

2025-26
ANNUAL REPORT



**POWERED BY TECHNOLOGY.
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₹ **2,828.19** crore

Total Income

₹ **9,162.27** crore

Disbursements

₹ **15,755.22** crore

Assets Under Management (AUM)

₹ **430.89** crore

Profit after Tax (PAT)

2.97%

Return on Average AUM (RoAA)

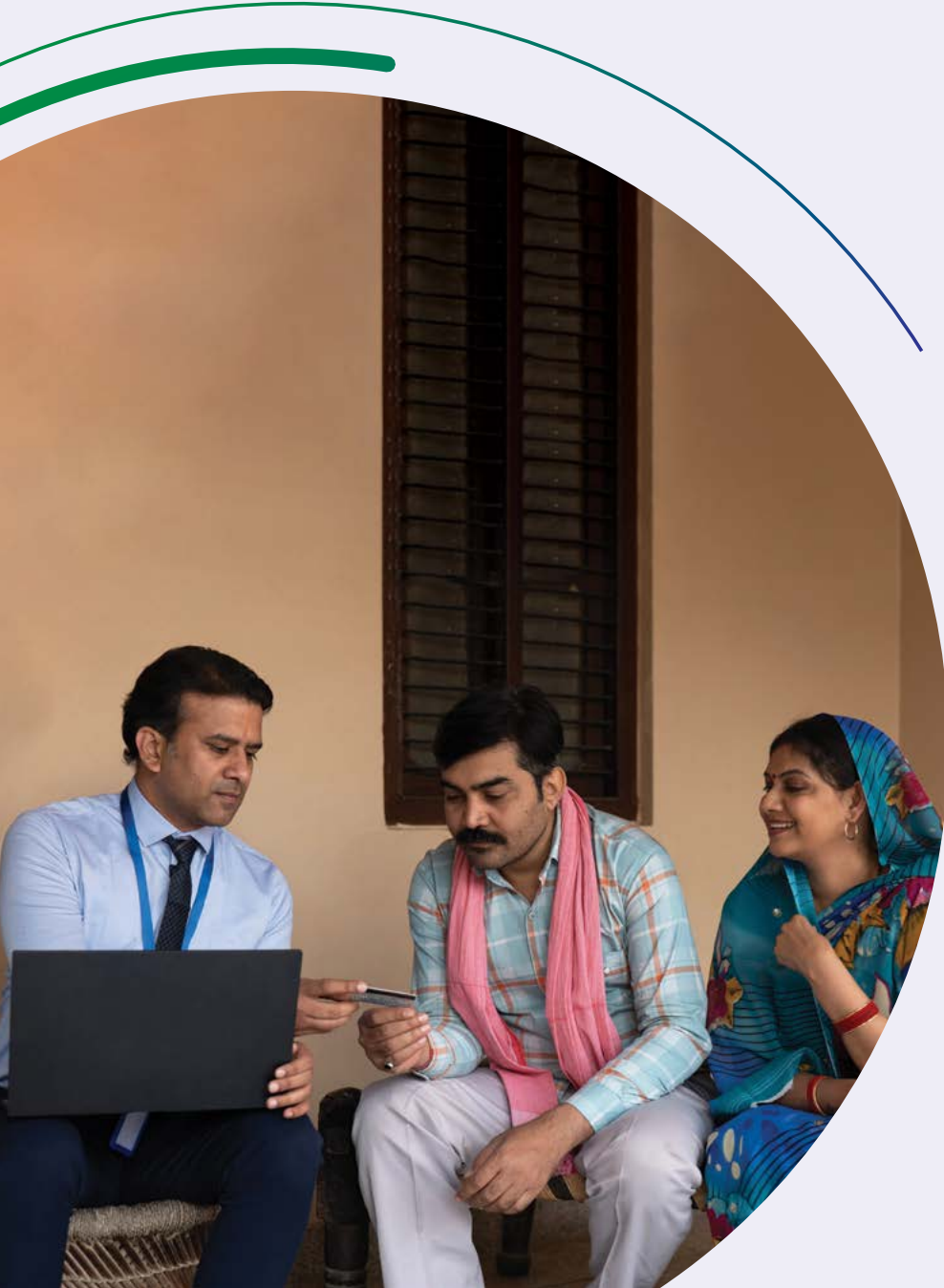
Rating

AA-/Stable from ICRA and CARE and AA-/Positive from India Ratings



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Rooted in a legacy of fulfilling aspirations and advancing financial inclusion across rural and semi-urban India, we, at SK Finance, have always strived to be a catalyst for positive change.



Our deep understanding of the unique financial needs of these communities has guided us in crafting tailored solutions, especially in vehicle financing and MSME sector, to support enterprise, mobility and livelihood creation.

As credit demand evolves and economic activity deepens, we are embedding technology and digital innovation at the core of our operating model. We are simplifying processes, making credit more accessible and transforming the way financial services reach those who need them most. By leveraging advanced digital tools, we deliver

faster, more transparent and more personalised financial solutions, bridging the gap between aspirations and opportunities.

Sustainable growth, however, is anchored in trust. We safeguard long-standing relationships through disciplined risk management, robust fraud prevention mechanisms, a resilient cybersecurity architecture and a well-defined governance framework. By integrating digital advancement with institutional safeguards, we ensure that innovation is balanced with accountability.

This approach enables us to deliver inclusive finance responsibly, reinforcing confidence while driving sustainable expansion.

ABOUT SK FINANCE

Driving Financial Inclusion at the Last Mile

SK Finance Ltd (SK Finance) is an RBI-registered, non-deposit-taking non-banking finance company (NBFC) classified in the Middle Layer (NBFC-ML). With over three decades of industry experience, we have emerged as a leading provider of vehicle and MSME financing solutions, empowering customers across rural and semi-urban India.

Built on a foundation of trust, resilience, and customer centricity, we are supported by an experienced leadership team, marquee investors, and a robust balance sheet. Over the years, we have expanded our footprint across 12 States and 2 Union Territories strengthening sourcing networks and enhancing last-mile service delivery.

Guided by a deep understanding of the communities we serve, we offer customised, high-quality, asset-backed financial solutions designed to support income generation and enterprise development. Our primary customer base comprises self-employed, unbanked, and underbanked individuals who have limited access to formal credit.

Our Ethos

Vision

To become the most preferred customer and employee-friendly finance company, with an aim to provide last-mile coverage, including to unbanked customers, by providing timely financial support with empathy, trust and technology.

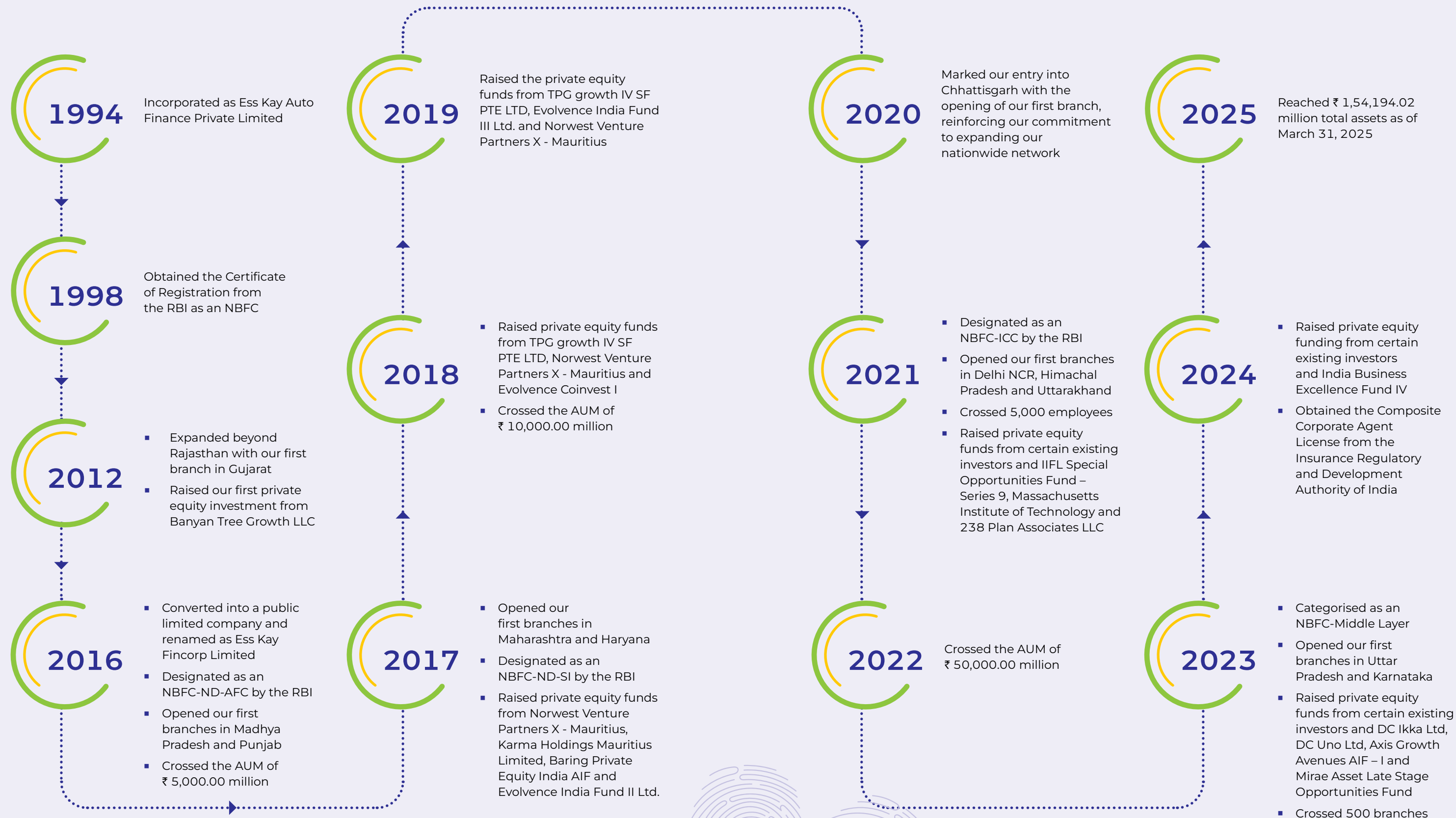
Mission

Our Mission encompasses the word 'CARE'

Values

C	A	R	E
Customer First We always put customer needs first. We seek to understand our customers and recommend optimal solutions.	Agility We build agile processes to become proactive and deliver timely support to customers and employees.	Reliable Reliability is our middle name at SK Finance; we seek to be a preferred partner during customer and employee growth journeys.	Empathy Empathy is the biggest trait that we live by reflecting of our commitment with a personal touch and cooperation for maximum benefits.

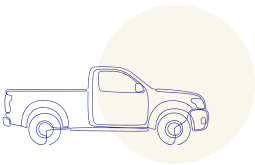
Our Journey



Business Segments

Vehicle Financing

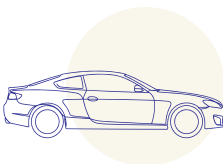
Our vehicle financing segment comprises secured, diversified and retail-focused loan solutions tailored to support income-generating mobility. Under this segment, we finance new and used commercial vehicles (excluding medium and heavy commercial vehicles), cars, tractors and new two-wheelers that enable customers to access markets, improve productivity and build sustainable livelihoods.



Commercial Vehicle Loan



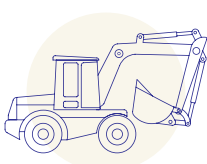
Tractor Loan



Car Loan



Two-Wheeler Loan



Construction Equipment Loan

MSME Financing

Under our MSME financing segment, we provide Secured Business Loan to meet the evolving needs of small businesses. Our loans support business establishment, expansion, asset acquisition and working capital requirements, enabling enterprises to scale operations and strengthen local economies.

We also offer construction equipment loans that support contractors and infrastructure-linked businesses operating at the grassroots level.



Secured Business Loan

Home Renovation - Mortgage Loan

We offer competitive home renovation mortgage solutions that enable customers to upgrade, repair, or expand their homes—enhancing living standards while preserving long-term asset value.



Key Strengths

Three decades of NBFC expertise
01

Deep industry experience built over 30+ years, underpinned by resilience and consistent execution.

Strong investor and stakeholder backing
02

Supported by prominent investors, reinforcing confidence in governance, strategy, and long-term growth.

Well-diversified, asset-backed portfolio
03

A balanced mix of vehicle and MSME loans designed to support income generation while managing risk.

Experienced and professional leadership
04

Guided by a seasoned management team with deep domain expertise and execution capabilities.

Extensive market reach and sourcing strength
05

A wide on-ground presence supported by both direct and indirect sourcing channels ensures last-mile access.

Robust under writing and risk discipline
06

Strong credit assessment, collections, and risk management frameworks ensure portfolio quality across cycles.

Strategic lender and funding partnerships
07

Diversified funding relationships enhance balance sheet strength and support sustainable growth.

Consistent financial performance
08

A disciplined growth approach has delivered stability and resilience through changing market conditions.

Technology-enabled, scalable operations
09

Leveraging technology and digital tools to drive efficiency, transparency, and seamless customer experiences.

FY26 Financial Highlights

As on March 31, 2026

₹15,755.22 crore

18.81%

AUM

3.68%

Gross Stage 3

₹9,162.27 crore

9.10%

Disbursements

25.41%

Capital Adequacy

₹430.89 crore

13.49%

Profit after Tax (PAT)

47.73%

-1.93%

Cost-to-Income ratio

Delivering Responsible Finance with Customer-Centric Experience

At SK Finance, we deliver a seamless customer experience by understanding the right needs and intent of every borrower. We follow strong governance practices and rely on a dedicated workforce to provide transparent and hassle-free financial solutions while maintaining disciplined risk standards. We continue to invest in technology to enhance efficiency, strengthen risk management, and support scalable growth.

Our underwriting framework is built on Three Is — Income, Intent, and Insurance—to ensure responsible credit decisions aligned with customer needs and repayment capacity.



Income

We assess the sustainability of income-generating activities along with the collateral value of the underlying asset to strengthen credit decisions.



Intent

We understand the customer's intent to repay the loan by conducting multiple reference checks and field-level assessments.



Insurance

Our secured, asset-backed lending model acts as a natural risk mitigant, safeguarding against potential defaults.

Numbers That Define Us

33.11%

Disbursement CAGR (FY 2017–26)

38.74%

AUM CAGR (FY 2017–26)

707

No. of branches*

12,822

Total employees*

AA-/Stable from

ICRA & CARE and AA-/positive from India Ratings

6.55 Lakh

Active loan accounts*

12

States and 2 Union Territories

10.83%

Growth in active loan accounts during FY26

31+ years

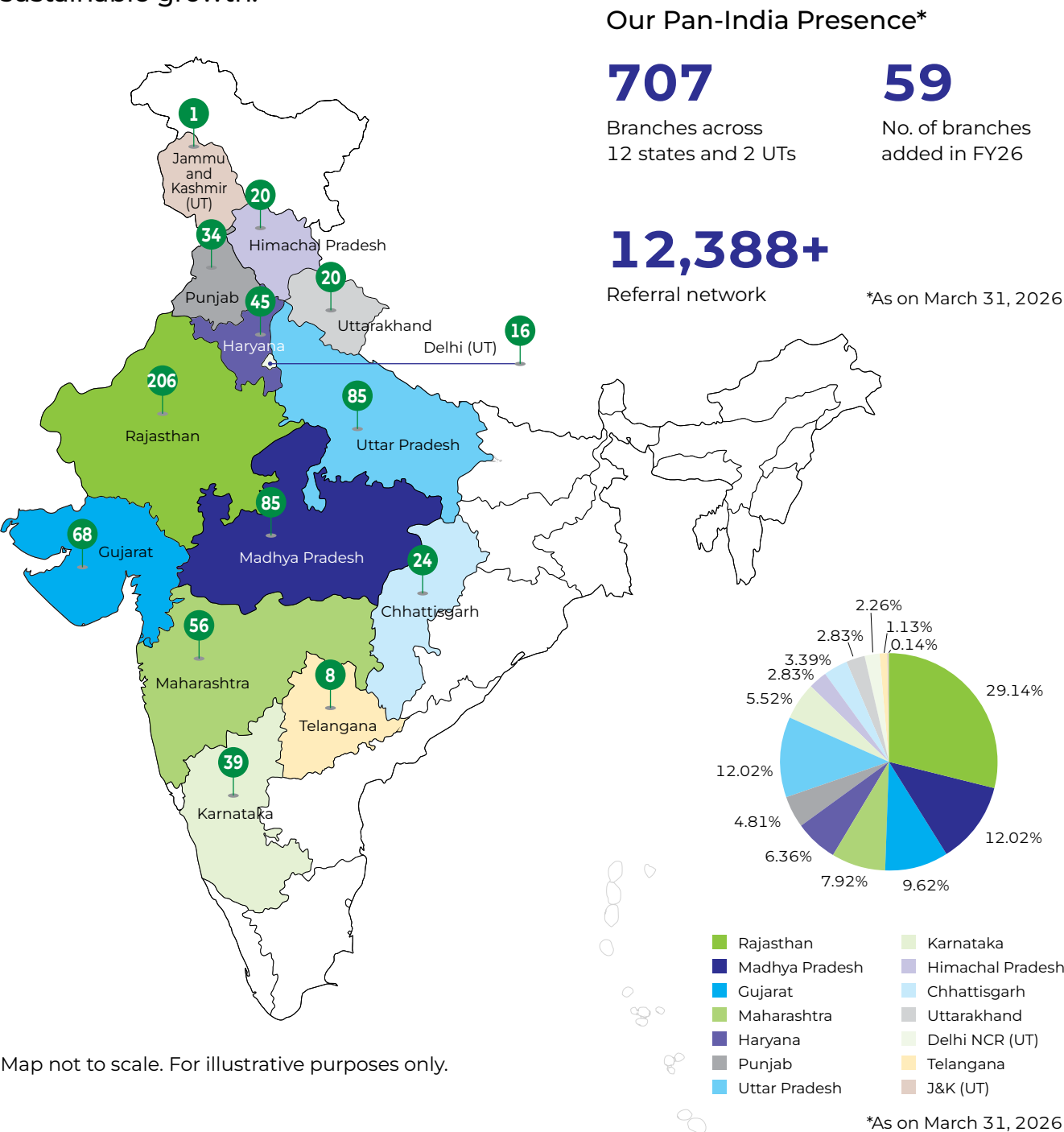
of industry experience

*As on March 31, 2026

OUR PRESENCE

Expanding Reach, Deepening Impact

In FY26, we continued to deepen our presence across key markets, expanding our network to **707** branches across **12** States and **2** Union Territories, with a strong rural and semi-urban focus. This expansion, supported by **12,000+** DSAs and **12,822** dedicated workforce, enhances customer access, strengthens service delivery and reinforces our commitment to inclusive and sustainable growth.



Map not to scale. For illustrative purposes only.

Our Marquee Partnerships

At SK Finance, a diversified funding base has underpinned our growth strategy over the years. We maintain strong partnerships with leading institutions—including public and private sector banks, development finance institutions, mutual funds, and insurance companies—ensuring stable and scalable access to capital.

Lender Portfolio Dashboard

Category	March 31, 2026	March 31, 2025
Top 10 Lenders	51.49%	46.13%
Top 11–30 Lenders	36.17%	40.50%
Other Lenders	12.34%	13.37%

Over the years, we have built strong and enduring relationships with our lenders, enabling access to diverse sources of funds. The continued long-term trust of our lenders allows us to secure competitive borrowing costs, progressively increase average ticket sizes, and extend borrowing tenures with existing partners. Despite elevated base rates and tight liquidity conditions, our diversified funding strategy supported a stable cost of borrowings during FY26.

Our Evolution in Action

Category	March 31, 2026	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022
Average tenure of borrowings at origination (including securitisation) (in months)	47.05	48.47	46.54	43.83	38.89
Average residual tenure of borrowings (including securitisation) (in months)	33.57	36.89	35.38	34.62	28.20
Average ticket size (exposure per lender) (₹ crore)	210.16	168.18	154.05	106.71	80.32

Our consistent operating performance and strengthening lender confidence are reflected in our credit rating of **AA- stable (ICRA /CARE Ratings) & AA- Positive (India Ratings)** as of March 31, 2026. This rating underscores market confidence in our governance framework, financial resilience and long-term growth strategy.



OUR OFFERINGS

Empowering Dreams through Customised Credit Solutions

We enable mobility, enterprise and livelihoods by delivering customised credit solutions to unbanked and underbanked across rural and semi-urban India. With a deep understanding of local needs, we design asset-backed financing for vehicle ownership and MSME growth—bridging credit gaps and unlocking income-generating opportunities. Our Home Renovation-Mortgage Loan solutions further support customers in upgrading and transforming their homes.

Our products are designed with innovation at the core, leveraging technology and digital-enabled processes to ensure easy access, simplified credit journeys and an enhanced customer experience.

78.09%

of vehicle book consists of used vehicle financing

Diverse Portfolios



Commercial Vehicle Loan

Our commercial vehicle loans enable transport operators and small entrepreneurs to acquire income-generating commercial vehicles for intra-city logistics, goods movement and captive use—helping to expand operations, improve cash flows, and strengthen their livelihoods.

Car Loan

Our car loans support first-time vehicle owners and small business users, helping customers transition from two-wheelers to cars for personal mobility or commercial use, improving convenience, safety and access to economic opportunities.



Tractor Loan

Through our customised tractor loans, we empower farmers and agri-entrepreneurs to purchase new or used tractors for agricultural and allied commercial activities, enhancing farm productivity and enabling diversified income streams.

Construction Equipment Loan

We support contractors and small construction businesses with our Construction Equipment Loans for essential equipment, enabling timely project execution, higher productivity and sustainable business growth.



Two-wheeler Loan

Our two-wheeler loans provide affordable access to personal mobility, helping individuals commute for work, education and daily needs—improving independence and earning potential, especially in rural and semi-urban regions.

Secured Business Loan

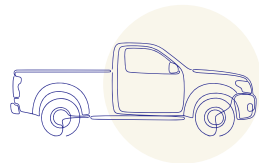
The Secured Business Loans, under our MSME loans portfolio, cater small and retail-focused enterprises—such as traders, medical stores, educational supply shops and garment businesses—by providing capital for inventory, expansion and working capital needs.



Home Renovation - Mortgage Loan

We offer home renovation mortgage solutions that enable customers to upgrade, repair, or expand their homes, enhancing living standards while preserving long-term asset value.

Portfolio Dashboard



Commercial Vehicles

42

Tenor (months)

81.46%

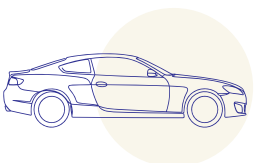
Average LTV

17.76%

Blended Yield

₹6.0 lakh

ATS



Cars

42

Tenor (months)

74.74%

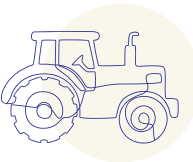
Average LTV

16.82%

Blended Yield

₹4.9 lakh

ATS



Tractors

40

Tenor (months)

80.64%

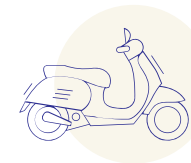
Average LTV

19.61%

Blended Yield

₹3.9 lakh

ATS



Two-wheelers

27

Tenor (months)

60.15%

Average LTV

16.22%

Blended Yield

₹1.9 lakh

ATS



Secured Business

68

Tenor (months)

34.06%

Average LTV

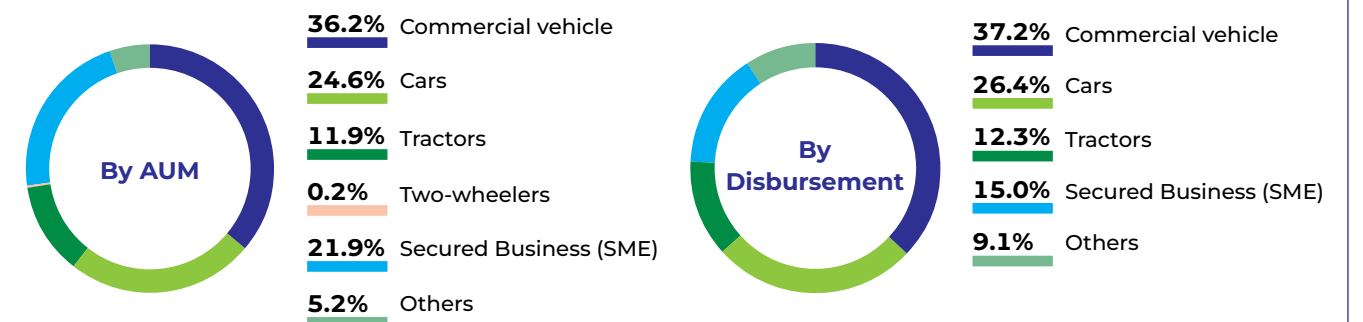
19.31%

Blended Yield

₹5.3 lakh

ATS

FY26 Segment-wise Mix



*Note: Others include Co-lending and Personal Loan

CHAIRPERSON'S MESSAGE

Setting the Direction for Sustainable Growth

Dear Stakeholders,

The strength of an institution is measured not only by its financial performance, but by its ability to adapt, uphold trust, and create enduring value through changing economic cycles. At SK Finance, we have always believed that sustainable success is built on disciplined governance, prudent risk management, responsible growth, and an unwavering commitment to the customers and communities we serve. These principles have guided our journey for more than three decades and continue to define our approach as we prepare for the opportunities of tomorrow.



DURING THE YEAR, THE COMPANY CONTINUED TO STRENGTHEN ITS BUSINESS FRANCHISE WHILE MAINTAINING ITS FOCUS ON PORTFOLIO QUALITY AND OPERATIONAL DISCIPLINE.

FY26 was a year that demonstrated the resilience of both the Indian economy and our institution. While the global environment continued to be characterised by geopolitical uncertainties, evolving trade dynamics and financial market volatility, India once again reinforced its position as one of the world's fastest-growing major economies. Strong domestic consumption, improving investment activity, expanding digital infrastructure and continued policy support have strengthened the country's long-term growth trajectory. These structural developments continue to create significant opportunities for responsible financial institutions that can extend formal credit to underserved individuals, entrepreneurs and businesses.

As a Board, we view these opportunities through the lens of long-term value creation rather than short-term expansion. Growth must always be accompanied by sound governance, strong risk discipline and financial resilience. At SK Finance, we have remained steadfast in preserving this balance while continuing to expand our reach across rural and semi-urban India, enabling greater financial inclusion and supporting the aspirations of customers who contribute meaningfully to the nation's economic progress.

During the year, the Company continued to strengthen its business franchise while maintaining its focus on portfolio quality and operational discipline. Our Assets Under Management grew to ₹15,755 crore, reflecting the trust that customers, lending partners and investors continue to place in the organisation. Equally encouraging has been the Company's continued investment in strengthening underwriting standards, collections, governance frameworks and operational capabilities, thereby reinforcing the foundations required for sustainable long-term growth.

