09%		367.35%
Details of HQLA								
Cash & Bank Balance	62,990.19	62,990.19	36,482.29	36,482.29	48,257.02	48,257.02	35,815.94	35,815.94
HQLA 1 (A)	62,990.19	62,990.19	36,482.29	36,482.29	48,257.02	48,257.02	35,815.94	35,815.94
Investment with long term rating of AA- or above	1,542.59	1,311.20	1,520.45	1,140.34	-	-	-	-
Investment with long term rating between A+ and BBB-	3,086.94	1,543.47	3,135.53	1,567.76	505.53	252.76	1,304.84	652.42
HQLA 2 (B)	4,629.53	2,854.67	4,655.98	2,708.10	505.53	252.76	1,304.84	652.42
Total HQLA (A+B)	67,619.72	65,844.86	41,138.26	39,190.39	48,762.55	48,509.78	37,120.78	36,468.36

The Reserve Bank of India has introduced Liquidity Coverage Ratio (LCR) requirement for all NBFCs with asset size of INR 5,000 crores and above. LCR has been introduced to ensure that NBFCs have adequate stock of un-encumbered high quality liquid assets (HQLA) to meet the liquidity requirements for a period of at least 30 days under stress scenario. The LCR requirement has been inducted in a phased manner with company required to maintain minimum LCR of 50% from December 1, 2020 eventually increasing to 100% by December 1, 2024.

The LCR of the company is governed by the Liquidity Risk Management framework as defined in the Asset Liability Management (ALM) policy of the company. The Asset Liability Committee (ALCO) is responsible for implementing the liquidity risk management strategy of the company and ensures compliance of the same with the overall risk management strategies of the company.

Accordingly, the company has implemented the prescribed format and calculated its LCR on monthly basis by dividing company's stock of HQLA by its total net cash outflows over a 30 days stress period. The company has maintained HQLA of INR 67,619.72 lakhs as on March 31, 2025. The company has maintained LCR of 798.80% as on March 31, 2025 as against minimum requirement of 100%.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

25. Restructuring of Loans		(INR in lakhs)				
Sr. No.	Type of Restructuring		Others			
	Asset Classification		Standard	Sub-standard	Doubtful	Loss
		Details				
1	Restructured Accounts as on April 1, 2025		15	309	-	-
			2,305.44	753.70	-	-
			727.01	544.96	-	-
2	Fresh Restructuring during the year		-	19	-	-
			-	49.11	-	-
			-	32.84	-	-
3	Upgradations to restructured standard category during the FY*		(4)	(130)	-	-
			(761.76)	(165.05)	-	-
			(223.24)	(118.69)	-	-
4	Restructured Standard Advances which cease to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY		-	-	-	-
5	Down gradations of restructured accounts during the FY		-	-	-	-
			(2.00)	2.00	-	-
			(43.70)	43.70	-	-
			(14.62)	14.62	-	-
6	Write-offs of restructured accounts during the FY		-	(103)	-	(103)
			-	(317.63)	-	(317.63)
			-	(252.82)	-	(252.82)
7	Restructured Accounts as on March 31, 2026		9	97	-	-
			1,499.98	363.82	-	-
			489.15	220.91	-	-

*Includes accounts closed/settled or repayments received from restructured accounts during the current year and previous year
There are no cases restructured on account of CDR mechanism or SME debt restructuring in the current year and previous year.

The Company has availed asset classification benefit under RBI Notification RBI/2018-19/100 DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019 extended via RBI notification RBI/2019-20/160 DOR.No.BP.BC.34/21.04.048/2019-20 dated February 11, 2020 extended further via RBI Notification RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020 extended further via RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021 - Micro, Small and Medium Enterprises (MSME) sector - Restructuring of Advances during FY 2021-20 and FY 2020-21.

The above disclosure does not include assets where resolution plan is implemented under RBI circular RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 - Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses and RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6th August 2020 - Resolution Framework for COVID-19-related Stress.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

25. Restructuring of Loans (Continued)

Sr. No.	Type of Restructuring		(INR in lakhs)				
	Asset Classification		Others				
	Details		Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1, 2024	No. of borrowers Amount outstanding Provision thereon	24.00 4,141.38 1,390.33	120.00 764.53 617.36	- - -	- - -	144.00 4,905.91 2,007.69
2	Fresh Restructuring during the year	No. of borrowers Amount outstanding Provision thereon	- - -	261.00 330.88 218.78	- - -	- - -	261.00 330.88 218.78
3	Upgradations to restructured standard category during the FY*	No. of borrowers Amount outstanding Provision thereon	(8.00) (1,785.05) (646.39)	(52.00) (156.73) (77.42)	- - -	- - -	(60.00) (1,941.78) (723.81)
4	Restructured Standard Advances which cease to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-
5	Down gradations of restructured accounts during the FY	Amount outstanding Provision thereon No. of borrowers Amount outstanding Provision thereon	- - (1.00) (50.89) (16.93)	- - 1.00 50.89 16.93	- - - - -	- - - - -	- - - - -
6	Write-offs of restructured accounts during the FY	No. of borrowers Amount outstanding Provision thereon	- - -	(21.00) (235.88) (230.69)	- - -	- - -	(21.00) (235.88) (230.69)
7	Restructured Accounts as on March 31, 2025	No. of borrowers Amount outstanding Provision thereon	15.00 2,305.44 727.01	309.00 753.70 544.96	- - -	- - -	324.00 3,059.14 1,271.97

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

26. Disclosure as per RBI circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26, Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025

(A) Corporate Governance

1 Composition of Board

Sr No	Name of Director	Director since	Capacity	DIN	Number of Board Meetings		No. of other Director ships**	No. of shares held in and convertible instruments held in the NBFC*
					Held during their tenure	Attended		
1	Mr. Bhupinder Singh	July 26, 2022	Chairperson, Whole-Time Director & CEO	07342318	8	7	14	395
2	Mr. Gaurav Maheshwari	January 27, 2025	Whole-Time Director & CFO	07639132	8	8	2	-
3	Mr. Vivek Anand PS	July 26, 2022	Non-Executive Director	02363239	8	8	3	-
4	Ms. Rupa Vora	July 26, 2022	Independent Director	01831916	8	8	6	-
5	Mr. Karnam Sekar	July 26, 2022	Independent Director	07400094	8	8	4	-
6	Ms. Sunita Gupta	March 30, 2023	Independent Director	06902258	8	8	-	-
7	Mr. Sankaran Nair Rajagopal	March 30, 2023	Independent Director	10087762	8	8	1	-

For Remuneration details, refer note No 34 - Related party

*Shares held as Nominee on behalf of InCred Holdings Limited, the Holding Company

**excluding number of directorship held in foreign entities.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

Details of change in composition of the Board during the current and previous financial year

Sr No	Name of Director	Capacity	Nature of change	Effective date
1	Mr. Vivek Bansal	Whole-Time Director & CFO	Resignation	October 03, 2024
2	Mr. Gaurav Maheshwari	Whole-Time Director	Appointment	January 27, 2025
3	Mr. Rohan Suri	Non-Executive Director	Resignation	October 28, 2025
4	Mr. Anil Nagu	Non-Executive Director	Resignation	October 28, 2025
5	#Ms. Ambika Bisla	Independent Director	Resignation	October 28, 2025

Where an independent director resigns before expiry of her/ his term, the reasons for resignation as given by her/him shall be disclosed.

Ms. Ambika Bisla resigned as an Independent Director of the Company due to her pre occupation with other directorships.

None of the directors of the Company are related to each other.

2 Committees of the Board and their composition

AUDIT COMMITTEE

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	Ms. Rupa Vora	July 26, 2022	Chairperson	8	8	-
2	Mr. Vivek Anand PS	July 26, 2022	Member	8	8	-
3	Mr. Karnam Sekar	July 26, 2022	Member	8	8	-
4	Ms. Sunita Gupta	March 30, 2023	Member	8	8	-
5	Mr. Sankaran Nair Rajagopal	March 30, 2023	Member	8	8	-

NOMINATION AND REMUNERATION COMMITTEE

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	Mr. Karnam Sekar	March 30, 2023	Chairperson	2	2	-
2	Mr. Bhupinder Singh	July 26, 2022	Member	2	2	395*
3	Mr. Sankaran Nair Rajagopal	March 30, 2023	Member	2	2	-
4	**Ms. Sunita Gupta	October 29, 2025	Member	1	1	-

Note: Ms. Ambika Bisla and Mr. Rohan Suri ceased to be the members of the Committee pursuant to their resignation w.e.f. October 28, 2025 & Ms. Rupa Vora ceased to be the member of the committee w.e.f. October 29, 2025.

*Shares held as Nominee on behalf of InCred Holdings Limited, the Holding Company

** Ms. Sunita Gupta was inducted as the member of the Committee w.e.f. October 29, 2025

RISK MANAGEMENT COMMITTEE

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	Mr. Bhupinder Singh	July 26, 2022	Chairperson	5	4	395*
2	Ms. Rupa Vora	July 26, 2022	Member	5	5	-
3	Mr. Sankaran Nair Rajagopal	March 30, 2023	Member	5	5	-
4	Mr. Karnam Sekar	May 07, 2024	Member	5	5	-
5	Ms. Mallika Mittal	April 01, 2025	Member	5	5	-

Note: Mr. Anil Nagu ceased to be the member of the committee pursuant to his resignation w.e.f. October 28, 2025

*Shares held as Nominee on behalf of InCred Holdings Limited, the Holding Company

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	**Ms. Rupa Vora	July 26, 2022	Chairperson	3	3	-
2	Ms. Sunita Gupta	March 30, 2023	Member	3	3	-
3	\$Mr. Vivek Anand	October 29, 2025	Member	1	1	-
4	Mr. Gaurav Maheshwari	January 27, 2025	Member	3	3	-
5	**Mr. Karnam Sekar	July 26, 2022	Chairperson	2	2	-

Note: Ms. Ambika Bisla ceased to be the member of the Committee pursuant to her resignation w.e.f. October 28, 2025.

**Mr. Karnam Sekar ceased to be the member & chairperson and Ms. Rupa Vora was appointed as Chairperson of the Committee in place of Mr. Karnam Sekar w.e.f. October 29, 2025.

\$Mr. Vivek Anand was inducted as the member of the Committee w.e.f. October 29, 2025.

STAKEHOLDER RELATIONSHIP COMMITTEE

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	Ms. Sunita Gupta	March 30, 2023	Chairperson	4	4	-
2	Mr. Bhupinder Singh	July 26, 2022	Member	4	3	395*
3	Ms. Rupa Vora	May 07, 2024	Member	4	4	-
4	Mr. Karnam Sekar	May 07, 2024	Member	4	4	-
5	Mr. Gaurav Maheshwari	January 27, 2025	Member	4	4	-

Note: Ms. Ambika Bisla ceased to be the member of the committee pursuant to her resignation w.e.f. October 28, 2025.

*Shares held as Nominee on behalf of InCred Holdings Limited, the Holding Company

IT STRATEGY COMMITTEE

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	Ms. Sunita Gupta	March 30, 2023	Chairperson	4	4	-
2	Mr. Karnam Sekar	July 26, 2022	Member	4	4	-
3	Mr. Sankaran Nair Rajagopal	March 30, 2023	Member	4	4	-
4	Mr. Ashwin Sekar	July 26, 2022	Member	4	4	-
5	Ms. Rupa Vora	May 07, 2024	Member	4	4	-
6	Mr. Gaurav Maheshwari	May 07, 2024	Member	4	4	-

Note: Ms. Ambika Bisla ceased to be the member of the committee pursuant to her resignation w.e.f. October 28, 2025 and Mr. Suriya Nagarajan ceased to be the member of the committee pursuant to his resignation w.e.f. November 28, 2025.

Mr. Gaurav Jain, was appointed as the member of the committee w.e.f. April 01, 2026.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

ASSETS LIABILITY MANAGEMENT COMMITTEE

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	Mr. Bhupinder Singh	July 26, 2022	Chairperson	5	5	395*
2	Mr. Gaurav Maheshwari	December 16, 2024	Member	5	5	-
3	Mr. Saurabh Jhalaria	July 26, 2022	Member	5	5	-
4	Ms. Mallika Mittal	April 1, 2025	Member	5	5	-

*Shares held as Nominee on behalf of InCred Holdings Limited, the Holding Company

FINANCE COMMITTEE

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	Mr. Bhupinder Singh	July 26, 2022	Chairperson	50	42	395*
2	Mr. Gaurav Maheshwari	December 16, 2024	Member	50	50	-
3	Ms. Apeksha Munwanee	December 16, 2024	Member	50	50	-

*Shares held as Nominee on behalf of InCred Holdings Limited, the Holding Company

CUSTOMER GRIEVANCE COMMITTEE

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	Ms. Rupa Vora	May 7, 2024	Chairperson	4	4	-
2	Mr. Karnam Sekar	May 7, 2024	Member	4	4	-
3	Mr. Sankaran Nair Rajagopal	October 25, 2024	Member	4	4	-
4	Mr. Gaurav Maheshwari	January 27, 2025	Member	4	3	-

INTEGRATED RISK COMMITTEE:

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	Mr. Bhupinder Singh	August 09, 2024	Member	7	7	395*
2	Mr. Gaurav Maheshwari	December 16, 2024	Member	7	7	-
3	Mr. Saurabh Jhalaria	May 16, 2023	Member	7	7	1*
4	Mr. Prithviraj Chandrasekhar	May 16, 2023	Member	7	7	1*
5	Mr. Ashwin Sekar	May 16, 2023	Member	7	7	-
6	Ms. Mallika Mittal	April 01, 2025	Member	7	7	-
7	Mr. Gajendra Thakur	May 16, 2023	Member	7	7	1*

Note: Mr. Vaidyanathan Ramamoorthy (Head of Operations & Customer Care), Mr. Rajiv Sukumar (Financial Controller), Mr. Ayush Mittal (Head Risk Analytics) and Ms. Apeksha Munwanee (Head - Treasury) ceased to be members of the Committee w.e.f. May 07, 2025

*Shares held as Nominee on behalf of InCred Holdings Limited, the Holding Company

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

REVIEW COMMITTEE

Sr No	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee		No. of shares held in the NBFC*
				Held during their tenure	Attended	
1	Mr. Bhupinder Singh	October 25, 2024	Chairperson	0	0	395*
2	Mr. Karnam Sekar	October 25, 2024	Member	0	0	-
3	Mr. Sankaran Nair Rajagopal	October 25, 2024	Member	0	0	-

*Shares held as Nominee on behalf of InCred Holdings Limited, the Holding Company

#For terms of reference of each Committee, refer Corporate Governance Section under Annual Report.

1 General Body Meetings

Sr No	"Type of Meeting (Annual/ Extra-Ordinary)"	Date and Place	Special resolutions passed
1	Annual General Meeting	September 09, 2025 at Registered office of the Company	Issuance of Non-Convertible Debentures/Bonds during F.Y 2025-26
1	Extra-Ordinary General Meeting	May 27, 2025 at Registered office of the Company	No special resolution was passed.
2	Extra-Ordinary General Meeting	February 11, 2026 at Registered office of the Company	1. Approval for adoption of the Altered Articles of Association of the Company 2. Issuance of Non- Convertible Debentures/Bonds during F.Y 2026-2027

2 Details of non-compliance with requirements of Companies Act, 2013 - Not applicable

3 Details of penalties and strictures – For year ended March 31, 2026 – Fine of INR 11,800 was levied by BSE Limited under Regulation 60(2) of SEBI Listing Regulations for delay in filing of record date intimation for interest payment date for debentures

B) Breach of Covenant

There are no breach of Covenants in the current year and previous year

C) Divergence in Asset Classification and Provisioning

- The additional provisioning requirements assessed by the Reserve Bank exceeds five percent of the reported profits before tax and impairment loss on financial instruments for the reference period, or
- the additional Gross NPAs identified by RBI exceeds five per cent of the reported Gross NPAs for the reference period.

Sr.	Particulars	Amount
1	Gross NPAs as on March 31, 2025* as reported by the NBFC	20,939.17
2	Gross NPAs as on March 31, 2025 as assessed by the Reserve Bank of India	22,376.17
3	Divergence in Gross NPAs (2-1)	1,437.00

* The divergences were assessed with reference to the year ended March 31, 2025.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

27. Disclosure as per RBI circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26, Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025

(INR in lakhs)

Asset Classification as per RBI Norms for year ended March 31, 2026	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	13,68,610.79	16,251.76	13,52,359.03	5,471.83	10,779.93
	Stage 2	15,296.83	5,231.08	10,065.75	182.31	5,048.77
Subtotal		13,83,907.62	21,482.84	13,62,424.78	5,654.14	15,828.70
Non-Performing Assets (NPA)						
Substandard	Stage 3	29,723.18	18,949.09	10,774.08	2,872.17	16,076.92
Doubtful - up to 1 year	Stage 3	-	-	-	1,331.47	(1,331.47)
1 to 3 years	Stage 3	-	-	-	263.33	(263.33)
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	1,594.81	(1,594.81)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		29,723.18	18,949.09	10,774.08	4,466.98	14,482.11
Other items such as guaranties, 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	21,394.97	21.50	21,373.47	-	21.50
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		21,394.97	21.50	21,373.47	-	21.50
Total	Stage 1	13,90,005.75	16,273.26	13,73,732.50	5,471.83	10,801.43
	Stage 2	15,296.83	5,231.08	10,065.75	182.31	5,048.77
	Stage 3	29,723.18	18,949.09	10,774.08	4,466.98	14,482.11
	Total	14,35,025.76	40,453.43	13,94,572.33	10,121.12	30,332.31

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

26. Disclosure as per RBI circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26, Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 (Continued)

Asset Classification as per RBI Norms for year ended March 31, 2025					(INR in lakhs)	
	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
	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1 Stage 2	10,41,117.53 15,738.63	11,213.18 4,683.64	10,29,904.35 11,054.99	4,076.69 265.91	7,136.49 4,417.73
Subtotal		10,56,856.16	15,896.82	10,40,959.34	4,342.60	11,554.22
Non-Performing Assets (NPA)						
Substandard	Stage 3	20,939.17	13,196.47	7,742.70	2,002.76	11,193.71
Doubtful - up to 1 year	Stage 3	-	-	-	743.86	(743.86)
1 to 3 years	Stage 3	-	-	-	140.04	(140.04)
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	883.90	(883.90)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		20,939.17	13,196.47	7,742.70	2,886.66	10,309.82
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	39,082.62	12.94	39,069.68	-	12.94
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
		39,082.62	12.94	39,069.68	-	12.94
Total						
Total	Stage 1	10,80,200.15	11,226.12	10,68,974.03	4,076.69	7,149.43
	Stage 2	15,738.63	4,683.64	11,054.99	265.91	4,417.73
	Stage 3	20,939.17	13,196.47	7,742.70	2,886.66	10,309.82
	Total	11,16,877.95	29,106.23	10,87,771.72	7,229.26	21,876.96

52 . Previous year figures are regrouped/reclassified, wherever necessary, to correspond with the current year's classification / disclosure.

53. Current Tax Provision is net of advance tax including tax deducted at source (TDS) amounting to INR 5,691.82 lakhs for the year ended 31 March 2026. Current Tax asset is net of provision for tax amounting to INR 599.65 lakhs for the year ended 31 March 2025.

54. There have been no significant events after the reporting date that require disclosure in these financial statements.

Notes to the Standalone Financial Statements for the year ended March 31, 2026 (Contd.)