One of the defining characteristics of our organisation has been our willingness to embrace change while remaining anchored to our core values. The financial services industry is undergoing a profound transformation driven by digital innovation, Artificial Intelligence, advanced analytics and evolving customer expectations. At SK Finance, we recognise that technology is not an objective in itself but an enabler of better customer outcomes, stronger risk management and higher organisational efficiency. The Board remains fully supportive of investments that enhance our digital capabilities while preserving the trust, transparency and personal relationships that have always distinguished our Company.

Equally important is our commitment to maintaining the highest standards of corporate governance. Sound governance is not merely about regulatory compliance; it is the foundation upon which stakeholder confidence is built. The Board continues to provide strategic oversight while fostering a culture of accountability, ethical conduct, prudent capital allocation and effective risk management. These principles strengthen our ability to navigate an increasingly dynamic operating environment and ensure that the interests of all stakeholders remain protected.

No institution can achieve sustained success without dedicated people. I extend my sincere appreciation to our employees, whose professionalism, resilience and commitment continue to drive the Company's progress. I also acknowledge the leadership team for executing the Company's strategy with discipline and purpose, while remaining focused on creating long-term value rather than pursuing growth at any cost.

I would also like to express my gratitude to my fellow Board members for their guidance and stewardship, to our regulators for fostering a stable and progressive financial ecosystem, to our lending partners and investors for their continued confidence, and above all to our customers, whose trust remains our greatest responsibility and our strongest source of inspiration.

As we look ahead, I remain confident in the opportunities before us. India's economic transformation is creating an increasingly favourable environment for institutions that combine financial strength with technological capability, governance excellence and customer-centricity. SK Finance is well positioned to participate in this journey by remaining true to its purpose of enabling aspirations through responsible finance while continuing to create sustainable value for all stakeholders.

Together, we will continue building an institution that is respected for its integrity, trusted by its customers, admired for its governance and recognised for its enduring contribution to India's growth story.

Warm regards,

Amar Lal Daultani

Non-Executive Chairperson,
SK Finance Limited

MD & CEO's MESSAGE

Delivering Performance through Disciplined Execution

Dear Stakeholders,

Every institution reaches defining moments that shape not only its future but also reaffirm the values upon which it has been built. For SK Finance, FY26 has been one such year—a year that strengthened our conviction that sustainable growth is achieved not by pursuing scale alone, but by remaining steadfast to our purpose while continuously evolving to meet the aspirations of a changing India.



TECHNOLOGY IS MOST POWERFUL WHEN IT EMPOWERS PEOPLE, TRUST IS STRONGEST WHEN IT IS EARNED EVERY DAY, AND INSTITUTIONS ENDURE WHEN THEY NEVER LOSE SIGHT OF THEIR PURPOSE.

For more than three decades, SK Finance has been privileged to participate in the aspirations of millions of customers. Behind every loan we extend lies a story of ambition—a transporter expanding a fleet, an entrepreneur investing in a business, a farmer purchasing a tractor, or a family taking a meaningful step towards financial security. Our purpose has never been merely to finance assets; it has always been to enable livelihoods, create opportunities and contribute to India's economic progress through responsible and inclusive finance.

This purpose remains our guiding force.

Today, India stands at the threshold of an extraordinary economic transformation. Supported by robust macroeconomic fundamentals, expanding digital infrastructure, improving financial inclusion, rising entrepreneurship and strong policy initiatives, the country continues to demonstrate remarkable resilience amidst global uncertainty. As economic opportunities deepen across rural, semi-urban and emerging markets, the role of responsible financial institutions has become more significant than ever before.

At SK Finance, we see this not simply as an opportunity for business growth, but as a responsibility to serve with greater commitment, greater innovation and greater empathy.

Our Vision is to become the most preferred customer and employee-friendly finance company by providing timely financial support with empathy, trust and technology. These are not merely words that define our organisation; they define every relationship we build and every decision we make. Whether we are introducing a new product, investing in technology or strengthening governance, our objective

remains unchanged—to create a financial institution that customers trust, employees are proud to belong to and stakeholders value over the long term.

This philosophy is reflected in our CARE values—Customer First, Agility, Reliability and Empathy. These principles have shaped our culture for decades and continue to guide us as we prepare for the future. In an industry undergoing rapid technological transformation, these values ensure that while the way we work continues to evolve, the way we serve our customers never changes.

The financial services industry is entering a defining decade. Artificial Intelligence, advanced analytics, automation and digital ecosystems are fundamentally redefining customer expectations and transforming the way financial institutions operate. While technology will continue to reshape



our industry, we firmly believe that its true purpose is not to replace human relationships but to strengthen them.

At SK Finance, we therefore see Artificial Intelligence not merely as a technological advancement, but as an enabler of our purpose.

Our investments in Agentic AI, intelligent underwriting, document intelligence, enterprise data platforms, digital collections, hyperautomation and customer-centric digital platforms are all guided by a simple principle—to make financial services faster, smarter and more accessible without compromising the trust, transparency and personal connection that our customers value. Technology enables us to reduce turnaround times, enhance risk management, improve operational efficiency and empower our employees with better insights. More importantly, it allows us to reach customers with greater speed while continuing to deliver the empathy that has always distinguished SK Finance.

We believe the future belongs to institutions that successfully combine the intelligence of machines with the judgement, integrity and compassion of people.

FY26 also reaffirmed another important belief—that resilience is built through discipline. Despite weather-related disruptions across several geographies and a dynamic operating environment, our teams remained focused on executing our long-term strategy with consistency and prudence. Rather than pursuing growth at any cost, we strengthened our underwriting framework, enhanced collections, reinforced leadership capabilities and continued investing in technology and governance. This disciplined approach enabled us to deliver healthy business growth while preserving the quality of our portfolio and strengthening the foundations for future expansion.

Our progress during the year reflects much more than financial performance. It reflects the confidence our customers continue to place in us, the trust of our lending partners and investors, the guidance of our Board, the support of our regulators and, above all, the dedication of every member of the SK Finance family. Institutions are ultimately built by people, and I remain deeply grateful to our employees whose commitment, integrity and passion continue to define our culture.

As we continue to grow, governance remains the cornerstone of everything we do. We believe that sustainable value creation is possible only when growth is accompanied by transparency, accountability, ethical conduct and prudent risk management. Our governance philosophy extends far beyond regulatory compliance—it is about preserving trust, protecting stakeholder interests and ensuring that every decision contributes to the long-term strength of the institution. In an increasingly complex financial ecosystem, strong governance is not simply a responsibility; it is a competitive advantage.

Looking ahead, we remain optimistic about the opportunities before us. India's credit landscape continues to evolve rapidly, supported by formalisation of the economy, digital public infrastructure, expanding entrepreneurial aspirations and increasing demand for responsible finance. These structural trends reinforce our confidence that the coming decade will offer unprecedented opportunities for institutions that remain customer-centric, technologically agile and operationally disciplined.

Our aspiration is not merely to become a larger financial institution.

Our aspiration is to build an institution that will be admired for its integrity, trusted for its customer-centricity, respected for its governance, empowered by technology and

recognised for creating sustainable value across generations.

Every innovation we pursue, every market we enter, every relationship we nurture and every decision we take brings us one step closer to that vision.

On behalf of the management team, I extend my heartfelt gratitude to our Board of Directors for their strategic guidance, our regulators for fostering a strong and responsible financial ecosystem, our lenders, investors and business partners for their enduring confidence, and our customers for continuing to place their trust in SK Finance.

Finally, I wish to thank every member of the SK Finance family. Your passion, resilience and unwavering commitment inspire us to dream bigger, perform better

and serve with greater purpose every day. Together, we are building much more than a successful financial institution—we are building an institution that will continue to empower aspirations, strengthen communities and contribute meaningfully to India's growth story.

The future will belong to institutions that combine innovation with integrity, technology with empathy, and ambition with responsibility. At SK Finance, we are committed to leading that future with confidence, purpose and trust.

Warm regards,

Rajendra Kumar Setia

MD & CEO

SK Finance Limited



WHOLE-TIME DIRECTOR'S MESSAGE

Building the Future through Innovation

Dear Stakeholders,

FY26 was a year of disciplined execution, operational transformation, and strengthening the foundations for SK Finance's next phase of growth. While the operating environment demanded agility and resilience, it also created opportunities to reinforce our competitive strengths and accelerate our transformation into a future-ready financial institution.



I AM PLEASED TO SHARE THAT OUR DISCIPLINED APPROACH TRANSLATED INTO ANOTHER YEAR OF HEALTHY AND BALANCED GROWTH. OUR ASSETS UNDER MANAGEMENT CROSSED ₹15,755 CRORE, REGISTERING A GROWTH OF 18.81% OVER THE PREVIOUS YEAR, WHILE PROFIT AFTER TAX INCREASED BY 13.49%.

At SK Finance, execution has always been guided by a simple belief—that sustainable growth is achieved by consistently delivering value to customers while maintaining the highest standards of governance, risk management, and operational excellence. This philosophy continued to shape every aspect of our business during the year.

I am pleased to share that our disciplined approach translated into another year of healthy and balanced growth. Our Assets Under Management crossed ₹15,755 crore, registering a growth of 18.81% over the previous year, while Profit After Tax increased by 13.49%. More importantly, we improved the quality of our portfolio, with Gross NPA reducing by 41 basis points, reflecting the strength of our underwriting, collections, and portfolio monitoring capabilities.

While these milestones are significant, they represent outcomes rather than objectives. Our real achievement lies in building a stronger institution—one that is more agile, technologically advanced, customer-centric, and operationally resilient than ever before.

Building a Stronger Customer Franchise

Every customer interaction provides an opportunity to strengthen trust.

Across our markets, we continue to witness rising aspirations among transport operators, small entrepreneurs, farmers, first-time borrowers, and self-employed individuals. Their expectations are also changing. Customers today seek not only access to finance but also speed, simplicity, transparency, and personalised service.

Guided by our CARE philosophy of Customer First, Agility, Reliability, and Empathy, we continued to simplify customer journeys, reduce turnaround times, enhance service quality, and make credit more accessible without compromising on prudent risk practices.

Our continued expansion across rural and semi-urban India reflects our long-standing commitment to serving customers who have historically remained underserved by formal financial institutions. We believe financial inclusion is not merely about expanding our geographic footprint—it is about becoming a trusted financial partner in every community we serve.

Technology with Purpose

Technology is reshaping financial services at an unprecedented pace. However, at SK Finance, we believe technology delivers its greatest value when it enhances human experience.

During FY26, we significantly accelerated our digital transformation journey by investing in intelligent technologies that improve both customer experience and operational effectiveness.

Artificial Intelligence is increasingly becoming integral to our business processes. We are embedding AI across customer onboarding, credit assessment, fraud detection, document intelligence, collections, customer servicing, compliance monitoring, and portfolio analytics. These initiatives are enabling faster decisions, improved consistency, enhanced productivity, and stronger portfolio quality.



Our investments in Agentic AI, AI-powered underwriting, enterprise data platforms, SuperApps, digital collections, and hyperautomation are not isolated technology projects—they are strategic capabilities that will shape the future of SK Finance.

At the same time, we remain equally focused on strengthening cybersecurity, information security, and digital resilience. As our digital capabilities expand, protecting customer data and ensuring secure operations remain non-negotiable priorities.

Our objective is simple: to make finance easier for our customers, more efficient for our employees, and more sustainable for our business.

Operational Excellence through Discipline

The year also reinforced the importance of disciplined execution.

Recognising evolving market conditions, we further strengthened our credit underwriting framework, enhanced portfolio surveillance, refined collection strategies, and improved data-driven decision-making across the organisation.

Simultaneously, we continued to simplify internal processes, improve productivity, and optimise operational efficiency. These initiatives not only enhanced profitability but also strengthened our ability to respond quickly to changing business conditions while maintaining robust risk controls.

We believe operational excellence is not a one-time achievement—it is a continuous journey of learning, improving, and adapting.

Investing in Our People

Transformation is ultimately driven by people.

At SK Finance, we have always believed that empowered employees create exceptional customer experiences. Accordingly, we continued to invest

in leadership development, capability enhancement, digital learning, and functional excellence across the organisation.

As Artificial Intelligence becomes increasingly embedded in financial services, our focus is equally on enabling our people to work alongside intelligent technologies. We are equipping our teams with modern tools, data-driven insights, and continuous learning opportunities that enhance productivity while preserving the empathy and judgement that define our culture.

The combination of skilled people and intelligent technology will remain one of our greatest competitive advantages.

Preparing for the Future

India's financial services landscape is entering an exciting phase of transformation. Formalisation of the economy, increasing digital adoption, rising aspirations across rural and semi-urban markets, and expanding access to formal credit are creating unprecedented opportunities for responsible financial institutions.

At SK Finance, we are preparing for this future by strengthening every pillar of our organisation – our customer franchise, our technology platforms, our risk management capabilities, our governance framework, and our people.

Our objective is not simply to achieve the next milestone in growth. It is to build a scalable institution that consistently delivers sustainable value to customers, employees, shareholders, lending partners, regulators, and society at large.

Acknowledgements

The progress we have achieved this year has been possible because of the collective efforts of many.

I extend my sincere gratitude to our Board of Directors for their strategic guidance, our regulators for their continued confidence in the sector, our lending partners and

investors for their unwavering support, and our business associates for their enduring collaboration.

Most importantly, I thank our customers for placing their trust in SK Finance every day.

To every member of the SK Finance family, I express my deepest appreciation. Your dedication, professionalism, and unwavering commitment to excellence continue to define our organisation. You inspire us to raise the bar, embrace change with confidence, and deliver meaningful impact for every customer we serve.

As we look ahead, we remain committed to executing our strategy with discipline, embracing innovation with responsibility, and creating long-term value for all our stakeholders.

Together, we will continue building an institution that combines empathy with technology, trust with performance, and ambition with responsibility.

Yours sincerely,

Yash Setia

Whole-time Director
SK Finance Limited



CFO'S MESSAGE

Growing with Discipline and Building with Resilience

Dear Shareholders,

FY26 was a year that underscored the importance of financial discipline, prudent risk management, and strategic capital allocation. While the global economy continued to navigate geopolitical uncertainties, evolving trade dynamics and volatile financial markets, India's economic fundamentals remained resilient.



THESE STRUCTURAL DRIVERS REAFFIRM OUR CONFIDENCE IN THE LONG-TERM OPPORTUNITY FOR RESPONSIBLE RETAIL LENDING, PARTICULARLY ACROSS RURAL AND SEMI-URBAN INDIA WHERE SK FINANCE HAS BUILT A DEEP AND ENDURING PRESENCE.

Strong domestic consumption, sustained public investment in infrastructure, improving rural incomes, and the continued formalisation of the economy supported healthy credit demand across our core customer segments. These structural drivers reaffirm our confidence in the long-term opportunity for responsible retail lending, particularly across rural and semi-urban India where SK Finance has built a deep and enduring presence.

The operating environment for the NBFC sector, however, demanded greater caution. Tighter liquidity conditions during parts of the year, evolving regulatory expectations and temporary stress in certain borrower segments required financial institutions to place greater emphasis on portfolio quality rather than growth alone. At SK Finance, we viewed this as an opportunity to further strengthen the resilience of our balance sheet. We sharpened our underwriting standards, enhanced portfolio surveillance, strengthened collection mechanisms, and leveraged advanced analytics to identify emerging risks at an early stage. Our focus throughout the year remained on protecting the quality of our assets while preserving the financial flexibility required to support future growth.

Delivering Sustainable Financial Performance

The financial performance of FY26 reflects the strength of our diversified lending franchise and the disciplined execution of our strategy.

Assets Under Management increased by 19% year-on-year to ₹15,755 crore, supported by disbursements of ₹9,162 crore, representing a growth of 9% over the previous year. Importantly, this growth was broad-based across our core businesses. The Vehicle Finance portfolio expanded by 21% to ₹12,061 crore, while the MSME portfolio grew by 11% to ₹3,591 crore. This balanced portfolio mix strengthens the resilience of our earnings while reducing concentration risk across customer segments.

Product-wise Assets Under Management

The continued expansion of our earning assets translated into healthy revenue

growth. Interest Income increased by 15.83% to ₹2,456 crore, while Net Interest Income grew by 16.35% to ₹1,337 crore. Growth in our core lending franchise, coupled with disciplined portfolio management, enabled Net Total Income to increase by 21.01% to ₹1,709 crore.

Pre-Provisioning Operating Profit (PPoP) grew by 23.46% to ₹893 crore, reflecting improving operating leverage, higher business productivity and the benefits of several efficiency initiatives undertaken during the year, including branch rationalisation, process optimisation and digital enablement across key business functions.

Despite elevated credit costs, Profit Before Tax increased by 17.02% to ₹567 crore, while Profit After Tax grew by 13.49% to ₹431 crore, demonstrating the underlying strength and resilience of our operating model.

Preserving Balance Sheet Resilience

Our foremost financial priority continues to be preserving the strength and resilience of our balance sheet.

During FY26, temporary borrower-level stress in select geographies and customer segments resulted in higher credit costs and moderated asset quality. We consciously adopted a prudent provisioning approach and accelerated portfolio recognition to ensure that emerging risks were addressed proactively rather than deferred. While this moderated near-term profitability, it further strengthened the quality and transparency of our balance sheet.

The year concluded with Gross Stage 3 assets at 3.68% and Gross NPA at 4.34%. Our Provision Coverage Ratio of 35.81% continues to provide a prudent cushion against portfolio risks and reflects our conservative approach towards credit risk management.

Encouragingly, strengthened collection efforts, improved portfolio monitoring and tighter underwriting standards have begun to reflect in improving collection trends during the latter part of the year, providing confidence that portfolio performance will continue to strengthen over the coming quarters.

Capital Allocation with Prudence

As custodians of shareholders' capital, our objective extends beyond delivering growth. We remain focused on deploying capital where risk-adjusted returns are sustainable while maintaining adequate buffers to support future opportunities and withstand changing economic conditions.

The Company closed FY26 with a Capital Adequacy Ratio of 25.41%, significantly above the regulatory requirement. This provides us with considerable strategic flexibility to support future business expansion while maintaining financial resilience and preserving stakeholder confidence.

Disciplined capital allocation will continue to remain central to our financial strategy, ensuring that every incremental rupee deployed contributes meaningfully to sustainable shareholder value.

Strengthening Funding and Liquidity

A diversified and resilient funding profile remains one of our key strategic priorities.

During the year, we continued to broaden our funding base through a balanced mix of borrowings from banks, financial institutions, development finance institutions and capital market instruments. This diversified liability profile reduces refinancing concentration, strengthens liquidity resilience and provides greater flexibility in optimising borrowing costs across varying interest rate environments.

Supported by a well-managed Asset-Liability Management framework and prudent liquidity buffers, we maintained financial flexibility throughout the year while ensuring uninterrupted support for business growth.

Driving Productivity through Financial Discipline

Sustainable profitability is driven not only by revenue growth but equally by operational efficiency.

During FY26, we continued to improve productivity across the organisation through branch optimisation, digital process transformation, automation of critical

workflows and enhanced data-driven decision-making. These initiatives required measured investments during the year but are expected to deliver structural improvements in operating leverage, productivity and cost efficiency over the medium term.

Equally important, our continued investments in technology, analytics and Artificial Intelligence are expected to strengthen financial decision-making, improve portfolio quality, enhance customer servicing and create scalable operating efficiencies across the organisation.

Outlook

Looking ahead, the medium-term outlook for our business remains encouraging.

India's structural growth drivers—including increasing formalisation of the economy, rising penetration of formal credit, expanding rural infrastructure, growing entrepreneurial activity and rapid digital adoption—continue to strengthen demand for our core lending products. Combined with our deep distribution network, disciplined underwriting practices, strong capital position and diversified funding profile, these trends position SK Finance well to capture growth opportunities responsibly.

While we remain watchful of external uncertainties and evolving market conditions, we enter FY27 with a resilient balance sheet, strengthened risk management framework, healthy liquidity and the financial flexibility required to support sustainable growth.

Acknowledgement

Financial strength is measured not only by growth in assets or profitability, but also by the confidence of customers, the trust of lenders, the conviction of investors and the commitment of employees.

As custodians of the Company's financial resources, we remain committed to preserving that trust through disciplined financial management, prudent risk oversight, responsible capital allocation and unwavering governance standards.

I extend my sincere gratitude to our Board of Directors for their continued guidance,

our Managing Director and leadership team for their strategic direction, our regulators for fostering a stable financial ecosystem, our lending partners and investors for their enduring confidence, and our business associates for their continued collaboration.

Above all, I thank every member of the SK Finance family. Their dedication, integrity and commitment to excellence continue to strengthen our organisation and create lasting value for all our stakeholders.

As we move into FY27, we remain committed to building a financially stronger, operationally more efficient and future-ready institution that continues to deliver sustainable long-term value with responsibility, resilience and integrity.

Warm regards,

Atul Arora

Chief Financial Officer

SK Finance Limited

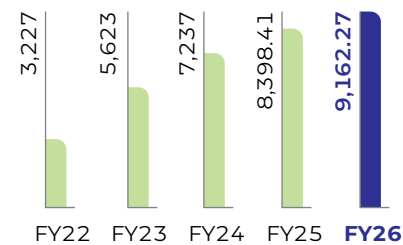


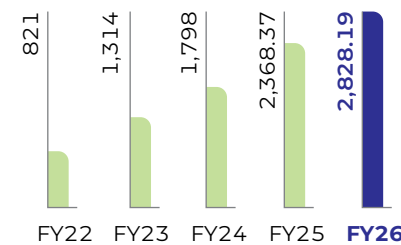
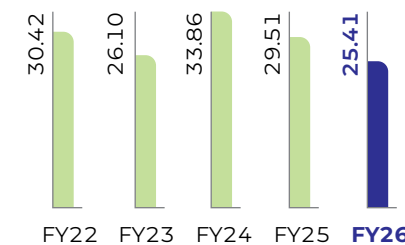
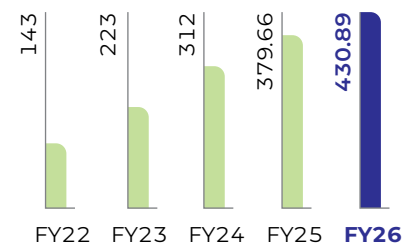
HIGHLIGHTS OF THE YEAR

Driving Performance with Discipline

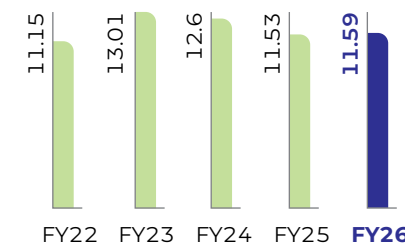
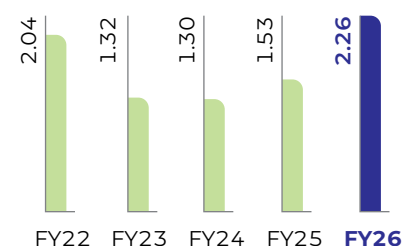
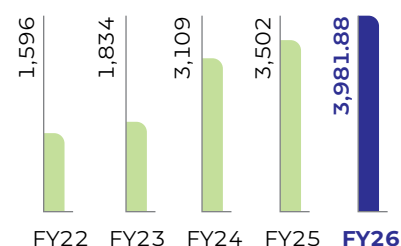
Amid industry-wide headwinds and a dynamic operating environment, we demonstrated resilience in FY26, sustaining strong momentum and delivering solid performance driven by robust demand and disciplined expansion.

Financial Performance

Disbursement
(₹ in crore)

AUM
(₹ in crore)

Total Income
(₹ in crore)

CRAR
(%)

Profit after Tax
(₹ in crore)

Return on Average Total Asset
(%)

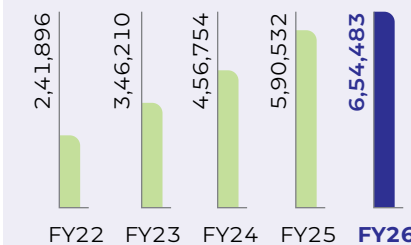
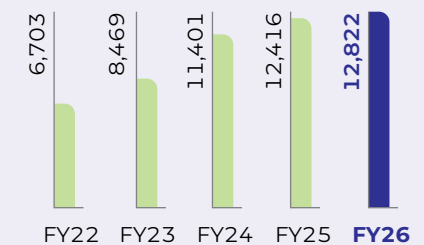
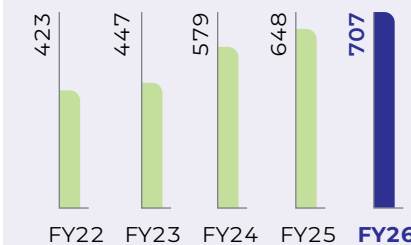
Gross Stage 3
(%)

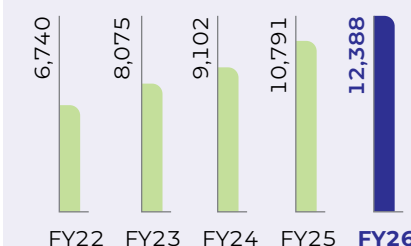
Return on Average Equity
(%)

Net Stage 3
(%)

Net Worth
(₹ in crore)

Book Value per Share*
(₹)


*After split and bonus

Debt-Equity Ratio


Operational Performance

Active Loan Accounts

Employee Strength

No. of Branches

Social Inclusion
(₹ in crore)

Referral Network


AWARDS AND RECOGNITIONS

Acknowledged for Excellence

Recognition is an important reflection of the work we undertake to strengthen our business, serve our customers and build a trusted financial services franchise. During FY26, our capabilities and market presence were recognised across leading industry and media platforms. The recognitions received during the year highlight two important strengths of our business: our capabilities in pre-owned tractor financing and our strong brand presence in the NBFC sector.

For us, these recognitions reflect the consistency of our business across customer segments and markets. They also acknowledge the capabilities we have built over the years and the position we have established in the financial services industry.