For and on behalf of the Board of Directors of
InCred Financial Services Limited
CIN: U67190MH1995PLC360817

Bhupinder Singh
Whole-Time Director and CEO
DIN: 07342318

Place: Mumbai
Date: May 23, 2026

Gaurav Maheshwari
Whole-Time Director and CFO
DIN: 07639132

Place: Mumbai
Date: May 23, 2026

Nikita Shetty
Company Secretary
Membership No: A29555

Place: Mumbai
Date: May 23, 2026



Independent Auditors' Report

To The Members of InCred Financial Services Limited Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **InCred Financial Services Limited** (the “Parent”) and its subsidiaries, (the Parent and its subsidiaries together referred to as the “Group”) which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the consolidated financial statements, including a summary of 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 consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, and their consolidated profit, their consolidated other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (“SA”s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Independent Auditors' Report (Contd.)

Key audit matter	How the key audit matter was addressed in our Audit
Impairment of loans Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets into stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of loans when their ECL is assessed on a collective basis, • 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. • Adjustments to model driven ECL results. The relevant disclosures are made in consolidated financial statements for ECL including those related to judgements and estimates used by the Management in determination of the ECL. Refer note 1(D)(5), 6 and 32(A) to the consolidated financial statements.	Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of impairment of loans. In particular, our procedures include: We examined Board approved policy approving methodologies for computation of ECL that addresses policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the borrowers. We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates used by the Management. We tested accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2026 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. We tested the appropriateness of EAD, PD and LGD on sample basis. We assessed the adequacy and appropriateness of disclosures in compliance with Ind AS 107 in relation to ECL.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including Annexures (the "report"), but does not include the consolidated financial statements, standalone financial statements and our Auditor's report thereon. The report is expected to be made available to us after the date of this Auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Independent Auditors' Report (Contd.)

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including Other Comprehensive Income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The Board of Directors of the respective companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the Management and Board of Directors of the respective companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the respective companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Independent Auditors' Report (Contd.)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance of the Parent with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of INR 3.52 lakhs as at March 31, 2026, total revenues Nil and net cash outflows amounting to INR 2.32 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report other auditor on the separate financial statements of the subsidiary referred to in the Other Matter section above we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law maintained by the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Parent Company and taken on

Independent Auditors' Report (Contd.)

record by the Board of Directors of the Parent and the report of the statutory auditor of subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Parent and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the Auditor's report of subsidiary companies, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as at March 31, 2026 - Refer Note 39 to the consolidated financial statements;
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 4 to the consolidated financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies;
- iv.
 - (a) The respective management of the Parent and its subsidiaries whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiaries that to the best of their knowledge and belief, other than as disclosed in the note 47(vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective managements of the Parent and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of subsidiaries that to the best of their knowledge and belief, other than as disclosed in the note 47(vii) to the consolidated financial statements, no funds have been received by the Parent or subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiaries, nothing has come to our or other Auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Parent Company and its subsidiaries, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

Independent Auditors' Report (Contd.)

- vi. Based on our examination which included test checks and that performed by the auditor of the subsidiaries and based on the other auditor report of its subsidiary company whose financial statements have been audited under the Act, the Parent and its subsidiary companies have used an accounting software for maintaining their respective books of account for the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and other auditor, whose reports have been furnished to us by the Management of the Parent Company, have not come across any instance of the audit trail feature being tampered with and audit trail has been preserved by the Company and above referred subsidiaries as per the statutory requirements for record retention, since enabled.
2. According to the information and explanations given to us, and based on the CARO reports issued by the auditor of the subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the component auditor and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report except for the following:

No.	Name of the Company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
1	InCred Financial Services Limited	U67190MH1995PLC360817	Parent	Clause 3(vii)(a)

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

G. K. Subramaniam
Partner
(Membership No. 109839)
UDIN: 26109839RPOWFE7824

Place: Mumbai
Date: May 23, 2026



Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of **InCred Financial Services Limited** (hereinafter referred to as the “Parent”) and its subsidiary companies, which includes internal financial controls with reference to consolidated financial statements of its subsidiaries, as of that date.

MANAGEMENT’S AND BOARD OF DIRECTORS’ RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Parent, its respective subsidiary companies which are incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the

Annexure “A” To The Independent Auditors’ Report (Contd.)

company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matter paragraph below, the Parent, its subsidiary companies, which are incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary, is based solely on the corresponding report of the auditors of such company incorporated in India.

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

For Deloitte Haskins & Sells
Chartered Accountants
(Firm’s Registration No. 117365W)

G. K. Subramaniam
Partner
(Membership No. 109839)
UDIN: 26109839RPOWFE7824

Place: Mumbai

Date: May 23, 2026



Consolidated Financial Statements

Consolidated Balance Sheet as at March 31, 2026

(InR in lakhs)

Particulars	Note No	As at March 31, 2026	As at March 31, 2025
ASSETS			
1) Financial assets			
(a) Cash and cash equivalents	2	54,901.18	64,191.98
(b) Bank balance other than cash and cash equivalents	3	27,449.49	17,234.70
(c) Derivative financial instruments	4	12,113.12	884.14
(d) Trade receivables	5	1,129.73	1,680.80
(e) Loans	6	13,73,192.94	10,48,702.05
(f) Investments	7	44,732.73	51,024.26
(g) Other financial assets	8	10,757.85	12,107.45
Total financial assets		15,24,277.04	11,95,825.38
2) Non-financial assets			
(a) Current tax assets (net)	51	1,596.84	1,138.05
(b) Deferred tax assets (net)	9	16,615.02	25,776.23
(c) Property, plant and equipment	10A	4,833.06	5,506.31
(d) Capital work-in-progress	10B	150.16	230.18
(e) Goodwill	44	6,126.09	6,645.58
(f) Other intangible assets	11	42.43	189.94
(g) Other non-financial assets	12	6,131.03	6,070.00
Total non-financial assets		35,494.63	45,556.29
Total assets		15,59,771.67	12,41,381.67
LIABILITIES AND EQUITY			
LIABILITIES			
1) Financial liabilities			
(a) Derivative financial liabilities	4	4,568.62	2,145.27
(b) Payables	13		
(i) Trade Payables			
(ii) total outstanding dues of micro enterprises and small enterprises		111.87	1.79
(iii) total outstanding dues of creditors other than micro enterprises and small enterprises		713.68	321.33
(c) Debt securities	14	2,29,626.27	1,77,399.33
(d) Borrowings (other than debt securities)	15	8,66,590.35	6,58,251.41
(e) Other financial liabilities	16	29,692.53	28,936.75
Total financial liabilities		11,31,303.32	8,67,055.88
2) Non-financial liabilities			
(a) Current tax liabilities (net)	51	1,517.73	
(b) Provisions	17	1,661.57	1,056.30
(c) Other non-financial liabilities	18	1,408.15	1,087.49
Total non-financial liabilities		4,587.45	2,143.79
EQUITY			
(a) Equity share capital	19	49,053.23	48,831.01
(b) Other equity	20	3,74,827.67	3,23,350.99
Total equity		4,23,880.90	3,72,182.00
Total liabilities and equity		15,59,771.67	12,41,381.67

The accompanying notes from 1 to 53 form an integral part of the consolidated financial statements

Consolidated Balance Sheet as at March 31, 2026 (Contd.)

As per our report of even date
For **Deloitte Haskins & Sells**
Chartered Accountants
ICAI Firm Registration No.: 117365W

G.K. Subramaniam
Partner
Membership No: 109839

Place: Mumbai
Date: May 23, 2026

For and on behalf of the Board of Directors of
InCred Financial Services Limited
CIN: U67190MH1995PLC360817

Bhupinder Singh
Whole Time Director and CEO
DIN: 07342318

Place: Mumbai
Date: May 23, 2026

Gaurav Maheshwari
Whole Time Director and CFO
DIN: 07639132

Place: Mumbai
Date: May 23, 2026

Nikita Shetty
Company Secretary
Membership No: A29555

Place: Mumbai
Date: May 23, 2026

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

		(INR in lakhs)	
Particulars	Note No	Year ended March 31, 2026	Year ended March 31, 2025
REVENUE FROM OPERATIONS			
(i) Interest income	21	2,33,065.09	1,69,157.50
(ii) Dividend income		-	49.90
(iii) Fees and commission income	22	21,343.51	13,722.61
(iv) Net gain on fair value changes	23	1,399.99	2,396.10
(v) Net gain on derecognition of financial instruments under amortised cost category		(1,184.83)	1,871.56
(I) Total revenue from operations		2,54,623.76	1,87,197.67
(II) Other income	24	2,032.03	1,064.26
(III) Total income (I + II)		2,56,655.79	1,88,261.93
Expenses			
(i) Finance costs	25	92,236.00	62,761.94
(ii) Net loss on derecognition of financial instruments under amortised cost category		-	-
(iii) Impairment on financial instruments (net of recoveries)	26	30,515.83	18,776.74
(iv) Employee benefit expenses	27	41,607.60	33,676.65
(v) Depreciation and amortization expenses	10A & 11	1,877.46	1,832.07
(vi) Other expenses	28	30,759.64	21,066.78
(IV) Total expenses		1,96,996.53	1,38,114.18
(V) Profit before exceptional items and tax (III - IV)		59,659.26	50,147.75
(VI) Exceptional item		-	-
(VII) Profit before tax (V - VI)		59,659.26	50,147.75
Tax Expense:			
(i) Current Tax		7,209.55	682.70
(ii) Deferred Tax		8,686.44	12,066.30
(VIII) Total Tax Expense	29	15,895.99	12,749.00
(IX) Profit for the year (VII - VIII)		43,763.27	37,398.75
(X) Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement gain/(loss) of the defined benefit plans		(50.63)	(62.78)
(ii) Income tax relating to items that will not be reclassified to profit or loss		12.82	15.81
Subtotal (A)		(37.81)	(46.97)
(B) Items that will be reclassified to profit or loss			
(a) Debt instruments through other comprehensive income		99.76	(80.98)
(b) The effective portion of gains and loss on hedging instruments in a cash flow hedge		1,238.70	(766.48)
(ii) Income tax relating to items that will be reclassified to profit or loss		(336.89)	213.31
Subtotal (B)		1,001.57	(634.15)
Other comprehensive income (A + B)		963.76	(681.12)
(XI) Total comprehensive income for the year (IX + X)		44,727.03	36,717.63
Profit is attributable to:			
Owners of the Group		43,763.27	37,398.75
Non controlling interests		-	-
Other Comprehensive Income is attributable to:			
Owners of the Group		963.76	(681.12)
Non controlling interests		-	-
Total Comprehensive Income is attributable to:			
Owners of the Group		44,727.03	36,717.63
Non controlling interests		-	-
(XII) Earnings per equity share (Face Value : INR. 10 per share)	30		
Basic (INR.)		8.93	7.66
Diluted (INR.)		8.93	7.66

Consolidated Statement of Profit and Loss for the year ended March 31, 2026 (Contd.)

The accompanying notes from 1 to 53 form an integral part of the consolidated financial statements

1

As per our report of even date
For **Deloitte Haskins & Sells**
Chartered Accountants
ICAI Firm Registration No.: 117365W

For and on behalf of the Board of Directors of
InCred Financial Services Limited
CIN: U67190MH1995PLC360817

G.K. Subramaniam
Partner
Membership No: 109839

Bhupinder Singh
Whole Time Director and CEO
DIN: 07342318

Gaurav Maheshwari
Whole Time Director and CFO
DIN: 07639132

Place: Mumbai
Date: May 23, 2026

Place: Mumbai
Date: May 23, 2026

Place: Mumbai
Date: May 23, 2026

Nikita Shetty
Company Secretary
Membership No: A29555

Place: Mumbai
Date: May 23, 2026

Consolidated Statement of Cash Flow for the year ended March 31, 2026

(InR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from operating activities		
Profit before tax	59,659.26	50,147.75
Adjustments to reconcile net profit to net cash generated from / (used in) operating activities		
Depreciation, amortization and impairment	1,877.46	1,832.07
Loss on sale of property, plant and equipment	1.66	71.26
Net (gain) on fair value changes	(1,399.99)	(2,396.10)
Impairment of Goodwill	519.49	-
Net Loss/(gain) on derecognition of financial instruments	1,184.83	(1,871.56)
Interest Income	(2,33,065.09)	(1,69,157.50)
Finance Cost	92,236.00	62,259.42
Impairment on financial instruments	30,009.46	18,776.74
Retirement Benefit expenses	672.70	242.20
Share based payment to employees	2,971.90	2,983.98
Dividend income	-	(49.90)
Provision for diminution on investment	(13.12)	66.04
	(45,345.44)	(37,095.60)
Interest received on loans	2,19,559.67	1,61,883.66
Interest paid on borrowings and debt	(91,418.26)	(64,073.66)
Cash generated from operation before working capital changes	82,795.97	60,714.40
Working capital adjustments		
(Increase) / decrease in other trade receivables	554.26	(1,687.55)
Increase in loans	(3,49,489.34)	(3,36,331.93)
Decrease in other financial assets	130.40	371.96
Increase in other non financial assets	(61.03)	(2,535.85)
Increase in trade payables	502.43	51.23
Increase in other financial liabilities	1,323.63	517.91
Decrease in provisions	(118.06)	(61.33)
Increase / (decrease) in other non financial liabilities	322.92	(502.19)
	(3,46,834.79)	(3,40,177.75)
Income taxes paid	(6,195.89)	421.53
Net cash used in operating activities	(2,70,234.72)	(2,79,041.82)
Cash flow generated from investing activities		
Purchase of property, plant and equipment	(1,022.55)	(2,157.92)
Purchase of intangibles assets	(35.81)	(17.66)
Deletion of Capital work-in-progress	80.02	106.47
Proceeds from sale of subsidiary	492.71	-
Purchase of investments	(17,37,674.99)	(16,61,894.16)
Proceeds from sale of investments	17,37,647.81	16,70,389.24
Interest income from investing activities	8,491.22	2,087.45
Investment in term deposits	(6,33,203.24)	(4,55,841.07)
Proceeds from maturity of term deposits with banks	6,22,988.45	4,46,930.33
Net cash used in investing activities	(2,236.38)	(397.32)
Cash flow generated from financing activities		
Issue of equity shares (including securities premium)	4,000.00	
Payment of Lease liability	(714.95)	(845.92)
Proceeds of borrowings (other than debt securities)	5,31,345.55	4,82,843.12
Proceeds of debt securities	98,676.00	1,24,300.00
Repayment of borrowings (other than debt securities)	(3,23,349.79)	(2,22,112.40)
Redemption of debt securities	(46,776.52)	(41,690.83)
Net cash generated from financing activities	2,63,180.29	3,42,493.97
Net increase / (decrease) in cash and cash equivalents	(9,290.80)	63,054.83
Cash and cash equivalents at the beginning of the year	64,191.98	1,137.15
Cash and cash equivalents at the end of the year	54,901.18	64,191.98

Consolidated Statement of Cash Flow for the year ended March 31, 2026 (Contd.)

The accompanying notes from 1 to 53 form an integral part of the consolidated financial statements

Notes: The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow

As per our report of even date
For **Deloitte Haskins & Sells**
Chartered Accountants
ICAI Firm Registration No.: 117365W

For and on behalf of the Board of Directors of
InCred Financial Services Limited
CIN: U67190MH1995PLC360817

G.K. Subramaniam
Partner
Membership No: 109839

Bhupinder Singh
Whole Time Director and CEO
DIN: 07342318

Gaurav Maheshwari
Whole Time Director and CFO
DIN: 07639132

Place: Mumbai
Date: May 23, 2026

Place: Mumbai
Date: May 23, 2026

Place: Mumbai
Date: May 23, 2026

Nikita Shetty
Company Secretary
Membership No: A29555

Place: Mumbai
Date: May 23, 2026

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Consolidated Statement of Changes in Equity for the year ended March 31, 2026 (Contd.)

B. OTHER EQUITY

Particulars	Reserves and Surplus					Debt instruments through OCI	Cash flow hedge reserve	Equity instruments through OCI	Total
	Special reserve	Securities premium	Capital contribution from parent	Retained earnings	Merger Reserve				
Balance at March 31, 2025	17,536.39	1,09,689.93	1,11,259.65	68,490.57	17,030.92	(97.74)	(574.06)	15.36	3,23,350.99
Profit for the year				43,763.27					43,763.27
Other comprehensive income for the year				(37.81)		74.65	926.92		963.76
Total comprehensive income for the year (net of tax)	-	-	-	43,725.46	-	74.65	926.92	-	44,727.03
Transfer / utilisations									
Additions during the year (cash premium)		3,777.78							3,777.78
Additions during the year (non-cash premium)									
Utilized during the year									
Transfer towards loss of control									
Transferred to special reserve from retained earnings	8,877.94			(8,877.94)					
Transfer to retained earnings									
Share based payment expense			2,971.88						2,971.88
Transfer from share based payment reserve (Refer Note No 36)									
Transfer of business (Refer Note No 41)									
Balance at March 31, 2026	26,414.33	1,13,467.71	1,14,231.53	1,03,338.09	17,030.92	(23.09)	352.86	15.36	3,74,827.67

The accompanying notes from 1 to 53 form an integral part of the consolidated financial statements

As per our report of even date
For **Deloitte Haskins & Sells**
Chartered Accountants
ICAI Firm Registration No.: 117365W

For and on behalf of the Board of Directors of
InCred Financial Services Limited
CIN: U67190MH1995PLC360817

G.K. Subramaniam
Partner
Membership No: 109839

Place: Mumbai
Date: May 23, 2025

Bhupinder Singh
Whole Time Director and CEO
DIN: 07342318

Place: Mumbai
Date: May 23, 2025

Gaurav Maheshwari
Whole Time Director and CFO
DIN: 07639132

Place: Mumbai
Date: May 23, 2025

Nikita Shetty
Company Secretary
Membership No: A29555

Place: Mumbai
Date: May 23, 2025



Notes to the Consolidated Financial Statements

1. MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

A. CORPORATE INFORMATION

InCred Financial Services Limited ("Parent") (CIN: U67190MH1995PLC360817) incorporated in India on February 3, 1995, under the provisions of the Companies Act, 1956. The Parent together with its subsidiaries (hereinafter collectively referred to as the 'Group') has a diversified lending portfolio across retail, SME and commercial customers with a significant presence in urban and rural India.

The Parent has received a Certificate of Registration from the Reserve Bank of India ('RBI'), on October 25, 2000 to commence/carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits. The Parent qualifies as NBFC Middle layer NBFC under the RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

The registered office of the Group is Unit No. 1203, 12th floor, B Wing, The Capital, Plot No. C - 70, G Block, Bandra - Kurla Complex, Bandra East, Mumbai – 400051.

The consolidated financial statements are authorized for issue by the Parents's Board of Directors on May 23, 2026.

B. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the RBI Master Directions and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109 /22.10.106/2019-20 dated March 13, 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. The group uses accrual basis of accounting except as explained in Note D15.

i. Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees ('INR'), which is also the Group's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

ii. Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention except for the following items:

- a. Certain financial assets and derivatives that are measured at fair value and
- b. Net defined benefit asset / liability – plan assets are measured at fair value less present value of defined benefit obligation.

iii. Use of estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements, reported amounts of revenues and expenses during the period. Actual results may defer from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions in the accounting estimates are recognised prospectively.

Significant accounting estimates and judgements:

- i. Business model assessment
- ii. Fair value of financial instruments
- iii. Impairment of financial assets

Notes to the Consolidated Financial Statements (Contd.)

i. **Business model assessment**

The Parent determines its business model at the level that best reflects how it manages group of financial assets to achieve its business objective.

The business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the key management personnel.
- b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- d) The expected frequency, value and timing of sales are also important aspects of the assessment.
- e) The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the parent's original expectations, the parent does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

ii. **Fair value of financial instruments**

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii. **Impairment of financial assets**

The measurement of impairment losses across all categories of financial assets requires judgement, 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 Parent'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 judgements and estimates include :

- a) Criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss basis.
- b) Development of ECL models, including the various formulae and the choice of inputs.
- c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
- d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

iv. **Basis of consolidation**

a. **Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which the control is transferred to the Group. They are deconsolidated from the date the control ceases.

Notes to the Consolidated Financial Statements (Contd.)

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

b. Change in ownership interests

The Group considers transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in the other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

c. Business Combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises of the:

- Fair values of assets transferred
- Liabilities incurred to the former owners of the acquired business
- Equity interests issued by the Group and
- Fair value of any assets and liabilities resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at acquisition date. The Group recognizes any non-controlling interests in the acquired entity on acquisition-by-acquisition basis either at fair value or by non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess of:

- Consideration transferred
- Any amount of non-controlling interest in the acquired entity and
- Acquisition date fair value of the previous entity interest in the acquired entity

Over the fair value of identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of identifiable assets, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reason for carrying the business combination as a bargain purchase. In other cases, bargain purchase gain are recognized directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss or other comprehensive income, as appropriate.

Notes to the Consolidated Financial Statements (Contd.)

C. PRESENTATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group are presented as per Division III of Schedule III, as amended, of the Act applicable to NBFCs, as notified by the Ministry of Corporate Affairs ('MCA'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7, Statement of Cash Flows. The disclosure requirements with respect to items in the Balance Sheet and Consolidated Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and RBI regulations to the extent applicable.

The Group generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Group offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS.

D. MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

1. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair values of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices).
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2. Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital are some examples of financial instruments.

All financial instruments are at amortised cost, unless otherwise specified.

All the financial instruments are recognised on the date when the Group becomes party to the contractual provisions of the financial instruments. For tradable securities, the Group recognises the financial instruments on settlement date.

Notes to the Consolidated Financial Statements (Contd.)

i. Financial assets

Initial measurement

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss and trade receivables, which do not contain a significant financing component and are recorded at transaction price. Generally, the transaction price is treated as fair value unless proved to the contrary.

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets. The Group classifies its financial assets in the following measurement categories:

Financial assets measured at amortised cost

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment), unless the asset is designated at FVTPL:

- i. the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair value through other comprehensive Income ('FVOCI')

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- i. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ii. the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at Fair Value through Profit and Loss ('FVTPL')

A financial asset which is not classified in above category is subsequently measured at FVTPL. Where assets are measured at fair value, gains and losses are recognized entirely in the Consolidated Statement of Profit and Loss.

Subsequent measurement

The assets classified in the aforementioned categories are subsequently measured as follows:

Financial assets at Amortised cost

These assets are subsequently measured at amortised cost at each reporting period using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition is recognised in consolidated statement of profit and loss.

Debt investments at FVOCI

These assets are subsequently measured at each reporting period at fair value. Interest income under the EIR method, foreign gains and losses and impairment are recognised in Consolidated Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements (Contd.)

Equity investments designated at FVOCI

These assets are subsequently measured at each reporting period at fair value. Dividends are recognised as income in consolidated statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to consolidated statement of profit and loss.

Financial assets at FVTPL

These assets are subsequently measured at each reporting period at fair value. Net gains and losses, including any interest or dividend income, are recognised in Consolidated Statement of Profit and Loss.

ii. Financial liabilities

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.

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Group's financial liabilities include trade payables and other financial liabilities.

iii. Derecognition

Financial assets

The Group derecognizes a financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) when the contractual rights to receive cash flows from the financial asset expires or it transfers the rights to receive to receive the contractual cash flows in a transaction in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the asset.

The Group sells, assigns (including Co-lending transaction) its loans to counter-parties wherein the risk and reward of the asset is transferred for the entire/substantial portion of the Loan. As per Ind AS 109, Financial assets are derecognized on the date of assignment. Any right on interest on sold portion of asset is recognized as a financial asset at fair value, basis the scheduled cash flows on execution of the transaction estimated for prepayments and defaults. Estimated costs to be incurred for servicing the de-recognised portion is recorded as servicing liability at fair value.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in profit or loss.

If the Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial assets subsequently measured at amortised cost are generally held for collection of contractual cashflow. The Group on looking at economic viability of certain portfolios measured at amortised cost may enter into immaterial and infrequent transaction for sale of loans which doesn't affect the business model of the Group.

Notes to the Consolidated Financial Statements (Contd.)

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

iv. Offsetting of financial instruments

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

v. Derivatives recorded at fair value through profit and loss

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at a future date.

The Group enters into derivative transactions with various counterparties to hedge its foreign currency risks, interest rate risks and equity price risks, respectively. These include cross-currency swaps, forward foreign exchange contracts, futures and options on equities.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are included in net gain on fair value changes unless hedge accounting is applied.

vi. Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

If the hybrid contract contains a host that is a financial asset / financial liability within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract.

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Notes to the Consolidated Financial Statements (Contd.)

3. Share capital

Equity and preference shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

4. Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment if any in the consolidated financial statements.

5. Impairment of financial assets

Overview of the Expected Credit Losses ('ECL') principles

- The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.
- The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss)
- Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of a significant increase in credit risk at a borrower level. Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances upto 30 days default under this category. 12'month ECL is recognized on stage 1 exposures.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk. Lifetime ECL is recognized for exposures with significant increase in credit risk.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage.

W.e.f October 1, 2022, a financial instrument is considered as Stage 3 if the asset crosses 90 days pass due and remains in overdue category. This is aligned to the definition of default for loan assets stipulated in RBI circular dated November 12, 2021 – "Prudential Norms on Income Recognition, Asset classification and Provisioning pertaining to Advances – Clarifications" (the "RBI circular"). For exposures that have become credit impaired, a lifetime ECL is recognized. Stage 3 exposures represent Non-Performing Assets (NPA).

Credit-impaired financial assets:

At each reporting period, the Group assesses whether financial assets carried at amortised cost and FVOCI 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.

Notes to the Consolidated Financial Statements (Contd.)

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties.

The mechanics of ECL:

The Group calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

While estimating the PD, the parent reviews macro-economic developments occurring in the economy and market it operates in. On annual basis, the parent analyses if there is any relationship between key economic trends like GDP, unemployment rates, private consumption rate, Gross national saving/investment, real wholesale & retail trade and services with the estimate of PD. Typically, these macro-economic scenarios span a base case, plus an upside and downside scenario.

The ECL model allows for multiple macro-economic scenarios to be reflected in a probabilistic manner. The weights are reviewed on annual basis.

The Parent also uses a model in unsecured personal Loan portfolio as part of its Probability of Default (PD) estimation within the Expected Credit Loss (ECL) framework. The model is derived using internal data elements such as credit history, repayment behavior, and borrower demographics, enabling to build a comprehensive borrower risk profile. This scoring mechanism is integrated to assess the credit quality of individual exposures and assign risk grades, which are then mapped to corresponding PD values.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. For products where empirical data is available LGD is determined based on historical recoveries.

For other products in absence of enough historical data, LGD rates are adopted from RBI circular "Implementation of the Internal Rating Based (IRB) Approaches for Calculation of Capital Charge for Credit Risk" by RBI dated December 22, 2011.- (RBI/2011-12/311 DBOD.No.BP.BC.67/21.06.202/2011-12) .

The Group may also make additional impairment allowance based on its assessment of risk profile and create safeguard from potential future events.

Write-offs

The Group writes off Retail secured and unsecured loans which have a days past due (DPD) for more than 18 months and 15 months respectively. However, Small and Medium Enterprises (SME) Secured and Unsecured Loans, are written off on a case-to-case basis, based on the probability of recoverability. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

Notes to the Consolidated Financial Statements (Contd.)

6. Hedge accounting

The Group makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

During the year, hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

7. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

8. Share-based payment arrangements

- a. The employee share options are granted and settled through equity instruments issued by the Holding Company, InCred Holdings Limited.
- b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.
- c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.
- d. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise

Notes to the Consolidated Financial Statements (Contd.)

beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Consolidated Statement of Profit and Loss.

- e. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

9. Lease Accounting

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. The Group revises the lease term if there is a change in the non-cancellable period of a lease

At the date of commencement of the lease, the Group recognizes 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 twelve months or less (short-term leases) and low value leases.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates.

10. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income ('OCI').

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- a. has a legally enforceable right to set off the recognised amounts; and
- b. intends to realise the asset or settle the liability on a net basis or simultaneously.

Deferred tax

Income tax comprises of current tax and deferred tax. Income tax is recognised based on tax rates and tax laws enacted, or substantively enacted, at the reporting date and on any adjustment to tax payable in respect of previous years. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is recognised in the same statement as the related item appears. Deferred tax is recognised for temporary differences between the accounting base of assets and liabilities in the Balance Sheet, and their tax bases. Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled. The carrying amount of deferred tax assets is reviewed at each reporting date by the Group and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and deferred tax liabilities are offset basis the criteria given under Ind AS 'Income Taxes'.

Notes to the Consolidated Financial Statements (Contd.)

11. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

- i. its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates,
- ii. any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Consolidated Statement of Profit and Loss.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Consolidated Statement of Profit and Loss.

ii. Depreciation

Depreciation is provided on straight line basis as per the useful life given under Schedule II of the Companies Act, 2013, and is generally recognised in the Consolidated Statement of Profit and Loss.

Depreciation on additions / (disposals) is provided on a pro-rata basis i.e., from / (upto) the date which the asset is ready for use / (disposed of).

The useful life as per Schedule II are as follows:

Asset	Useful life as per Schedule II
Buildings	60 years
Furniture & fixtures	10 years
Office equipment	5 years
Computers and printers	3 years
Vehicles	8 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimated useful life as given above best represent the period over which management expects to use these assets.

12. Intangible assets

i. Recognition and measurement

Intangible assets (computer software) are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

ii. Subsequent expenditure

Subsequent expenditure on an intangible asset is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in the Statement Profit and Loss as incurred.

Notes to the Consolidated Financial Statements (Contd.)

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful life using the straight-line method, and is included in depreciation, amortisation and impairment in the Consolidated Statement of Profit and Loss.

The intangible assets are amortised over the estimated useful life of 3 years.

Amortisation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

13. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The carrying values of these assets at each balance sheet date are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of these asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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.

If the carrying amount of these assets exceed the estimated recoverable amount, an impairment loss is recognised in the Consolidated Statement of Profit and Loss for such excess amount.

In respect of assets (except goodwill) for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

14. Revenue from operations

Recognition of interest and fee income or expense:

Dividend income is recognised on the date on which the Group's right to receive the payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is recognised by applying the effective interest rate to the recoverable amount of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Processing fees earned on origination of loan, adjusted for cost, are amortized on effective interest rate over the life of the loan.

Notes to the Consolidated Financial Statements (Contd.)

Fee and commission income:

The Group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Group identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations.

Loan related charges such as cheque bounce charges, foreclosure charges, are recognised only on receipt basis.

15. Income from de-recognition of assets:

Gains arising out of de-recognition transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the transaction is entered into with the transferee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction estimated for prepayments and defaults, discounted at the applicable rate entered into with the transferee is recorded upfront, net off estimated cost, in the statement of profit and loss.

16. Finance Cost

Finance costs include interest expense calculated using the EIR on respective financial instruments and borrowings including foreign currency borrowings measured at amortised cost, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. All other Borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

17. Employee benefits

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Contribution to provident fund and Employees' State Insurance Corporation (ESIC)

Group's contribution paid/payable during the period to provident fund and ESIC is recognised in the Statement of profit and loss.

iii. Gratuity

The Group's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of profit and loss.

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

iv. Compensated absence

The Group does not have a policy of encashment of unavailed leaves for its employees and are not permitted to carry forward the leaves. Hence there is no liability towards compensated absence.

Notes to the Consolidated Financial Statements (Contd.)

18. Foreign currency

Transaction and balances

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each closing date, foreign currency monetary items are reported using the closing exchange rate.

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined. Exchange differences are recognised in the Consolidated Statement of Profit and Loss.

19. Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

20. Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

21. Segment Reporting

The Group operates in a single reportable segment i.e., financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment. The Group operates in a single geographical segment i.e. domestic.

22. Provisions, contingent liabilities and contingent assets

a. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Consolidated Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Notes to the Consolidated Financial Statements (Contd.)

c. **Contingent liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

The group has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. The group assesses its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts periodically and ensures that appropriate treatment has been made as required under Ind AS.

d. **Contingent assets**

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each reporting date.

23. Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as exceptional items.

24. Standards issued but not yet effective upto the date of issuance of the financial statements

There are no standards that are notified and not yet effective as on date.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(INR in lakhs)

2. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks in current accounts	38,295.42	63,190.59
Fixed Deposit with banks with original maturity of less than 3 months	16,605.76	1,001.39
Total	54,901.18	64,191.98

3. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed deposit with bank with original maturity of more than 3 months*	27,449.49	17,234.70
Total	27,449.49	17,234.70

*Includes lien marked fixed deposits for borrowings amounting to INR 23,355.07 lakhs as at March 31, 2026 and 12,998.67 lakhs as at March 31, 2025

4. DERIVATIVE FINANCIAL INSTRUMENTS AT FAIR VALUE

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(A) Derivative financial assets at fair value		
(i) Cross Currency Interest Rate Swaps		
Cash flow hedge (Notional amount (INR in lakhs): March'26 : 1,00,451.88 and March'25 : 72,207.23)*	11,327.08	514.67
(ii) Currency Derivatives		
"Embedded Derivatives and Forwards (Notional amount (INR in lakhs) : March'26 : 18,047.81 and March'25 : 20,520.00 (Refer Note 15)	786.04	369.47
Total	12,113.12	884.14
(B) Derivative financial liabilities at fair value		
Embedded Derivative on Market Linked Debentures (Notional amount (INR in lakhs) : March'26 : 33,476.00 ; and Foreign Currency Term Loan (Notional amount (INR in lakhs) : March'26 : 17,360.00	4,568.62	2,145.27
Embedded Derivatives on Market Linked Debentures (Notional amount (INR in lakhs) : March'25 : 14,470.00 ;and Forwards (Notional amount (INR in lakhs) : March'25 : 21,438.09 (Refer Note 15)		
Total	4,568.62	2,145.27

*Derivative transactions comprise of currency, forwards and interest rate swaps. The Company undertakes such transactions for hedging borrowings in foreign currency.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

5. TRADE RECEIVABLES

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
	Amortised cost	Amortised cost
Considered good – Secured		
Considered good – Unsecured	78.19	511.36
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables – credit impaired	-	-
Unbilled Trade Receivables	1056.20	1,176.19
Subtotal	1,134.39	1,687.55
Less: Impairment loss allowance	(4.66)	(6.75)
Total	1,129.73	1,680.80

Trade receivable ageing schedule

As at March 31, 2026

Particulars	Not due	Unbilled	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	-	1,056.20	78.19	0.00	-	-	-	1,134.39
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed	-	-	-	-	-	-	-	-

As at March 31, 2025

Particulars	Not due	Unbilled	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	-	1,176.19	511.36	-	-	-	-	1,687.55
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed	-	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

6. LOANS

(INR in lakhs)		
Particulars	As at March 31, 2026 Amortised cost	As at March 31, 2025 Amortised cost
(A) (i) Term loans*	14,13,624.87	10,77,795.34
(ii) Loans repayable on demand	-	-
Total - Gross (A)	14,13,624.87	10,77,795.34
Less: Impairment loss allowance	(40,431.93)	(29,093.29)
Total - Net of impairment loss allowance (A)	13,73,192.94	10,48,702.05
(B) (i) Secured by tangible assets**	324,334.39	2,62,823.33
(ii) Covered by Bank and Government guarantees	16,766.33	14,355.74
(iii) Unsecured	1,072,524.15	8,00,616.27
Total - Gross (B)	14,13,624.87	10,77,795.34
Less: Impairment loss allowance	(40,431.93)	(29,093.29)
Total - Net of impairment loss allowance (B)	13,73,192.94	10,48,702.05
(C) Loans in India		
(i) Public sectors	-	-
(ii) Others	14,13,624.87	10,77,795.34
Total - Gross (C)	14,13,624.87	10,77,795.34
Less: Impairment loss allowance	(40,431.93)	(29,093.29)
Total - Net of impairment loss allowance (C)	13,73,192.94	10,48,702.05

*Does not include outstanding of INR 1,74,473.69 lakhs (PY : 1,80,712.05 lakhs) derecognised on account of Co-Lending / Direct assignment transaction.

**Secured by charge on immovable properties, vehicles, inventories and receivables.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

7. INVESTMENTS

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(A) At Amortised Cost		
- Debt securities	1,613.35	4,892.11
Less: Allowance for impairment loss on amortised cost	(6.45)	(19.57)
Net at Amortised Cost (A)	1,606.90	4,872.54
(B) At Fair Value Through Other Comprehensive Income (FVOCI)		
- Debt securities	36,753.51	16,278.03
Less: Allowance for impairment loss FVOCI	(144.93)	(72.75)
Net At Fair Value Through Other Comprehensive Income (FVOCI) (B)	36,608.58	16,205.28
(C) At Fair Value Through Profit or Loss (FVTPL)		
- Debt Securities	3,255.38	1,891.60
- Mutual Funds	3,002.19	28,045.17
- Convertible Preference Shares	250.01	
Less: Allowance for impairment loss FVTPL	-	-
Net At Fair Value Through Profit or Loss (FVTPL) (C)	6,507.58	29,936.77
(D) Others (At cost less impairment, if any)		
- Convertible Preference Shares	9.67	9.67
Less: Allowance for impairment loss others	-	-
Net Others (D)	9.67	9.67
Total - Gross (A+B+C+D)	44,884.11	51,116.58
Investments in India	44,884.11	51,116.58
Total - Allowance for Impairment	(151.38)	(92.32)
Total - Net (A+B+C+D)	44,732.73	51,024.26

8. OTHER FINANCIAL ASSETS

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
	Amortised cost	Amortised cost
Security Deposits	813.04	778.49
Retained interest on Loans derecognised*	9,307.71	10,458.49
Receivables from related parties (Refer Note 34)	52.90	63.81
Balances with Partners	163.74	411.44
Margin money deposit	-	-
Receivable from assigned portfolio	60.82	41.56
Others (includes ECLGS receivable, collection receivables)	365.46	360.47
Sub Total	10,763.67	12,114.26
Less: Allowance for impairment loss	(5.82)	(6.81)
Total	10,757.85	12,107.45

* The excess interest spread on loans derecognised based on behavioural cashflows is recognized upfront on net present value.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

9. DEFERRED TAX

The major components of deferred tax assets arising on account of timing differences are as follows:

(INR in lakhs)					
Particulars	As at April 1, 2025	Acquired / (Disposed)	Recognised in profit and loss	Recognised in OCI	As at March 31, 2026
Deferred tax assets					
Provision for impairment loss on financial instruments	13,788.52	-	2,360.11	-	16,148.63
Provision for employee benefit plans	243.32	-	308.71	12.82	564.83
Disallowance of merger expenses	107.39	-	(53.69)	-	53.70
Lease liability	89.97	-	(15.47)	-	74.50
Fair value change on financial instruments	(17.26)	-	(18.02)	-	(35.28)
Unabsorbed business loss/capital loss	11,564.93	(185.96)	(10,969.94)	-	409.03
Difference between written down value of property plant and equipment and Intangible assets as per the books of accounts and income tax	170.67	35.59	54.44	-	260.70
Fair value change of investment valued at Fair value through OCI	40.59	-	239.09	(336.89)	(57.21)
Provision for expenses	1,584.56	(0.32)	374.67	-	1,958.91
Others	151.88	-	(151.59)	-	0.29
Total (A)	27,724.57	(150.68)	(7,871.71)	(324.07)	19,378.10
Deferred tax liabilities					
EIR impact on financial instruments	(2,610.06)	-	(649.11)	-	(3,259.17)
Others	661.72	-	(165.62)	-	496.10
Total (B)	(1,948.34)	-	(814.73)	-	(2,763.07)
Deferred tax assets (net) (A+B)	25,776.23	(150.68)	(8,686.44)	(324.07)	16,615.03

Note - The group is earning profits and expects to utilise deferred tax asset in coming years.