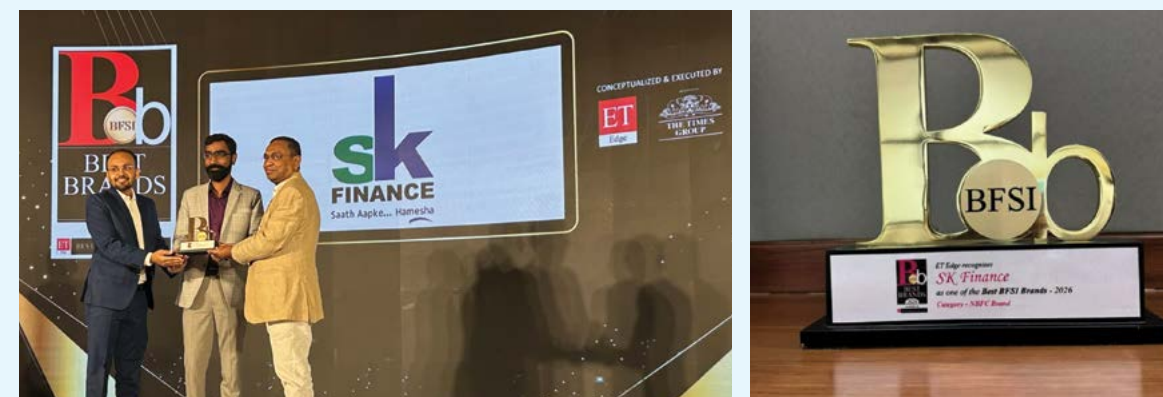
Awarded “Best Pre-Owned Tractor Finance Institution” at the Indian Tractor of the Year (ITOTY) Awards 2025

We were honoured to be named the “Best Pre-Owned Tractor Financier” at the prestigious Indian Tractor of the Year (ITOTY) Awards 2025.

This recognition is particularly meaningful, as it marks the second consecutive year we have received the award. We were also recognised as the “Best Pre-Owned Tractor Financier” in 2024, following our recognition as the “Fastest Growing Tractor Financier” in 2023.

These recognitions reflect the consistency of our efforts to support customers in the agricultural sector and to strengthen our financing solutions for pre-owned tractors.

Our association with the agricultural financing segment is closely linked to the needs of India’s farming community. Access to financing for pre-owned tractors can help farmers acquire productive assets while managing their investment requirements. The recognition reinforces our continued focus on providing financial solutions suited to the needs of customers in this segment.



Recognised as “Best NBFC Brand” at the “ET Edge Best BFSI Brands 2026” Awards by The Economic Times

We were recognised as the “Best BFSI Brand – 2026” in the NBFC Brand category at the ET Edge Best BFSI Brands 2026 Awards by The Economic Times.

This marked the third time that SK Finance has received this prestigious honour. It acknowledges the strength of our brand and our continued focus on delivering relevant financial solutions to customers across India’s evolving NBFC landscape.

For us, brand strength is built over time through customer relationships, consistent service, responsible business practices and the ability to respond to changing market requirements. This recognition reinforces our focus on maintaining these standards as we continue to grow our franchise.

CUSTOMER CENTRICITY

Customer Excellence & Digital Transformation – Driving Exceptional Customer Experience

SK Finance continues to strengthen its position as a trusted financial partner by placing a strong and consistent emphasis on a holistic, customer centric service philosophy and remains deeply committed to ensuring that every aspect of customer interaction—whether digital or physical, is optimized for clarity, and long-term relationship building. By continuously adapting to customer expectations, refining service processes, and enhancing communication touchpoints we work to enrich the customer journey and reinforce its promise of dependable and empathetic financial support.

We have invested significantly in automated systems, operational streamlining, and technology-led enhancements that enable faster, accurate, and more convenient customer service. The emphasis on efficient last-mile delivery ensures that customers across diverse geographies through a blend of personalized financial solutions, responsive engagement, and strategic service design, we aim not only to meet expectations but consistently surpass them. This customer first approach strengthens loyalty, enhances brand equity, and continues to position as the preferred lender in its target markets.

A significant milestone during the year was the modernisation of technology infrastructure. The successful deployment of a Salesforce driven CRM ecosystem marks a transformative shift in the organisation's operational capabilities. This unified digital backbone integrates every communication channel—from branch operations and call centers to digital platforms and field based customer engagement. As a result, the organization has effectively eliminated operational silos, reduced redundancies, and

created a seamless, transparent, and holistic customer lifecycle process. The new infrastructure not only improves efficiency but empowers employees with real-time insights, streamlined workflows, and enhanced visibility into customer needs. The resulting omnichannel experience redefines the lending journey, making it smoother, faster, and more intuitive from the point of application to final disbursement.

Employees remain the cornerstone of SK Finance's

success and are central to the delivery of exceptional customer service. Employees are encouraged to operate with fairness, transparency, accountability, and empathy—qualities that form the foundation of exceptional customer experience. Continuous learning initiatives, capability building programs, and workplace empowerment strategies ensure that employees feel equipped, supported, and inspired to contribute their best.



In conclusion, SK Finance's dedication to customer centric excellence, technological advancement, operational integration, and employee empowerment has significantly strengthened its service delivery framework. Through sustained innovation, responsible governance, and a deep commitment to inclusivity, the organisation continues to elevate the customer journey and shape a more resilient financial ecosystem.

₹ 9,162.27 crore

Total disbursements



Driving Growth Digitally

Technology is core to how we operate, grow and deliver business values. Digital innovation is embedded across our lending lifecycle, from sourcing and onboarding to underwriting, servicing and collections. By integrating Artificial Intelligence in systems, analytics and automation into our processes, we enhance speed, accuracy and accessibility while improving operational efficiency.

Our digital platforms are designed to simplify loan journeys for customers, empower our teams with seamless mobility, and enable real-time, data-driven decision-making. Even as we push the boundaries of innovation, we never compromise on trust and security. We maintain a robust technology governance framework, supported by disciplined cybersecurity protocols and regulatory compliance mechanisms. As we scale our impact responsibly, our technology architecture is engineered to balance innovation with protection – ensuring transparency, customer consent and safety are foundational to every aspect of our digital transformation.



Technology Stack

Our technology architecture rests on a scalable, resilient foundation that supports full lending lifecycle, from customer acquisition through servicing and collections. Core platforms spanning origination, portfolio management, customer service, regulatory reporting and enterprise data operate as an integrated ecosystem rather than isolated applications.

Automation has materially strengthened consistency and speed of credit evaluation. Rule-driven decisioning, risk-based pricing and partner integrations have enabled greater underwriting automation, translating into faster turnaround times, sharper credit assessment and a smoother onboarding experience for customers. Deeper connectivity between internal platforms and external ecosystem partners has reduced manual intervention, tightened operational oversight and accelerated execution across key processes, supporting scalable and sustainable growth.



Cybersecurity and Data Governance

Our Security and Data governance framework is anchored on ISO standards and aligned with applicable regulatory requirements, including the Digital Personal Data Protection Act, 2023, and Reserve Bank of India guidelines. Comprehensive policies govern the collection, usage, storage, sharing and retention of personal and sensitive data, reviewed periodically as regulation evolves. Explicit customer consent is captured at the point of collection with clear disclosure of purpose and usage, and is recorded, managed and auditable throughout the data lifecycle. Data is classified by sensitivity, with role-based access enforced strictly on a need-to-know basis, supported by defined ownership, designated information security and compliance roles, and structured management oversight.

We follow a security-by-design approach underpinned by multi-layered defences to protect customer information and digital infrastructure against cyber risk and fraud. This comprises industry-standard technology safeguards including perimeter and endpoint controls and encryption of data at rest and in transit; continuous monitoring of systems and networks for timely threat detection and response along with monitoring to identify and mitigate fraud across digital channels; Technology and partner due diligence, periodically tested business continuity and disaster recovery arrangements; and sustained employee training to reinforce cybersecurity hygiene and data protection awareness.



Digital Tools and Modernised Applications

We have deployed a comprehensive suite of AI and digital capabilities, including field mobility solutions, conversational assistants, customer self-service portals and public digital channels, integrated with our marketing and engagement channels to deliver a consistent experience across every touchpoint.

Our enterprise data foundation and artificial intelligence initiatives support loan processing, decisioning, disbursement management and insight generation across lending value chain. Mobility solutions now enable end-to-end digital execution of front-office activity from lead generation through disbursement, lifting employee productivity and service quality. Hyper-automation and agentic automation initiatives, alongside multiple ecosystem integrations, have further streamlined workflows and released capacity across organisation.



Key Technology & Digital initiatives launched in FY26

FY26 marked a decisive shift in how Company acquires and serves its customers. We launched several technology and digital initiatives, to strengthen operational capabilities, enhance customer service, and support, business growth. Enhanced journeys along with upgraded platforms across commercial vehicle, tractor, two-wheeler and MSME businesses, compressing turnaround time and enabling straight-through processing for a growing share of applications.

We also expanded the use of analytics, automation, and AI-led solutions across key functions, including operations, collections, credit, sales, finance, and other enterprise functions. These initiatives supported improved decision-making, process standardisation, and operational effectiveness

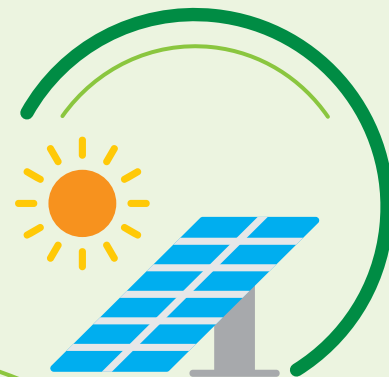
Looking ahead, our digital roadmap includes continued deployment of agentic automation across voice and non-voice processes, along with further digitisation of collections to enhance operational efficiency and customer engagement



ENVIRONMENTAL

Our ESG Commitments

We are committed to integrating Environmental, Social, and Governance (ESG) principles into our business strategy to drive sustainable growth and long-term stakeholder value. Our ESG framework is anchored on three pillars:



01

Environmental Stewardship

Reducing environmental impact and promoting sustainable finance

02

Social Responsibility

Supporting inclusive growth and employee well-being

03

Governance & Ethics

Ensuring transparency, compliance, and ethical conduct

The Company follows a transparent and responsible approach in managing matters that affect its stakeholders and its ability to generate long-term value. It proactively identifies, evaluates, and addresses key risks and opportunities, aligning its actions with strategic priorities to support sustainable growth in a dynamic financial environment. This approach enhances organisational resilience and reinforces the Company's position as a credible, forward-looking financial institution.

- We are committed to reducing our environmental footprint through targeted initiatives across energy, emissions, waste, and water management. Energy efficiency measures such as LED lighting, motion sensors, and workplace awareness programs have been implemented across offices, supported by a solar power installation that has generated approximately 174 MWh since December 2023 and avoided around 124 tCO₂e emissions. We also continue to monitor and reduce greenhouse gas emissions while expanding our green financing portfolio, including financing for CNG and electric vehicles.
- Our resource management efforts focus on minimising waste and improving efficiency. Key initiatives include eliminating paper towels (saving approximately 12 lakh sheets annually), transitioning to reusable steel bottles to reduce plastic waste, and ensuring disposal through authorised recyclers. We also promote water conservation through consumption monitoring, sensor-based fixtures, and reuse of RO reject water for non-potable purposes.

Environmental Stewardship

Social Responsibility



- We are committed to fostering an inclusive and supportive workplace that prioritises employee well-being, diversity, and equal opportunity. Our approach encompasses comprehensive health, safety, and welfare initiatives, including access to healthcare through hospital tie-ups, regular health and wellness camps, childcare facilities for working parents, and workplace amenities such as sick rooms and menstrual hygiene support. We also focus on continuous employee development through structured training programs that build domain expertise, strengthen professional capabilities, and promote awareness of health, safety, and ergonomics. Guided by our commitment to fairness and inclusion, we ensure equal opportunities for all employees irrespective of gender, caste, or ability, and strive to provide a safe, respectful, and enabling work environment. Women constitute 5.76% of our workforce across various levels, reflecting our ongoing focus on gender diversity and inclusive growth. Extending our commitment to inclusivity beyond the workplace, we provide doorstep servicing facilities free of charge to senior citizens and specially-abled customers, enhancing accessibility and customer convenience
- Our community initiatives are designed to create long-term, sustainable impact through interventions in education, healthcare, and environmental sustainability. These include literacy and financial awareness drives to empower underserved communities, food distribution programs to support vulnerable groups, and preventive health initiatives such as screening and awareness campaigns. Our efforts are focused on uplifting the communities in which the Company operates and contributing meaningfully to society. In addition, our environmental efforts extend to large-scale plantation programs, with over 42,000 trees planted under CSR initiatives, contributing to ecological balance while encouraging employee participation in community development

Governance & Ethics



- We uphold the highest standards of corporate governance and ethical conduct through a robust and continuously evolving framework of policies, processes, and oversight mechanisms. Guided by an experienced Board comprising members with diverse expertise, the Company ensures strong strategic direction and diligent oversight of risk, compliance, and internal controls. The Board is supported by key committees, including the Risk Management Committee, Audit Committee, and Nomination & Remuneration Committee, which provide focused governance and strengthen decision-making. Dedicated functions such as Risk, Compliance, and Internal Audit serve as the second and third lines of defense, ensuring effective identification, assessment, and mitigation of risks. Through structured practices such as stress testing and scenario planning, the Company remains agile and resilient in addressing emerging risks, including credit, human capital, cybersecurity, and reputational challenges, while also leveraging opportunities in building a resilient and sustainable organisation
 - We are committed to transparency, accountability, and responsible business conduct across all operations
- The Company strictly adheres to applicable regulatory and statutory requirements and proactively aligns its policies with evolving compliance and legal standards. A comprehensive Code of Conduct promotes integrity, fairness, and ethical behaviour in all business dealings. We actively invest in capacity building through regular training and awareness programs for employees, customers, and other stakeholders to reinforce a culture of compliance and responsible practices. Our governance approach is further strengthened through technology-enabled systems that enhance transparency, data-driven decision-making, and process efficiency
- We place strong emphasis on stakeholder trust and long-term value creation through consistent engagement and feedback mechanisms. Continuous efforts are made to enhance customer experience by aligning products and services with evolving customer needs, supported by a strong focus on service quality and satisfaction. The Company also prioritises brand and reputation management through transparent communication and responsible community engagement. Robust cybersecurity frameworks, periodic risk assessments, and proactive system upgrades safeguard against evolving digital threats, while data privacy practices ensure that customer information is protected with the highest levels of confidentiality and security

SOCIAL

Corporate Social Responsibility

We, at SK Finance, continued to undertake initiatives which inter-alia focused on healthcare, education, women empowerment, environmental sustainability, community development, also Solar Skills Academy and public awareness.



Our efforts were directed towards addressing community needs, improving access to essential services, supporting livelihoods, and contributing to inclusive and sustainable development across the regions we serve.



Healthcare

The Company facilitated cancer screening for 1,500 women in rural and underserved regions using a mobile unit powered by Thermalytix technology, with approximately 10% identified as suspected cases and referred for further diagnosis. Emergency healthcare access was enhanced through financial and maintenance support for an ambulance at CHC Jaitsar, Rajasthan, benefiting around 170 patients.

The Company conducted blood donation drives across 20+ locations nationwide, leading to the collection of 496 units of blood and facilitating over 150 health check-ups and 220 eye screenings. It also enhanced patient amenities at Government Jaipuriya Hospital, Jaipur, and extended critical medical relief by distributing 200 medical kits to flood-affected communities in Amritsar, Punjab.

As part of its preventive healthcare, the Company undertook awareness programmes focused on promoting safe and healthy behaviors. Through the SK Yatayat Rath initiative, conducted in collaboration with Raipur Traffic Police, public awareness on road safety and responsible driving was enhanced over a 10-day campaign. Additionally, the 'Nashe Se Doorie Hai Zaruri' campaign, organised with Indore Police, engaged over 5,000 students and 10,000 citizens, encouraging a drug-free lifestyle and reinforcing the importance of preventive health practices.

FY26 CSR Focus Areas



Public Sanitation and Eradicating Poverty

The Company continued to drive meaningful social impact through focused interventions in public health and community welfare. It facilitated access to safe drinking water by installing over 40 public water coolers across high-footfall locations in Rajasthan and Haryana. Hygiene awareness was strengthened through the placement of more than 200 sanitiser dispensers in public spaces. Complementing these efforts, the Feeding Hands Initiative supported vulnerable communities by distributing over 24,000 hygienically-prepared meals to underprivileged individuals and patient attendants at major hospitals in Jaipur.

Education and Solar Skill Academy

The Company continued to promote education and youth empowerment through a series of thoughtfully-designed initiatives spanning foundational learning to skill development. It strengthened school education in Jaipur by distributing 2,285 books across 13 government schools, benefiting over 2,180 students and teachers, along with conducting motivational sessions to encourage holistic growth. In rural Diggi (Tonk), a modern library equipped with digital and competitive learning resources was established to support students and young aspirants, while the Shishu Vatika initiative in Jaipur created an enriched early learning environment for 550 children through upgraded infrastructure and interactive facilities.

Building on these efforts, the Solar Skill Academy provided hands-on training in solar technologies through its skill centres in Jaipur, with 142 trainees successfully completing the programme during the year and 63 trainees continuing their training. Notably, several trainees have secured employment in the solar industry, reflecting the programme's effectiveness in creating sustainable livelihood opportunities.





Women Empowerment

Driving inclusive growth and economic empowerment, the Company undertook targeted initiatives to enhance women's employability and income generation. During the year, vocational training in stitching and crochet was conducted across its Jaipur centres, with ongoing batches supporting continued skill development. A specialised 30-day E-Rickshaw training programme further empowered 30 women with technical and life skills, supported by licensing and placement facilitation. These initiatives have enabled beneficiaries to access sustainable livelihood opportunities and move towards greater financial independence.



Animal Welfare

The Company undertook initiatives to support biodiversity and animal welfare. Bird feeders were placed across key locations to ensure the availability of food and water for birds during adverse climatic conditions. The Company also supported cattle care at a local animal shelter in Jaipur, reinforcing its commitment to humane and responsible community engagement.



Developing Parks, Tree Plantation and Spreading Awareness

During the year, the Company advanced its environmental sustainability agenda through large-scale plantation drives and community-focused green initiatives. Appx. 42,106 saplings were planted across schools, healthcare institutions, and community spaces in Jaipur and adjoining areas, with active participation from local stakeholders. This was further augmented by the plantation of 37,000 saplings, including a significant number of Moringa plants, to promote ecological balance and enhance sustainable fodder availability within animal care ecosystems. In collaboration with local authorities, an additional 300 saplings were planted under awareness-led initiatives, encouraging community participation in conservation efforts. Complementing these initiatives, the Company also contributed to the development of public parks by installing seating infrastructure, improving accessibility and comfort for residents and visitors.

Risk Management

Our risk management framework is anchored in a robust three lines of defense model that governs the enterprise risk management (ERM) process and safeguards business operations. Through this framework, we continue to strengthen internal audit processes, risk assessment mechanisms and cybersecurity controls, ensuring a resilient and effective risk management environment.

1 First line of defense (Business Units)

- Equipped with a leadership team with vast experience
- Leaders with specialized knowledge and a deep understanding of their respective domains
- Business heads focus on their respective product range and ensure sustainable credit growth

3 Third line of defense (Internal Audit)

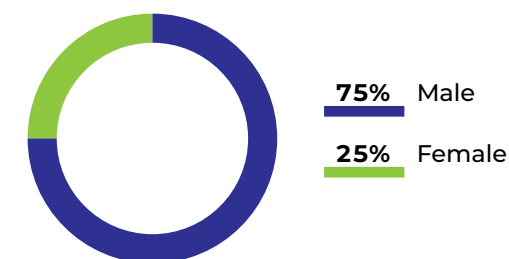
- An experienced HIA with knowledge of BFSI space
- Offers an independent and objective assurance of the effectiveness of our governance, risk management, and internal controls. By evaluating the efficiency and adequacy of our first and second lines of defense, internal audit helps ensure that our governance practices remain robust and resilient

2 Second line of defense (Compliance and Risk Management Department)

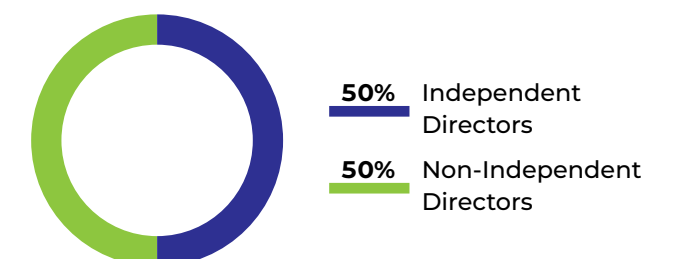
- Equipped with an experienced team headed by CRO and CCO
- Responsible for designing and deploying an effective risk management framework in the organization as per the governance strategy defined by the Board
- Responsible for ensuring adherence to regulatory and statutory requirements
- Our dedicated risk management and compliance teams provide expertise and oversight. They develop frameworks, monitor adherence, and ensure that risks are managed consistently across the organization. This line acts as a safeguard, reinforcing the controls established by the first line of defense

Board Demographics*

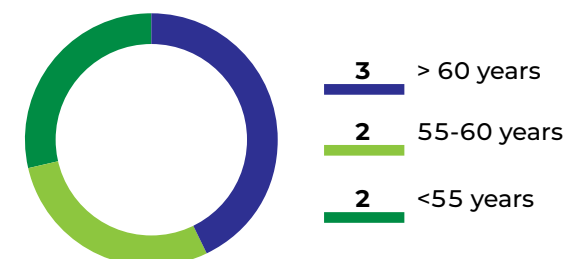
Board Diversity



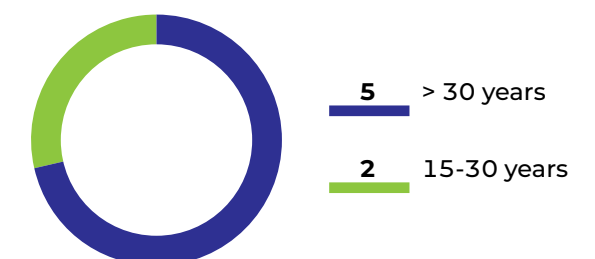
Board Independence



Board Age Profile



Board Experience



*As on March 31, 2026

BOARD OF DIRECTORS

Stewards of Responsible Growth

With expertise across financial services, governance, technology and private equity, our Board provides strategic direction, independent oversight and long-term vision to guide the company's journey. Under their guidance, we embrace innovation and sustainability as core principles, continually redefining what is possible in the financial sector. By championing inclusivity and fostering economic empowerment, our Board enables us to create meaningful impact across rural and semi-urban India.



Mr. Amar Lal Daultani*
Chairperson &
Non-Executive
Non Independent Director

Mr. Amar Lal Daultani holds a Bachelor's degree in Science from Agra University, Agra, Uttar Pradesh, India. He was previously associated with Allahabad Bank and Corporation Bank. He has over 34 years of experience in the field of credit, forex, treasury, risk management and other banking operations.



Mr. Rajendra Kumar Setia
Managing Director &
Chief Executive Officer

Mr. Rajendra Kumar Setia holds a Bachelor's degree in Science from the University of Rajasthan, Jaipur, Rajasthan, India. He has over 31 years of experience in the financial services sector with our Company. He was awarded as one of the "ET Business Leaders of Rajasthan 2019" by the Times Group.



Mr. Yash Setia
Whole-time Director

Mr. Yash Setia holds a Bachelor's degree in Commerce from H.R. College of Commerce and Economics, the University of Mumbai, Mumbai, Maharashtra, India. He also holds a Master's degree in Finance from Babson College, Wellesley, Massachusetts, United States. He has over 7 years of experience in the financial services sector with our Company. He joined our Company as Head Strategy and Sr. Analytics in 2018.



Mr. Anand Raghavan
Non-executive
Independent Director

Mr. Anand Raghavan holds a Bachelor's degree in Commerce from the University of Madras, Chennai, Tamil Nadu, India. He is also a Chartered Accountant, certified by the Institute of Chartered Accountants of India. He was previously associated with Ernst & Young as a Partner and Sundaram Finance Limited as Vice President – Corporate Affairs. He was a member of the RBI constituted Committee on Functioning of Asset Reconstruction Companies and also served on the Committee for Revival of MSMEs in Tamil Nadu. He has over 39 years of experience in the financial sector.



Ms. Nanda Sameer Dave
Non-Executive
Independent Director

Ms. Nanda Sameer Dave holds a Bachelor's degree in Science and a Master's degree in Business Administration from the University of Lucknow, Uttar Pradesh, India. She has been a member of the Indian Institute of Bankers and was previously associated with the RBI as an Executive Director.



Mr. Simit Batra
Non-Executive Nominee
Director on behalf of
TPG Growth IV
SF Pte. Ltd.

Mr. Simit Batra holds a Bachelor's degree in Technology from the Indian Institute of Technology, Delhi, New Delhi, India and a Master's degree in Business Administration from the Indian Institute of Management, Ahmedabad, Gujarat, India. Currently, he is working with TPG Capital – India Private Limited as a partner and was previously associated with Citigroup Global Markets India Private Limited. He has over 15 years of experience in the fields of private equity and investment banking. He serves as a Director on the boards of multiple Indian and foreign companies, including Big Tree Entertainment Private Limited, Busybees Logistics Solutions Private Limited, Social Worth Technologies Private Limited, Landmark Insurance Brokers Private Limited, Eruditus Learning Solutions Pte. Ltd. and Livspace Pte. Limited. In the past, he has served as a Director on the boards of Brainbees Solutions Private Limited, Landmark Cars Private Limited and Interstellar Services Private Limited.



Mr. Mukul Mathur
Non-Executive
Independent Director

Mr. Mukul Mathur holds a Bachelor's degree in Engineering (Electronics and Communication) from the University of Delhi, New Delhi, India. He also has a Postgraduate Diploma in Business Management from XLRI, Jamshedpur, Jharkhand, India. He was previously associated with IBM India Private Limited as Vice President – IBM Security and with Wipro Infotech Limited as a Senior Engineer. He has over 36 years of experience in the field of IT services. Additionally, he holds a Postgraduate Certificate in Cybersecurity from the Massachusetts Institute of Technology, Massachusetts, United States of America. He has also served as a Consultant – Corporate Engagement in the IIT Bombay Development and Relations Foundations team. Currently, he is a Partner at ZeroT Plus Technologies LLP and a Director at Tanmatra Foundation, EarlySalary Services Private Limited and Aptus Value Housing Finance India Limited and an advisor to BluSapphire Cyber Systems Pvt. Ltd.



Ms. Debanshi Basu#
Non-Executive Nominee
Director on behalf of Baring
Private Equity India AIF

Ms. Debanshi Basu holds a Bachelor's degree in Commerce from Osmania University, Hyderabad, Telangana, India. She is also a Chartered Accountant, certified by the Institute of Chartered Accountants of India. She has over 23 years of experience in the financial services sector. She was previously associated with Office Tiger Database Systems India Private Limited and Goldman Sachs India Securities Private Limited. She has been working with Baring Private Equity Partners Limited as its Senior Principal since August 11, 2009.

*Mr. Amar Lal Daultani was re-appointed as a Non-Executive (Non-Independent Director) w.e.f. April 1, 2026, pursuant to approval of the members at the Extra-Ordinary General Meeting held on March 20, 2026, upon completion of his two consecutive term as an Independent Director on March 31, 2026.

Ms. Debanshi Basu has tendered her resignation from the position of Nominee Director of the Company vide her resignation letter dated April 21, 2026 with effect from the close of business hours on April 30, 2026, due to personal reasons.

Leadership Team



Atul Arora
Chief Financial Officer



Anagha Bangur
Company Secretary
& Compliance Officer



Raj Kumar Setia
President - MSME



Munish Dayal
Senior President



Vivek Haripal Singh
Chief Strategy Officer
& Head-Resource
Mobilization



Avijit Singh
Chief Information
Officer



Jai Govind Pancholi
Chief Risk Officer



Anubha Khandelwal
Chief Compliance Officer &
Principal Nodal Officer



Mridul Agrawal
Head of Internal Audit



Bhavesh Kumar*
Chief Information
Security Officer



Vikrant Jethi
Chief Collection Officer

Following the resignation of Mr. Anil Sharma with effect from February 28, 2026, the position of Chief Human Resources Officer is currently vacant.

* Mr. Bhavesh Kumar has resigned from the post of CISO with effect from July 02, 2026 due to personal reasons.

Board's Report

**To,
The Shareholders,
SK Finance Limited**

The Directors have pleasure in presenting the 32nd (Thirty-Second) Annual Report on the business and operations of SK Finance Limited (hereinafter referred as “**the Company**”) together with the audited financial statements for the Financial Year ended on 31st March, 2026.

FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's financial performance for the year ended on 31st March, 2026 is summarized below:

	(₹ in lakhs)	
Particulars	2025-26	2024-25
Total Income	2,82,818.73	2,38,637.77
Finance Cost	1,11,916.69	97,130.69
Net Interest Income	1,33,669.81	1,14,889.51
Total operating expenses	81,577.10	69,154.02
Pre-impairment operating profit	89,324.94	72,353.06
Impairment on financial instruments	32,599.96	23,876.97
Profit before tax	56,724.98	48,476.09
Tax expenses	13,636.36	10,509.38
a. Current Tax	12,281.75	9,290.48
b. Earlier Year Taxes	-	-
c. Deferred Tax	1,354.61	1,218.90
Profit after tax	43,088.62	37,966.71
Other comprehensive income/(expenses)	1,578.93	(1,003.45)
Total comprehensive income after tax	44,667.55	36,963.26
Appropriation		
a. Dividend	-	-
b. Tax on Dividend	-	-
c. Transfer to statutory reserve	8,617.72	7,593.34
Earnings per share		
Basic	32.08	28.36
Diluted	31.80	28.15

KEY INDICATORS

- Total income for the year increased by 18.51% to ₹ 2,82,818.73/- Lakhs as compared to ₹ 2,38,637.77/- Lakhs in 2024-25.
- Profit before tax for the year was ₹ 56,724.98/- Lakhs as compared to ₹ 48,476.09/- Lakhs in 2024-25, showing a significant growth of 17.02%.
- Profit after tax for the year was ₹ 43,088.62/- Lakhs as compared to ₹ 37,966.71 /- Lakhs in 2024-25, showing a significant growth of 13.49%.

The detailed analysis of income and expenditure and financial ratios is made in the “Management Discussions and Analysis Report” forming part of this Annual Report.

STATE OF THE COMPANY'S AFFAIRS

BUSINESS DEVELOPMENTS

Disbursements

The Company majorly offers, a wide range of commercial loans such as New and Used Commercial vehicle (excluding medium and heavy commercial vehicles) including but not limited to small commercial vehicles, light commercial vehicles, construction equipment, intermediate commercial vehicles and multi-utility vehicles, cars and tractors as well as new two-wheelers. In addition to vehicle financing, the Company also provides Micro, Small & Medium Enterprises (MSME) Loans and Others including Co-lending, Trade Advance and Personal Loan, the product wise disbursement of the Company for Financial Year 2025-26 is summarized here below:

(₹ in Lakhs)		
Particulars	2025-26	2024-25
Commercial vehicle loan	3,40,962.80	310,751.75
Car Loan	2,41,929.00	1,75,867.35
Tractor Loan	1,13,013.90	95,164.96
Two-wheeler loan	3.80	1,738.88
MSME loans	1,36,998.40	1,68,701.30
Others	83,318.80	87,617.56
Total	9,16,226.70	8,39,841.77

Assets Under Management (AUM)

During the Financial Year 2025-26, the Company crossed the total asset size of ₹ 17,15,220.48/- Lakhs. The AUM of the Company stood at ₹ 15,75,521.93 as at 31st March, 2026 compared to ₹ 13,26,112.89/- Lakhs as at 31st March, 2025 registering a robust growth of 18.81% on Year on Year (YoY) basis.

Network Expansion (Branches)

The Company further expanded its geographical presence by reaching out to semi urban/rural areas and increased its footprint by opening new branches and making it more accessible to its customers. The Company strengthened its presence across the 12 states and 2 union territories with a network of 707 Branches by net additions of 59 branches during the year under review.

Capital Adequacy

Capital adequacy ratio ("CAR") as at 31st March, 2026 under Ind-AS stood at 25.41% which is well above the minimum regulatory norms for non-deposit accepting NBFCs. Out of the above, Tier I capital adequacy ratio stood at 25.41% and Tier II capital adequacy ratio stood at 0% respectively.

OTHER MATERIAL EVENTS

The following material events which are covered in detailed in the later section of this Board Report inter-alia are as mentioned below:

- The Company has adopted the new set of Articles of Association of the Company.
- The Company has approved the change in the composition of the Board of Directors.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed discussion on the following aspects is included in the "Management Discussion and Analysis Report" in accordance with the applicable provisions of the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") annexed as Annexure-1:

- Global and Indian Economy;
- Industry structure and developments;
- Opportunities and Threats;
- Segment-wise or product-wise performance;
- Outlook;
- Risks and concerns;
- Internal control systems and their adequacy;
- Discussion on financial performance with respect to operational performance;
- Material developments in Human Resources / Industrial Relations front, including number of people employed;

- Details of significant changes in key financial ratios along with a detailed explanation therefore;
- Details of any change in return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof;
- Such other material aspects.

CHANGE IN THE NATURE OF THE BUSINESS

During the year, there was no change in the nature of business of the Company. However, pursuant to obtaining the Certificate of Registration to act as a Corporate Agent (Composite) under the IRDAI (Registration of Corporate Agents) Regulations, 2015, the Company has onboarded various insurance partners including HDFC Life, ICICI Lombard General Insurance, Axis Max Life Insurance, Care Health Insurance, Digital Life Insurance, and Chola MS General Insurance to commence and support its operations in the insurance segment.

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

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

TRANSFER TO RESERVES

Since the Company is a Middle-Layer Non-Banking Financial Company ("NBFC") registered with Reserve Bank of India ("RBI"), therefore as required under section 45-IC of the Reserve Bank of India Act, 1934 ("RBI Act"), the Company has transferred a sum of ₹ 8,617.72/- Lakhs to statutory reserves out of profits.

Further, the Board of Directors does not propose to transfer any amount to general reserves of the Company.

DIVIDEND

With a view to enhance the growth and business of the Company and in order to deal with the uncertain economic environment, the board of directors aim to retain the resources of the Company. Accordingly, they do not recommend any dividend for the financial year ended on 31st March, 2026.

The company has put in place a dividend distribution policy and observes compliance of the same. The policy is available on the website of the company at <https://www.skfin.in/investor/policies-codes>

DEPOSITS

Being a non-deposit taking NBFC, the Company has not accepted any deposits from the public within the meaning of the provisions of the Reserve Bank of India (Non-Banking Financial Companies -Acceptance of Public Deposits) Directions, 2025 and provisions of the Companies Act, 2013 ("the Act") are not applicable on the Company. Further, the Company shall not accept deposits from public without obtaining prior approval from the RBI.

RBI LICENSE & GUIDELINES

The RBI granted the Certificate of Registration to the Company vide Registration No. B-10.00080, to commence the business of a Non-Banking Financial Institution without accepting deposits. The Company is categorized as Non-Banking Financial Company - Middle Layer (NBFC-ML) and has complied with and continued to comply with RBI Directions and other applicable regulations, circulars, guidelines issued by the RBI from time to time, to the extent applicable. The Company is majorly operating in two verticals, vehicle financing and financing for Micro, Small and Medium Enterprises ("MSME").

CAPITAL STRUCTURE

During the year, following changes took place in the Share Capital structure of the Company:

Authorized Share Capital

There has been no change in the Authorized Capital Structure of the Company during the year under review.

As at March 31, 2026, the authorized share capital of the Company was ₹ 30,00,00,000/- (Rupees Thirty Crore only) consisting of 30,00,00,000 (Thirty Crore) equity shares of face value of Re. 1 (Rupee One only) each.

Issued, Subscribed and Paid-up Share Capital:

During the year, the following changes were effected in the issued, subscribed and paid-up share capital of the Company

Issue of Equity Shares under Employee Stock Option Plan (ESOP):

During the year, 4,81,552 (Four Lakh Eighty-One Thousand Five Hundred and Fifty-Two) equity shares of the face value of Re. 1/- (Rupee One only) each were allotted to the eligible employees upon the exercise of the stock options by the eligible employees with due approvals from the Nomination and Remuneration Committee ("NRC").

Post the allotment of equity shares as mentioned aforesaid, the issued, subscribed and paid-up equity share capital of the company as on 31st March, 2026 stood at ₹ 13,44,83,756 (Rupees Thirteen Crore Forty Four Lakhs Eighty Three Thousand Seven Hundred and Fifty Six only) consisting of 13,44,83,756 (Thirteen Crore Forty Four Lakhs Eighty Three Thousand Seven Hundred and Fifty Six) equity shares of Re. 1/- (Rupee One only) each. The new equity shares issued ranked pari-passu with the existing equity shares of the Company.

No Equity Shares were issued with differential rights as to dividend, voting or otherwise.

EMPLOYEE STOCK OPTIONS

The Company had formulated and implemented Employee Stock Option Plan 2018 ("Plan") approved by the shareholders on 11th September, 2018, as amended from time to time. The Board of Directors and/or the Nomination and Remuneration Committee (NRC) being the administrator(s) under the Plan, inter-alia, administers and monitors the Plan in accordance with the provisions of the Act and rules made thereunder. During the year under review, 92,000 options were granted to eligible employees under the Plan. The details of the Options under the scheme are summarized below:

Details	Tranche-1	Tranche-2	Tranche-3	Tranche-4	Tranche-5
Options granted	16,33,000	2,06,000	25,87,500	22,10,100	92,000
Options vested	14,24,720	1,58,000	14,39,448	4,16,899	0
Options exercised	14,24,720	1,13,000	7,18,940	0	0
Total number of shares arising as a result of exercise of option	14,24,720	1,13,000	7,18,940		
Options lapsed	2,08,280	48,000	6,99,002	2,94,500	0
Variation in terms of options	No variation in terms of options were made during the FY 2025 -26				
Exercise price (in ₹)	62.34	149.07	300	576.72	576.72
Money realized by exercise of options (in ₹)					
Total number of options in force as at 31 st March, 2026	0	45,000	11,69,458	19,15,600	92,000

Employee-wise details of options granted to:

a) Key Managerial Personnel:

Sr. No.	Name of Key Managerial Personnel as at 31 st March, 2026	Tranche-1		Tranche -2		Tranche - 3		Tranche-4		Tranche-5	
		Granted	Exercised	Granted	Exercised	Granted	Exercised	Granted	Exercised	Granted	Exercised
1.	Mr. Atul Arora, Chief Financial Officer (CFO)	3,50,000	3,50,000	-	-	1,40,000	70,000	3,80,000		-	
2.	Ms. Anagha Bangur, Company Secretary & Compliance Officer	12,000	12,000	-	-	16,000	8,000	20,000		-	

b) Any other employee who received a grant of Options in any one year of Options amounting to five percent or more of Options granted during that year: The following employees have received grant of options amounting to five percent or more of Options granted during the year under review:

1. Avijit Bahadur Singh 2. Vikrant Jethi 3. Krishan Murari Dalal

c) Identified employees who were granted Options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: None

BORROWINGS (RESOURCE MIX)

The Company has diversified funding sources from Public Sector Banks, Private Sector Banks, Foreign Bank, Financial Institutions including foreign institutions, Mutual Funds, etc. During the year under review, the Company continued with its diverse methods of sourcing funds in addition to regular borrowings like Secured Debentures, Term Loans, Commercial Papers, External commercial Borrowing etc., and has also maintained prudential Asset Liability Match throughout the year. The Company sourced long-term debentures and loans from banks and other institutions in line with Company's Resource Planning Policy.

The overall borrowing limit of the Company is ₹ 18,000 crores (Rupees Eighteen Thousand Crores only) as approved by the shareholders of the Company through special resolution passed by way of Postal Ballot on 07th December, 2024. As on 31st March, 2026, ₹ 12,81,974.28/- Lakhs of the total borrowing limit of the Company has been utilised mainly into Term Loans, Non-Convertible Debentures, Pass Through Certificates, External Commercial Borrowings, etc.

• Private Placement of Non-Convertible Debentures:

During the year under review, your Company has issued Non-Convertible Debentures ("NCDs") and raised an amount aggregating to ₹ 1,34,500/- Lakh (Rupees One Lakh Thirty-Four Thousand and Five Hundred Lakh only) through private placement basis, in various tranches and the NCDs are listed on the debt market segment of BSE Limited.

As specified in the respective offer documents, the funds raised from NCDs were utilised for various financing activities, onward lending, to repay existing debts, Client Loans for Green Purpose, Micro sub-loans to Eligible Clients, SME Sub-Loans to Agriculture/Forced Migrant/ Marginalized Population/Rural / Smallholder / Women /Youth sub-borrowers, working capital and general corporate purposes of the Company. Details of the end-use of funds were furnished to the Stock Exchange on a quarterly basis.

The brief details of NCDs issued on a private placement basis during the year 2025-26 is mentioned as under:

S. No	ISIN	Date of Issue	Date of Allotment	Secured/ Unsecured	Coupon Rate	Listed/ Unlisted	No. of Debentures	Maturity date	Issue Price (in ₹)	Amount (In Lakh)
1	INE124N07754 (Re-issuance)	09/04/2025	17/04/2025	Secured	9.25%	Listed	10,000	15/07/2027	1,00,000/-	10,000
2	INE124N07762	09/04/2025	24/04/2025	Secured	9.25%	Listed	30,000	24/10/2027	1,00,000/-	30,000
3	INE124N07770	23/09/2025	09/10/2025	Secured	9.10%	Listed	25,000	09/10/2028	1,00,000/-	25,000
4	INE124N07788	24/10/2025	25/11/2025	Secured	9.21%	Listed	44,500	25/11/2030	1,00,000/-	44,500
5	INE124N07796	30/01/2026	16/02/2026	Secured	9.10%	Listed	25,000	16/02/2029	1,00,000/-	25,000
Total							1,34,500			1,34,500

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

• Securitization/ Assignment:

During the year, the Company assigned /securitized its loan portfolio having principle value of ₹ 2,64,977.48/- Lakhs of which ₹ 1,31,762.10/- Lakhs were securitized through issue of Pass through Certificates in tranches and ₹ 1,33,215.38/- Lakhs was assigned /securitized in Direct Assignment mode in 11 tranches.

• Bank Borrowings:

During the year, the Company has raised fresh Secured Loans of ₹ 2,78,840.00 Lakhs from Banks and Financial Institutions.

• External commercial Borrowing:

During the year, the Company had availed total External Commercial Borrowing (ECBs) of US\$ 100 Million from Asian Development Bank for financing prospective borrower as per the ECB guidelines issued by RBI from time to time. Out of same US\$ 60 Million was raised in FY 24-25 and US\$ 40 Million was raised in FY 25-26. The maturity of the borrowing is sixty (60) months after the Disbursement Date of each Tranche of Loan.

Commercial Papers:

The Company has issued unsecured Commercial paper in two tranches dated 31st December, 2024 and 10th January, 2025 amounting to ₹ 6,000 Lakh/- (Rupees Six Thousand Lakh only) and ₹ 2,500/- Lakh (Rupees Two Thousand Five Hundred Lakh only) respectively. Thereafter, the Company has repaid the entire maturity amount of ₹ 8,500/- Lakh (Rupees Eight Thousand Five Hundred Lakh only) on due date of Maturity i.e. 07th May, 2025. Hence, as at 31st March, 2026, the Company has no outstanding Commercial Paper (CPs).

The Company has complied with the Operational Circular for issue and listing of Non-Convertible Securities, Securitized Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper issued by SEBI and the Fixed Income Money Market and Derivatives Association of India (FIMMDA) guidelines in all its CP issuances.

CREDIT RATINGS

The Company's financial discipline and prudence is reflected in the credit ratings ascribed by rating agencies. During the year under review, the Company reported the following changes in the credit ratings.

Type of Instrument	Name of Credit Rating	Date of Credit Rating	Rating assigned*	Previous rating assigned*
(i) Non –convertible debentures	CRISIL Ratings Limited		Rating Withdrawn	CRISIL AA-/Stable
	ICRA limited	18 th September, 2025	[ICRA] AA- (Stable)	[ICRA] AA- (Stable)
	India Ratings & Research Private Limited	30 th January, 2026	IND AA-/Positive	IND AA-/Stable
(ii) Market Linked debentures	CARE Ratings Limited		Withdrawn	CARE PP-MLD AA-; Stable
	CRISIL Ratings Limited		Withdrawn	CRISIL PP-MLD AA-; Stable
(iii) Loan facility	CARE Ratings Limited	09 th January, 2025	CARE AA-; Stable	CARE AA-; Stable
	India Ratings & Research Private Limited	30 th January, 2026	IND AA-/Positive	IND AA-/Stable
(vii) Commercial paper	India Ratings & Research Private Limited		IND A1+	IND A1+

*Month of rating assigned related to rating valid on March 31, 2026 and March 31, 2025.

All of the above ratings indicate a high degree of safety with regard to timely payment of interest and principal. The company has placed on its website all credit ratings obtained for all its outstanding instruments and has intimated the revision of the ratings to the stock exchange.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, shall be transferred to the Investor Education and Protection Fund ("IEPF").

Further, the Company has a board approved "Policy for claiming unclaimed amount on Non-Convertible Debentures" in pursuance to the Regulation 61A

(2) of SEBI LODR, as amended from time to time, read with Circular SEBI/HO/DDHS/DDHS-RAC-1/P/CIR/2023/176 issued on 08th November, 2023 (as amended from time to time).

As at 31st March, 2026, there are no amount lying in the unclaimed dividend account and it was not required to transfer unpaid/ unclaimed dividend/ shares and other amounts as applicable to the IEPF.

The company has appointed Ms. Anagha Bangur, Company Secretary & Compliance Officer of the company as the "Nodal Officer" of the company for the purpose of the IEPF Rules.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors in adherence to the applicable provisions of the Act and SEBI LODR. As on March 31, 2026, the Board comprised of Eight Directors, which comprises of two Executive Director (Managing Director & Whole-Time Director), Six Non-Executive Directors out of which Four are Independent directors (including one woman director) and two are Nominee Directors (including one woman director).

The following changes took place in the Directors and KMPs' of the Company during the year and after close of financial year:

Cessation

During the year under review, Mr. Amar Lal Daultani, Non-Executive Independent Director of the Company has completed his tenure of 10 years as an Independent Director of the Company with effect from closure of business hours on 31st March, 2026. There were no resignations from the Board during the year.

However, Ms. Debanshi Basu (DIN: 07135074) has tendered her resignation from the position of Nominee Director of the Company vide her resignation letter dated 21st April, 2026 with effect from the close of business hours on 30th April, 2026, due to personal reasons.

Appointment/Re-appointment

Based on the recommendation of NRC, Board of Directors in their meeting held on 30th January, 2026 approved the appointment of Mr. Amar Lal Daultani as Non-Executive (Non-Independent) Director after expiry of his present tenure as an Independent Director, w.e.f. April 01, 2026.

The Shareholders of the Company in their Extra-Ordinary General Meeting held on March 20, 2026 approved the appointment of Mr. Amar Lal Daultani as Non-Executive (Non-Independent) Director on the Board of the Company for the tenure of 2 (Two) years with effect from 01st April, 2026 considering his extensive expertise and wide-ranging experience across diverse domains including credit, forex, treasury, risk management, other banking operations and corporate governance and found him to be fit and proper for appointment as a Non-Executive (Non-Independent) Director of the Company.

The company has received all the requisite declarations from the aforesaid director of the Company as prescribed in the Act, SEBI LODR, Reserve Bank of India (Non-Banking Financial Companies –Governance) Directions, 2025 dated

November 28, 2025 ("RBI Governance Direction") and enabling provisions of any other regulatory authority as applicable.

Retirement by Rotation

In accordance with the provisions of Section 152(6) of the Act read with the rules made thereunder and in terms of Articles of Association of the Company, Mr. Yash Setia (DIN: 09831391), Whole Time Director retired by rotation at the 31st Annual General Meeting (AGM) of the Company held on 04th August, 2025 and was re-appointed by the Shareholders of the company.

Further, Mr. Rajendra Kumar Setia (DIN: 00957374), Managing Director and Chief Executive Officer of the Company shall retire by rotation at the ensuing AGM and being eligible for reappointment, offers himself for re-appointment.

Key Managerial Personnel's (KMPs)

Pursuant to the provisions of Section 203 of the Act read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI LODR and RBI Governance Direction, the following are the whole time key managerial personnel's of the company as on 31st March, 2026.

- Mr. Rajendra Kumar Setia, Managing Director and Chief Executive Officer (CEO)
- Mr. Yash Setia, Whole time Director
- Mr. Atul Arora, Chief Financial Officer
- Ms. Anagha Bangur, Company Secretary and Compliance Officer

There was no change in Key Managerial Personnel's which took place during the year under review.

Independent Directors

The Independent Directors have submitted the requisite declarations under Section 149(7) of the Act and Regulation 62N(9) of the SEBI LODR confirming that they meet the criteria of independence as stipulated under the provisions of Section 149(6) of the Act, Regulation 16 (1)(b) and Regulation 62B(1)(b) of SEBI LODR and are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, the Board after taking these declarations on record and after undertaking due assessment of the veracity of the same, concluded that the Independent Directors are persons of integrity and

possess the relevant proficiency, expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management of the Company. The Independent Directors have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Act.

Pursuant to Schedule IV to the Act and the SEBI LODR, the independent directors met on November 06, 2025 without the presence of Non-Independent Directors and members of the management and all the independent directors were present at such meeting.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the names of all the Independent Directors of the Company have been included in the Independent Director's databank maintained by the Indian Institute of Corporate Affairs (IICA). Further, all the Independent Directors of the Company are exempted from appearing for the Online Proficiency Exam except Mr. Mukul Mathur, who has appeared and passed the Online Proficiency Exam.

DIRECTORS & OFFICERS LIABILITY INSURANCE

The Directors and Officers (D&O) insurance is liability insurance which covers or protects Directors of the Company from claims which may arise from decisions and actions taken while serving their duty. The Company has taken Directors & Officers Liability Insurance for Board of Directors including Independent Directors for such quantum and risks as determined by the Board.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Company has adopted a Code of Conduct for its Directors and Senior Management Personnel including a code of conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in Schedule IV of the Act and SEBI LODR. The said Codes can be accessed on the Company's website at <https://www.skfin.in/investor/policies-codes>

In terms of the SEBI LODR, all Directors and Senior Management Personnel have affirmed compliance with their respective codes as on 31st March, 2026. The Managing Director and Chief Executive Officer has also confirmed and certified the same, The said certificate forms part of "Report on Corporate Governance".

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to the Regulation 62N of SEBI LODR, the Company has put in place a Familiarisation Programme to familiarise the Independent Directors about the Company and their roles, rights and responsibilities in the Company. Also, in terms of Schedule IV of the Companies Act, 2013, read with the rules made thereunder, the Independent Directors shall undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company.

The Company conducts programs/ presentations, periodically at regular intervals, to familiarize the Independent Directors with the strategies, operations and functions of the Company.

Further, on an ongoing basis as a part of the agenda of meetings of the Board/ Committee(s), presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's business and financial operations, strategies, risk management framework, regulatory updates and other relevant matters. These presentations enable one-on-one interaction between the Independent Directors and the senior management of the Company/ internal auditor/chief compliance officer/ chief risk officer of the Company.

The details of the Familiarisation Programme during the Financial Year 2025-26 is explained in the Corporate Governance Report and the same is also available on the website of the Company.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

Pursuant to the provisions of Section 134(3)(e) of the Act, the Company's Nomination, Remuneration and Compensation Policy (NRC Policy) on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act is available on the website of the Company <https://www.skfin.in/investor/policies-codes>.

The NRC Policy for Directors, Key Managerial Personnel's (KMPs) and Senior Management Personnel's (SMPs) is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The policy aims to ensure that the level and composition of the remuneration of the Directors, KMPs and SMPs is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

During the year under review, the Board of Directors at its meeting held on 28th May 2025 reviewed and approved the revision in NRC Policy to align it

with regulatory requirements. Subsequently, the policy was further amended and approved by the board dated 19th November, 2025 to address the observations highlighted by the Reserve Bank of India in its Inspection and Risk Assessment Report as of March 31, 2024, dated August 01, 2025 and to ensure alignment with the Company's commitments.

The terms of reference of the NRC and details of NRC Policy are covered in Report on Corporate Governance annexed with Board's Report as Annexure-5

Further, the Company has also adopted a 'Policy on Fit and Proper Criteria for Board of Directors' for ascertaining the 'Fit and Proper' criteria to be obtained at the time of appointment of directors and on a continuing basis, pursuant to the RBI Governance Direction or any other master direction, circulars, guidelines issued by the RBI in this regard. All the Directors of the Company have confirmed that they satisfy the 'fit and proper' criteria as prescribed under the RBI Direction.

PERFORMANCE EVALUATION

The Board, the Committees of the Board and independent directors continuously strive for efficient functioning of Board and its Committees and better corporate governance practices. Accordingly, pursuant to the provisions of Section 178(2) of the Act and Schedule II of the SEBI LODR, the NRC has laid down the criteria for the performance evaluation of Board, its committees and individual directors after taking into consideration the guidance note issued by the Institute of Company Secretaries of India (ICSI) and Securities and Exchange Board of India (SEBI).

In addition, pursuant to the Schedule IV of the Act and SEBI LODR, the Independent directors in their meeting held on November 06, 2025 reviewed the performance of non-independent directors, Board of Directors as a whole and chairperson of the listed entity taking into account the views of executive directors and non-executive directors.

The Board of Directors conducted a comprehensive performance evaluation through well-structured online questionnaire forms covering various aspects of the Board's functioning. Feedback was obtained accordingly and duly considered. The Board also reviewed the evaluation results as collated by the Nomination and Remuneration Committee (NRC) and expressed satisfaction with the overall evaluation process. The results highlighted strong cohesiveness among Directors, effective communication between the Board and Management, and the Management's openness in sharing relevant information and presenting proposals for the Board's consideration and approval.