(INR in lakhs)					
Particulars	As at April 1, 2024	Acquired / (Disposed)	Recognised in profit and loss	Recognised in OCI	As at March 31, 2025
Deferred tax assets					
Provision for impairment loss on financial instruments	11,521.37	-	2,267.15	-	13,788.52
Provision for retirement benefit plans	1,466.03	-	(1,238.52)	15.81	243.32
Disallowance of merger expenses	161.09	-	(53.70)	-	107.39
Lease liability	94.77	-	(4.80)	-	89.97
Fair value change on financial instruments	65.11	-	(82.37)	-	(17.26)
Unabsorbed business loss/capital loss	23,651.18	-	(12,086.25)	-	11,564.93
Difference between written down value of property plant and equipment and Intangible assets as per the books of accounts and income tax	122.34	-	48.33	-	170.67
Fair value change of investment valued at Fair value through OCI	8.10	-	(180.83)	213.31	40.59
Provision for expenses	1,118.93	-	465.63	-	1,584.56
Others	151.88	-	-	-	151.88
Total (A)	38,360.81	-	(10,865.36)	229.12	27,724.57
Deferred tax liabilities					
EIR impact on financial instruments	(747.40)	-	(1,862.66)	-	(2,610.06)
Others	-	-	661.72	-	661.72
Total (B)	(747.40)	-	(1,200.94)	-	(1,948.34)
Deferred tax assets (net) (A+B) *	37,613.41	-	(12,066.30)	229.12	25,776.23

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

10A. PROPERTY, PLANT AND EQUIPMENT

(INR in lakhs)

Particulars	Buildings*	Furniture and fixtures	Leasehold Improvements	Office equipment	Computers & Printers	Vehicles	Right-of-use assets**	Total
Year ended March 31, 2025								
At carrying cost at the beginning of the year	22.71	484.94	1,959.12	655.55	1,788.73	736.56	3,756.12	9,403.73
Additions during the year	-	93.39	691.08	162.61	524.59	501.96	209.94	2,183.57
Disposals	-	-	-	-	(312.09)	(176.43)	-	(488.52)
Gross carrying value as at March 31, 2025	22.71	578.33	2,650.20	818.16	2,001.23	1,062.09	3,966.06	11,098.78
Accumulated depreciation as at the beginning of the year	2.30	116.48	524.98	252.10	1,276.98	287.94	1,912.34	4,373.12
Depreciation for the year	0.38	50.59	307.95	130.63	376.44	121.49	623.39	1,610.86
Disposals	-	-	-	-	(311.72)	(79.79)	-	(391.51)
Accumulated depreciation as at March 31, 2025	2.68	167.07	832.93	382.73	1,341.70	329.64	2,535.73	5,592.47
Net carrying value as at March 31, 2025	20.03	411.26	1,817.27	435.43	659.53	732.45	1,430.34	5,506.31
Year ended March 31, 2026								
At carrying cost at the beginning of the year	22.71	578.33	2,650.20	818.16	2,001.23	1,062.09	3,966.06	11,098.78
Additions during the year	-	71.61	324.84	72.32	359.74	212.44	-	1,040.94
Disposals	-	(1.54)	(7.36)	(1.69)	(1.68)	(17.73)	-	(30.00)
Gross carrying value as at March 31, 2026	22.71	648.39	2,967.68	888.79	2,359.30	1,256.80	3,966.06	12,109.72
Accumulated depreciation as at the beginning of the year	2.68	167.07	832.93	382.73	1,341.70	329.64	2,535.73	5,592.48
Depreciation for the year	0.38	58.62	415.74	145.00	427.54	140.42	506.39	1,694.09
Disposals	-	(1.30)	(2.98)	(1.22)	(1.61)	(2.81)	-	(9.91)
Accumulated depreciation as at March 31, 2026	3.05	224.40	1,245.70	526.51	1,767.64	467.24	3,042.12	7,276.66
Net carrying value as at March 31, 2026	19.65	424.00	1,721.98	362.28	591.66	789.55	923.95	4,833.06

* There is no immovable property where the title deed of such immovable property is not held in the Company's name or jointly held with others.

** Refer Note 37 for recognition of right-of-use assets

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

10B. CAPITAL WORK-IN-PROGRESS

(INR in lakhs)

Particulars	As at March 31, 2026				As at March 31, 2025			
	Opening Balance	Additions	Deletions	Closing Balance	Opening Balance	Additions	Deletions	Closing Balance
Capital work-in-Progress	230.18	316.43	(396.45)	150.16	336.65	678.00	(784.47)	230.18
Total	230.18	316.43	(396.45)	150.16	336.65	678.00	(784.47)	230.18

*There are no capital-work-in progress whose completion is overdue or has exceeded its cost

(INR in lakhs)

Ageing Schedule	As at March 31, 2026				As at March 31, 2025			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	150.16	-	-	-	230.18	-	-	-
Total	150.16	-	-	-	230.18	-	-	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

11. OTHER INTANGIBLE ASSETS

(INR in lakhs)

Particulars	Computer software
Year ended March 31, 2025	
At cost at the beginning of the year	1,964.99
Additions during the year	17.66
Gross carrying value as at March 31, 2025 (A)	1,982.65
Accumulated amortization:	
Accumulated amortization at the beginning of the year	1,571.58
amortization for the year	221.13
Accumulated amortization as at March 31, 2025 (B)	1,792.71
Net carrying value as at March 31, 2025 (A-B)	189.94
Year ended March 31, 2026	
At cost at the beginning of the year	1,982.65
Additions during the year	35.81
Gross carrying value as at March 31, 2026 (C)	2,018.46
Accumulated amortization:	
Accumulated amortization at the beginning of the year	1,792.71
amortization for the year	183.32
Accumulated amortization as at March 31, 2026 (D)	1,976.03
Net carrying value as at March 31, 2026 (C-D)	42.43

12. OTHER NON-FINANCIAL ASSETS

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	2,211.08	2,347.05
Advances to vendors	1,626.99	857.99
GST receivable	2,292.96	2,864.96
Total	6,131.03	6,070.00

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

13. PAYABLES

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(l) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	111.87	1.79
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	713.68	321.33
Total	825.55	323.12

There are no trade payables that are "Not Due" or "Unbilled" as on March 31, 2026 and March 31, 2025.

The management has identified enterprises which qualify under the definition of micro enterprises and small enterprises, as defined under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Accordingly, the disclosure in respect of amount payable to such enterprises as mentioned below is based on information received and available with the Company.

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Principal amount remaining unpaid	111.87	1.79
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
(iv) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006	-	-
(v) Amount of interest accrued and remaining unpaid at the end of the year	-	-
(vi) 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	-	-

Payables ageing schedule as on March 31, 2026:

(INR 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	
(i) MSME	111.87	-	-	-	111.87
(ii) Others	713.68	-	-	-	713.68

Payables ageing schedule as on March 31, 2025:

(INR 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	
(i) MSME	1.79	-	-	-	1.79
(ii) Others	321.33	-	-	-	321.33

14. DEBT SECURITIES

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
	Amortised cost	Amortised cost
Debentures (Secured)	2,04,273.29	1,48,641.53
Commercial Paper (Unsecured)	25,352.98	28,757.80
Total	2,29,626.27	1,77,399.33
Debts securities in India	2,29,626.27	1,77,399.33
Debt securities outside India	-	-
Total	2,29,626.27	1,77,399.33

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Terms and conditions

		(INR in lakhs)		Terms of repayment	Nature of security	Particulars	Sr No
		As at March 31, 2026	As at March 31, 2025				
1	2500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	3,030.66	2,278.40	3-Apr-26 Redeemable with agreed coupon at the end of 792 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.5x times the performance of NIFTY till a pre-defined cap of NIFTY Performance. Maximum Return is capped at 33%. Cap of NIFTY performance is 22% above the initial level of NIFTY. If NIFTY Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.		
2	1,47,712, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	1,498.22	1,485.85	2-May-26 Redeemable at par at the end of 1185 days from the date of allotment. Coupon to be paid quarterly.	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.		
3	1,69,758, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	1,722.60	1,708.69	2-May-26 Redeemable at par at the end of 1185 days from the date of allotment. Coupon to be paid annually.	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.		
4	5,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	5,398.61	5,347.31	21-May-26 Redeemable at par at the end of 729 days from the date of allotment. Coupon to be paid annually.	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.		

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
5	10,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 728 days from the date of allotment. Coupon to be paid annually.	18-Aug-26	10,534.38	10,410.90
6	12,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 729 days from the date of allotment. Coupon to be paid quarterly.	21-Aug-26	12,114.66	12,084.35
7	21,500, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 729 days from the date of allotment. Coupon to be paid semi-annually.	18-Sep-26	21,482.95	21,314.16

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
8	2500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 949 days from the date of allotment. Minimum Return paid out is 10% irrespective of the performance of NIFTY. Additional to this, the MLD gives a leverage participation(1.5x) over NIFTY Performance starting from 6.67% to 25% of NIFTY Performance. So Maximum Return is 37.5%. If NIFTY Performance is above 25% then the MLD gets knocked out and the MLD pays a flat 30% return at maturity. If NIFTY Level is below the Initial Level of NIFTY then the MLD redeems with the 10% minimum return.	12-Oct-26	2,589.98	2,354.11
9	5,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 730 days from the date of allotment. Coupon to be paid annually.	29-Oct-26	5,173.91	5,132.64
10	5,72,845, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 1096 days from the date of allotment. Coupon to be paid annually.	10-Nov-26	1,971.52	3,911.36

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
11	8,69,739, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 1096 days from the date of allotment. Coupon to be paid monthly.	10-Nov-26	8,694.19	8,615.87
12	9,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 730 days from the date of allotment. Coupon to be paid quarterly.	11-Dec-26	9,005.49	8,948.70
13	5,500, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 730 days from the date of allotment. Coupon to be paid annually.	31-Dec-26	5,583.42	5,530.86
14	40,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 730 days from the date of allotment. Coupon Payment to be paid quarterly	28-May-27	39,758.40	0.00

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
15	5,500, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 910 days from the date of allotment. Coupon to be paid quarterly.	19-Jul-27	5,580.22	5,565.40
16	10,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 910 days from the date of allotment. Coupon to be paid quarterly.	16-Aug-27	10,038.42	9,988.55
17	3500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1250 days from the date of allotment. For NIFTY Performance between 0% to 10%, the MLD pays a 1x participation rate. From 10% to 35% of NIFTY Performance the MLD pays a 2x leveraged participation. So Maximum Return is 60%. If NIFTY performance is more than 35% any of the final observation date then the MLD gets knocked out and pays 40% flat return.	8-Nov-27	2,909.02	2,644.43

Note: Interest rate ranging from 9.45%-10.30% for debentures.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	(INR in lakhs)	
					As at March 31, 2026	As at March 31, 2025
18	2,500, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 1092 days from the date of allotment. Principal & Coupon Payment to be paid quarterly	25-Nov-27	1,466.10	2,300.59
19	2596, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 791 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.4x times the performance of Gold till a pre-defined cap of Gold Performance. Maximum Return is capped at 32.20%. Cap of Gold performance is 23% above the initial level of Gold Performance. If Gold Performance Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	30-Nov-27	2,228.65	0.00
20	10000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 728 days from the date of allotment. Coupon to be paid quarterly.	6-Dec-27	9,949.20	0.00

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)

Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
21	2500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 791 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.4x times the performance of NIFTY till a pre-defined cap of NIFTY Performance. Maximum Return is capped at 29.40%. Cap of NIFTY performance is 21% above the initial level of NIFTY. If NIFTY Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	8-Dec-27	2,188.99	0.00
22	11,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 710 days from the date of allotment. Coupon to be paid quarterly.	24-Dec-27	11,114.58	0.00
23	2500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 791 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.4x times the performance of NIFTY till a pre-defined cap of NIFTY Performance. Maximum Return is capped at 29.40%. Cap of NIFTY performance is 21% above the initial level of NIFTY. If NIFTY Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	11-Feb-28	2,136.97	0.00

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
24	10,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 739 days from the date of allotment. Coupon to be paid quarterly.	6-Mar-28	9,957.13	0.00
25	4800, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed annual coupons at the end of 1204 days from the date of allotment. Minimum annual return is 7.5%. Additional bonus payout linked to the annual performance of NIFTY capped at 18%. If NIFTY Annual Performance is greater than 18%, then the MLD gets knocked out in that year and pays flat 7.5%. NIFTY level gets reset every year. After 3 annual returns, principal is paid out at maturity.	12-May-28	4,571.48	4,454.17
26	2680, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed annual coupons at the end of 792 days from the date of allotment. Minimum annual return is 7%. Additional bonus payout linked to the annual performance of NIFTY capped at 13%. If NIFTY Annual Performance is greater than 13%, then the MLD gets knocked out in that year and pays flat 7%. NIFTY level gets reset every year. After 2 annual returns, principal is paid out at maturity.	30-May-28	2,113.19	0.00

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
27	3000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 908 days from the date of allotment. Coupon to be paid quarterly.	14-Aug-28	3,009.34	0.00
28	2500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1094 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.2x times the performance of Gold Performance. If Gold Performance Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	13-Oct-28	2,002.24	0.00
29	3500, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1277 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.3x times the performance of Gold till a pre-defined cap of Gold Performance. Maximum Return is capped at 78.00%. Cap of Gold performance is 60% above the initial level of Gold Performance. If Gold Performance Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	15-Jan-29	2,709.66	0.00

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
30	3900, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 1,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1277 days from the date of allotment. Minimum Return paid out is 24.71% irrespective of the performance of Gold. Additional to this, the MLD gives a leverage participation (1.x) over Gold Performance starting from 24.71% to 50.00% of Gold Performance. So Maximum Return is 50.00%. If Gold Performance is above 50% then the MLD gets knocked out and the MLD pays a flat 50% return at maturity. If Gold Performance Level is below the Initial Level of Gold then the MLD redeems with the 24.71% minimum return.	19-Jan-29	3,739.11	0.00
31	250, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 929 days from the date of allotment if NIFTY final fixing level is greater than or equal to 25% of the initial fixing level or else at par	8-Apr-25	0.00	3,114.01
32	17,38,325, Secured Rated Listed Redeemable Non-Convertible issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 820 days from the date of allotment. Coupon to be paid quarterly.	2-May-25	0.00	17,620.57

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
33	2,54,599, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 820 days from the date of allotment. Coupon to be paid annually.	02-May-25	0.00	2,583.53
34	173, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1205 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.25x times the performance of NIFTY . Maximum Return is uncapped.. If NIFTY Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	8-May-25	0.00	2,247.15
35	1,32,867, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 547 days from the date of allotment. Coupon to be paid monthly.	10-May-25	0.00	1,334.22
36	8,76,454, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive and continuing charge created over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 731 days from the date of allotment. Coupon to be paid quarterly.	10-Nov-25	0.00	3,310.23

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)						
Sr No	Particulars	Nature of security	Terms of repayment	Maturity date	As at March 31, 2026	As at March 31, 2025
37	1,92,719, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first ranking exclusive over identified book debts/loan receivables (the "Hypothecated Assets") pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 731 days from the date of allotment. Coupon to be paid monthly.	10-Nov-25	0.00	1,927.40
38	117, Secured Redeemable Principal Protected - Market Linked Non-Convertible Debenture of INR 10,00,000	Non- Convertible Market- Linked Debentures issued by the Company are secured by way of a first pari passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable with agreed coupon at the end of 1229 days from the date of allotment. The MLD pays a leveraged participation i.e. 1.3x times the performance of NIFTY till a pre-defined cap of NIFTY Performance. Maximum Return is capped at 50%. Cap of NIFTY performance is 38.46% above the initial level of NIFTY. If NIFTY Final level is less than the initial level then the MLD redeems at par with zero coupon payment.	5-Dec-25	0.00	1,093.34
39	4,000, Secured Rated Listed Redeemable Non-Convertible Debentures issued at INR 1,00,000 each	Non- Convertible Debentures issued by the Company are secured by way of a first pari- passu charge over the receivables of the Company to the extent they meet the stipulated security cover ("Hypothecated Receivables") created pursuant to the deed of hypothecation executed by the Company in favour of the Debenture Trustee.	Redeemable at par at the end of 820 days from the date of allotment. Coupon to be paid quarterly.	12-Dec-25	0.00	1,334.74
40	Commercial Paper	Unsecured	Issued at a discount and redeemable at par. The tenure is 180 days to 365 days with an discount rate ranging from 8.70%-9.60%.	NA	25,352.98	28,757.80
Total					2,29,626.27	177,399.33

Note: Interest rate ranging from 8.60%-10.30% applies to debentures outstanding as at March 31, 2026. The above also includes debentures which are linked to market index.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

15. BORROWINGS (OTHER THAN DEBT SECURITIES)

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
	Amortised cost	Amortised cost
(a) Term loans (Secured)		
(i) from banks	6,01,737.73	5,05,946.34
(ii) from other parties	86,253.43	99,996.11
(b) Pass Through Certificates (Secured)	1,43,944.10	52,308.96
(c) Loans repayable on demand (Net) (Secured)		
(i) from banks	34,655.09	-
Total	8,66,590.35	6,58,251.41
Borrowings in India	7,64,768.19	5,89,344.79
Borrowings outside India (comprises external commercial borrowings)	1,01,822.16	68,906.62
Total	8,66,590.35	6,58,251.41

Note : The borrowings from banks, financial institutions and others have been used for the specific purpose for which it was borrowed.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Terms and conditions

(InR in lakhs)

Particulars	Nature of security	Terms of repayment	As at March 31, 2026	As at March 31, 2025
Borrowings				
ai) Banks	Term Loan from Banks are secured by way of a first pari passu charge over all the receivables; both present and future of the Company; to the extent they meet the asset cover requirement of each lender, stipulated in respect of the outstanding facilities.	Loans are repayable in monthly or quarterly installments with original tenure ranging from 6 to 84 months and interest ranging from 7.15%-11.00%.	5,06,582.96	4,43,049.02
a ii) Others	Term Loan from others are secured by way of a first pari passu charge over all the receivables; both present and future of the Company; to the extent they meet the asset cover requirement of each lender, stipulated in respect of the outstanding facilities.	Loans are repayable in monthly or quarterly installments with original tenure ranging from 24 to 38 months and interest rate ranging from 8.60%-10.55%	79,586.04	93,986.80
External Commercial Borrowings (Banks and Others)	Term Loan from Others (External Commercial Borrowings) are secured by way of a first pari passu charge over all the receivables; both present and future of the Company; to the extent they meet the asset cover requirement of each lender, stipulated in respect of the outstanding facilities.	Loans are repayable on maturity or periodical installments with original tenure upto 60 months and interest rate is linked to SOFR.	1,01,822.16	68,906.62
b) Pass Through Certificates (Secured)	Secured by an exclusive charge by way of hypothecation/ assignment of specific loan receivables	Facility tenure ranging from 25 to 64 months repayable on monthly basis and interest rate ranging from 8.45%-9.50%	1,43,944.10	52,308.96
c) Loans repayable on demand (WCDL and CC)	Working Capital Demand Loans ("WCDL") and Cash Credit ("CC") from Banks are secured by way of a first pari passu charge over all the receivables; both present and future of the Company; to the extent they meet the asset cover requirement of each lender, stipulated in respect of the outstanding facilities.	CC / WCDL facilities are repayable on demand with renewal at the end of 1 year with interest rate ranging from 7.73% to 10.25%.	34,655.09	-
Total			8,66,590.35	6,58,251.41

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

16. OTHER FINANCIAL LIABILITIES

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability (Refer Note 38)	1,219.97	1,787.82
Collaterals received towards loans	3,177.78	4,833.78
Security deposits	156.77	124.47
Payable to related parties (Refer Note 34)	91.43	6.24
Payable on assigned portfolio	6,236.09	6,856.24
Advance/Payable from/to the customers	1,002.17	2,006.81
Provision for expenses	8,239.82	6,596.60
Servicing liability on loans derecognised	1,140.89	1,576.20
Payable to employees	5,505.98	4,540.00
Others	2,921.63	608.59
Total	29,692.53	28,936.75

17. PROVISIONS

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Gratuity	1,640.07	1,043.36
Expected credit loss provision on undrawn loan commitments	21.50	12.94
Total	1,661.57	1,056.30

18. OTHER NON-FINANCIAL LIABILITIES

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	1,408.15	1,087.49
Total	1,408.15	1,087.49

19. EQUITY SHARE CAPITAL

(INR in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of INR. 10/- each	70,00,00,000	70,000.00	50,00,00,000	50,000.00
Total	70,00,00,000	70,000.00	50,00,00,000	50,000.00
Issued, subscribed and paid up capital				
Equity Shares of INR. 10/- each fully paid up	49,05,32,336	49,053.23	48,83,10,114	48,831.01
Total	49,05,32,336	49,053.23	48,83,10,114	48,831.01

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Terms/rights attached to equity shares

The Group has only one class of equity shares having par value of INR 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

I The shareholders of the Company at the Annual General Meeting held on September 09, 2025 had approved the increase of Authorised Share Capital of the Company from INR 500,00,00,000 (Indian Rupees Five Hundred Crores only) divided into 50,00,00,000 (Fifty Crores) equity shares having the face value of INR 10/- (Indian Rupees Ten) each to INR 700,00,00,000 (Indian Rupees Seven Hundred Crores only) divided into 70,00,00,000 (Seventy Crores) equity shares having the face value of INR 10/- (Indian Rupees Ten) each.