The evaluation process, manner and performance criteria for evaluation of Board, covering

Independent Directors, Non-Executive Directors (Non-Independent), Board its committees and chairman of the Board in which the evaluation has been carried out is explained in detail in the "Report on Corporate Governance" forming part of this report.

EMPLOYEE REMUNERATION

Pursuant to Section 2(52) of the Act read with Rule 2A of the Companies (Specification of Definitions Details) Rules, 2014, public companies which have not listed their equity shares on a recognized stock exchange but have listed their non-convertible debt securities issued on private placement basis in terms of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, shall not be considered as listed company in terms of the Act. Hence, provisions of section 197(12) of the Act read with rules 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable on the company.

BOARD MEETINGS

The calendar of the Board Meetings is circulated to the Directors in advance to enable them to plan their schedule for effective participation at the meetings. Additional Board Meetings are convened by giving appropriate notices to address company's specific needs. The Board meets at regular intervals to discuss and decide on significant strategic, financial, operational and compliance matters.

The Board of Directors met 06 times during the year under review i.e. on 01st May, 2025, 28th May, 2025, 21st July, 2025, 02nd September, 2025, 07th November, 2025 and 30th January, 2026.

Frequency and quorum at these meetings and the intervening gap between any two meetings were in conformity with the provisions of the Act, SEBI LODR and Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. As on 31st March, 2026, the Board has 13 Committees, namely:

- Audit Committee
- Committee of Independent Directors
- Corporate Social Responsibility Committee
- Customer Service Committee
- Executive Committee
- IT Strategy Committee
- Investment Committee
- IPO Committee

- Nomination and Remuneration Committee
- Product Approval Committee
- Risk Management Committee
- Stakeholder Relationship Committee
- Wilful Defaulters-Review Committee

Further, the Board has also formed sub-committees of the management in order to facilitate quick decision making and encourage delegation of authority. Presently, there are 6 sub-committees, namely:

- Asset Liability Management Committee
- Internal Complaint Committee
- Information Security Committee
- IT Steering Committee
- Risk Management Committee of Executives
- Wilful Defaulter-Identification Committee

During the year under review, all recommendations made by the committees were accepted by the Board of Directors.

Details of Board Committees along with their composition, name of members, chairperson, change in Composition during the year, terms of reference, meetings held during the year and attendance thereat are provided in ‘Report on Corporate Governance’ forming part of the Annual Report.

INTERNAL FINANCIAL CONTROL SYSTEMS AND AUDIT

The Company’s internal financial control system is designed to ensure operational efficiency, compliance with laws and regulations and accuracy and promptness in financial reporting. Review of the internal financial controls of the Company is undertaken annually which covers testing of process, assessing the risk where a material weakness exists, and testing and evaluating the operating effectiveness of internal control based on the assessed risk, review of key business processes for updating risk control matrices, etc. Moreover, the Company continuously upgrades its systems and undertakes review of policies, Standard Operating Procedure (SOP), guidelines, manuals and authority matrix and the Company has documented internal audit and control system for all layer’s compliances of the Company.

The internal financial control is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements, its reporting and other data. The Audit Committee of the Board reviews internal audit reports given along with management responses. The Audit Committee also monitors

the implemented suggestions. The statutory auditors of the Company have also certified on the existence and operating effectiveness of the internal financial controls relating to financial statements as at 31st March, 2026. The details of the Internal Financial Controls and issues related thereto have been explained in the “Management Discussion and Analysis Report”, forming part of this Annual Report.

AUDITORS

• Statutory Auditors

M/s. Deloitte Haskins and Sells, Chartered Accountants (Firm Registration No. 117365W) were appointed as Statutory Auditors of the Company, in the 30th Annual General Meeting (AGM) held on 07th August, 2024 for a continuous period of three years till the conclusion of 33rd AGM to be held in the calendar Year 2027.

In line with the Reserve Bank of India guideline RBI/2021-22/25 Ref. No. DoS.CD.ARG/SEC.01/08.91.001/2021-22 dated 27th April 2021 for appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (“Statutory Auditors”) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) (“RBI Guidelines”) read with the policy on Appointment of Statutory Auditor, framed by the Company, in case of the Entities with asset size of ₹15,000 crore 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 [Partnership firms/ Limited Liability Partnerships (LLPs.)]. Further, the Guidelines also specifies that an auditor who has completed a period of three years (counted as one tenure) as on the date of the circular shall not be eligible for re-appointment in the same entity for six years (two tenures) after completion of one tenure of three years.

Accordingly, the Shareholders of the Company in the Annual General Meeting held on 04th August, 2025, based on the recommendation of the Audit Committee and the Board of directors, at their respective meeting held on 28th May, 2025 appointed M/s A. BAFNA & CO, Chartered Accountants (Firm Regn. No. – 003660C) as Joint Statutory Auditor of the Company to hold office for a continuous period of three years from the conclusion of 31st Annual General Meeting (AGM) held on 04th August, 2025 until the conclusion of 34th AGM of the Company to be held in the Calendar Year 2028, for carrying out the audit of the financial statements of the Company.

M/s. Deloitte Haskins and Sells and M/s A. Bafna & Co., Joint Statutory Auditors have given their confirmation to the effect that they are eligible, provided their consent for appointment as Statutory Auditors of the Company and have not

been disqualified in any manner from continuing as Joint Statutory Auditors of the Company.

Further, the Joint Auditors’ Report “with an unmodified opinion”, on the Financial Statements of the Company for FY 2025-26, is forming a part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Joint Statutory Auditors in their Report for the year under review.

• Secretarial Auditor

Pursuant to the provisions of section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 62M of SEBI LODR, the board of directors in their meeting held on 28th May, 2025 had appointed M/s V.M. & Associates, Company Secretaries (Firm Registration No P1984RJ039200) to conduct secretarial audit of the company for the financial year ended 31st March, 2026. The Secretarial Audit Report in Form MR-3 is annexed to this report as Annexure-3. The directors are pleased to inform that there were no qualifications, reservation or adverse remark or disclaimer in the audit report for the financial year 2025-26.

Further, the Board of Director has approved the re-appointment of M/s V. M. & Associates, Company Secretaries as Secretarial Auditors of the Company to carry out secretarial audit of the Company for the financial year 2026-27 in their Board meeting held on 30th April, 2026.

REPORTING OF FRAUDS BY AUDITORS

During the period under review, the auditors of the Company did not report, under section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board’s Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11)(a) of the Act read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a NBFC registered with RBI are exempt from the applicability of the provisions of Section 186 of the Act. As such, the particulars of loans and guarantees have not been disclosed in this Report.

As regards to investments made by the Company, the details have been provided in notes to the financial statements of the Company for the year ended 31st March, 2026 (Refer Note No. 9).

RELATED PARTY TRANSACTIONS

Pursuant to the provisions of the Act, Regulation 62K of SEBI LODR and as required under the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, based on the recommendation of Audit Committee, the company has adopted a Board approved “Policy on Related Party Transactions” and the said policy is available on the website of the Company at <https://www.skfin.in/investor/policies-codes>.

All the related party transactions that were entered during the financial year were in the ordinary course of business and on an arm’s length basis. There were no materially significant transactions made by the company with the related parties either individually or taken together with the previous transactions which may have a potential conflict with the interest of the company at large. All the related party transactions are placed before the Audit Committee and subsequently before the Board of Directors for approval and review on quarterly basis. Transactions with related parties, as per the requirements of Ind-AS, are disclosed in the Notes to Accounts annexed to the financial statements (Refer Note No. 38)

Pursuant to the provisions of Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no transactions were entered by the Company during the year which are required to be reported. Accordingly, the disclosure of Related Party Transactions in Form AOC-2 is not applicable on the company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and 177(10) of the Act, Regulation 4(2)(d)(iv) and Regulation 62J of the SEBI LODR, the Company has in place a whistle blower policy/vigil mechanism to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company’s Code of Conduct. A whistle blowing or reporting mechanism, as set out in the Policy, invites all Directors and employees to act responsibly to uphold the reputation of the Company. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices.

This Vigil Mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimization of employees and also provides direct access to the Chairman of the Audit Committee in exceptional circumstances. The whistle blower complaints are reviewed by the Audit Committee on a yearly basis. The Vigil Mechanism/Whistle Blower

policy is available on the website of the Company at <https://www.skfin.in/investor/policies-codes>.

During the year, 5 (Five) whistle blower event was reported and which was resolved by taking necessary action. Thus, the mechanism is functioning well. None of the personnel have been denied access to the Chairperson of Audit Committee.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

The Company has a Board approved Anti-Bribery and Anti-Corruption Policy ("Policy") which serves as a guide for all employees, directors and associated persons for ensuring compliance with applicable anti-bribery and anti-corruption laws, rules and regulations.

The Company follows a 'zero-tolerance approach' towards bribery and corruption and is committed to act professionally, fairly and with integrity in all its business dealings and relationships. The Company also conducts training for employees to make them aware of the corrupt practices and mandatorily compliance of Code of Conduct of the Company. The said policy is disclosed on the website of the Company at <https://www.skfin.in/policies>.

Brief details of Anti-Bribery complaints during the year is mentioned as follows:

S. No.	Particulars	Status
1	Number of complaints received during the year	4
2	Number of complaints disposed-off during the year	4 (Closed Case)
3	Number of cases pending for more than 90 days	0
4	Number of workshops or awareness Programme carried out	NHT induction: 277 Oorja: 10
5	Nature of action taken by the Company	Separation

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy:

- i. The steps taken or impact on conservation of energy:

The operations of the Company, being in financial service sector, do not require involve significant consumption of electricity. Nevertheless, the Company remains committed to adopting all feasible measures to conserve energy. During the financial year, several environmentally friendly

initiatives were undertaken to enhance energy efficiency, including the following:

- Installation of energy-efficient LED lighting fixtures across all newly opened branches and generated as well as consumed 79,748 kWh of solar power during the year, bringing the cumulative solar energy usage since inception to 1,81,979 kWh.
- Implementation of administrative controls to ensure that all unused lights and appliances are switched off during working hours.
- Conduct of energy audits were conducted at the registered office and branches to promote awareness, establish efficient systems, and reduce energy consumption and wastage.
- Introduction of an office appreciation program to reward offices that demonstrate the best performance in energy efficiency on a quarterly basis.
- Installation of motion sensors were also installed at select locations to further enhance energy efficiency.

- ii. The steps taken by the Company for utilizing alternate sources of energy: The Company has installed and continues to utilize a captive rooftop solar power plant at its JHO premises to harness renewable energy and reduce dependence on conventional power sources.

The Capital investment on energy conservation equipment: As per the business activities carried out by your Company, this year the Company has installed few more Motion sensors for saving the energy at large at its registered office as capital investment on energy conservation equipment.

B. Technology Absorption:

- i. The efforts made towards technology absorption:
- The Company has improved operational process and patron overall journey, and has launched cognitive chatbot platform for self-service with the regional level support to manage customer accounts 24X7 which results in reducing customer queries. Along with effective communication with customers, the Company's integrated WhatsApp chatbot provides instant updates on their queries resulting in reducing the waiting time of the agents.

- ii. The benefit derived like product improvement, cost reduction, product development or import substitution:

The Company uses the enhanced information technology in business operations which results in quicker loan turnaround time, reduction in transaction costs and digitized the collection processes.

- iii. In Case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- The details of technology imported: Not Applicable
- The year of import: Not Applicable
- Whether the technology has been fully absorbed: Not Applicable
- If not fully absorbed, areas where absorption has not taken place, and the reason thereof: Not Applicable

- iv. The expenditure incurred on Research and Development: Not Applicable

C. Foreign exchange earnings and Outgo:

The details of foreign exchange earnings and foreign exchange expenditures are as below:

(Amount in Lakh)

S. No.	Particulars	FY 2025-26	FY 2024-25
1	Foreign exchange earnings	NIL	NIL
2	Foreign exchange expenditures	17,688.56	6,557.24

RISK MANAGEMENT

Pursuant to the provisions of the RBI Master Directions, SEBI LODR and the Act, your Company has adopted a Risk Management policy which ensure sustainable business growth with stability and minimize unfavorable impact on the business objectives, develop stakeholder value, undertake businesses that are well understood and within acceptable risk appetite and develop a strong risk culture across the Company. Further, this Policy seeks to sustain and enhance long-term competitive advantage for the Company and enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities.

Your Company is exposed to various risks that are an inherent part of any financial service business which inter alia include the following:

- a) **Credit Risk:** Credit risk management is governed by Board-approved Risk Management Policy, Credit Policy and Product manuals that lay down the framework for credit appraisal, approval, monitoring and recovery across business lines. The policies and standards cover all stages of the credit cycle, including origination, credit approval, documentation, administration, monitoring and recovery. The Company has laid down limits and caps on various aspects to control the magnitude

of credit risk. Regular and timely risk reporting with adequate control mechanism is prevalent across the organisation. Loan administration and monitoring is carried out through portfolio profiling, adherence to exposure limits, monitoring of asset quality/ delinquency trends, slippages, resolutions, deviations, and other credit risk activities around asset quality trends and concentration. The credit culture of the Company mandates that lending is based on credit analysis, with full understanding of the purpose of the loan and is commensurate to customer's financials and ability to repay from business operations.

- b) **Market & Liquidity Risk:** Market risk involves monitoring exposures arising from movements in interest rates and exchange rates. Liquidity risk is defined as the risk of being unable to meet financial obligations as they fall due without incurring unacceptable losses. It ensures adherence to the RBI guidelines and ALM and Liquidity Risk Management Policy and also ensures adherence to the tolerance limit as approved by the Board. It additionally ensures compliance with Liquidity Coverage Ratio (LCR) requirements and monitors Asset-Liability (ALM) mismatches within prescribed limits. A contingency funding plan is maintained to address stress situations, and principles for market and liquidity risk stress testing are also established to evaluate the impact of adverse scenarios.

- c) **Operational Risk:** Operational Risk, as defined by the RBI, refers to the risk of loss arising from inadequate or failed internal processes, people, systems, or external events, including legal risk but excluding strategic and reputational risks, and is inherent in all business activities. The Company manages Operational Risk through a Board-approved Operational Risk Management Policy, supported by established frameworks and SOPs to ensure systematic identification, assessment, monitoring, and mitigation of risks. The governance structure is based on the Three Lines of Defence model, wherein business units are the primary responsibility for risk management, the Operational Risk Management Department (ORMD) provides independent oversight and monitoring, and Internal Audit provide assurance on the effectiveness of the framework, with overall supervision by the RMCE. Outsourcing Risk is governed through a Board-approved policy in line with regulatory requirements. The Company also maintains a robust Business Continuity Management (BCM) framework, with ORMD facilitating identification of critical processes and ensuring that Business Continuity Plans (BCP) are in place and periodically tested to support operational resilience.

- d) **Foreign Exchange Risk:** defined as the risk that a Company may suffer losses as a result of adverse exchange rate movements during a period in which it has an open position, either spot or forward, or a combination of the two, in an individual foreign currency. Companies are also exposed to interest rate risk, which arises from the maturity mismatch of foreign currency positions. Even in cases where spot and forward positions in individuals currencies are balanced, the maturity pattern of forward transactions may produce mismatches. As a result, Companies may suffer losses as a result of changes in permia/ discounts of the currencies concerned.
- e) **Compliance Risk:** Compliance risk has been defined as the risk of legal or regulatory sanctions, material financial loss, failure to protect customer information or loss to reputation a Company may suffer as a result of its failure to comply with laws, regulations, rules, policies related self-regulatory organization standards, and codes of conduct as applicable
- f) **Information Technology and Information/Cyber Security Risk:** Information Technology and Information/Cyber Security Risk defines as the business risk associated with the use, ownership, operation, involvement, influence and adoption of IT within an enterprise. Your Company is committed towards creating an environment of increased risk awareness at all levels. It aims to constantly upgrade the security measures to ensure avoidance and mitigation of various risks. Your Company has policies and procedures in place to measure, assess, monitor, and manage these risks systematically across all its portfolios and also implemented required security technology to mitigate identified risks.

The Board has formed a Risk Management Committee to identify the risks impacting the business, formulate strategies/ policies aimed at risk mitigation as part of risk management. The Risk Management Committee (RMC), functions in line with the RBI Master Directions issued in this regard from time to time and SEBI LODR. The Board of Directors has also constituted Risk Management Committee of Executives and Asset Liability Management Committee ("ALCO Committee") to provide the support functions to the Risk Management Committee of Board in the day to day affairs of the company.

The details of the Risk Management Framework and issues related thereto have been explained in the "Management Discussion and Analysis Report" forming part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company's Corporate Social Responsibility (CSR) initiatives are aligned with its mission of transforming rural lives. Accordingly, these initiatives focus on key areas such as health and wellness, sanitation and hygiene, education (including Awareness Building initiative like Cyber Security & Financial literacy program, industry-focused training in solar energy, equipping trainee with the skills needed for employment or self-employment in the solar sector, digital education-based skill courses with integrated Artificial Intelligence), promoting physical fitness, Vocational skill development, women empowerment, animal welfare, promoting sports among underprivileged children, environmental conservation, fitness programs and infra support to hospital, and traffic road safety and the promotion of art and culture.

In addition, the Company has initiated an ongoing project SK Skills Academy ("SSA") through SK Foundation to undertake Skill Development Programmes (including SK Solar Master Program) for imparting vocational skills & Practical training skills, along with the industry exposure free of cost to the underserved youth, by offering various programs amongst the youth and women which equip them with skills and knowledge required to develop their potential to earn their livelihood and Promoting Education by providing necessary support including but not limited to relevant study materials, building toilets, classrooms, computer labs, etc.

During the year, the Company has, in consonance with the CSR policy of the Company, undertaken a number of initiatives that contribute to society at large. The company has in place a duly constituted CSR Committee for fulfilling the CSR objectives of the Company. "Annual Report on CSR Activities" is annexed as Annexure- 4 to the report.

The Company's CSR Projects are compliant with the CSR mandate as specified under Section 135 read with Schedule VII of the Act along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), as amended from time to time and in line with notifications issued by the Ministry of Corporate Affairs ("MCA"), from time to time.

The Corporate Social Responsibility Policy has been hosted on the website of the Company at <https://www.skfin.in/investor/policies-codes>.

REGULATORY & STATUTORY COMPLIANCE

The company has strong control to ensure adherence with all the applicable laws and regulations.

SECRETARIAL STANDARDS

The company has implemented proper systems to ensure compliance with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and have complied with the same.

INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT

The Company has designed a robust and comprehensive internal control system across all major processes to ensure efficient operations, compliance with laws and reliability of financial reporting. Internal Audit is conducted by an in-house Head of Internal Audit. The internal audit is undertaken based on a robust internal audit charter and a risk-based internal audit policy, outlining the audit purpose, role, structure, authority and responsibilities of the Internal Audit Department. The Risk Based Internal Audit framework supports the system, which evaluates the effectiveness of internal controls, risk management and governance processes to provide independent assurance to the Board of Directors and Audit Committee of the Board. The Risk Based Internal Audit framework is appropriate for the business's size, scale and complexity and the risk based internal audit plan is developed based on the risk profile of its activities. The Audit Committee of the Board approves the risk based internal audit plan annually and regularly reviews the observations, performance status, providing guidance as needed.

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act, read with Rule 11 and 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at <https://www.skfin.in/investor/investor-services>.

COST RECORDS

The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the maintenance of cost records is not applicable on the company.

CORPORATE GOVERNANCE

The company recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of Corporate Governance through emphasizing on transparency and disclosures in and around the company. The Company is committed in carrying out its activities on ethical stances and providing accountability to its customers, government and others. The company believes in balancing the interests of its stakeholders such as shareholders,

management, customers, suppliers, government, etc. The report on corporate governance forms integral part of this Annual Report.

The Company was classified as a High Value Debt Listed Entity pursuant to the SEBI LODR Regulations and accordingly complied with the Corporate Governance requirements prescribed under Chapter VA of the SEBI LODR Regulations.

In accordance with the notification issued by the SEBI vide Official Gazette published on 20th January, 2026 through the SEBI LODR (Amendment) Regulations, 2026, the Company ceased to be classified as a High Value Debt Listed Entity. Consequently, the provisions of Chapter VA (Regulation 62B to 62Q) of the SEBI LODR Regulations relating to Corporate Governance are no longer applicable to the Company with effect from the date of publication of the said notification. Accordingly, the company is not required to comply with the provision of Chapter VA of SEBI LODR w.e.f. 22nd January, 2026. However, in order to maintain continuity and uphold best governance practices, the Company continued to comply with Chapter VA of SEBI LODR Regulations in respect of Corporate Governance up to 31st March 2026.

A "Report on Corporate Governance" together with a certificate from M/s V. M. & Associates, Company Secretaries regarding compliance of conditions of corporate governance as per the relevant provisions of the SEBI LODR is attached and forms part of this Annual Report. The report contains the details as required to be provided on the composition and category of directors, number of meetings of the board, composition of the various committees, annual board evaluation, remuneration policy, criteria for board nomination and senior management appointment, whistle blower policy/vigil mechanism, disclosure of relationships between directors inter-se, general body meetings and other disclosures etc.

COMPLIANCE CERTIFICATE

As required in terms of Regulation 62D(14) of the SEBI LODR, the Chief Financial Officer and the Managing Director & CEO of the Company have submitted a compliance certificate to the board as specified in Part B of Schedule II of the SEBI LODR regarding the Financial Statements and Internal Controls relating to financial reporting for the year ended on 31st March, 2026. The said Certificate is attached as Annexure-2 and forms part of this Report.

DISCLOSURES PURSUANT TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has always been committed to ensuring the safety and dignity of women within and around

the organization. In line with this commitment, the Company is in compliance with the provisions relating to the constitution of the Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”).

The Company has also adopted a comprehensive Policy for Prevention of Sexual Harassment which outlines the procedures for redressal of complaints pertaining to sexual harassment in line with the requirements of the POSH Act and rules made thereunder. During the year, the company has conducted various workshops and sessions in relation to the awareness of the POSH Act amongst the employees.

An Internal Complaints Committee (ICC) has been set up in accordance with the POSH Act to redress complaints in relation to sexual harassment and all employees of the company are covered under this policy. During the FY2025-26, the Company had received Nil complaints on sexual harassment under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The following is the summary:

Number of complaints of sexual harassment received in the year	Number of complaints disposed off during the year	Number of cases pending for more than ninety days
Nil	Nil	Nil

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

There were no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status of the Company and its future operations during the FY 2025-26.

However, SEBI had issued summary settlement notice dated August 29, 2024 to the Company for alleged violation of Section 23(1), 26(4), 26(6) and 33(1) of the Companies Act, 2013 and Regulation 4(3), 6, 7, 8, 9 and 16 of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 for Non-Convertible Debentures issued to Karvy Capital Limited in FY 2018-19 on private placement basis. Accordingly, the company had filed the Settlement Application with SEBI on September 27, 2024 under Chapter-II of the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (“SEBI Settlement Regulations”) by paying settlement amount of ₹ 67,50,000/- (Rupees Sixty-Seven Lakh and Fifty Thousand only). The said settlement amount was refunded by SEBI.

The Company had again filed a settlement application dated May 02, 2025 with SEBI under the SEBI (Settlement Proceedings) Regulations, 2018, proposing to settle, by neither admitting nor denying the findings of facts and conclusions of law, the enforcement proceedings that may be initiated against it for the alleged violations of applicable provisions of the Companies Act, 2013, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and SEBI (Issue and Listing of Debt Securities) Regulations, 2008, for Non-Convertible Debentures issued on private placement basis.

The Company has paid an amount of INR 8,75,000.00 (Indian Rupees Eight Lakh Seventy Five Thousand only) towards the settlement. SEBI issued the settlement order in this regard on February 12, 2026.

INSOLVENCY AND BANKRUPTCY CODE, 2016

No application or any proceeding has been filed by or against the Company under the Insolvency and Bankruptcy Code, 2016 (“IBC Code”) during the FY 2025-26.

SUBSIDIARIES, JOINT VENTURES, ASSOCIATE COMPANIES

During the year under review and as on the date of this Report, your Company had no subsidiary, joint venture or associate company. Also, the Company did not become a part of any joint venture during the year.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives of Designated Persons (Code) (as amended from time to time) for Prevention of Insider Trading. The Code requires pre-clearance for trading in the listed securities of the Company by designated persons while in possession of unpublished price sensitive information (UPSI) in relation to the Company and during the period when the Trading Window is closed. The Compliance Officer is responsible for setting forth the policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, monitoring of trades, pre-clearance of trades to be entered into by the Designated Persons and the implementation of this Code under the overall supervision of the Board of Directors of the Company.

COMPLIANCE WITH MATERNITY BENEFIT ACT 1961

The Company has adhered to all applicable provisions of the Maternity Benefit Act, 1961.

OTHER DISCLOSURES

Other disclosures with respect to Board's Report as required under the Act read with the Rules notified thereunder and the SEBI LODR are either NIL or Not Applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and belief, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2026 and of the profit of the company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The directors place on record their sincere appreciation for the assistance and guidance provided by the Reserve Bank of India, the Ministry of Corporate Affairs, the Securities and Exchange Board of India, government and other regulatory Authorities.

The directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks, financial institutions, trustees for debenture holders and other business partners for the excellent support received from them during the year.

Finally, our employees, who are instrumental in helping the Company scale new heights, year after year, their commitment and contribution is deeply acknowledged. The directors look forward to your continuing support.

**For and on behalf of the Board of Directors
For SK Finance Limited**

Rajendra Kumar Setia
Managing Director and Chief Executive Officer
DIN: 00957374

Yash Setia
Whole Time Director
DIN: 09831391

Place: Jaipur
Date: July 29, 2026
Regd. Address: G 1-2, New Market, Khasa Kothi,
Jaipur – 302001 (Rajasthan)
Website: www.skfin.in Email: info@skfin.in

Annexure-1

Management Discussion and Analysis

EXECUTIVE OVERVIEW

At SK Finance, our purpose extends beyond financing assets. We exist to enable aspirations, support livelihoods, and expand access to formal credit for customers who have historically remained underserved by traditional financial institutions. For more than three decades, we have built our franchise by combining deep customer understanding, prudent risk management, strong governance, and an unwavering commitment to responsible lending.

FY 2025–26 was a year of disciplined execution and strategic transformation. While the operating environment presented its share of challenges, it also reinforced the importance of building an institution that is resilient, adaptable, and future-ready. During the year, we continued to strengthen every pillar of our business, including customer engagement, technology infrastructure, underwriting capabilities, collections architecture, funding diversification, and governance frameworks.