In the event of liquidation of the Group, the holders of the equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Equity shares held by holding company

Out of the equity shares issued by the group, shares held by its holding company :

(INR in lakhs)

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares held	Amount	No. of shares held	Amount
InCred Holdings Limited (formerly known as KKR Capital Markets Pvt Ltd)	49,05,32,336	49,053.23	48,83,10,114	48831.01
Total	49,05,32,336	49,053.23	48,83,10,114	48,831.01

Equity shares held by promoter**/promoter group

Out of the equity shares issued by the group, shares held by its promoters:

(INR in lakhs)

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares held	% of Shares held	No. of shares held	% of Shares held
InCred Holdings Limited (including shares held by Nominee Shareholders)*	49,05,31,941	100%	48,83,09,719	100%
Bhupinder Singh	395	0%	395	0%
Total	49,05,32,336	100%	48,83,10,114	100%

*Includes shares held as nominee by 5 other shareholders.

**Promoter here means Promoters defined as per section 2(69) of Companies Act, 2013.

As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
InCred Holdings Limited (including shares held by Nominee Shareholders)*	48,83,09,719	22,22,222	49,05,31,941	100%	0.46%
Bhupinder Singh	395	-	395	0%	0.00%
Total	48,83,10,114	22,22,222	49,05,32,336	100%	0.46%

*Includes shares held as nominee by 5 other shareholders.

As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
InCred Holdings Limited (including shares held by Nominee Shareholders)*	48,83,09,719	-	48,83,09,719	100%	0.00%
Bhupinder Singh	395	-	395	0%	0.00%
Total	48,83,10,114	-	48,83,10,114	100%	0.00%

*Includes shares held as nominee by 5 other shareholders.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Details of shareholder(s) holding more than 5% of the total equity shares in the Group :

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares held	% Holding	No. of shares held	% Holding
InCred Holdings Limited (including shares held by Nominee Shareholders)	49,05,32,336	100%	48,83,10,114	100%
Total	49,05,32,336	100%	48,83,10,114	100%

Aggregate number of shares issued for consideration other than cash during the period for a period of five years immediately preceding

During the current financial year the Group has issued Nil equity shares for consideration other than cash (PY : Nil).

Equity shares reconciliation

(INR in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
At the beginning of the year	48,83,10,114	48,831.01	48,83,10,114	48,831.01
Add: Shares issued during the year	22,22,222	222.22	-	-
At the end of the year	49,05,32,336	49,053.23	48,83,10,114	48,831.01

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

20. OTHER EQUITY

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Special reserve	26,414.33	17,536.39
Securities premium	1,13,467.71	1,09,689.93
Capital contribution from parent	1,14,231.53	1,11,259.65
Retained earnings	1,03,338.09	68,490.57
Merger Reserve	17,030.92	17,030.92
Debt instruments through OCI	(23.09)	(97.74)
Cash flow hedge reserve	352.86	(574.06)
Equity instruments through OCI	15.36	15.36
Loss on change in proportion held by NCI	-	-
Total	3,74,827.67	3,23,350.99

Description of nature and purpose of each reserve

- (i) **Special reserve** - As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. Thus, during the years ended 31 March 2026 and 31 March 2025, the Company has transferred to the Statutory Reserve an amount arrived at in accordance with Section 45-IC of the Reserve Bank of India Act, 1934.
- (ii) **Securities premium** - Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.
- (iii) **Capital contribution from parent** - The capital contribution from parent is the outcome of share issued by InCred Holdings Limited (formerly known as KKR Capital Markets Pvt Ltd) to shareholders of InCred Prime Finance Private Limited (formerly known as "InCred Financial Services Limited") as a part of purchase consideration in lieu of demerger of identified NBFC business. The reserves also includes share based arrangement where the Holding Company has granted equity settled options to the employees of the company. Refer Note No 37.
- (iv) **Retained earnings** - Retained earnings represents the amount of accumulated earnings of the Company.
- (v) **Merger Reserve** - The "Merger Reserve" is created on account of difference between legal capital of erstwhile InCred Prime Finance Private Limited (formerly, InCred Financial Services Limited) ('erstwhile IFSL') and InCred Financial Services Limited (formerly, KKR India Financial Services Limited) ('new IFSL') along with capital contribution from parent. The Demerger was executed in FY 2022-23 through the NCLT order. (Refer Note 43)
- (vi) **Other comprehensive income:**
 - (a) **Debt instruments through other comprehensive income** - The Company recognises changes in the fair value of debt instruments held with a dual business objective of collect and sell in other comprehensive income. These changes are accumulated in the FVOCI debt investments reserve. The Company transfers amounts from this reserve to profit or loss when the debt instruments are derecognised. Any impairment loss on such instruments is reclassified immediately to the Statement of Profit and Loss.
 - (b) **Equity instruments through other comprehensive income** - The Company has opted to recognise changes in the fair value of certain investments in equity in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity investments are derecognised.
 - (c) **Cash Flow hedge reserve** - This represents the cumulative gains / (losses) arising on the revaluation of derivative instruments designated at cash flow hedges through other comprehensive income.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

21. INTEREST INCOME

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
On Financial Assets measured at amortised cost:		
-Interest on loans	2,24,573.87	1,67,070.05
-Interest income from investments	2,182.76	574.94
-Interest on deposits with banks	2,466.59	1,032.17
On Financial Assets measured at fair value through profit or loss:		
-Interest on loans	-	-
On Financial Assets measured at fair value through Other Comprehensive Income:		
-Interest income from investments	3,841.87	480.34
Total	2,33,065.09	1,69,157.50

Note - No revenue from transactions with a single customer amounted to 10% or more of the Company's total revenue for the year ended March 31, 2026 and March 31, 2025.

22. FEES AND COMMISSION INCOME

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Service and administration charges	21,343.51	13,722.61
Total	21,343.51	13,722.61
Geographical Markets		
Within India	21,343.51	13,722.61
Outside India	-	-
Total	21,343.51	13,722.61
Timing of revenue recognition		
Services transferred at a point in time	21,343.51	13,722.61
Services transferred over time	-	-
Total	21,343.51	13,722.61

Note: For receivable balances against the income, refer note no 5

23. NET (LOSS)/ GAIN ON FAIR VALUE CHANGES

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net (loss)/ gain on financial instruments at fair value through profit or loss		
- Investments	1,251.10	1,530.53
- Derivatives	148.89	865.57
Total	1,399.99	2,396.10
Fair value changes:		
- Realised	1,399.61	1,262.47
- Unrealised	0.38	1,133.63

24. OTHER INCOME

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Marketing income	1,500.73	565.20
Business support charges	170.66	127.50
Other income	360.64	371.56
Total	2,032.03	1,064.26

Note: For receivable balances against the income, refer note no 5

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

25. FINANCE COSTS

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
On financial liabilities measured at amortised cost:		
(i) Interest on borrowings	64,396.26	46,734.34
(ii) Discount on Commercial Paper	1,915.90	1,802.75
(iii) Interest on Debentures	17,836.36	11,625.52
(iv) Interest on Inter Corporate Debts ("ICD")	-	237.57
(v) Interest on Pass Through Certificate	7,552.32	1,655.78
(vi) Interest on lease liability (Refer Note 38)	147.10	203.46
(vii) Other finance cost	388.06	502.52
Total	92,236.00	62,761.94

26. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
On Financial instruments measured at amortised cost		
- Loans (including amount written off, net of recovery)	30,012.65	18,743.61
- Investments	(13.12)	19.57
- Others	516.30	13.56
Total	30,515.83	18,776.74

*Of the above INR 13,730.80 lakhs pertains to write-off during year ended March 31, 2026 and INR 10,513.23 lakhs during year ended March 31, 2025 and INR 4,775.06 lakhs pertains to recovery from write off during year ended March 31, 2026 and INR 9,955.33 lakhs during year ended March 31, 2025.

27. EMPLOYEE BENEFIT EXPENSES

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	35,377.35	28,914.90
Contribution to provident and other funds	931.46	751.44
Share based payment to employees (Refer Note 37)	2,971.89	2,983.98
Staff welfare expenses	1,654.20	784.13
Retirement Benefit expenses (Refer Note 35)	672.70	242.20
Total	41,607.60	33,676.65

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

28. OTHER EXPENSES

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Information Technology expenses	4,619.69	3,810.12
Collection expenses	10,958.72	6,789.57
Legal, professional and consultancy charges	6,821.46	4,760.49
Office Expenses	1,875.01	1,258.80
Travelling and conveyance	1,452.82	851.30
Advertisement, publicity and sales promotion expenses	1,596.60	1,244.47
Rating fees	276.36	279.53
Payment to auditors*	170.78	173.09
Directors' sitting fees (Refer Note 34)	154.25	156.96
Stamp Duty & Filing fees	50.79	68.30
Bank charges	71.72	42.96
Repairs and maintenance	106.40	40.75
Corporate Social responsibility (Refer Note 42)	751.33	295.61
Rent (Refer Note 38)	923.81	400.01
Membership and Subscription	21.55	18.59
Miscellaneous expenses	908.35	876.23
Total	30,759.64	21,066.78

29. TAX EXPENSE**(a) Amounts recognised in profit and loss**

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current tax expense		
Current year	7,209.55	682.70
Current tax expense	7,209.55	682.70
Deferred tax expense		
Origination and reversal of temporary differences	8,686.44	12,066.30
Current tax expense	8,686.44	12,066.30
Tax expense for the year	15,895.99	12,749.00

(b) Amounts recognised in other comprehensive income

(INR in lakhs)

Particulars	Year ended March 31, 2026			Year ended March 31, 2025		
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
Items that will not be reclassified to profit or loss						
(a) Remeasurements of defined benefit liability (asset)	(50.63)	12.82	(37.81)	(62.78)	15.81	(46.97)
Items that will be reclassified to profit or loss						
(a) Debt instruments through other comprehensive income	99.76	(25.11)	74.65	(80.98)	20.39	(60.59)
(b) The effective portion of gains and loss on hedging instruments in a cash flow hedge	1,238.70	(311.78)	926.92	(766.48)	192.92	(573.56)
Total	1,287.83	(324.07)	963.76	(910.24)	229.12	(681.12)

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(c) Amounts recognised directly in equity

There are no temporary difference recognised directly in equity for the year ended March 31, 2026 and March 31, 2025.

(d) Reconciliation of effective tax rate

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax as per Statement of profit and loss	59,659.26	50,147.75
Statutory tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	15,015.04	12,622.19
Tax effect of:		
Tax effect of amounts which are not deductible in calculating taxable income	189.09	74.40
Tax on temporary differences on which deferred tax is either not created or reversed due to no reasonable certainty of future profits	16.03	-
Tax impact of earlier year	246.08	206.85
Other adjustments	429.74	(154.43)
Total income tax expense	15,895.99	12,749.00
Effective tax rate	26.64%	25.42%

30. EARNINGS PER SHARE

Basic and diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

i. Profit attributable to Equity shareholders:

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit attributable to equity holders of the Company used in calculating basic earnings per share	43,763.27	37,398.75
Profit attributable to equity holders of the Company used in calculating diluted earnings per share	43,763.27	37,398.75

ii. Weighted average number of ordinary shares

(INR in lakhs)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (A)	49,02,64,452	48,83,10,114
Add: Adjustments for calculation of diluted earnings per share (B)	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (A+B)	49,02,64,452	48,83,10,114
Basic earnings per equity share (Amount in INR)	8.93	7.66
Diluted earnings per equity share (Amount in INR)	8.93	7.66

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

31. FAIR VALUE MEASUREMENTS

A. Accounting classification

Carrying amounts of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below :

Particulars	As at March 31, 2026				As at March 31, 2025		
	FVTPL	FVOCI	Amortised Cost	Total	FVTPL	FVOCI	Amortised Cost
Financial assets							
Cash and cash equivalents	-	-	54,901.18	54,901.18	-	-	64,191.98
Bank balance other than cash and cash equivalents	-	-	27,449.49	27,449.49	-	-	17,234.70
Derivative financial instruments	786.04	11,327.08	-	12,113.12	369.47	514.67	884.14
Trade receivables	-	-	1,129.73	1,129.73	-	-	1,680.80
Loans	-	-	13,73,192.94	13,73,192.94	-	-	10,48,702.05
Investments							
- Mutual funds	3,002.19	-	-	3,002.19	28,045.17	-	28,045.17
- Debt securities	3,255.38	36,608.58	1,606.90	41,470.86	1,891.60	16,205.28	22,969.42
- Convertible preference shares	250.01	-	-	250.01	-	-	-
Other financial assets	-	-	10,757.85	10,757.85	-	-	12,107.45
Total financial assets	7,293.62	47,935.66	1,469,038.09	1,524,267.37	30,306.24	16,719.95	11,48,789.52
Financial liabilities							
Derivative financial instruments	4,568.62	-	-	4,568.62	2,145.27	-	2,145.27
Trade Payable	-	-	825.55	825.55	-	-	323.12
Debt securities	-	-	2,29,626.27	2,29,626.27	-	-	1,77,399.33
Borrowings (other than debt securities)	-	-	8,66,590.35	8,66,590.35	-	-	6,58,251.41
Other financial liabilities	-	-	29,692.53	29,692.53	-	-	28,936.75
Total financial liabilities	4,568.62	-	1,126,734.70	11,31,303.32	2,145.27	-	8,67,055.88

Note: Convertible preference shares amounting to INR 9.67 lakhs as at March 31, 2026 and INR 9.67 lakhs as at March 31, 2025 is carried at cost and does not form part of the above.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

B. FAIR VALUE

Fair values of financial assets and financial liabilities measured at fair value, including their levels in the fair value hierarchy, are presented below:

(INR in lakhs)

Particulars	Fair value					As at March 31, 2025		
	As at March 31, 2026					Level 1	Level 2	Level 3
Financial assets	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investment in mutual funds	3,002.19	-	-	3,002.19	28,045.17	-	-	28,045.17
Derivative financial instruments	-	12,113.12	-	12,113.12	-	884.14	-	884.14
Investment in debt securities	22,687.05	17,176.91	-	39,863.96	15,703.82	2,393.07	-	18,096.89
Investment in Convertible preference shares	-	250.01	-	250.01	-	-	-	-
Total	25,689.24	29,540.04	-	55,229.28	43,748.99	3,277.21	-	47,026.20
Financial liabilities								
Derivative financial instruments	-	4,568.62	-	4,568.62	-	2,145.27	-	2,145.27
Total	-	4,568.62	-	4,568.62	-	2,145.27	-	2,145.27

This section explains the judgments and estimates made in determining the fair value of the financial instrument that are measured at amortised cost and for which fair values at the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels under the accounting standard. An explanation of each level follows underneath table.