Our performance reflects a balanced approach to growth. Assets Under Management (AUM) increased to ₹15,755 crore, supported by healthy customer demand across our core lending segments. Equally important, we continued to invest in strengthening portfolio quality, enhancing operational efficiency, and improving organisational capabilities to support sustainable long-term growth.

The financial services industry is undergoing a structural transformation driven by digital innovation, Artificial Intelligence (AI), advanced analytics, and evolving customer expectations. At SK Finance, we view technology not as a substitute for human relationships, but as an enabler of better customer outcomes, faster decision-making, stronger risk management, and enhanced operational effectiveness. Our investments in Agentic AI, intelligent underwriting, enterprise data platforms, digital collections, hyperautomation, and customer-centric digital solutions are guided by a clear objective—to make financial services faster, simpler, and more accessible while preserving the empathy and trust that define our customer relationships.

As we look ahead, we remain confident in India's long-term growth potential and in our ability to participate responsibly in the country's expanding

credit ecosystem. Supported by a strong balance sheet, diversified funding profile, disciplined risk management practices, and a customer-centric operating model, we are well positioned to create sustainable value for all our stakeholders.

GLOBAL ECONOMIC OVERVIEW

The global economy demonstrated notable resilience during FY 2025–26 despite persistent geopolitical uncertainties, evolving trade dynamics, and periodic volatility across financial markets. Economic activity remained stronger than anticipated across several major economies, supported by resilient consumption, targeted fiscal interventions, improving supply-chain stability, and continued investment in technology-led productivity enhancement.

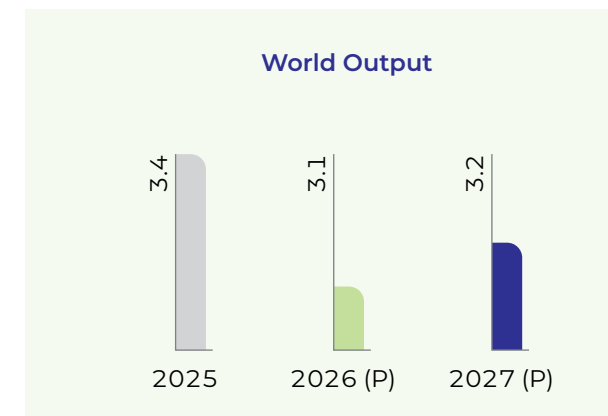
A significant contributor to global economic momentum has been the rapid adoption of Artificial Intelligence and advanced digital technologies. Across industries, investments in automation, data infrastructure, and AI-enabled productivity tools have supported business efficiency and strengthened economic activity. These investments have emerged as an important structural driver of medium-term growth across both developed and emerging markets.

Global trade patterns also continued to evolve during the year. While tariff-related uncertainties and geopolitical developments created temporary disruptions, many economies responded through strategic trade partnerships, regional agreements, and policy interventions aimed at supporting economic activity. Consequently, global growth remained broadly stable despite an increasingly complex external environment. According to the International Monetary Fund (IMF) [World Economic Outlook \(April 2026\)](#), Global growth is projected at 3.1% in 2026, compared with 3.4% in 2025, before improving marginally to 3.2% in 2027.

Inflationary pressures moderated across several major economies during the year, enabling central banks to adopt a more accommodative policy stance gradually. Global headline inflation is projected to increase from 4.1% in FY 2025 to 4.4% in FY 2026, before moderating to 3.7% in FY 2027. Improving liquidity conditions and easing financial market pressures provided additional support to economic activity and investment sentiment.

Looking ahead, the global outlook remains constructive, although risks persist. Geopolitical tensions, trade policy uncertainty, commodity price volatility, and financial market disruptions continue to warrant close monitoring. However, the combination of technological innovation, improving monetary conditions, and resilient economic fundamentals provides a supportive backdrop for sustained global growth over the medium term.

Real GDP Growth



Source: [IMF](#); P: Projected

INDIAN ECONOMIC OVERVIEW

India continued to reinforce its position as one of the fastest-growing major economies globally during FY 2025–26. Despite an uncertain international environment, the country's economic momentum remained robust, supported by strong domestic demand, expanding investment activity, favourable demographic trends, and continued policy support.

India's real GDP grew by 7.7% in FY 2025-26, compared with 7.1% in FY 2024-25, according to the [Provisional Estimates \(PE\) of Annual Gross Domestic Product \(GDP\) for the Financial Year \(2025-26\)](#).

Private consumption remained a key driver of growth, supported by easing inflation, improving employment conditions, rising disposable incomes, and growing consumer confidence. Simultaneously, public investment in infrastructure, manufacturing, logistics, and digital public infrastructure continued to stimulate economic activity across multiple sectors.

The manufacturing sector demonstrated sustained improvement during the year, benefiting from policy support, supply-chain diversification initiatives, and increasing domestic demand. The services sector remained a major contributor to economic expansion, supported by strong growth across financial services, trade, transportation, professional services, and digital industries.

Rural India also exhibited encouraging signs of recovery. Favourable monsoon conditions, healthy agricultural output, and improving farm incomes supported rural consumption and strengthened demand across several asset categories. At the same time, increasing financial inclusion and digital adoption continued to expand access to formal credit across underserved geographies.

Macroeconomic fundamentals remained strong, with inflation easing from 4.6% in FY 2024-25 to 2.1% in FY 2025-26, supported by benign food prices, GST rate rationalisation, and stable supply conditions, according to the RBI's [Annual Report 2025-26](#). In response to easing inflationary pressures, the Reserve Bank of India (RBI) reduced the repo rate by 125 basis points (bps) to 5.25%, supporting liquidity and economic activity.

India's long-term growth prospects remain underpinned by several structural advantages, including a large and young population, rising urbanisation, increasing formalisation of the economy, rapid digital adoption, expanding entrepreneurship, and ongoing infrastructure development. Government-led reforms focused on ease of doing business, tax rationalisation, manufacturing competitiveness, and global trade integration are expected to further strengthen the country's growth trajectory.

The continued expansion of India's digital public infrastructure ecosystem has also created new opportunities for financial institutions to serve customers more efficiently, improve underwriting capabilities, and enhance financial inclusion at scale.

As India advances towards becoming a larger and more formalised economy, the demand for responsible, accessible, and technology-enabled financial services is expected to increase significantly. According to the [Economic Survey 2025-26](#), the

THE MANUFACTURING SECTOR
DEMONSTRATED SUSTAINED
IMPROVEMENT DURING THE
YEAR, BENEFITING FROM POLICY
SUPPORT, SUPPLY-CHAIN
DIVERSIFICATION INITIATIVES, AND
INCREASING DOMESTIC DEMAND.

Indian economy is expected to grow around 6.8-7.2% in FY 2026-27. These trends provide a favourable operating environment for institutions such as SK Finance that possess deep customer relationships, strong distribution capabilities, and proven expertise in serving rural and semi-urban markets.

Real GDP (% Y/Y)

FY 2024-25: 7.1%**FY 2025-26: 7.7%****FY 2026-27: 6.8-7.2 (P)**

Source: [Second Advance Estimates](#), MoSPI; [Economic Survey 2025-26](#); P: Projected

NBFC INDUSTRY OVERVIEW

Non-Banking Financial Companies (NBFCs) continue to play a critical role in India's financial ecosystem by extending credit to customer segments that remain underserved by traditional banking channels. Their ability to combine local market understanding, specialised underwriting capabilities, and operational flexibility has positioned NBFCs as important drivers of financial inclusion and economic development.

Over the years, NBFCs have emerged as key providers of credit to self-employed individuals, micro and small enterprises, first-time borrowers, transport operators, and rural households. By addressing financing gaps in these segments, the sector has contributed meaningfully to entrepreneurship, employment generation, and economic participation across the country.

During FY 2025–26, the sector continued to demonstrate resilience despite evolving regulatory requirements and periodic liquidity challenges. Strong capital positions, diversified funding structures, and improved risk management practices enabled many NBFCs to sustain growth while maintaining financial stability.

The industry is also undergoing rapid transformation driven by technology adoption. Artificial Intelligence, advanced analytics, digital lending platforms, automated decision-making systems, and data-driven risk management frameworks are reshaping operating models across the sector. These technologies are improving customer acquisition, enhancing underwriting accuracy, strengthening collections effectiveness, and enabling greater operational efficiency.

At the same time, co-lending arrangements between banks and NBFCs are gaining increasing importance within the credit ecosystem. These partnerships enable broader credit access, improve capital efficiency, and support lending to underserved customer segments such as MSMEs, agriculture-linked businesses, and retail borrowers.

The sector continues to benefit from favourable structural drivers, including increasing formalisation of the economy, expanding digital adoption, rising penetration of formal credit, and growing demand for customised financial solutions. While competitive intensity and regulatory expectations are expected to increase, well-governed and customer-centric NBFCs remain well positioned to participate in the next phase of India's financial inclusion journey.

As a responsible NBFC, SK Finance remains committed to leveraging technology, strengthening governance, maintaining prudent risk management standards, and expanding access to formal credit while creating sustainable value for all stakeholders.

COMPANY OVERVIEW

SK Finance Limited is a Non-Banking Financial Company – Middle Layer (NBFC-ML), registered with the Reserve Bank of India, with over three decades of experience in providing responsible and inclusive financial solutions. Since inception, our purpose has been to enable aspirations by extending timely and accessible credit to self-employed individuals, small businesses, transport operators, farmers, and first-time borrowers, particularly across rural and semi-urban India.

Our business is built on a deep understanding of local markets and customer behaviour. We recognise that conventional collateral-based lending often fails to address the financing needs of customers operating in the informal economy. Accordingly, our credit philosophy extends beyond asset-backed lending to evaluate repayment capacity through detailed assessment of cash flows, business viability, customer character, operating experience, and local market intelligence. This relationship-led underwriting approach has enabled us to responsibly expand formal credit access while maintaining prudent risk standards.

FY 2025–26 marked another year of disciplined growth. During the reporting year, our assets under management (AUM) registered healthy growth, increasing by 18.81% to ₹ 15,755.22 crore, compared with ₹ 13,261.13 crore in the previous financial year. This expansion was driven by healthy demand across both product lines, improved customer acquisition, and deeper penetration in key geographies.

Product-wise Portfolio

Product	FY 2024-25	FY 2025-26
CV	5,021.84	5,701.31
Tractor	1,579.21	1,888.92
Car	2,707.29	3,872.65
Two-wheeler	103.67	27.47
SME	3,070.96	3,442.46
Others*	778.18	822.41

*Others include personal loan and strategic alliance pool.

As customer expectations continue to evolve, we remain committed to delivering financial solutions that combine speed, simplicity, transparency, and personalised service. Our investments in technology, data analytics, and Artificial Intelligence are enabling us to improve customer experience while preserving the empathy and trust that remain central to our operating philosophy.

Business Model

Our business model is centred on creating sustainable value through responsible lending, disciplined risk management, operational excellence, and long-term customer relationships.

We primarily operate across two core lending verticals—Vehicle Finance and MSME Finance—which together address the financing requirements of customers engaged in income-generating activities. Our lending portfolio is characterised by granular retail exposures, diversified customer segments, and relatively small ticket sizes, providing resilience across economic cycles.



**OUR BUSINESS MODEL IS
CENTRED ON CREATING
SUSTAINABLE VALUE THROUGH
RESPONSIBLE LENDING,
DISCIPLINED RISK MANAGEMENT,
OPERATIONAL EXCELLENCE,
AND LONG-TERM CUSTOMER
RELATIONSHIPS.**

Rather than pursuing growth at any cost, we remain focused on balancing business expansion with portfolio quality, capital efficiency, and long-term profitability. Every stage of the lending lifecycle—from customer sourcing and credit appraisal to disbursement, collections, and customer servicing—is supported by technology-enabled processes and robust governance frameworks.

Digital capabilities have become integral to our operating model. We continue to leverage data-driven underwriting, intelligent workflow automation, AI-enabled document processing, digital collections, enterprise analytics, and mobility platforms to improve decision-making, enhance productivity, reduce turnaround time, and strengthen portfolio monitoring.

At the same time, our business continues to benefit from one of our greatest strengths—a deep physical presence supported by experienced local teams. This combination of technology and human insight enables us to deliver responsible credit while maintaining close customer relationships across diverse markets.

Distribution Network

Our extensive distribution network remains one of our key competitive advantages.

As of 31 March 2026, we operated through 707 branches across 14 States and Union Territories, serving customers across Rajasthan, Gujarat, Madhya Pradesh, Punjab, Haryana, Maharashtra, Chhattisgarh, Himachal Pradesh, Uttarakhand, Delhi NCR, Uttar Pradesh, Karnataka, Telangana, and Jammu & Kashmir.

Over three decades of operations have enabled us to develop a deep understanding of regional economies, customer behaviour, local business practices, and asset characteristics. This local expertise strengthens our underwriting quality, improves customer engagement, and supports effective portfolio management.



Our Pan-India Presence*

707

Branches across
12 states and 2 UTs

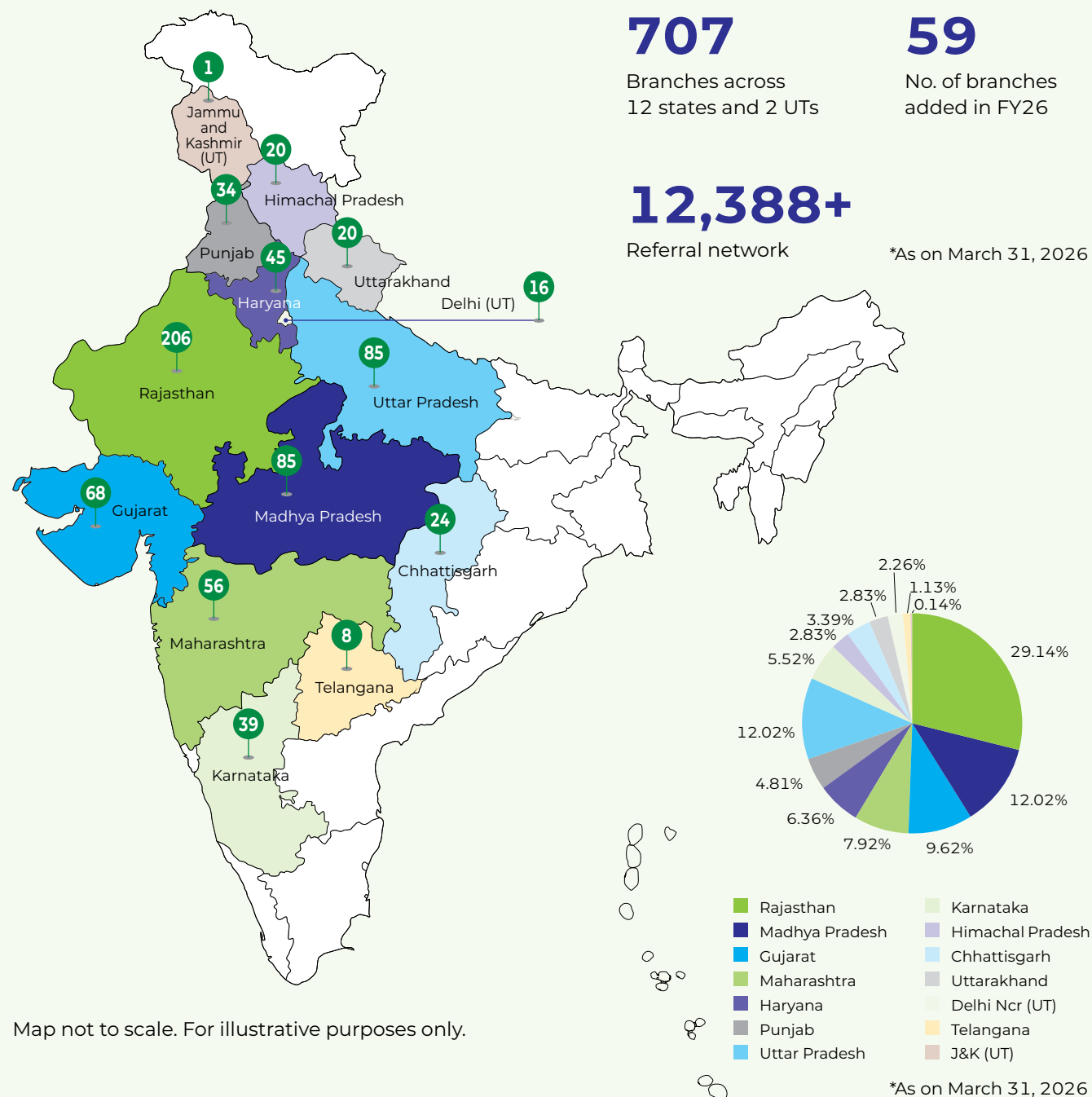
59

No. of branches
added in FY26

12,388+

Referral network

*As on March 31, 2026



Our branch network is complemented by a strong field force equipped with digital mobility solutions that enable faster customer onboarding, improved servicing, efficient collections, and enhanced operational productivity. Technology has significantly improved our ability to serve customers while maintaining the personalised relationships that remain central to our business model.

Our calibrated expansion strategy continues to focus on districts and markets that demonstrate strong economic potential, increasing self-employment opportunities, improving infrastructure, and rising demand for formal credit. This disciplined approach has enabled us to achieve balanced geographic diversification while reducing concentration risks.

Vehicle Finance

Vehicle Finance continues to be our largest business vertical, comprising financing solutions across commercial vehicles, passenger vehicles, tractors, and selected two-wheeler segments. Our primary focus remains on financing productive assets that generate sustainable livelihoods for the communities we serve.

Commercial Vehicles

Commercial Vehicles constitute the largest component of our portfolio. The business is primarily focused on financing pre-owned and new light and intermediate commercial vehicles used by transport operators, logistics businesses, and self-employed customers.

Demand within this segment continued to improve during FY 2025–26, supported by favourable policy measures, improving freight activity, infrastructure development, and recovery in economic activity. Our long-standing expertise, strong dealer relationships, and deep understanding of customer cash flows continue to provide us a sustainable competitive advantage in this segment.

Passenger Vehicles

Our passenger vehicle portfolio primarily comprises financing of pre-owned cars, serving aspirational customers across rural and semi-urban markets. The increasing formalisation of the used-car ecosystem, improved transparency, organised dealerships, and growing affordability continue to support long-term demand.

The segment recorded strong growth during the year, reflecting favourable market conditions and sustained customer demand.

Tractors

The tractor portfolio continues to play an important role in supporting rural livelihoods. Our customers typically utilise tractors for both agricultural operations and non-farm income-generating activities such as transportation and construction-related work.

Healthy monsoon conditions, improved agricultural output, and stronger rural sentiment supported demand across this segment during FY 2025–26.

Two-Wheelers

Our two-wheeler business is conducted primarily through co-lending partnerships. The portfolio represents a relatively small proportion of our overall assets and complements our broader strategy of expanding financial inclusion through collaborative lending models.

MSME Finance

Our MSME business focuses on providing secured working capital and business loans to micro and small enterprises operating across essential retail and service sectors. Our customers include grocery retailers, pharmacies, automobile spare-part dealers, hardware shops, opticians, plumbing suppliers, and other neighbourhood businesses that play a critical role in local economic activity.

Our underwriting approach combines a detailed assessment of business cash flows, repayment capacity, collateral quality, and local market dynamics. This enables us to support entrepreneurial growth while maintaining prudent credit standards.

During FY 2025–26, we consciously prioritised portfolio quality over accelerated growth by strengthening customer selection, enhancing underwriting standards, improving employee productivity, and rationalising underperforming branches. These measures have strengthened the long-term resilience of our portfolio and positioned the business for sustainable growth in the years ahead.

Across all product segments, our objective remains consistent—to provide timely, responsible, and accessible financial solutions that empower customers, support economic participation, and create long-term value for all stakeholders.

Funding and Capital Management

A diversified and resilient funding profile forms the cornerstone of our long-term growth strategy. Our objective is to maintain adequate liquidity, optimise borrowing costs, diversify funding sources, and ensure that capital remains aligned with business growth while preserving financial stability.

We have built long-standing relationships with a broad spectrum of financial institutions, including public sector banks, private sector banks, small finance banks, foreign banks, development finance institutions and capital market participants. These enduring partnerships reflect the confidence of lenders in our governance standards, asset quality, risk management frameworks and consistent financial performance.

During FY 2025–26, we continued to strengthen our borrowing profile through a balanced mix of term loans, non-convertible debentures, securitisation, assignment transactions and co-lending arrangements. The diversification of funding sources has enhanced financial flexibility, reduced concentration risks and enabled the Company to efficiently support business expansion across market cycles.

During FY 2025-26, we secured ₹6,868.94 crore of incremental borrowing at competitive borrowing costs of 8.57%. We maintained a healthy cost of borrowing at 8.70% in FY 2025-26 compared to 9.18% in FY 2024-25. Our Outstanding borrowing stood at ₹14,794.11 crore.

Borrowing*

	Borrowing Outstanding	Incremental Borrowing
FY 2020-21	3,338.21	2,327.22
FY 2021-22	4,309.94	2,339.86
FY 2022-23	7,541.42	5,896.70
FY 2023-24	9,929.85	5,995.71
FY 2024-25	13,309.14	8,708.38
FY 2025-26	14,794.11	6,868.94

*Including DA & PTC

We continue to maintain comfortable liquidity buffers and follow a prudent Asset-Liability Management (ALM) framework. Regular monitoring of liquidity, interest rate sensitivity, maturity profiles and funding concentrations enables us to proactive manage of balance sheet risks while ensuring uninterrupted support for business operations.

Maintaining a strong capital position remains central to our long-term strategy. Our capital management philosophy focuses on supporting sustainable business growth, meeting evolving regulatory requirements, maintaining investor confidence and creating long-term shareholder value.

Technology and Digital Transformation

Technology has become a strategic enabler of our business rather than merely an operational support function. At SK Finance, our digital transformation journey is guided by a clear objective—to deliver faster, smarter and more personalised financial solutions while strengthening governance, risk management and operational efficiency.

During FY 2025–26, we accelerated our investments across digital platforms, enterprise data capabilities and Artificial Intelligence (AI) to build a future-ready organisation capable of responding to rapidly evolving customer expectations and business requirements.

Our Enterprise Data Platform continues to serve as the foundation for data-driven decision-making by integrating information across business functions into a unified analytical ecosystem. This enables faster insights, enhanced portfolio monitoring, improved credit analytics and more informed strategic decision-making.

We also expanded the deployment of Agentic AI and intelligent automation across multiple business processes. AI-enabled applications are increasingly supporting customer onboarding, document verification, workflow automation, underwriting assistance, fraud detection, collections prioritisation and service delivery. These initiatives are improving operational productivity while enabling our employees to focus on higher-value customer interactions and decision-making.

Our digital underwriting capabilities continue to evolve through the use of advanced analytics, alternative data sources and automated rule engines. These tools strengthen credit assessment, improve turnaround times and support consistent underwriting standards while preserving the judgement and experience of our credit teams.

Customer engagement remains a key focus area of our digital transformation agenda. We continue to enhance digital touchpoints that simplify customer onboarding, improve service responsiveness, facilitate digital repayments and provide seamless access to information throughout the customer lifecycle.

Our technology strategy is underpinned by robust cybersecurity, data governance and information security frameworks. As digital adoption increases, we remain committed to protecting customer information, strengthening system resilience and ensuring compliance with evolving regulatory expectations.

While technology continues to transform our operating model, we firmly believe that digital capabilities should complement—not replace—the trust, empathy and personalised relationships that have always distinguished SK Finance. We therefore pursue a balanced approach where technology enhances human decision-making and delivers superior customer outcomes.

**OPERATIONAL EXCELLENCE
REMAINS A KEY PILLAR OF
OUR LONG-TERM STRATEGY.
DURING THE YEAR, WE
CONTINUED TO STRENGTHEN
BUSINESS PROCESSES, IMPROVE
PRODUCTIVITY AND ENHANCE
EXECUTION CAPABILITIES
ACROSS THE LENDING LIFECYCLE.**

Operational Excellence

Operational excellence remains a key pillar of our long-term strategy. During the year, we continued to strengthen business processes, improve productivity and enhance execution capabilities across the lending lifecycle.

Several initiatives were undertaken to streamline operations through process standardisation, workflow automation and digital enablement. These measures have reduced turnaround times, enhanced customer experience and improved operational efficiency across branch operations, underwriting, collections and customer servicing.

We also continued to strengthen our credit governance framework through improved monitoring mechanisms, portfolio analytics and early warning systems. Enhanced use of data and predictive analytics has enabled faster identification of emerging risks and more effective portfolio management.

Collections infrastructure was further strengthened through technology-enabled monitoring, digital payment channels and enhanced field productivity. Our collections philosophy remains focused on proactive customer engagement, early intervention and responsible recovery practices that preserve long-term customer relationships while protecting portfolio quality.

Continuous investment in employee capability building remains integral to our operational strategy. Training programmes during the year focused on digital adoption, credit assessment, customer service, regulatory compliance, leadership development and ethical business practices, ensuring that our employees remain well equipped to support our evolving business model.

Business Highlights

FY 2025–26 was characterised by disciplined execution across all key business parameters. While we continued to pursue profitable growth opportunities, we placed equal emphasis on strengthening the quality, resilience and sustainability of our franchise.

Key business highlights during the year include:

- Assets Under Management increased to ₹15,755 crore, reflecting healthy business momentum across core lending segments.
- Disbursements grew by 9.10%, reaching ₹ 9162.27 crore in FY26, compared to ₹8398.42 crore in FY25.
- Profit After Tax (PAT) increased to ₹430.89 crore in FY26, up from ₹379.67 crore in FY25, representing a growth of 13.49%.
- Continued expansion of technology capabilities through investments in Enterprise Data Platforms, Artificial Intelligence and intelligent automation.
- Strengthening of underwriting and risk management frameworks through enhanced analytics and data-driven decision-making.
- Further diversification of borrowing sources, reinforcing funding resilience and financial flexibility.
- Continued expansion of digital customer engagement platforms to improve service quality and operational efficiency.
- Ongoing investment in employee capability development and leadership building to support long-term organisational growth.
- Reinforcement of governance, compliance and internal control frameworks in line with the Company's commitment to responsible and sustainable growth.

The following table presents the Company's financial performance for FY26:

Particulars	(Amount in ₹ lakh)	
	FY 2025-26	FY 2024-25
Total revenue	2,82,818.73	2,38,356.37
Finance Cost	1,11,916.69	97,130.69
Operating expenses	97,385.63	80,330.42
Provision		
A. For NPA	12,536.16	13,339.45
B. For standard assets	4,255.27	-920.28
Profit before tax	56,724.98	48,476.09
Tax expenses		
A. Current year	12,281.75	9,290.48
B. Earlier year taxes	-	-
C. Deferred tax	1,354.61	1,218.90
Profit after tax	43,088.62	37,966.71
Other comprehensive income/(expenses)	1,578.93	-1,003.45
Total comprehensive income after tax	44,667.55	36,963.26
Appropriation		
A. Dividend	-	-
B. Tax on dividend	-	-
C. Transfer to statutory reserve	8,617.72	7,593.34
Earnings per share		
Basic	32.08	28.36
Diluted	31.80	28.15

As the operating environment continues to evolve, we remain focused on building a resilient institution that combines technological innovation with prudent risk management, operational excellence and an unwavering commitment to customer-centricity. Our strategic priorities remain anchored in sustainable growth, financial inclusion, governance excellence and long-term value creation for all stakeholders.