(INR in lakhs)

Particulars	Fair value					As at March 31, 2025		
	As at March 31, 2026					Level 1	Level 2	Level 3
Financial assets	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	54,901.18	-	-	54,901.18	64,191.98	-	-	64,191.98
Bank balance other than cash and cash equivalents	27,449.49	-	-	27,449.49	17,234.70	-	-	17,234.70
Trade receivables	-	-	1,129.73	1,129.73	-	-	1,680.80	1,680.80
Investments								
-Debt securities	-	-	1,606.90	1,606.90	-	-	4,872.54	4,872.54
Loans	-	-	13,43,262.31	13,43,262.31	-	-	10,89,315.05	10,89,315.05
Other financial assets	-	-	10,757.85	10,757.85	-	-	12,107.45	12,107.45
Total	82,350.67	-	13,56,756.79	14,39,107.46	81,426.68	-	11,07,975.84	11,89,402.52
Financial Liabilities								
Trade Payable	-	-	825.55	825.55	-	-	323.12	323.12
Debt securities	-	-	231,613.76	2,31,613.76	-	-	1,78,325.40	1,78,325.40
Borrowings (other than debt securities)	-	-	867,909.95	8,67,909.95	-	-	658,011.71	6,58,011.71
Other financial liabilities	-	-	29,692.53	29,692.53	-	-	28,936.75	28,936.75
Total	-	-	1,130,041.78	11,30,041.78	-	-	8,65,596.98	8,65,596.98

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(INR in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Cash and cash equivalents	54,901.18	54,901.18	64,191.98	64,191.98
Bank balance other than cash and cash equivalents	27,449.49	27,449.49	17,234.70	17,234.70
Derivative financial instruments	12,113.12	12,113.12	884.14	884.14
Trade receivables	1,129.73	1,129.73	1,680.80	1,680.80
Loans	13,73,192.94	13,43,262.31	10,48,702.05	10,89,315.05
Investments				
- Mutual funds	3,002.19	3,002.19	28,045.17	28,045.17
- Debt securities at fair value through profit & loss	3,255.38	3,255.38	1,891.60	1,891.60
- Debt securities at Other comprehensive income	36,608.58	36,608.58	16,205.28	16,205.28
- Debt securities at amortised cost	1,606.90	1,606.90	4,872.54	4,872.54
- Convertible preference shares	250.01	250.01	-	-
Other financial assets	10,757.85	10,757.85	12,107.45	12,107.45
Total	15,24,267.37	1,494,336.73	11,95,815.71	12,36,428.71
Financial liabilities				
Derivative financial instruments	4,568.62	4,568.62	2,145.27	2,145.27
Trade Payables	825.55	825.55	323.12	323.12
Debt securities	2,29,626.27	2,31,613.76	1,77,399.33	1,78,325.40
Borrowings (other than debt securities)	8,66,590.35	8,67,909.95	6,58,251.41	6,58,011.71
Other financial liabilities	29,692.53	29,692.53	28,936.75	28,936.75
Total	11,31,303.32	11,34,610.40	8,67,055.88	8,67,742.25

Except for those financial instruments for which the fair value amounts are mentioned in the above table (which is different than the carrying value), the Group considers that the carrying amounts recognised in the financial statements approximate their fair values. For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

C. Measurement of fair values

The following sets out the Group's basis of establishing fair values of amortised cost financial instruments and their classification between Levels 1, 2 and 3. As certain categories of financial instruments are not actively traded, there is a significant level of management judgement involved in calculating the fair values:

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Financial instruments held at amortised cost

i. Cash and bank balance:

The fair value of cash and balances with bank is their carrying amounts

ii. Loans and advances to customers:

For loans and advances to customers, the fair value of floating rate loans is their carrying amounts. Loans and advances are presented net of provisions for impairment. The fair value of loans and advances to customers with a residual maturity of less than one year generally approximates the carrying value. The fair value of fixed rate loans were calculated based on discounted cash flows using a current lending rate. The carrying value of Stage 3 loans are considered as fair value.

iii. Other financial assets:

The carrying amount of these financial instruments is considered to be a reasonable approximation of fair value as they are short term in nature.

iv. Investment in debt securities:

The group has investments in debt securities with fixed rates. The carrying amount of these financial instruments is considered to be a reasonable approximation of fair value as they are short term in nature

v. Debt securities and borrowings:

The estimated fair value of fixed interest bearing borrowings without quoted market prices is based on discounted cash flows using the prevailing rates at which Company has borrowed for debts with a similar credit risk and remaining maturity. For market linked debentures, the fair value published by CRISIL Rating Agency as at March 31, 2026 has been considered for fair valuation. For floating rate borrowings, the carrying value is a reasonable approximation to the fair value.

vi. Other financial liabilities:

The carrying amount of these financial instruments is considered to be a reasonable approximation of fair value as they are either short term in nature.

Financial instruments held at fair value

i. Investment in liquid funds:

The investment in liquid funds are valued using the closing NAV in the market.

ii. Investment in debt securities:

Fair value is based on market-observable data such as secondary market prices for its traded debt and where no data is available, it is estimated using market yield on the balance period to maturity on similar instruments using G-Sec rates adjusted for credit risk of the instruments.

Gains or losses on transfers among categories

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of reporting period

Inter-level transfers

There are no transfers of financial assets and liabilities measured at fair value between Levels 1 and 2 and Level 2 and 3 during the financial years ended March 31, 2026 and March 31, 2025.

D. Sensitivity analysis of financial instruments at Level 3

Particulars	Input name	As at March 31, 2026		As at March 31, 2025	
		Delta effect of		Delta effect of	
		+ 1% change	- 1% change	+ 1% change	- 1% change
Financial Assets:					
Loans	Discount rate	(11,298.91)	11,561.29	(8,413.74)	8,598.69
Financial Liabilities:					
Debt securities	Discount rate	(433.18)	427.62	(719.56)	725.08
Borrowings (other than debt securities)	Discount rate	(4,690.10)	4,805.58	(2,159.07)	2,212.96

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

32. FINANCIAL RISK MANAGEMENT

In the course of its business, the Group is exposed to certain financial risks namely credit risk, interest risk, market risk & liquidity risk. The Group's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance. The financial risks are managed in accordance with the Group's risk management policy which has been approved by its Board of Directors.

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, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities. 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.

A. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations i.e. receivables from customers, investments in debt securities. Credit risk arises from loans and advances, investments carried at amortized cost and deposits with banks and financial institutions.

i) Credit risk management

The Company's key objective is to maintain a strong culture of responsible lending, and robust risk policies and control frameworks. The Company considers various factors, which provide an assessment of the borrower's ability-to-pay and willingness-to-pay. While the techniques used for assessment vary across product-segments, the credit principles remain a common factor. To mitigate this risk, the Company has a robust system of credit line management for various transactions, including over-withdrawals, loan approvals, account inactivity, etc. These measures are also audited by Internal Audit to ensure adequacy of risk controls on an ongoing basis.

The key factors considered include:

- **Income and cash flow analysis:** The borrower's income from multiple sources is assessed, along with the borrower's obligations and financial commitments. Hence, the funds available to repay the loan/EMI is computed, and the loan is tailored to be affordable to the borrower. For certain product types working capital gap is also calculated. For student loans, country risks are also taken into consideration for income assessment.
- **Credit history analysis:** The borrower's experience in managing debt is considered. Prior delinquencies are considered. A strong repayment track record is typically an indicator of the customer's ability-to-pay. Exceptions and nuances, like customers with a limited credit history but with strengths like job-tenure or asset-ownership, are also considered to make appropriate credit decisions.
- **Borrower's profile and intended use of the funds:** The borrower's intended use of funds is considered as a part of the credit process, including the calculation of working capital cycle for certain product types. In some product-segments, the use of funds may be certified by the borrower or controlled by disbursing directly to the end-use. Borrower profiles which are not in targeted market-segments are screened out.
- **Security cover provided:** The Company has a well defined credit policy which lays out the security to be provided. In certain cases, providing the relevant collateral is a pre-condition for loan sanction.
- **Collectability and geo-location:** The borrower's location, accessibility, stability and contact-ability are all considered before loan sanction. In cases where there are doubts or concerns about any of these factors, an adverse adjustment to the risk-profile is made.
- **Risk Management of unsecured exposure:** The Group periodically monitors sectoral limits for consumer credit in line with the extant regulations. Also, there is a Board approved framework in place for periodic review and monitoring of sub-sectoral limits and adherence to the exposure limits on an ongoing basis by the Risk Management Committee of the Board. The Company has data analytics led early warning process to check stress build up of portfolio in certain pockets and is always vigilant to mitigate the risks through timely policy changes and other sourcing related actions to maintain the portfolio quality. Also, effective collection strategies, proactive communication, and building robust collection capacities are essential measures to mitigate risks and ensure sustainable growth. By focusing on these areas, the Company enhances its resilience and better manage the challenges associated with loan collections. The Company has separate data science/analytics team which monitors the vintage curve, bounce rates, collection efficiency, portfolio metrics and delinquencies further periodic re-audit of existing cases to unearth delinquency trends and credit learnings.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Measurement of Expected Credit Losses ('ECL')

The Group has segmented its outstanding portfolio based on multiple factors such as risk profile, product type, credit underwriting policy, sourcing channels etc. for the computation of ECL.

A three-stage model for impairment based on changes in credit quality since initial recognition has been implemented. The Company has used Days Past Due ('DPD') basis for staging of the portfolio and has opted for the rebuttable presumption prescribed by the standard to recognize default in case payments are overdue more than 90 days and a Significant Increase in Credit Risk ('SICR') in case payments are overdue for more than 30 days.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis /collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3."

The Group measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Company's internally developed statistical models and other historical data. In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors such as real GDP, unemployment rate, private consumption etc. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly. While considering the macroeconomic factor, company consider economic span of base case, plus upside and downside scenario.

The Group also uses an internally developed model in unsecured personal Loan portfolio as part of its Probability of Default (PD) estimation within the Expected Credit Loss (ECL) framework. The internally developed model is a proprietary Machine Learning based scoring system designed to evaluate the risk level of loan accounts and combines various data points as per the Credit Bureau of the borrower. The model is derived using internal data elements such as credit history, repayment behaviour, and borrower demographics, enabling the Company to build a comprehensive borrower risk profile. This scoring mechanism is integrated to assess the credit quality of individual exposures and assign risk grades, which are then mapped to corresponding PD values. The use case of this model in ECL computation is to further break down a portfolio segment by grouping the borrowers exhibiting similar risk characteristics.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Portfolio Segment	Lending verticals	PD			EAD	LGD	
		Stage 1	Stage 2	Stage 3			
Unsecured	Personal Loan	An empirical PD is derived basis the historical portfolio default rates. Forward looking PD is estimated from a statistical model that takes the empirical PD and future the macro-economic forecast as inputs.			100%	Exposure at Default (EAD) is the amount which the borrower owes as at the reporting date (including overdue and undrawn amount)	As per empirical data
	Student Loans						Considered 65% for unsecured portfolio as per regulatory guidelines
	Supply Chain Finance						
	Embedded Finance (Unsecured Business Loan)						As per empirical data
Secured	Asset Backed Finance	An empirical PD is derived basis the historical portfolio default rates. Forward looking PD is estimated from a statistical model that takes the empirical PD and future the macro-economic forecast as inputs In absence of sufficient default data, a management judgement-based PD is used in line with industry benchmarks			100%	Exposure at Default (EAD) is the amount which the borrower owes as at the reporting date (including overdue and undrawn amount)	Considered 50% for secured portfolio as per regulatory guidelines
	Secured School Finance						
	Lending to Other Financial Institutions						
	Loan Against Property	Stage 1 empirical PD is derived basis the historical portfolio default rates. Forward looking PD is estimated from a statistical model that takes the empirical PD and future the macro-economic forecast as inputs For Stage 2, in absence of sufficient default data, a management judgement-based PD is used in line with industry benchmarks					Considered 40% for in line with industry benchmarks

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

As at March 31, 2026

(INR in lakhs)

Particulars	Asset group	Gross carrying amount	Expected credit losses	Net carrying amount
Stage 1	Term Loans*	13,68,604.86	16,251.76	13,52,353.10
	Loan commitments	21,394.97	21.50	21,373.47
Stage 2	Term Loans	15,296.83	5,231.08	10,065.75
Stage 3	Term Loans	29,723.18	18,949.09	10,774.09

* Out of the above GCA of 13,68,604.86 from 5,25,126 loan accounts, 5,14,693 loan accounts with GCA of INR 13,49,337.93 lakhs are zero days past due.

As at March 31, 2025

(INR in lakhs)

Particulars	Asset group	Gross carrying amount	Expected credit losses	Net carrying amount
Stage 1	Term Loans*	10,41,117.54	11,213.18	10,29,904.36
	Loan commitments	39,082.62	12.94	39,069.68
Stage 2	Term Loans	15,738.63	4,683.64	11,054.99
Stage 3	Term Loans	20,939.17	13,196.47	7,742.70

* Out of the above GCA of INR 10,41,117.54 lakhs from 3,95,117 loan accounts, 3,83,721 loan accounts with GCA of INR 10,03,641.70 lakhs are zero days past due.

Collateral held

The Group periodically monitors the quality as well as the value of the security to meet the prescribed limits. The collateral held by the Group varies on case to case basis and includes:

- First/Subservient charge on the Land and/or Building of the project or other projects
- First/Subservient charge on the fixed and current assets of the borrower
- Hypothecation over receivables from funded project or other projects of the borrower
- Default Loss Guarantee (DLG) in the form of cash collateral, lien on fixed deposits etc.

Further, the Group on the basis of its assessment of credit risk classifies loans under Stage 2 irrespective of its overdues status during the period, including loans under one-time resolution (OTR) framework prescribed by the Reserve Bank of India (RBI) for COVID-19 related stress. These accounts are upgraded to Stage 1 as and when they demonstrate satisfactory behaviour under the revised repayment schedule.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

(ii) Reconciliation of Loan exposure and Loan loss allowance

For Loan exposure

The below table signifies movement of gross carrying amount:

(INR in lakhs)

Reconciliation of Loan exposure	Stage 1	Stage 2	Stage 3
Loan exposure on March 31, 2024	7,16,171.95	12,815.87	15,936.35
Change in opening credit exposure	(3,40,891.64)	(7,973.80)	(7,913.01)
New credit exposures during the year, net of repayment*	6,91,326.12	4,228.50	4,608.24
Transferred to 12-month ECL	1,518.75	(1,425.12)	(93.63)
Transferred to Lifetime ECL not credit impaired	(11,086.03)	11,187.71	(101.68)
Transferred to Lifetime ECL credit impaired	(15,921.61)	(3,094.53)	19,016.13
Write – offs	-	-	(10,513.23)
Loan exposure on March 31, 2025	10,41,117.54	15,738.63	20,939.17
Change in opening credit exposure	(4,78,058.62)	(7,258.28)	(11,151.98)
New credit exposures during the year, net of repayment*	8,40,548.65	2,174.92	3,305.64
Transferred to 12-month ECL	1,536.64	(1,398.51)	(138.13)
Transferred to Lifetime ECL not credit impaired	(13,988.93)	14,079.22	(90.29)
Transferred to Lifetime ECL credit impaired	(22,550.41)	(8,039.15)	30,589.56
Write – offs	-	-	(13,730.80)
Loan exposure on March 31, 2026	13,68,604.86	15,296.83	29,723.17

*represents outstanding balance of loan exposures originated during the year as at reporting date.

For Loan loss allowance:

(INR in lakhs)

Reconciliation of loss allowance	Stage 1	Stage 2	Stage 3
Loss allowance on March 31, 2024	5,989.37	3,382.05	9,675.31
Transfer of credit exposure due demerger			
Loss allowance on Apr 01, 2023			
Change in opening credit exposure	(2,312.88)	1,299.18	10,111.03
New credit exposures during the year, net of repayment*	7,434.85	1,296.29	2,731.33
Transferred to 12-month ECL	459.51	(410.07)	(49.44)
Transferred to Lifetime ECL not credit impaired	(103.50)	156.76	(53.26)
Transferred to Lifetime ECL credit impaired	(254.17)	(1,040.57)	1,294.73
Write – offs	-	-	(10,513.23)
Loss allowance on March 31, 2025	11,213.18	4,683.64	13,196.47
Change in opening credit exposure	(2,942.59)	2,129.35	13,926.48
New credit exposures during the year, net of repayment*	9,347.83	799.56	1,808.81
Transferred to 12-month ECL	283.18	(194.55)	(88.63)
Transferred to Lifetime ECL not credit impaired	(443.18)	488.05	(44.87)
Transferred to Lifetime ECL credit impaired	(1,206.67)	(2,674.97)	3,881.63
Write – offs	-	-	(13,730.80)
Loss allowance on March 31, 2026	16,251.76	5,231.08	18,949.09

*represents outstanding balance of loss allowance on loan exposures originated during the year as at reporting date.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

For investments

	(INR in lakhs)
Reconciliation of loss allowance	Stage 1
Loss allowance on March 31, 2024	6.71
Changes in loss allowances due to Assets used or released	85.61
Loss allowance on March 31, 2025	92.32
Changes in loss allowances due to Assets used or released	59.06
Loss allowance on March 31, 2026	151.38

The company has assessed the impairment allowance on trade receivables and other financial assets and has taken the impairment loss of INR. 24.16 lakhs for current year (PY: 13.68). Investments at amortised cost and FVOCI are all classified as Stage I

For loan commitments

	(INR in lakhs)
Reconciliation of loss allowance	Stage 1
Loss allowance on 31 March 2024	8.85
Changes in loss allowances due to Assets used or released	4.09
Loss allowance on 31 March 2025	12.94
Changes in loss allowances due to Assets used or released	8.56
Loss allowance on 31 March 2026	21.50

Offsetting financial assets and financial liabilities

There are no financial assets and Financial liabilities which are subject to offsetting, enforceable master netting arrangements and similar agreements.

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

B. Liquidity risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Group has formulated an Asset Liability Management Policy. The Asset Liability Management Committee ('ALCO') is responsible for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

The Group has the following uncancellable undrawn credit lines available as at the end of the reporting period:

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Expiring within one year	6,927.00	91,600.00
Total	6,927.00	91,600.00

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of reporting period ends respectively has been considered.

As at March 31, 2026

(INR in lakhs)

Particulars	Note No	Contractual cash flows					
		Carrying amount	Gross nominal inflow/ (outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial liabilities							
Derivative financial instruments	4	4,568.62	(4,568.62)	(903.13)	(3,665.49)	-	-
Trade Payables	13	825.55	(825.55)	(825.55)	-	-	-
Debt securities	14	2,29,626.27	(2,59,853.19)	(1,29,692.86)	(1,30,160.33)	-	-
Borrowings (other than debt securities)	15	8,66,590.35	(9,77,952.56)	(3,83,222.09)	(4,80,747.86)	(1,12,763.22)	(1,219.39)
Other financial liabilities	16	29,692.53	(29,692.51)	(26,924.11)	(594.18)	-	(2,174.21)
Commitments	39	21,752.15	(21,752.15)	(10,231.07)	(11,521.08)	-	-
Total		11,53,055.47	(12,94,644.58)	(5,51,798.81)	(6,26,688.94)	(1,12,763.22)	(3,393.60)

As at March 31, 2025

(INR in lakhs)

Particulars	Note No	Contractual cash flows					
		Carrying amount	Gross nominal inflow/ (outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial liabilities							
Derivative financial instruments	4	2,145.27	(2,145.27)	(620.34)	(1,358.99)	(165.94)	-
Trade Payables	13	323.12	(323.12)	(323.12)	-	-	-
Debt securities	14	1,77,399.33	(2,01,088.44)	(78,781.66)	(1,16,910.80)	(5,395.97)	-
Borrowings (other than debt securities)	15	6,58,251.41	(7,80,016.86)	(3,10,978.25)	(3,43,793.16)	(1,20,881.69)	(4,363.76)
Other financial liabilities	16	28,936.75	(28,936.75)	(19,175.52)	-	(1,188.80)	(8,572.42)
Commitments	39	39,439.80	(39,439.79)	(14,638.42)	(24,801.37)	-	-
Total		9,06,495.68	(10,51,950.23)	(4,24,517.31)	(4,86,864.32)	(1,27,632.40)	(12,936.18)

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

The following table details the Groups's expected maturity for its financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis. Hence, maturities of the relevant assets have been considered below.

As at March 31, 2026

(INR in lakhs)

Particulars	Note No	Contractual cash flows					
		Carrying amount	Gross nominal inflow/ (outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial assets							
Cash and cash equivalents	2	54,901.18	54,935.72	54,935.72	-	-	-
Bank balance other than cash and cash equivalents	3	27,449.49	28,926.14	22,794.34	6,131.80	-	-
Derivative financial instruments	4	12,113.12	12,113.12	12,113.12	-	-	-
Trade receivables	5	1,129.73	1,129.72	1,129.72	-	-	-
Loans	6	13,73,192.94	22,47,164.10	6,89,937.32	7,80,923.87	3,31,295.19	4,45,007.72
Investments (other than investments at cost)	7	44,723.06	55,156.18	12,219.44	22,602.98	13,132.07	7,201.69
Other financial assets	8	10,757.85	10,757.85	-	216.64	-	10,541.21
Total		15,24,267.37	24,10,182.83	7,93,129.66	8,09,875.29	3,44,427.26	4,62,750.62

As at March 31, 2025

(INR in lakhs)

Particulars	Note No	Contractual cash flows					
		Carrying amount	Gross nominal inflow/ (outflow)	Less than 1 year	1-3 years	3-5 years	After 5 years
Maturities of financial assets							
Cash and cash equivalents	2	64,191.98	64,194.96	64,194.96	-	-	-
Bank balance other than cash and cash equivalents	3	17,234.70	17,949.16	14,849.40	3,099.76	-	-
Derivative financial instruments	4	884.14	884.14	884.14	-	-	-
Trade receivables	5	1,680.80	1,680.80	1,680.80	-	-	-
Loans	6	10,48,702.05	17,59,486.85	5,36,501.35	5,43,341.64	2,09,915.75	4,69,728.11
Investments (other than investments at cost)	7	51,024.26	56,179.51	39,352.44	9,614.59	2,326.93	4,885.55
Other financial assets	8	12,107.45	12,107.45	885.30	-	-	11,222.15
Total		11,95,825.38	19,12,482.87	6,58,348.39	5,56,055.99	2,12,242.68	4,85,835.81

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

32. FINANCIAL RISK MANAGEMENT (CONTINUED)**C. Market risk**

Market risk or Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Group manages its interest rate risk by monitoring the movements in the market interest rates closely. The Group has Asset and Liability Management Committee (ALCO) and has empowered it to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis.