Risk Management

At SK Finance, effective risk management is fundamental to sustainable value creation. As a financial institution operating in a dynamic environment, we recognise that prudent risk management is not only essential for protecting our balance sheet but also for preserving stakeholder confidence and supporting long-term business resilience.

We have established a comprehensive Enterprise Risk Management (ERM) framework that enables systematic identification, assessment, monitoring and mitigation of risks across the organisation. The framework is integrated into strategic planning, business operations and decision-making processes, ensuring that growth is pursued within clearly defined risk parameters.

Our risk governance architecture is overseen by the Board of Directors through its various Committees, supported by an experienced management team and an independent risk management function. Regular reviews of portfolio performance, asset quality, liquidity, capital adequacy, operational risks and regulatory developments enable us to timely identification of emerging risks and implementation of appropriate mitigation measures.

Credit Risk

Credit risk remains our most significant business risk. Our well-defined underwriting framework combines data-driven analytics with experienced credit judgement to evaluate customer repayment capacity, business cash flows, asset quality and local market dynamics.

We continue to strengthen portfolio monitoring through early warning indicators, behavioural analytics, periodic portfolio reviews and proactive collection strategies. This disciplined approach enables timely corrective action while supporting sustainable portfolio quality.

Liquidity and Market Risk

We maintain a conservative liquidity management framework supported by diversified funding sources, adequate liquidity buffers and continuous Asset-Liability Management (ALM) monitoring.

Interest rate movements, funding availability and market conditions are regularly assessed through structured review mechanisms to ensure the balance sheet remains resilient under varying economic scenarios.

Operational and Technology Risk

As digital adoption accelerates, operational resilience and cybersecurity remain strategic priorities. We continue to invest in robust technology infrastructure, information security, business continuity planning and disaster recovery capabilities to safeguard customer information and ensure uninterrupted business operations.

Comprehensive cybersecurity protocols, regular vulnerability assessments, employee awareness programmes and continuous monitoring mechanisms strengthen our ability to respond to evolving technology risks.

Regulatory and Compliance Risk

The financial services sector continues to witness evolving regulatory expectations. We maintain a strong compliance culture supported by clearly defined governance structures, continuous regulatory monitoring and periodic internal reviews to ensure adherence to applicable laws, regulations and industry standards.

Our approach to risk management extends beyond regulatory compliance. It reflects our commitment to responsible lending, disciplined growth and building an institution capable of delivering sustainable value across economic cycles.

Internal Control Systems and Their Adequacy

At SK Finance, we have established a robust internal control framework designed to safeguard assets, ensure reliability of financial reporting, maintain operational efficiency and support compliance with applicable statutory and regulatory requirements.

Internal controls are embedded across business processes and are periodically reviewed to ensure their effectiveness in an evolving operating environment. Standardised operating procedures, clearly defined authority matrices, maker-checker controls and automated workflow approvals strengthen governance across our organisation.

The Internal Audit function operates independently and follows a risk-based audit methodology approved by the Audit Committee of the Board. Audit observations, recommendations and management action plans are periodically reviewed by senior management and the Audit Committee to ensure timely implementation and continuous improvement.

Technology-enabled monitoring tools, data analytics and automated exception reporting further strengthen the Company's internal control environment by enabling proactive identification of process deviations and operational risks.

Our Board believes that our internal financial controls remain adequate and effective, providing reasonable assurance regarding operational effectiveness, financial reporting reliability and regulatory compliance.

HUMAN RESOURCES

People remain the foundation of our long-term success. Our sustained growth over the past three decades has been driven by the dedication, professionalism and entrepreneurial spirit of our people.

Our human capital strategy focuses on attracting, developing and retaining talent while fostering a culture built on integrity, collaboration, accountability and customer-centricity. Guided by our CARE values, we strive to create an inclusive and high-performance workplace where our people are empowered to innovate, continuously learn and contribute meaningfully to our organisational success.

During FY 2025–26, we continued to invest in employee capability development through structured learning programmes covering leadership development, digital adoption, credit assessment, customer engagement, regulatory compliance, risk management and functional excellence.

Performance management frameworks remain aligned with business objectives while encouraging ethical conduct, responsible decision-making and long-term value creation rather than short-term outcomes.

As technology increasingly transforms financial services, we place equal emphasis on building future-ready capabilities that enable our people to effectively leverage digital tools, Artificial Intelligence and advanced analytics while preserving the human judgement and customer relationships that differentiate us.

We remain committed to providing a safe, respectful and inclusive work environment that promotes employee well-being, diversity, equal opportunity and continuous professional growth.

FINANCIAL PERFORMANCE

Despite a dynamic operating environment, we delivered another year of disciplined financial performance supported by prudent business expansion, strong customer relationships, diversified funding sources and effective risk management.

Our Assets Under Management increased to ₹15,755 crore, reflecting sustained demand across our core lending segments. The business growth was supported by our continued focus on customer acquisition, portfolio diversification and responsible lending practices.

We remained focused on maintaining portfolio quality through disciplined underwriting, enhanced monitoring mechanisms and proactive collection strategies. Simultaneously, investments in technology and process automation contributed to improved operating efficiency and customer service delivery.

Diversified funding sources and prudent liquidity management continued to support business growth while strengthening balance sheet resilience. We also maintained adequate capital levels to support future expansion and regulatory requirements.

Detailed financial information, including key performance indicators and statutory financial statements, forms part of this Annual Report.

Outlook

India's long-term economic fundamentals continue to provide a strong foundation for sustained growth in the financial services sector. Rising formalisation of the economy, expanding entrepreneurship, increasing digital adoption, favourable demographics and continued infrastructure investment are expected

to significantly enhance demand for accessible and responsible credit solutions.

The NBFC sector will continue to play a pivotal role in extending formal financial services to underserved customer segments, particularly across rural and semi-urban markets where financing requirements continue to expand alongside economic development.

Against this backdrop, we are well positioned to capitalise on emerging opportunities through our diversified business model, strong regional franchise, disciplined risk management practices and continued investments in technology and digital capabilities.

Our strategic priorities for the coming years remain clear:

- Deliver sustainable and profitable growth while maintaining prudent risk standards.
- Strengthen customer relationships through superior service and responsible lending.
- Accelerate digital transformation through Artificial Intelligence, enterprise data capabilities and intelligent automation.
- Continue expanding financial inclusion by serving underserved customer segments.
- Further strengthen governance, compliance and enterprise risk management frameworks.
- Build organisational capabilities that support innovation, agility and long-term competitiveness.
- Create sustainable value for customers, employees, lending partners, investors and society.

With a resilient balance sheet, an experienced leadership team, a committed workforce and an unwavering focus on responsible finance, we remain confident of delivering consistent long-term value while contributing meaningfully to India's inclusive economic growth.

CAUTIONARY STATEMENT

Statements contained in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations.

Actual results may differ materially from those expressed or implied due to various factors including changes in economic conditions, government policies, regulatory developments, interest rates, competitive intensity, market dynamics, liquidity conditions, technological changes and other risks beyond the Company's control.

The Company undertakes no obligation to publicly update or revise any forward-looking statements to reflect subsequent events or circumstances, except as required under applicable laws and regulations.

For and on behalf of the Board of Directors
For SK Finance Limited

Rajendra Kumar Setia
Managing Director and Chief Executive Officer
DIN: 00957374

Yash Setia
Whole Time Director
DIN: 09831391

Place: Jaipur
Date: July 29, 2026
Regd. Address: G 1-2, New Market, Khasa Kothi,
Jaipur – 302001 (Rajasthan)
Website: www.skfin.in Email: info@skfin.in

Annexure-2

CEO/CFO CERTIFICATE

To,
The Board of Directors
SK FINANCE LIMITED

Pursuant to the regulation 62D(14) read with Part B of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Rajendra Kumar Setia, Managing Director & Chief Executive Officer and Atul Arora, Chief Financial Officer of the Company, to the best of our knowledge and belief, certify that

- A. We have reviewed financial statements and the cash flow statements for the year ended 31st March, 2026 and that to the best of our knowledge and belief;
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have disclosed, based on our evaluation wherever applicable to the Auditors and the Audit Committee that;
- i. there were no significant changes in internal controls over financial reporting during the year;
- ii. there were no significant changes in accounting policies during the year, and
- iii. there were no instances of significant fraud of which we are aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Rajendra Kumar Setia
Managing Director & CEO

Atul Arora
Chief Financial Officer

DIN: 00957374
Place: Jaipur
Date: July 29, 2026

Annexure-3

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,
SK Finance Limited
G 1-2, New Market, Khasa Kothi
Jaipur- 302001 (Rajasthan)

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

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

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

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment,

Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**Not applicable to the Company during the Audit Period**);
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client (repealed w.e.f. December 16, 2025);
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Act and dealing with client (notified on December 16, 2025);
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);

- (j) Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company);
- (k) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (l) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (i) As confirmed, following other laws are specifically applicable to the Company for which the Management has confirmed that the Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively:

- (a) The Reserve Bank of India Act, 1934;
- (b) Master Direction - Reserve Bank of India (Non-Banking Financial Companies-Governance) Directions, 2025 and other Master Directions issued by Reserve Bank of India, as applicable to the company and as amended from time to time.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreement entered into by the Company with BSE Limited.

During the Audit Period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

Further, independent directors were present at Board Meetings which were called at shorter notice to transact business which were considered urgent by the management in compliance of Section 173(3) of the Act. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period the company has:

- (a) Duly passed the resolution pursuant to Section 42 and 71 of the Act for issue of Non-Convertible Debentures including but not limited to subordinate debentures, bonds and/or other debt securities etc. for an amount upto ₹ 6,300/- Crore (Rupees Six Thousand Three Hundred Crore Only) on private placement basis in one or more tranches;
- (b) Altered the provisions of Articles of Association of the Company;
- (c) Filed the Updated Draft Red Herring Prospectus with Securities and Exchange Board of India ("SEBI");
- (d) Allotted 4,81,552 (Four Lakh Eighty One Thousand Five Hundred and Fifty Two) equity shares upon exercise of options by its eligible employees under its Employee Stock Option Plan 2018;
- (e) Issued and allotted 1,34,500 (One Lakh Thirty Four Thousand and Five Hundred) Non-Convertible Debentures aggregating to ₹ 13,45,12,50,000/- (Rupees One Thousand Three Hundred Forty Five Crore Twelve Lakh and Fifty Thousand Only) on private placement basis in multiple tranches;
- (f) Redeemed Non-Convertible Debentures amounting to ₹ 1,25,20,00,000/- (Rupees One Hundred Twenty Five Crore and Twenty Lakhs Only) pursuant to maturity; and

- (g) Received settlement order dated February 12, 2026 from SEBI in respect of settlement application filed under Chapter II of the SEBI (Settlement Proceedings) Regulations, 2018 and remitted final settlement amount of ₹ 8,75,000 (Rupees Eight Lakhs Seventy-Five Thousand only) to SEBI in terms of Regulation 16 of SEBI (Settlement Proceedings) Regulations, 2018 for

alleged violation of Section 23(1), 26(4), 26(6) and 33(1) of the Act and Regulation 4(3), 6, 7, 8, 9 and 16 of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 in the matter of Deemed Public Issue of Non-Convertible Securities initially allotted on private placement basis.

Place: Jaipur
Date: April 30, 2026
UDIN: F003355H000239074

For **V. M. & Associates**
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 5447 / 2024

CS Manoj Maheshwari
Partner
Membership No.: FCS 3355
C P No.: 1971

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

Annexure A

To,
The Members,
SK Finance Limited
G 1-2, New Market, Khasa Kothi
Jaipur– 302001 (Rajasthan)

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Jaipur
Date: April 30, 2026
UDIN: F003355H000239074

For **V. M. & Associates**
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 5447 / 2024

CS Manoj Maheshwari
Partner
Membership No.: FCS 3355
C P No.: 1971

Annexure- 4

Annual Report on Corporate Social Responsibility (CSR) Activities

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

1. Brief outline on CSR Policy of the Company

"Corporate Social Responsibility ("CSR") reflects company's commitment to conduct business in a responsible, and community-focused manner. It encourages companies to look beyond commercial goals and work towards creating meaningful social and environmental impact. Through CSR initiatives, companies strive to address key societal needs, support community development, and promote sustainable practices that protect the environment. CSR remains a fundamental value, shaping how companies engage with communities and reinforcing their dedication to building a more responsible and sustainable future."

The Company's CSR Policy is framed in compliance with the provisions of Section 135 of the Act, read along with the Corporate Social Responsibility Rules, 2014, as amended from time to time.

Our Company is committed to driving meaningful and sustainable transformation through its CSR initiatives, with a strong emphasis on building resilient communities and supporting their ongoing development and rehabilitation. The Company's efforts span across multiple focus areas, including health and wellness, sanitation and hygiene, education (including Awareness Building initiative like Cyber Security & Financial literacy program, industry-focused training in solar energy, equipping trainee with the skills needed for employment or self-employment in the solar sector), promoting physical fitness, Vocational skill development, women empowerment, animal welfare, promoting sports among underprivileged children, environmental conservation, fitness programs and infra support to hospital, traffic road safety and the promotion of art and culture. These initiatives aim to address the fundamental needs of communities and create a long-term, meaningful impact for beneficiaries.

The Company's social initiatives are designed in alignment with the CSR policy and in compliance with Schedule VII of the companies Act, 2013 and guidelines issued by the Ministry of Corporate

Affairs from time to time. The CSR Policy outlines the framework for implementing and managing social initiatives across various areas and projects of the Company.

To enhance the effectiveness of its CSR programs, the Company gives preference to the areas around which the Company operates. Our Company along with the Trust formed by it i.e. **"SK FOUNDATION"** in the year 2019, undertakes CSR activities within the broad framework of Schedule VII of the Companies Act, 2013 and CSR policy of the company.

The Company along with its Trust undertaken the following activities inter-alia including:

- **Education:** The Company continues to promote a passion for learning while enabling broader knowledge and personal growth. Through various education institutions, we strive to achieve this goal by offering quality education and vocational skills, providing financial assistance to underprivileged students, setting up libraries, Computer Lab and Providing School Van to strengthen learning environments and to support interactive learning, Cyber Security & Financial literacy awareness and facilitating vocational training programs. We also support specialized education, promote girls education and encourage reading habits by introducing a diverse range of books on topics such as time management, leadership development, and other skills etc. Additionally, we focus on enhancing education infrastructure, extending career guidance and providing essential support services to empower students and enhance their overall learning experience.

SK Skills Academy: The Company has initiated an ongoing project SK Skills Academy ("SSA") through SK Foundation to undertake Skill Development Programmes (including SK Solar Master Program) for imparting vocational skills & Practical training skills, along with the industry exposure free of cost to the unemployed youth, by offering various programs amongst the

youth and women which equip them with skills and knowledge required to develop their potential to earn their livelihood and Promoting Education by providing necessary support including but not limited to relevant study materials, building toilets, classrooms, computer labs, etc.

Solar Master programme: The SK Foundation has made significant strides in equipping individuals with the necessary skills to thrive in the rapidly expanding solar sector in India through the Solar Skill Centre established in Jaipur, Rajasthan. With the goal of fostering green jobs, the SK foundation launched the SK Solar Master Program, a comprehensive 90-day course designed to offer practical training in solar product manufacturing, solar installation, Solar product repairing and solar panel maintenance. Each day, trainees receive 4 hours of hands-on experience, ensuring they gain the technical expertise required to excel in the field. This program covers the employed youth from the age group of the 18-45 Years. The program also includes midterm and final assessments to monitor the trainees' progress. In addition to technical training, the program is supplemented with special lectures on financial literacy, guest sessions by industry experts, and interview preparation workshops, which enhance participants' industry awareness and employability. Upon successful completion of the program, placement support is provided to trainees. The main Objective of the Programme is to empower unemployed youth by equipping them with market-relevant skills and facilitating sustainable livelihood opportunities.

- **Health Care:** The Company is committed to fostering a healthier environment including underprivileged sections by implementing a wide range of healthcare programs through various medical institutions. These initiative includes setting up Blood Donation and other medical Camps, providing ambulance services, medical infrastructure services, providing sanitation, etc. Also, in view to create more awareness in the society, our Company has also organized SK Marathons in Jodhpur, Raipur and Lucknow.

Promoting Fitness Programme: The Company carried out a range of initiatives focused on improving health awareness and promoting physical fitness among a broad segment of the population. These include organizing marathons, blood

donation camps and disease screening programs to encourage healthy habits and prompt medical attention wherever required. These activities aimed to increase awareness among the public at large on health-related matters, foster culture of fitness, and provide them with opportunities to enhance their physical and mental health.

- **Public Sanitation & Eradicating Poverty:** The Company together with SK Foundation, distributed over 24000+ food packets to underprivileged section of the Society during the fiscal year 2025-26 and during the summer months, water coolers have been installed in public areas to ensure access to clean and safe drinking water to the Society. Additionally, sanitizer machines were placed in public spaces to promote hygiene environment and help individuals maintain a clean and germ-free environment. These initiatives reflect our commitment to improving public sanitation and supporting society.
- **Animal welfare:** The Company strive to take care of the welfare of stray and abandoned animals, particularly Indian cows, bulls, oxen and orphaned calves. Our efforts include providing nutritious food and fodder, ensuring proper shelter, addressing their healthcare needs. Additionally, the Company undertakes initiatives for the protection and well-being of birds, reaffirming our commitment to safeguarding animal life and promoting ecological harmony. Additionally, bird feeders have been installed in public areas to aid local bird populations.
- **Traffic Road Safety:** The Company strives to raise awareness about traffic rules and guidelines to reduce the risk of road traffic injuries through its **SK Yatayat Rath Program**. With the guidance of several state traffic police authorities, the Company has donated Speakers, Mic and helmets to enhance public safety and promote responsible road behaviour. In addition, the Company conducted the **Nashe Se Doorie Hai Zaruri** awareness campaign to promote a drug-free society and responsible behaviour, particularly in the context of road safety.
- **Developing park, tree plantation drive and spreading awareness:** The Company undertook initiatives to enhance park development through tree plantations and installing benches to improve public utility. Multiple plantation drives were organized

to promote environmental protection. Additionally, the Company has planted over 40000+ trees in public spaces such as gardens, hospitals, schools and pasture lands in villages & Gaushalas, reinforcing its commitment to creating greener and healthier Societies.

- **Women Empowerment:** The Company upholds the belief that empowering women contributes directly to empowering the

nation. In line with this belief, the Company actively undertakes initiatives such as providing skill development training, creating platforms for women to earn a livelihood, enhancing their capabilities, and raising awareness to foster their growth and independence. The Company is operating three skills centers in the Jaipur for providing skills and livelihood training to help integrate women into the mainstream.

2. Composition of CSR Committee:

The Board of Directors has constituted a CSR Committee in accordance with the requirements of Section 135(1) of the Companies Act, 2013. The composition of the committee as on 31st March, 2026 was as under:

S. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Rajendra Kumar Setia	Chairperson - Managing Director and Chief Executive Officer	2	2
2	Mr. Anand Raghavan	Member - Independent Director	2	2
3	Mr. Simit Batra	Member - Nominee Director	2	1
4	Mr. Yash Setia	Member - Whole Time Director	2	2
5	Mr. Mukul Mathur	Member - Independent Director	2	2

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

- Composition of CSR Committee: <https://www.skfin.in/about/composition-board>
- CSR Policy of the company: <https://www.skfin.in/investor/policies-codes>
- Projects/programs approved by Board: <https://www.skfin.in/investor/investor-services>

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

As the company is not having average CSR obligation of ten crore rupees or more in pursuance of sub section (5) of section 135 of the Act, in the three immediately preceding financial years, impact assessment is not applicable on the company.

5. (a) Average net profit of the company as per section 135(5): ₹3,92,43,38,744/-

(b) Two percent of average net profit of the company as per section 135(5): ₹ 7,84,86,775/-

(c) Surplus arising out of the CSR Projects or Programmes or activities of the previous financial years: NIL

(d) Amount required to be set off for the financial year, if any: ₹50,94,344/-

(e) Total CSR obligation for the financial year ((b)+(c)-(d)): ₹ 7,33,92,431/-

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

- Details of CSR amount spent against ongoing projects for the financial year: ₹ 57,77,363/-
- Details of CSR amount spent during the year against ongoing projects for the preceding financial year(s): **NIL**
- Details of CSR amount spent against other than ongoing projects for the financial year: ₹ 5,15,98,510/-

- (b) Amount spent in Administrative Overheads: **NIL**
- (c) Amount spent on Impact Assessment: **Not Applicable on the company.**
- (d) Total amount spent for the Financial Year ((a)+(b)+(c)): **₹ 5,73,75,873/-**
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
5,73,75,873	1,61,24,127	29-03-2026	Not Applicable	0	Not Applicable

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

Sl. No.	Particular	Amount (in ₹) *
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	
ii.	Total amount spent for the Financial Year	5,73,75,873/-
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	1,07,569/-
iv.	Surplus arising out of the CSR projects or Programmes or activities of the previous Financial Years, if any	-
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	1,07,569/-

*Note: The Company's CSR budget of FY 2025-26 was ₹ 7,84,86,775/- and the company had spent an excess amount of ₹ 50,94,344 during the FY 2024-25/- which was available for set off against prescribed CSR expenditure of ₹ 7,84,86,775/- of the FY 2025-26. Further, the Company had spent ₹ 7,35,00,000/- against the total CSR obligation of ₹ 7,33,92,431/-.

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

S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount spent in the Financial Year (in ₹).	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub section (5) of section 135, if any.		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency (if any)
					Amount (in ₹)	Date of transfer		
1	2024-2025	-	-	-	0	-	0	0
2	2023-2024	-	-	-	0	-	0	0
3	2022-2023	40,61,788	93,803	93,803	0	-	0	0

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

Yes

✓ No

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

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

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

During the Financial Year 2025-26, the Company has spent ₹ 5,73,75,873/- towards its CSR initiatives. Later during the year in January 2026, the Board of Directors has finalized and approved an ongoing project viz., "SK Skills Academy". Since the project was finalized later in the year, resulting in a delay in the commencement of on-ground activities and consequently, the utilization of allocated CSR funds.

While the other CSR projects were completed as planned, expenditure on the ongoing projects could not be incurred fully. All unspent CSR funds have been transferred to a designated "Unspent CSR Account" ensuring compliance with applicable CSR regulations and the same shall be utilised in remaining years of the CSR projects.

For and on behalf of the Board of Directors
For **SK Finance Limited**

Mr. Rajendra Kumar Setia

(Chairman of CSR Committee &
MD & CEO)
DIN: 00957374

Mr. Yash Setia

Whole Time Director &
Member of CSR Committee
DIN: 09831391

Place: Jaipur
Date: July 29, 2026
Regd. Address: G 1-2, New Market, Khasa Kothi,
Jaipur – 302001 (Rajasthan)
Website: www.skfin.in Email: info@skfin.in

Annexure-5

Report on Corporate Governance

Pursuant to the Companies Act, 2013 ("the Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), Reserve Bank of India (Non-Banking Financial Company- Governance) Directions, 2025, Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (hereinafter jointly referred as "RBI Directions"), including all other amendments/notifications/circulars as may be applicable on SK Finance Limited (hereinafter referred to as "the Company"/ "Our Company"), the report on Corporate Governance forming part of the Directors' Report for Financial year 2025 -26 is presented below.

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company's corporate governance philosophy is founded on the principles of financial discipline, ethical conduct, transparency and accountability, which collectively guide the achievement of its long term corporate objectives. The governance framework and practices of the Company ensure that the interests of all stakeholders are duly recognised and addressed in a fair and transparent manner and are deeply embedded in the organisational culture.

The Company is guided by a dynamic, experienced and well diversified Board, which, together with its Committees and the established corporate governance mechanisms, diligently discharges its fiduciary responsibilities towards all stakeholders. The Company strives to maximise stakeholder value while conducting its operations in a well governed, responsible and compliant manner.

The Company's Board approved Policies has been uploaded on the Company's website and can be accessed at <https://www.skfin.in/investor/policies-codes>. The Corporate Governance philosophy of the Company, inter-alia, is driven by the following fundamental principles:

1. Timely and adequate disclosure of material information to all stakeholders;
2. Fair and transparent business practices;
3. Adequate Risk Management System and Financial Controls;
4. Compliance of applicable laws and statute(s);

5. Effective management control and monitoring of performance by the Board;
6. Maintains Board Independence and Diversity;
7. Ensure Strategic Guidance and Long-Term Vision;
8. Safeguarding Data Privacy and Information Security.

The Company was classified as a High Value Debt Listed Entity ("HVDLE") pursuant to the SEBI LODR Regulations with effect from 7th September 2021 and had ensured compliance with the Corporate Governance requirements prescribed under SEBI LODR Regulations.

Subsequently, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2026, the Company was re-categorized as a Debt Listed Entity from HVDLE with effect from 20th January 2026, upon which Regulations 62D to 62Q of the SEBI LODR Regulations ceased to be applicable to the Company.

Notwithstanding the above, with a view to ensuring continuity and upholding the highest standards of corporate governance, the Company voluntarily continued to comply with the provisions of Regulation 62D to Regulation 62Q of the SEBI LODR Regulations relating to corporate governance up to 31st March 2026.

Further, the Company has aligned its corporate governance practices in a manner so as to achieve compliance as envisaged in the Act, rules made thereunder, SEBI LODR Regulations and RBI Directions.

2. BOARD OF DIRECTORS ('BOARD')

The Board of Directors of the Company comprises eminent professionals with a diverse blend of skills and industry experience, possessing practical knowledge and expertise in areas such as accountancy, banking, finance, information technology, economics and management, risk management, business management, and payments and settlement systems. The diversity in experience and expertise enables the Board to provide effective strategic guidance and oversight on the affairs of the Company.

The Board meets at regular intervals to deliberate, review and decide upon key matters

relating to policy formulation, setting strategic direction, performance evaluation, overall governance, business operations and regulatory compliance. Through informed deliberations and collective decision-making, the Board plays a pivotal role in steering the Company towards its long-term objectives.

The Board endeavours to balance the infusion of fresh perspectives with the need for stability and continuity, thereby ensuring consistent governance practices in the best interests of the Company and its stakeholders.