Exposure to interest rate risk

Group's interest rate risk arises from borrowings and loans. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

(INR in lakhs)

Particulars	Nominal amount	
	As at March 31, 2026	As at March 31, 2025
Loans		
- Fixed rate loans	10,27,857.82	7,20,982.01
- Variable rate loans	3,83,764.72	3,31,932.28
Fixed rate bank deposits	44,055.25	18,236.09
Fixed rate investments in debt securities at amortised cost	1,613.35	4,892.11
Fixed rate investments in debt securities at other comprehensive income	36,753.51	16,278.03
Total	14,94,044.65	10,92,320.52
Debt and Borrowings		
Fixed rate Debt and Borrowings	(5,45,793.90)	(3,89,379.38)
Variable rate Debt and Borrowings	(5,55,882.09)	(4,49,935.92)
Total	(11,01,675.99)	(8,39,315.30)

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or 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 instruments

The sensitivity analyses below have been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liabilities/assets outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates.

If interest rates related to loans and borrowings had been 1% higher/ lower and all other variables were held constant, the Group's Profit before tax for the year ended/ Other Equity (pre-tax) as on March 31, 2026 would increase/ (decrease) by the following amounts:

(INR in lakhs)

Particulars	Profit or (loss) before tax		Equity (before tax)	
	+ 1% Change	- 1% Change	+ 1% Change	- 1% Change
March 31, 2026				
Variable-rate instruments	(1,721.17)	1,721.17	(1,721.17)	1,721.17
Cash flow sensitivity (net)	(1,721.17)	1,721.17	(1,721.17)	1,721.17
March 31, 2025				
Variable-rate instruments	(1,180.04)	1,180.04	(1,180.04)	1,180.04
Cash flow sensitivity (net)	(1,180.04)	1,180.04	(1,180.04)	1,180.04

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

D. Other Price risk

The Company is currently exposed to the price risk arising from investments classified in mutual funds and classified in the Balance Sheet at fair value through Other Comprehensive Income. If the market price of the investment had been higher/lower by 1% from the market price existing as at March 31, 2026, profit or loss(pre-tax) for the year ended March 31, 2026 would increase/decrease by INR 255.04 lakhs (March'25 : 154.97 lakhs) with a corresponding increase /decrease in the Total Equity of the Company as at March 31, 2026.

E. Capital Management risk

The Company's objective for capital management is to maximize shareholder's value, safeguard business continuity, meet the regulatory requirement and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term/other strategic investment plans. The funding requirements are met through borrowings, retained earnings and operating cash flow generated.

The Company, as an NBFC the RBI requires it to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the Tier 1 Capital shall not be less than 10 percent at any point of time. The Capital management process of the Subsidiary ensures to maintain to healthy CRAR at all the time.

The Company has a board approved policy on Resource Planning along with Asset Liability Management (ALM) policy. The policy prescribes the sources of funds, threshold for mix from various sources, key considerations for borrowings etc.

For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes terms loans from banks and NBFCs, Commercial Papers, Non-Convertible Debentures (NCDs), Direct Assignment and Securitisation (PTC) etc.

In addition to the above, the Company being a middle layer NBFC as per RBI norms, we are required to make a thorough internal assessment of the need for capital, commensurate with the risks in our business. ICAAP factors in credit risk, market risk, operational risk and all other residual risks as applicable. The company has a board approved policy on ICAAP which inter alia includes identification and assessment of various risks, capital requirement under normal and stressed scenarios, forward looking assessment of capital based on financial projections etc. The capital adequacy, profitability and other risk appetite thresholds under the ICAAP assessment are periodically reviewed and monitored for any proactive action related to the Capital Risk Management. The outcome of ICAAP assessment is periodically presented to the Risk Management Committee (RMC) and Board.

Gearing Ratio	As at March 31, 2026	As at March 31, 2025
Net Debt	10,13,865.95	7,54,224.06
Total Equity	4,23,880.90	3,72,182.00
Net Gearing Ratio	2.39	2.03

F. Foreign Currency Risk

The Company's borrowings in foreign currency are governed by RBI guidelines (RBI master direction RBI/FED/2018-19/67 dated 26 March 2019 and updated from time to time) which requires entities raising ECB for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure (Principal and Coupon). The Company hedges its entire ECB exposure for the full tenure of the ECB as per Board approved policy. The Company for its ECB, evaluates the foreign currency exchange rates, tenure of ECB and its fully hedged costs. The Company is following hedge accounting. The Company manages its currency risks by entering into derivatives contracts as hedge positions and the same are being governed through the Board approved policy.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

33. CHANGES IN LIABILITY ARISING FROM FINANCING ACTIVITIES**A. Changes in capital and asset structure arising from financing activities and investing activities (Ind AS 7 'Statement of Cash Flows')**

The Group does not have any financing activities and investing activities which affect the capital and asset structure of the Company without the use of cash and cash equivalents.

B. Changes in liability arising from financing activities (Ind AS 7 'Statement of Cash Flows')

Company's interest rate risk arises majorly from borrowings, loans and investments. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(INR in lakhs)

Particulars	As at April 01, 2025	Cash flows	Change in fair value	Other	As at March 31, 2026
Debt securities	1,77,399.33	51,899.48	-	327.46	229,626.27
Borrowings other than debt securities	6,58,251.41	2,07,995.77	-	343.17	866,590.35
Total	8,35,650.74	2,59,895.25	-	670.63	10,96,216.62

(INR in lakhs)

Particulars	As at April 01, 2024	Cash flows	Change in fair value	Other	As at March 31, 2025
Debt securities	96,989.56	82,609.17	-	(2,199.40)	1,77,399.33
Borrowings other than debt securities	4,04,365.93	2,60,730.63	-	(6,845.15)	6,58,251.41
Total	5,01,355.49	3,43,339.80	-	(9,044.55)	8,35,650.74

(i) Other includes interest accrued but not paid on borrowing, amortization of processing fees etc.

(ii) Total Liabilities comprises of Debt securities and Borrowings (other than debt securities)

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

34. RELATED PARTY DISCLOSURES

A. Names of related parties and nature of relationship:

Key Managerial Personnel (KMP)

Name of the KMP	Designation	Nature of change (resignation, appointment)	Effective date
Mr. Bhupinder Singh	Whole-Time Director & CEO	Appointment	26.07.2022
Mr. Vivek Anand PS	Non-Executive Director	Appointment	26.07.2022
Ms. Rupa Vora	Independent Director	Appointment	26.07.2022
Mr. Karnam Sekar	Independent Director	Appointment	26.07.2022
Mr. Sankaran Nair Rajagopal	Independent Director	Appointment	30.03.2023
Ms. Sunita Gupta	Independent Director	Appointment	30.03.2023
Ms. Ambika Bisla	Independent Director	Resignation	28.10.2025
Mr. Rohan Suri	Non-Executive Director	Resignation	28.10.2025
Mr. Anil Nagu	Non-Executive Director	Resignation	28.10.2025
Mr. Vivek Bansal	Whole-Time Director & CFO	Resignation	03.10.2024
Mr. Gaurav Maheshwari	Whole-Time Director & CFO	Appointment	WTD: 27.01.2025; CFO:16.12.2024

Enterprises where key management personnel exercises significant influence

1. InCred Capital Financial Services Limited
2. InCred Asset Management Private Limited
3. InCred Wealth and Investments Services Private Limited
4. InCred Wealth Private Limited
5. InCred Capital Wealth Portfolio Managers Private Limited
6. InCred Research Services Private Limited
7. InCred Alternative Investments Private Limited
8. Oro Financial Consultants Private Limited
9. InCred Value Plus Private Limited
10. Alpha Fintech Private Limited
11. InCred TechInvest Private Limited (Formerly known as "Booth Fintech Private Limited")
12. InCred Premier Distribution Private Limited (Formerly known as "mValu Technology Services Private Limited")
13. InCred Global Wealth Limited (Dubai)
14. InCred Finserv Private Limited (formerly known as InCred Management and Technology Services Private Limited) (w.e.f Nov 4, 2025)
15. InCred Prime Finance Private Limited (Formerly known as InCred Financial Services Limited) (w.e.f September 02, 2024)

Fellow subsidiaries:

1. InCred Prime Finance Private Limited (Formerly known as InCred Financial Services Limited) (upto September 02, 2024)

A. Names of related parties and nature of relationship

Holding Company	Country of Incorporation	Proportion of ownership interest (% holding)	
		As at March 31, 2026	As at March 31, 2025
InCred Holdings Limited	India	100.00%	100.00%

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Direct subsidiaries:

Name of subsidiaries	Country of Incorporation	Principal place of business	Proportion of ownership interest (% holding)	
			As at March 31, 2026	As at March 31, 2025
Incred Finserv Private Limited (formerly known as InCred Management and Technology Services Private Limited) (ceased to be subsidiary w.e.f. November 4, 2025)	India	Mumbai	0%	100%
InCred Corporate Solutions Limited (Formerly known as "Incred.AI Limited")	India	Mumbai	100%	100%

Transactions with key management personnel

i. Key management personnel compensation

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Employee benefit expenses	1,324.30	1,718.10
Directors' sitting fees	154.25	156.96

As the liabilities for gratuity and share based payments are provided on actuarial basis for the group as a whole and hence the amounts pertaining to the key management personnel are not included in the above.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

34. RELATED PARTY DISCLOSURES (CONTINUED)

Summary of transaction and balance receivable / payable are as follows:

Related Party	Relationship	Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
(INR in lakhs)				
InCred Holdings Limited	Holding Company	Balance Sheet transactions		
		Issue of Equity Share capital	4,000.00	-
		Transfer out / (in) of gratuity liability	49.78	-
		Expense transactions		
		Arranger fees for MLD/CP	467.36	278.44
		License fee for software	817.50	-
		Balance outstanding		
InCred Asset Management Pvt Ltd	Enterprises over which KMP has significant control	Advances/Receivables	-	2.99
		Other Payables	82.79	120.00
		Balance outstanding		
		Advances/Receivables	5.26	0.20
		Balance Sheet transactions		
		ICD taken	-	15,000.00
		Repayment of ICD taken (including interest)	-	15,157.79
InCred Capital Financial Services Limited	Enterprises over which KMP has significant control	ICD given	42,000.00	35,000.00
		Repayment of ICD given (including interest)	57,864.45	30,805.48
		Issue of Debentures	10,246.00	5,880.00
		Subscription to Debentures	2,163.00	493.00
		Proceeds from sale of subsidiary	-	-
		Purchase of investments	4,710.31	-
		Proceeds from sale of investments	10,360.60	392.25
		Transfer out / (in) of gratuity liability	14.10	-0.13
		Income transactions		
		Interest on ICD	864.45	805.48
		Expense transactions		
		Interest on ICD	-	157.79
		Balance outstanding		
		Advances/Receivables	26.95	25.71
		Investments in debentures	3,116.00	1,373.00
InCred Wealth Private Limited	Enterprises over which KMP has significant control	Outstanding debenture payable	1,912.00	773.00
		ICD Receivable	-	15,000.00
		Other Payables	-	-
		Balance Sheet transactions		
		ICD given	11,500.00	5,000.00
		Repayment of ICD given (including interest)	16,822.77	4,154.12
		Income transactions		
InCred Wealth Private Limited	Enterprises over which KMP has significant control	Interest on ICD	322.77	154.12
		Balance outstanding		
		ICD Receivable	-	5,000.00
		Other Payables	0.06	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

34. RELATED PARTY DISCLOSURES (CONTINUED)

Summary of transaction and balance receivable / payable are as follows:

Related Party	Relationship	Nature of Transaction	(INR in lakhs)	
			Year ended March 31, 2026	Year ended March 31, 2025
InCred Wealth & Investment Services Pvt Ltd	Enterprises over which KMP has significant control	Balance Sheet transactions		
		Issue of Debentures	3,000.00	12,500.00
		Purchase of investments	3,723.65	-
		Proceeds from sale of investments	19,617.77	3,755.47
		Expense transactions		
		Fee and commission	-	231.30
		Balance outstanding		
InCred Capital Wealth Portfolio Managers Pvt Ltd	Enterprises over which KMP has significant control	Advances/Receivables	0.00	11.01
		Outstanding debenture payable	2.00	4.40
		Expense transactions		
		Fee and commission	48.08	-
		Balance Sheet transactions		
		Proceeds from sale of investments	4,738.16	-
		Balance outstanding		
Alpha Fintech Pvt Ltd	Enterprises over which KMP has significant control	Advances/Receivables	8.31	20.45
		Balance Sheet transactions		
		Issue of Debentures	1,700.00	-
		Expense transactions		
		Fee and commission	50.00	-
		Balance outstanding		
		Advances/Receivables	2.49	20.09
ORO Financial Consultants Pvt Ltd	Enterprises over which KMP has significant control	Other Payables	50.00	-
		Outstanding debenture payable	-	16.69
		Balance outstanding		
		Advances/Receivables	16.71	2.90
		Balance Sheet transactions		
		Transfer out / (in) of gratuity liability	-	4.93
		Balance outstanding		
InCred Alternative Investments Private Limited	Enterprises over which KMP has significant control	Advances/Receivables	0.30	-
		Other Payables	-	4.73
		Balance outstanding		
		Advances/Receivables		
		Outstanding debenture payable	15.00	15.00
		Other Payables	2.80	0.97
		Balance outstanding		
InCred Value Plus Pvt Ltd	Enterprises over which KMP has significant control	Advances/Receivables		
		Outstanding debenture payable		
		Other Payables		
		Balance outstanding		
		Advances/Receivables		
		Outstanding debenture payable		
		Other Payables		

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

34. RELATED PARTY DISCLOSURES (CONTINUED)

Summary of transaction and balance receivable / payable are as follows:

Related Party	Relationship	Nature of Transaction	(INR in lakhs)	
			Year ended March 31, 2026	Year ended March 31, 2025
InCred TechInvest Private Limited	Enterprises over which KMP has significant control	Balance Sheet transactions		
		ICD given	5,000.00	-
		Repayment of ICD given (including interest)	5,086.30	2,400.00
		Income transactions		
		Interest on ICD	86.30	-
		Balance outstanding		
InCred Premier Distribution Private Limited	Enterprises over which KMP has significant control	Advances/Receivables	0.03	-
		Balance Sheet transactions		
		Repayment of ICD given (including interest)	-	1,500.00
		Balance outstanding		
		Advances/Receivables	0.32	6.30
		ICD Receivable		
InCred Prime Finance Private Ltd	Enterprises over which KMP has significant control	Balance Sheet transactions		
		Transfer out / (in) of gratuity liability	0.53	-1774
		Balance outstanding		
		Advances/Receivables	-	18.47
		ICD Payable	0.52	-
		Balance Sheet transactions Sale of subsidiary*	493.00	-
Mr. Bhupinder Singh	Key managerial personnel ("KMP")			

* w.e.f. November 04, 2025, InCred Finserv Private Limited cease to be a subsidiary of Incred Financial Services Limited subsequent to transfer of entire stake to Mr. Bhupinder Singh.

Notes:

- During the current year, the Holding Company has issued employee stock options to the employees of the Company (Refer Note 37 for further details).
- No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- Other than those mentioned above, there are no debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Related Party Elimination Table

	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Transactions During the year		
Payment against expenses	728.43	1,596.24
Receipts/ Income		
ICD given	-	5.00
Interest income on ICD	0.55	0.48
Balance Outstanding		
Investment in equity share capital of subsidiary	1.00	2,297.57
ICD Receivable	6.03	5.43
Other Payables	-	50.02

InCred Corporate Solutions Limited (Formerly known as "InCred.AI Limited")

	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Transactions During the year		
ICD availed	-	5.00
Interest expense on ICD	0.55	0.48
Balance Outstanding		
Equity investment by parent	1.00	1.00
ICD Payable	6.03	5.43

InCred Finserv Private Limited (formerly known as InCred Management and Technology Services Private Limited)

	(INR in lakhs)	
	Year ended March 31, 2026	Year ended March 31, 2025
Receipts/ Income		
Receipts against expenses	728.43	1,596.24
Balance Outstanding		
Equity investment by parent	-	2,296.57
Advances/Receivables	-	50.02

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

35. EMPLOYEE BENEFITS

1. The Group has recognised the following amounts in the Profit & Loss Account towards contributions to provident fund and other funds:

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Provident fund	931.46	751.44

2. Gratuity

Every employee who will complete five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per Payment of Gratuity Act, 1972.

Table showing change in the present value of projected benefit obligation

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	1,043.35	803.80
Interest cost	75.25	57.39
Current Service cost	282.86	184.80
Liability Transferred In/ Acquisitions	9.04	21.34
Liability Transferred Out/ Divestments	(68.88)	(10.20)
Past Service cost - incurred during the period	314.60	-
Benefit Paid Directly by the Employer	(66.77)	(76.56)
Actuarial (Gains) / Loss on Obligations - Due to Change in Demographic Assumptions	-	19.34
Actuarial (Gains) / Loss on Obligations - Due to Change in Financial Assumptions	(10.46)	(21.06)
Actuarial (Gains) / Loss on Obligations - Due to Experience	61.09	64.50
Liability at the end of the year	1,640.08	1,043.35

Note:- Actuarial Losses on Obligations - Due to Experience : FY 24- INR 68.33 lakhs, FY 23- INR 86.14 lakhs and FY 22- 95.82 lakh.

Amount recognized in the Balance Sheet

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of benefit obligation at the end of the year	(1,640.08)	(1,043.35)
Fair value of plan assets at the end of the year		
Funded Status (Deficit)	(1,640.08)	(1,043.35)
Net (Liability) Recognized in the Balance Sheet	(1,640.08)	(1,043.35)

Expenses recognized in the Statement of Profit and Loss

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current service cost*	282.86	184.80
Interest cost	75.24	57.39
Past Service cost - incurred during the period	314.60	-
Expenses recognised	672.70	242.19

*Above does not include the movement of opening gratuity liability on account of business combination

Expenses recognized in the Other comprehensive income (OCI)

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Actuarial Loss / (Gains) on obligation for the year	50.63	62.78
Net Loss / (Income) for the year recognized in OCI	50.63	62.78

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

The actuarial assumptions used to determine benefit obligations as at March 31, 2026 and March 31, 2025 are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount Rate	6.77%	6.55%
Salary escalation rate	8.00%	8.00%
Expected Rate of return on Plan Assets	N.A	N.A
Rate of Employee Turnover	28.00%	28.00%
Retirement Age	60 years	60 years
Mortality Rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors

Balance sheet reconciliation

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening net liability	1,043.35	803.80
Expenses recognized in Statement of Profit and Loss	672.70	242.19
Expenses recognized in OCI	50.63	62.78
Net Liability/(Asset) Transfer In	9.05	21.34
Net (Liability)/Asset Transfer Out	(68.88)	(10.20)
Benefit Paid Directly by the Employer	(66.77)	(76.56)
Net liability recognized in the Balance Sheet	1,640.08	1,043.35

Weighted average duration of the defined benefit obligations as at March 31, 2026 and March 31, 2025 is 4.00 years and 4.00 years respectively

Maturity analysis of the benefit payments: from the employer

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Projected benefits payable in future years from the date of reporting		
1st following year	335.78	216.65
2nd following year	304.71	189.72
3rd following year	274.43	173.17
4th following year	243.99	153.36
5th following year	228.95	131.11
Sum of years 6 To 10	512.83	328.85
Sum of years 11 and above	159.85	105.94

Sensitivity analysis

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Projected benefit obligation on current assumptions	1,640.08	1,043.35
Delta effect of +1% change in rate of discounting	(46.11)	(29.45)
Delta effect of -1% change in rate of discounting	49.31	31.51
Delta effect of +1% change in rate of salary increase	62.69	39.95
Delta effect of -1% change in rate of salary increase	(59.63)	(37.98)
Delta effect of +1% change in rate of employee turnover	(14.66)	(9.32)
Delta effect of -1% change in rate of employee turnover	15.13	9.64

Qualitative disclosures

Gratuity is a defined benefit plan and group is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Group has to manage pay-out based on pay as you go basis from own funds.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

36 . SOCIAL SECURITY CODE .

The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the 'New Labour Codes' on November 21, 2025. Accordingly, the Group has assessed the impact of these changes and based on certain estimates and assumptions, has recognised an incremental provision of ₹ 314.59 lakhs under 'Employee benefits expenses' for the year ended March 31, 2026 (accounted in quarter ended December 31, 2025), based on available information. The Group continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of liability pertaining to employee benefits.

37. SHARE-BASED PAYMENT ARRANGEMENTS

A. Description of share-based payment arrangements

i. Share option plans (equity-settled)

The Board of Directors of InCred Holdings Limited (the "Holding Company") on August 26, 2022 adopted Employees Stock Incentive Plan under which share options shall be granted to eligible employees of the Holding Company and the Company from time to time ("New ESOP Scheme"). Such Scheme also covered employees of the Company which were transferred pursuant to the Scheme of Arrangement, holding Employee Stock Options under the ESOP Scheme of erstwhile IFSL ("Erstwhile ESOP Scheme"). The options granted to employees under the Erstwhile ESOP scheme continue to have similar terms and conditions in respect of vesting / exercise etc. under the New ESOP Scheme. As assessed by the Company, grant of options under the New ESOP Scheme to employees of erstwhile IFSL does not form part of consideration discharged as the Company is assessed to be accounting acquiree as per Ind AS 103.

Consequently, the charge towards share-based payment in terms of Ind AS 102 has been recorded on a basis that such New ESOP Scheme is only a continuation of Erstwhile ESOP Scheme. The liability towards the employee ESOP cost in the books of the Company is compensated by way of capital contribution by Holding Company in the Company.

The Group has established share option plans that entitle the employees of the Company and its subsidiary companies to purchase the shares of the Company. Under these plans, holders of the vested options are entitled to purchase shares at the exercise price of the shares determined at the respective date of grant of options.

The key terms and conditions related to the vesting of grants under these plans are continued employment with the company from the date of grant of option till the date of vesting (25% each year); all options are to be settled by the delivery of shares.

A. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using Black-Scholes Option pricing model. The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year are as follows:

THE MODEL INPUTS FOR OPTIONS GRANTED DURING

Particulars / Grant date	Year ended March 31, 2026	Year ended March 31, 2025
Fair value as on grant date	67.99 to 85.35	68.48 to 110.70
Share prices during the year, on grant dates	136.07	134.99 to 136.07
Exercise price	90.00	40 to 90
Expected volatility (weighted average volatility)	40.00%	40.00%
Rate of Employee Turnover	15.00%	18.00%
Expected life	3 years to 6 years	3 years to 6 years
Risk- free interest rate (based on government bonds)	5.84% to 6.75%	6.77% to 7.19%
Method used to determine expected volatility	The expected volatility is based on price volatility of listed companies in same industry.	

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

B. Reconciliation of outstanding share options

SET OUT BELOW IS A SUMMARY OF OPTIONS GRANTED UNDER THE PLAN:

Particulars	Average exercise price per option		Number of options	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Opening balance	50.84	41.80	2,67,60,873	2,81,00,429
Add: Options granted during the year	90.00	85.94	38,56,000	50,27,250
Less: Options exercised during the year	37.30	41.19	(24,27,475)	(56,99,869)
Less: Options lapsed during the year	73.77	63.47	(5,93,975)	(6,66,937)
Options outstanding as at the year end	56.56	50.84	2,75,95,423	2,67,60,873
Option exercisable of the above			1,79,31,974	1,44,65,798
Weighted average remaining contractual life of options outstanding at end of the year			6.6	4.12

38. LEASE ACCOUNTING

The Group has entered into leasing arrangements for premises. Right of Use Assets ("ROU") has been included under 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

i. Following are the changes in the carrying value of right of use assets (ROU):

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	1,430.33	1,843.78
Addition during the year	-	209.94
Disposals during the year	-	-
Depreciation for the year	(506.39)	(623.39)
Balance as at the end of the year	923.94	1,430.33

ii. The following is the movement in lease liabilities:

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	1,787.82	2,220.34
Addition during the year	-	209.94
Finance cost accrued during the year	147.10	203.46
Payment of Lease liabilities made during the year	(714.95)	(845.92)
Balance as at the end of the year	1,219.97	1,787.82

iii. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	683.06	714.95
Between one and five years	643.31	1,326.36
More than five years	35.22	35.22
Total	1,361.59	2,076.53

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

iv. Maturity Analysis of carrying value of lease liability

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Within 12 months	594.62	567.85
After 12 months	625.35	1,219.97
Total	1,219.97	1,787.82

v. Expenses recognised in the statement of Profit and Loss

(INR in lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Depreciation expense on right-of-use assets (Refer Note 10A)	506.39	623.38
Interest expense on lease liabilities (Refer Note 25)	147.10	203.46
Expense relating to short-term leases (Refer Note 28)	923.81	400.01

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

39. CONTINGENT LIABILITIES AND COMMITMENTS

(INR in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Commitments		
Undrawn committed credit lines*	21,394.97	39,082.62
Obligation on investments in partly paid up preference shares	357.18	357.18
Total	21,752.15	39,439.80

*Does not include undrawn commitments which are unconditionally cancellable by the Company or improbable for future drawdowns. Such lines are not considered for impairment allowance testing.

There are no litigations and proceedings against the Group which requires any provision or disclosure as contingent liability.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

40. CURRENT AND NON-CURRENT MATURITY

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

(INR in lakhs)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	54,901.18	-	54,901.18	64,191.98	-	64,191.98
Bank Balance other than cash and cash equivalents	22,010.80	5,438.69	27,449.49	14,366.21	2,868.49	17,234.70
Derivatives financial instruments	12,113.12	-	12,113.12	884.14	-	884.14
Trade Receivables	1,129.73	-	1,129.73	1,680.80	-	1,680.80
Loans	4,28,070.61	9,45,122.33	13,73,192.94	3,64,614.10	6,84,087.95	10,48,702.05
Investments	9,057.78	35,674.95	44,732.73	37,725.28	13,298.98	51,024.26
Other Financial assets	-	10,757.85	10,757.85	939.15	11,168.30	12,107.45
Sub total	5,27,283.22	9,96,993.81	15,24,277.04	4,84,401.66	7,11,423.72	11,95,825.38
Non-financial assets						
Current Tax assets	-	1,596.86	1,596.86	-	1,138.05	1,138.05
Deferred Tax assets	-	16,615.02	16,615.02	-	25,776.23	25,776.23
Property, plant and equipment	-	4,833.06	4,833.06	33.74	5,472.57	5,506.31
Capital work-in-progress	-	150.16	150.16	-	230.18	230.18
Goodwill	-	6,126.09	6,126.09	-	6,645.58	6,645.58
Other intangible assets	-	42.43	42.43	-	189.94	189.94
Other non-financial assets	2,298.75	3,832.28	6,131.03	3,724.56	2,345.44	6,070.00
Sub total	2,298.75	33,195.89	35,494.64	3,758.30	41,797.99	45,556.29
Total assets	5,29,581.97	10,30,189.70	15,59,771.69	4,88,159.96	7,53,221.71	12,41,381.67
LIABILITIES						
Financial liabilities						
Derivatives financial instruments	903.13	3,665.49	4,568.62	620.34	1,524.93	2,145.27
Trade payables	825.55	-	825.55	323.12	-	323.12
Debt securities	1,16,418.73	1,13,207.54	2,29,626.27	67,123.56	1,10,275.77	1,77,399.33
Borrowings (Other than Debt Securities)	3,28,617.50	5,37,972.85	8,66,590.35	2,39,491.59	4,18,759.82	6,58,251.41
Other Financial liabilities	26,924.11	2,768.40	29,692.52	19,225.55	9,711.20	28,936.75
Sub total	4,73,689.03	6,57,614.28	11,31,303.31	3,26,784.16	5,40,271.72	8,67,055.88
Non-Financial liabilities						
Current tax liabilities (net)	1,517.73	-	1,517.73	-	-	-
Provisions	335.73	1,325.85	1,661.58	219.42	836.88	1,056.30
Deferred tax liabilities (Net)	-	-	-	-	-	-
Other non-financial liabilities	1,408.15	-	1,408.15	1,087.49	-	1,087.49
Sub total	3,261.62	1,325.85	4,587.47	1,306.91	836.88	2,143.79
Total liabilities	4,76,950.64	6,58,940.13	11,35,890.77	3,28,091.07	5,41,108.60	8,69,199.67

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

41. FOREIGN CURRENCY TRANSACTIONS

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Expenditure in foreign currency		
Legal, professional and consultancy charges	59.25	620.48
Information Technology expenses	25.07	146.88
Membership and subscription	-	98.42
Miscellaneous expenses	-	4.01
Interest on External Commercial Borrowings	8,740.43	2,971.73
Interest on Debentures	466.93	-
Bank Charges	-	0.45
Total	9,291.68	3,841.97

42. CORPORATE SOCIAL RESPONSIBILITY

(INR in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Total amount required to be spent during the year*	749.46	293.77
(b) Total amount of expenditure incurred during the year	751.33	295.61
(c) (Shortfall)/Excess at the end of the year	1.87	1.84
(d) Total amount of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA

*Amount required to be spent under Section 135 of the Companies Act, 2013 has been calculated for the entire financial year.

The Company works in the areas of Education & Public Health to contribute back to the society under Corporate Social Responsibility in following ways :

- Championing child STEM education, giving them the power of knowledge & confidence to lead their way towards a brighter future;
- Enabling higher education for bright college youth to join the workforce and support their families, paving the way for youth success, through mentoring & scholarships;
- Fostering academic excellence and leadership in talented college girls from underserved backgrounds to empower them;
- Providing training and support to primary healthcare staff for better facility management and improved capability & capacities;
- Supporting childcare institutions & healthcare providers to enhance facilities, hygiene, nutrition, and medical care, alongside education, life skills, recreation, and vocational training programs;
- Sponsor the treatment of cancer in children and provide financial support for essential medical equipment;
- Supporting school through infrastructure and educational enhancements.

Notes:

- No amount has been spent by the Company for the construction/ acquisition of any new asset during the period ended March 31, 2026 and March 31, 2025
- There have been no related party transactions during the period ended March 31, 2026 and March 31, 2025 in respect of CSR activities."

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

43. COMPOSITE SCHEME OF ARRANGEMENT

Under the Composite Scheme of Arrangement (the 'Scheme') effective from April 01, 2022, the identified NBFC business of InCred Prime Finance Private Limited (erstwhile Incred Financial Services Limited) has been demerged with InCred Financial Services Limited (formerly, KKR India Financial Services Limited).

Further as per the Scheme, the remaining NBFC business (i.e. after excluding identified NBFC business demerged under the Scheme) shall continue to be carried out by IFSL. Accordingly, the net assets of INR. 1,077.31 lakhs pertaining to the remaining NBFC business will continue to remain in the erstwhile IFSL.

The deemed purchase consideration, represented by the equity instruments to be issued in accordance with Ind AS 103 pursuant to the reverse merger, has been compared with the net assets recognized under the Scheme. The resulting difference has been accounted for as goodwill.

44. GOODWILL

The carrying amount of goodwill acquired in business combination as follows:

Particulars	As at March 31 2026	As at March 31 2025
Balance at the beginning of the year	6,645.58	6,645.58
Goodwill arising on account of business combination	-	-
Impaired during the year	(519.49)	-
Balance at the end of Period	6,126.09	6,645.58

Above goodwill arises due to difference between purchase consideration and the net asset acquired on account of composite scheme referred in note 43. The goodwill is supported by the potential realisation of the sale of the underlying security (land). During the previous year, there have been legal proceedings (by the Regulatory Authority) resulting in attachment of the said security. The Company is in the process of contesting the proceedings. As of the date of reporting, the management, based on the opinion received from the external legal counsel and internal assessment, has not made any adjustment to the carrying value of the goodwill.

45. CAPITAL MANAGEMENT

The Parent maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Group.

As a NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Group ensures to maintain a healthy CRAR at all the times.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

(INR in lakhs)		
Particulars	As at March 31, 2026	As at March 31, 2025
Common Equity Tier 1 (CET1) capital	3,68,193.33	2,99,132.56
Other Tier 2 capital	-	5,239.96
Total capital	3,68,193.33	3,04,372.52

Regulatory capital consists of CET 1 capital, which comprises share capital, share premium, retained earnings including current year profit and loss with certain deductions as per regulatory guidelines.

46. FEES/ REMUNERATION RECEIVED FROM BANCASSURANCE

The Company has earned INR 6,369.93 lakhs from bancassurance business (Income from selling life insurance policies) during year ended March 31, 2026 (previous year: INR 5,162.55).

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

47. OTHER STATUTORY INFORMATION

During the current year and previous year:

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off as on the reporting date i.e. March 31, 2026.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency.
- (v) The quarterly statement of current assets submitted to banks / financial institutions which are provided as security against the borrowings are in agreement with the books of accounts.
- (vi) Funding Transactions:

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :

- (I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (II) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (II) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (viii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (ix) There are no scheme of arrangements which have been filed by the Group under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act.
- (x) The Group, being a Non-Banking Financial Company ("NBFC") registered with the Reserve Bank of India as a systematically important NBFC, the provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable.
- (xi) The Group has not been declared as wilful defaulter by any bank or financial institution or any other lender.
- (xii) The Group has not revalued any property plant and equipment and intangible assets.

48. RATIO ANALYSIS AND ITS ELEMENTS

Particulars	As at March 31 2026	As at March 31 2025	% change
CRAR (%)	24.90%	26.11%	-4.62%
CRAR - Tier I Capital (%)	24.90%	25.66%	-2.95%
CRAR - Tier II Capital (%)	0.00%	0.45%	-100.00%
Liquidity Coverage Ratio (LCR)*	184.71%	798.80%	-76.88%

CRAR : (Tier I Capital + Tier II Capital) / Total Risk Weighted Assets

CRAR - Tier I Capital : Tier I Capital / Total Risk Weighted Assets

CRAR - Tier II Capital : Tier II Capital / Total Risk Weighted Assets

*Liquidity Coverage Ratio is calculated as simple average of daily observations over the trailing 90 days.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

49. ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 for year ended March 31, 2026:

Name of the entity	% of equity stake	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss
Parent									
Incred Financial Services Limited	NA	4,23,878.13	100.00%	44,472.53	101.62%	963.47	99.97%	45,436.00	101.59%
Subsidiaries**									
Incred Finserv Private Limited (formerly known as InCred Management and Technology Services Private Limited)#	NA	-	0.00%	(707.31)	-1.62%	0.29	0.03%	(707.02)	-1.58%
Booth Fintech Private Limited	NA	-	0.00%	-	0.00%	-	0.00%	-	0.00%
InCred Corporate Solutions Limited (Formerly known as "Incred.AI Limited")	100%	2.77	0.00%	(1.95)	0.00%	-	0.00%	(1.95)	0.00%
mValu Technologies Services Private Limited*	NA	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total		4,23,880.90	100.00%	43,763.27	100.00%	963.76	100.00%	44,727.03	100.00%

**Note - All companies are incorporated in India
w.e.f. November 04, 2025, InCred Finserv Private Limited cease to be a subsidiary of Incred Financial Services Limited subsequent to transfer of entire stake to Mr. Bhupinder Singh.

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 for year ended March 31, 2025:

Name of the entity	% of equity stake	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated net assets		As a % of consolidated profit or loss		As a % of consolidated profit or loss		As a % of consolidated profit or loss	
		Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss
Parent									
Incred Financial Services Limited	NA	3,71,650.88	99.86%	38,810.06	103.77%	(681.16)	100.01%	38,128.90	103.85%
Subsidiaries**									
Incred Finserv Private Limited (formerly known as InCred Management and Technology Services Private Limited)#	100%	526.35	0.14%	(1,411.56)	-3.77%	0.04	-0.01%	(1,411.52)	-3.84%
Booth Fintech Private Limited	NA	-	0.00%	-	0.00%	-	0.00%	-	0.00%
InCred Corporate Solutions Limited (Formerly known as "Incred.AI Limited")	100%	4.77	0.00%	0.25	0.00%	-	0.00%	0.25	0.00%
mValu Technologies Services Private Limited*	NA	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total		3,72,182.00	100.00%	37,398.75	100.00%	(681.12)	100.00%	36,717.63	100.00%

*w.e.f. July 11, 2023, Booth and mValu cease to be a subsidiary of IFSL subsequent to transfer of entire stake of Booth to InCred Capital Financial Services Private Limited

**Note - All companies are incorporated in India

Notes to the Consolidated Financial Statements for the year ended March 31, 2026 (Contd.)

50. BACKUP OF BOOKS OF ACCOUNTS AND AUDIT TRAIL

The Group has used an accounting software for maintaining its books of account for the year ended 31 March 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. These Audit trail has been preserved by the Group as per the statutory requirements for record retention, since enabled.

51. Current Tax Provision is net of advance tax including tax deducted at source (TDS) amounting to INR 5,691.82 lakhs for the year ended 31 March 2026. Current Tax asset is net of provision for tax amounting to INR 599.65 lakhs for the year ended 31 March 2025.
52. There have been no significant events after the reporting date that require disclosure in these financial statements.
53. Previous year's figures have been regrouped/reclassified, wherever necessary, to correspond with the current year's classification/disclosure.

For and on behalf of the Board of
Directors of

InCred Financial Services Limited

CIN: U67190MH1995PLC360817

Bhupinder Singh

Whole Time Director and CEO
DIN: 07342318

Gaurav Maheshwari

Whole Time Director and CFO
DIN: 07639132

Nikita Shetty

Company Secretary
Membership No: A29555

Place: Mumbai

Date: May 23, 2026

Place: Mumbai

Date: May 23, 2026

Place: Mumbai

Date: May 23, 2026



Notes

[illegible]

[illegible]



Notes

[illegible]

[illegible]



InCred Financial Services Limited

(Formerly known as KKR India Financial Services Limited)

Unit No. 1203, 12th floor, B Wing, The Capital,
Plot No. C - 70, G Block, Bandra - Kurla Complex,
Mumbai-400051, Maharashtra