Composition of the Board

Our Company has an optimum combination of Executive and Non-Executive Directors including Women Directors on its Board to ensure high quality of governance and effective functioning of the board, in conformity with provisions of the Act and rules made thereunder, SEBI LODR Regulations and RBI Directions. As on 31st March, 2026, there were 8 (eight) Directors on the Board of the Company, with 2 (two) Executive Directors and 6 (six) Non-Executive Directors which includes 2 (two) Nominee Directors and 4 (four) Independent Directors and 2 (two) Women Directors (collectively referred as "Directors").

All the Directors possesses requisite qualifications and experience in general corporate management, credit, forex, treasury, risk management, banking, finance, economics, marketing, digitization, analytics, IT Services, private equity and other allied fields which enable them to contribute effectively to the Company by providing valuable guidance and expert advice to the Management and enhance the quality of Board's decision-making processes. The brief profiles of the directors can be accessed at <https://www.skfin.in/about/board-of-directors>.

Director & Officer Insurance (D & O Insurance):

The Company has in place D & O Insurance pursuant to Regulation 62N(11) of SEBI LODR Regulations and Articles of Association of the Company, for all the Directors including

Independent Directors for such quantum and risks as determined by the Board.

Fit and Proper Criteria:

The Company has formulated and adopted a Policy on Fit and Proper Criteria for Board of Directors as per the provisions of Reserve Bank of India (Non-Banking Financial Company- Governance) Directions, 2025 read with all the applicable circulars and guidelines issued by the Reserve Bank of India. All the Directors of our Company have confirmed that they fulfil the fit and proper criteria as prescribed under the Reserve Bank of India (Non-Banking Financial Company- Governance) Directions, 2025.

Succession Planning:

Succession planning is a strategic initiative of the Company aimed at identifying and developing internal talent to assume key leadership and critical roles in the future. The Nomination and Remuneration Committee works in close coordination with the Board of Directors to ensure an orderly and well-planned succession for appointments to the Board and Senior Management positions.

The Committee is committed to developing and implementing a structured and comprehensive leadership succession framework to ensure continuity, stability and operational effectiveness at various levels of the organisation.

The Company has in place a Succession Planning Policy governing appointments to the Board of Directors and Senior Management, which provides the guiding principles for identifying, evaluating and nurturing leadership talent in alignment with the Company's long-term objectives.

Relationship between our Directors:

There is no relationship between the Directors inter-se except Mr. Yash Setia, Whole Time Director being the son of Mr. Rajendra Kumar Setia, Managing Director & Chief Executive Officer.

Details of other directorships and Chairmanships/Memberships of Committees of each director in various Companies as on March 31, 2026:

The following table lays down the composition and category of the Board of Directors including the details of their other board directorship, committee membership and shareholding as on 31st March, 2026 in the Company.

Name and DIN of the Director	Designation and Category	Date of Appointment	Number of equity shares held	No. of Directorships in other companies ¹	Number of Committee positions held in other Public companies ^{1 & 2}	
					Member (Including as chairperson)	Chairperson
Mr. Amar Lal Daultani ³ (DIN: 05228156)	Chairperson and Independent Director (Non-Executive)	01-04-2016	Nil	1	Nil	Nil
Mr. Anand Raghavan (DIN: 00243485)	Independent Director (Non-Executive)	07-04-2018	Nil	3	3	3
Ms. Debanshi Basu ⁴ (DIN: 07135074)	Nominee Director representing Baring Private Equity India AIF (Equity Investor) (Non-Executive)	09-11-2020	Nil	0	1	Nil
Mr. Mukul Mathur (DIN: 10025806)	Independent Director (Non-Executive)	29-03-2024	Nil	2	1	Nil
Ms. Nanda Sameer Dave (DIN: 08673208)	Independent Director (Non-Executive)	14-03-2024	Nil	Nil	Nil	Nil
Mr. Rajendra Kumar Setia (DIN: 00957374)	Managing Director and Chief Executive Officer (Promoter) (Executive)	21-11-1994	4,19,02,747	Nil	Nil	Nil
Mr. Simit Batra (DIN: 09739615)	Nominee Director representing TPG Growth IV SF PTE. Ltd (Equity Investor) (Non-Executive)	13-06-2023	Nil	Nil	Nil	Nil
Mr. Yash Setia (DIN: 09831391)	Whole Time Director (Promoter) (Executive)	30-01-2023	2600	NIL	NIL	NIL

Notes:

- Number of Directorships and committee positions excludes his/her Directorships in the Company, Private Companies, Section 8 Companies and Foreign Companies.
- Audit Committee and Stakeholders Relationship Committee have been considered for chairmanship/membership of directors.
- Mr. Amar Lal Daultani was appointed as an Independent Director of the Company for a period of 5 years with effect from 01st April, 2016. He was further reappointed as an Independent Director for a second term of 5 years effective from 01st April, 2021, which concluded at the close of business hours on 31st March 2026. Subsequently, ensuring continuity of his expertise, he was appointed as a Non-Executive Director of the Company for a tenure of 2(Two) years with effect from 1st April, 2026 by the Board of Directors in their meeting held on 30th January, 2026. His appointment as a Non-Executive Director was thereafter duly approved by the Shareholders of the Company in the Extra-Ordinary General Meeting held on 20th March, 2026.

- Ms. Debanshi Basu has tendered her resignation from the position of Nominee Director of the Company vide her resignation letter dated 21st April, 2026 with effect from the close of business hours on 30th April, 2026, due to personal reasons.
- There are no convertible instruments issued by the Company.
- Pursuant to the provisions of Section 165 of the Act, none of the Directors hold directorships in more than 20 Companies or 10 public companies across all Companies in which they serve as Directors. (For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company is included.)
- Pursuant to Regulation 62E of the SEBI LODR Regulations, none of the Directors are Directors in more than 7 Listed entities and serves as an Independent Director in more than 7 Listed entities or serves as an Independent Director in 3 listed entities in case he/she serves as a Whole Time Director/Managing Director in any listed entity.
- Pursuant to Regulation 62O of the SEBI LODR Regulations, none of the Director is a member of more than 10 Committees and no such Director is a Chairperson of more than 5 Committees, across all public limited companies whether listed or not, and HVDLEs in which he/she is a Director.
- The Independent directors are not on the Board of more than three NBFCs (NBFC-Middle Layer or NBFC-Upper Layer) at the same time in line with the RBI Directions.

The names of the listed entities¹ where the directors were holding directorship as on 31st March, 2026 are given below:

Name of Director	DIN	Name of the Listed Entity	Category of Directorship
Mr. Amar Lal Daultani	05228156	Raghav Productivity Enhancers Limited	Independent Director (Non-Executive)
Mr. Anand Raghavan	00243485	i. Five-Star Business Finance Limited	i. Independent Director (Non- Executive)
		ii. Aptus Value Housing Finance India Limited	ii. Independent Director (Non- Executive)
		iii. Manali Petro Chemicals Limited	iii. Independent Director (Non- Executive)
Ms. Debanshi Basu	07135074	-	-
Mr. Mukul Mathur	10025806	i. Aptus Value Housing Finance India Limited	i. Independent Director (Non- Executive)
		ii. EarlySalary Service Private Limited	ii. Independent Director (Non- Executive)
Ms. Nanda Sameer Dave	08673208	-	-
Mr. Rajendra Kumar Setia	00957374	-	-
Mr. Simit Batra	09739615	-	-
Mr. Yash Setia	09831391	-	-

Notes:

- For reckoning directorship in listed companies, only equity listed companies and HVDLE have been considered.

SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

The Board comprises of highly qualified members who possess required skills, expertise and competence that allow them to effectively contribute to the Board and its Committees. The Board approved chart or matrix setting out the skills/expertise/competence of the Board is as below:

S. No.	Core Skills/ Expertise/ Competencies	Brief description of skills	Mr. Amar Lal Daultani	Mr. Anand Raghavan	Ms. Debanshi Basu	Mr. Mukul Mathur	Ms. Nanda Sameer Dave	Mr. Rajendra Kumar Setia	Mr. Simit Batra	Mr. Yash Setia
1.	Business Experience	- Established leadership skills in strategic planning, succession planning, driving change and long-term growth and guiding the company towards its vision, mission and values. - Critically analyzing complex and detailed information and developing innovative solutions and striking a balance between agility and consistency. - Expertise in the field of Banking and Financial Services.	✓	✓	✓	✓	✓	✓	✓	✓
2.	Financial Experience and Risk Oversight	- The Company uses various financial metrics to measure its performance. Accurate Financial Reporting and Robust Auditing are critical to its success. - The Company expects its Directors to have an understanding of Finance and Financial Reporting Processes. - To understand and oversee various risks facing the Company and ensure that appropriate policies and procedures are in place to effectively manage risk.	✓	✓	✓	-	✓	✓	✓	✓

S. No.	Core Skills/ Expertise/ Competencies	Brief description of skills	Mr. Amar Lal Daultani	Mr. Anand Raghavan	Ms. Debanshi Basu	Mr. Mukul Mathur	Ms. Nanda Sameer Dave	Mr. Rajendra Kumar Setia	Mr. Simit Batra	Mr. Yash Setia
3.	Technology and Innovation	- An appreciation of emerging trends in Banking and Financial services across the globe. - Expertise in digital and robotic innovation in the field of Finance and Investments. - Ability to visualize future trends and devise strategies for adoption.	✓	-	-	✓	✓	✓	-	-
4.	Governance and Regulatory Oversight	- Devise systems for compliance with a variety of regulatory requirements. - Reviewing compliance and governance practices for a long-term sustainable growth of the Company and protecting stakeholders' interest.	✓	✓	✓	✓	✓	✓	✓	✓
5.	Consumer Insights and Marketing Exposure	Ability in developing strategies to increase market share through innovation, build better brand experience for customers, improve prospective customer engagement levels and help establish active customers become loyal brand followers.	✓	-	-	✓	-	✓	✓	✓

BOARD MEETINGS

Being the apex body constituted by the shareholders for overseeing the affairs of the Company, the Board of Directors collectively evaluates and approves strategic and significant decisions through a consensus-driven approach. The Board Meetings are pre-scheduled, and a tentative annual calendar of meetings is finalised in advance in consultation with all the Board members to facilitate effective planning and participation.

However, in circumstances requiring urgent consideration, approvals of the Board are obtained by way of resolution(s) passed through circulation, as permitted under applicable law. Such resolutions are

subsequently noted at the ensuing Board Meeting or, where necessary, matters are placed before the Board at meetings convened at shorter notice, in compliance with the provisions of the Act and other applicable regulatory requirements.

During the year the Board met **6 (Six) times** on 01st May, 2025, 28th May, 2025, 21st July, 2025, 02nd September, 2025, 07th November, 2025 and 30th January, 2026. Our Company facilitated the Directors with an option to participate through video conferencing to enable the directors' participation at the meetings. The necessary quorum was present for all the meetings.

The Company Secretary & Compliance Officer is responsible for preparing and circulating the Notice and detailed Agenda, setting out the business to be transacted at the Board Meetings, along with comprehensive Notes on Agenda, to all Directors at least seven days in advance or at shorter notice, as may be required, prior to the date of the respective meetings.

With the approval of the Board, information that is in the nature of **Unpublished Price Sensitive Information (UPSI)** is circulated to the Board and its Committees at shorter notice before the commencement of the relevant meetings, in accordance with applicable laws and regulations. The Company ensures that timely, adequate and relevant information is made available to all Directors to facilitate their effective participation and meaningful contribution during the meetings.

The maximum interval between any two consecutive meetings of the Board did not exceed 120 days during the year.

The Board of Directors, inter alia, periodically reviews and monitors the Company's strategic and annual business plans and capital expenditure budgets, and the status of actions taken on the recommendations and suggestions of the Board. The Board also reviews compliance reports covering all laws applicable to the Company, including the steps taken to rectify instances of Non-Compliance, if any.

Further, the Board considers and approves matters relating to the appointment and remuneration of Directors, Key Managerial Personnel and Senior Management, approval of quarterly, Half-yearly and annual financial results, related party transactions, and the effectiveness of internal control systems and audit processes. The Board is kept informed of material developments, significant business updates and regulatory changes through appropriate mode of communication from time to time to enable informed decision-making.

The status of attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) held on 04th August, 2025 is given below:

Name of the Director	Attendance		
	Entitled	Attended	Last AGM
Mr. Amar Lal Daultani	06	06	Yes
Mr. Anand Raghavan	06	06	Yes
Ms. Debanshi Basu	06	05	Yes
Mr. Mukul Mathur	06	06	Yes
Ms. Nanda Sameer Dave	06	06	Yes
Mr. Rajendra Kumar Setia	06	06	Yes
Mr. Simit Batra	06	06	No
Mr. Yash Setia	06	06	Yes

INDEPENDENT DIRECTORS

The Independent Directors are appointed for a specific term based on the recommendations of the Nomination and Remuneration Committee ("NRC"), by the Board and the shareholders at their respective meeting(s). They are appointed as per the provisions of the Act, SEBI LODR Regulations and RBI Master Directions. None of the Independent Directors are Promoters or are related to Promoters of the Company. All the Committees which require Independent Directors in the composition have Independent Directors as specified in terms of the SEBI LODR Regulations, the Act and the RBI Directions. These Committees function within the defined terms of reference in accordance with the Act, the SEBI LODR Regulations, RBI Master Directions and as approved by the Board, from time to time.

Mr. Amar Lal Daultani (DIN: 05228156) was appointed as an Independent Director with effect from 01st April 2016 for a period of 5 years. Thereafter, in the shareholder's meeting held on 30th March, 2021, he was re-appointed as an Independent Director of the Company for a term of 5 (Five) years commenced from 01st April, 2021 till 31st March, 2026. Subsequently, by virtue of a board resolution passed on 23rd February, 2023, he was appointed as Chairperson of the board of directors and General Meetings of the Company.

As the second term of Mr. Amar Lal Daultani as an Independent Director expired on March 31, 2026, the Board of directors, at its meeting held on January 30, 2026 and the shareholders at their meeting held on March 20, 2026, approved his appointment as a Non-Executive (Non-Independent) Director of the Company. His appointment is for a tenure of 2 (two) years, commencing from April 01, 2026 i.e., immediately after the expiry of his present tenure as an Independent Director. He shall be liable to retire by rotation.

Mr. Anand Raghavan (DIN: 00243485) was appointed as an Independent Director with effect from 07th April, 2018 for a period of 5 years. His appointment was approved by the shareholders for a second consecutive term of five years effective from 07th April, 2023, at the Extra-Ordinary General Meeting held on 23rd February, 2023.

Ms. Nanda Sameer Dave (DIN: 08673208) was appointed as an Independent Director for a term of five years effective from 14th March, 2024, was approved by the shareholders at the Extra-Ordinary General Meeting held on 25th April, 2024.

Mr. Mukul Mathur (DIN: 10025806) was appointed as an Independent Director for a term of five years effective from 29th March, 2024, was approved by the shareholders at the Extra-Ordinary General Meeting held on 25th April, 2024.

No Independent Director stepped down from their position over the course of the Financial Year ended 31st March, 2026.

MEETING OF INDEPENDENT DIRECTORS

In compliance with Regulation 62N (4) of the SEBI LODR Regulations and Schedule IV of the Act, a separate meeting of Independent Directors was held on 06th November, 2025 for FY 2025-26, without the presence of Non-Independent Directors and members of the management. At this meeting, the Independent Directors inter-alia evaluated the performance of the Non-Independent Directors, the Board as a whole and the performance of the Chairperson and discussed aspects relating to the quality, quantity and timeliness of flow of information between the Company management and the Board. The evaluation was carried on broad parameters such as Board Composition & quality, Board meetings & procedures, Board Development, Board Strategy & Risk Management, Corporate Culture & Values, Leadership, Product/Service Knowledge and Skills, Strategy formulation and execution, Financial Planning/performance, Relationship with the Board, External Relations, Personal Attributes and such other relevant factors. The independent directors expressed their satisfaction towards the performance of the Chairperson, Board as a whole and the Non-Independent Directors of the Company.

DECLARATION OF INDEPENDENT DIRECTORS

All the Independent Directors have confirmed their independence in accordance with Section 149 of the Act and requirements as set out under Regulation 62B(1)(b) of the SEBI LODR Regulations. In terms of Regulation 62N(9) of the SEBI LODR Regulations, the Independent Directors have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence and that they are independent of the management of the company. The names of all the Independent Directors of the Company have been included in the Independent Director's databank maintained by Indian Institute of Corporate Affairs (IICA). Further, all the Independent Directors of the Company are exempted from appearing for the Online Proficiency Self-Assessment Test except Mr. Mukul Mathur, who has appeared and passed the Online Proficiency Exam.

The terms and conditions of appointment of Independent Directors are available on the website of the Company at <https://www.skfin.in/investor/policies-codes>.

Familiarization Programme

Pursuant to the provisions of the Act and Regulation 62N(8) of the SEBI LODR Regulations, the Company has in place the familiarization Programme which aims to familiarize Independent Directors with the Non-Banking and Financial services, technology, governance, risk management, analytics, management, products and areas in which the Company operates, the business model, the operational and financial performance of the Company, significant changes in the regulations including those pertaining to corporate social responsibility, duties and responsibilities of Independent Directors under the Act, SEBI LODR regulations including prohibition of insider trading regulations, RBI Master directions so as to enable them to take well informed decisions in a timely manner. The details of the familiarization Programmes have been hosted on the website of the Company and can be accessed on the link <https://www.skfin.in/investor/policies-codes>.

PERFORMANCE EVALUATION

Pursuant to the provisions of Section 149(8) read with Schedule IV, Section 178(2), of the Act and Regulation 62D & 62G respectively, read with Part D of Schedule II of SEBI LODR Regulations, Nomination-Remuneration & Compensation Policy of the company ("the NRC Policy"), the NRC has laid down the criteria for the performance evaluation of Board, covering Independent Directors, Non-Executive (Non-Independent) Directors, Board committees and chairman of the Board after taking into consideration the guidance note issued by the Institute of Company Secretaries of India ("ICSI") and Securities and Exchange Board of India ("SEBI"). The NRC and Board has carried out an annual performance evaluation of its own performance, evaluation of Committees of Board as well as performance of all the Directors individually (including Independent Directors), as required. The evaluation involves self-evaluation by the Board Member and subsequent assessment by the Independent Directors. A member of the Board does not participate in the discussion of his/her evaluation. The performance evaluation of the Non-Independent Directors, Chairman and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. Performance evaluation was carried out on below criteria:

Evaluation Criteria	Criteria specified
Criteria of Board as a Whole	Board Structure Board Meetings and Procedures Board Development Board Strategy and Risk Management Board and Management Relations Succession Planning Grievance Redressal for Investors Conflict of Interest Stakeholder Value and responsibility Corporate Cultures & Values Review of Board Evaluation Facilitation of Independent Directors
Criteria of Individual Directors Including Independent Directors	Evaluation of Independent Directors & other Non-Executive Directors: Participation at Board/Committee Meetings Managing Relationship Knowledge and Skill Personal Attributes Additional Evaluation Factor for Independent Directors include Integrity, Independent Judgement, Confidentiality, assist in protecting the legitimate interest of the company and Adherence to code of conduct. Evaluation of Executive Directors: Leadership Strategy formulation & Execution Financial Planning/Performance Relationships with the Board External Relations Human Resources Management/ Relations Product/Service Knowledge
Evaluation of Board Committee	Adequacy and Composition of Committees Well defined terms of reference Meeting Frequency and procedures Combination of optimum expertise Extent of authority delegated by the Board to each Committee Time commitment Key Initiatives taken
Evaluation of Chairperson of the Board	Managing Relationship Leadership

Feedback was sought by way of well-defined structured online questionnaire forms covering various aspects of the Board's functioning and the evaluation was carried out based on responses received from the Directors. The Board also considered the evaluation results as collated by the NRC while conducting the evaluation and expressed their satisfaction with the evaluation process. The evaluation process endorsed cohesiveness amongst directors, smooth communication between the Board and the management and the openness of the management in sharing the information with the Board and placing various proposals for the Board's consideration and approval.

The Directors were satisfied on the parameters of evaluation, the implementation of the evaluation exercise and the outcome of the evaluation process.

DIRECTORS REMUNERATION CRITERIA

- a. **Executive Directors:** Remuneration payable to the Executive Directors is in line with the Act, SEBI LODR Regulations, RBI Master Directions and the board approved NRC Policy of the company. The elements of the remuneration packages inter-alia include salary, perquisites, allowances, superannuation including gratuity and provident fund (fixed component), commission and variable component. The annual increment of the Managing Director & CEO and Whole Time Director is approved by the Board of Directors as per the authority given, within the limits as approved by the shareholders at the General Meeting(s) and based on the recommendation of the applicable committee in accordance with the NRC policy, after thorough performance evaluation of various key parameters which includes Leadership, Strategy formulation & Execution, Financial Planning/Performance, Relationships with the Board, External Relations, Human Resources Management/ Relations, Product/Service Knowledge.

The details of the remuneration paid to the Executive Directors for the Financial Year ended 31st March, 2026 are as follows:

(₹ in Lakhs)

S. No.	Name	Gross Salary	Commission	Stock Option/ Sweat Equity ²	Others ³	Total Amount
1.	Mr. Rajendra Kumar Setia	306.90	0	0	70.00*	376.90
2.	Mr. Yash Setia	196.00	0	0	62.80#	258.80

Notes:

- The Executive Directors are not eligible for any severance fee. Service contract and the notice period are as per the terms of agreement entered into by them with the company.
- No stock options or sweat equity shares were granted to the executive directors during the FY 25-26.
- *Mr. Rajendra Kumar Setia voluntarily declined the performance bonus for F.Y. 2024-25, as noted in the Board Meeting held on May 28, 2025. However, he was paid the deferred bonus pertaining to the FY 2023-24.
Mr. Yash Setia was paid performance bonus of ₹ 46,80,000/- for F.Y. 2024-25, as approved by the Board of Directors at its meeting held on May 28, 2025. He was also paid deferred bonus of ₹ 16,00,000/- pertaining to the FY 2023-24.

- b. **Non-Executive Directors:** The Company is being benefited from the expertise, advice and inputs provided by the Non-Executive Directors. Remuneration to the Non-Executive Directors(other than nominee directors) is paid by the way of Sitting Fees and commission inclusive of all the applicable taxes for attending the meetings of the Board and its Committees. The total sitting fees and commission paid to each Non-Executive Director (other than nominee directors) during Financial Year 2025-26 is given as below:

(Rupees in Lakhs)

S. No.	Name	Sitting Fees	Commission
1.	Mr. Amar Lal Daultani	18.80	7.50
2.	Mr. Anand Raghavan	15.50	7.50
3.	Ms. Debanshi Basu	Nil	Nil
4.	Mr. Mukul Mathur	14.20	7.50
5.	Ms. Nanda Sameer Dave	16.50	7.50
6.	Mr. Simit Batra	Nil	Nil

This sum is reviewed periodically taking into consideration the performance of the Company, the overall responsibility cast on the directors and other relevant factors such as their expertise, inputs received from them, bringing strong governance on the Board etc. No stock options were granted to the Non-Executive Directors during the year. During the year, none of the non-executive directors had any other pecuniary relationship/ transaction with the company.

The details of the remuneration paid to the Directors during the Financial Year ended 31st March 2026 and details of allowances/perquisites are provided in the Annual Return placed on the website of the company at the web link <https://www.skfin.in/investor/investor-services>.

3. SENIOR MANAGEMENT PERSONNEL:

The details of Senior Management Personnel (SMP's) of the Company as on March 31, 2026 are outlined below along with changes since the close of the previous Financial Year:

S. No.	Name	Designation	Effective date of Change during the year, if any	Reason for change
1.	Mr. Ajit Singh Sajwan	Chief Technology Officer	02 nd September, 2025	Re categorized from SMP to Non-SMP
2.	Mr. Amarpreet Singh Batra	Chief Operating Officer – 3	02 nd September, 2025	Re categorized from SMP to Non-SMP
3.	Mr. Anil Sharma	Chief Human Resources Officer	28 th February, 2026	Resignation

S. No.	Name	Designation	Effective date of Change during the year, if any	Reason for change
4.	Mr. Anshul Jain	Head – Brand Marketing	02 nd September, 2025	Re categorized from SMP to Non-SMP
5.	Ms. Anubha Khandelwal	Chief Compliance Officer & Principal Nodal Officer	04 th August, 2025	Re-appointed as Chief Compliance officer
6.	Mr. Avijit Bahadur Singh	Chief Information Officer	04 th August, 2025	New Addition (Appointed as SMP)
7.	Mr. Bhavesh Kumar	Chief Information Security Officer	04 th August, 2025	Re-appointed as Chief Information Security Officer
8.	Mr. Gajendra Sharma	National Credit Manager	30 th January, 2026	Re categorized from SMP to Non-SMP
9.	Mr. Harendra Singh Rathore	National Collection Manager	02 nd September, 2025	Re categorized from SMP to Non-SMP
10.	Mr. Jai Govind Pancholi	Chief Risk Officer	No Change	-
11.	Mr. Mridul Agrawal	Head of Internal Audit	No Change	-
12.	Mr. Munish Dayal	Senior President	No Change	-
13.	Mr. Raj Kumar Setia	President -MSME	No Change	-
14.	The position is vacant due to demise of Personnel	National Legal Head	02 nd September, 2025	Re categorized from SMP to Non-SMP
15.	Mr. Ritesh Sharma	Chief Operating Officer -1	02 nd September, 2025	Re categorized from SMP to Non-SMP
16.	Mr. Sameer Arora	Chief Operating Officer - 2	02 nd September, 2025	Re categorized from SMP to Non-SMP
17.	Mr. Tej Pratap Singh	National Operational Manager	02 nd September, 2025	Re categorized from SMP to Non-SMP
18.	Mr. Vikrant Jethi	Chief Collection Officer	02 nd September, 2025	New Addition (Appointed as SMP)
19.	Mr. Vivek Haripal Singh	Chief Strategy Officer and Head- Resource Mobilization	No Change	-

4. COMMITTEES OF THE BOARD

In order to facilitate the day-to-day operations, the Board has constituted various committees and delegated necessary powers to the Committees. The Committees constituted by the Board focus on specific areas and take informed decisions along with the specific recommendations to the Board within the framework designed by the Board. As on 31st March 2026, the Company has Twelve Committees of the Board:

- Audit Committee;
- Committee of Independent Directors
- Corporate Social Responsibility Committee;
- Customer Service Committee;
- Executive Committee;
- Investment Committee;
- IPO Committee;
- IT Strategy Committee;
- Nomination and Remuneration Committee;
- Product Approval Committee;
- Risk Management Committee;
- Stakeholders Relationship Committee and;
- Wilful Defaulters-Review Committee.

Further, the Board has also formed sub-committees of the management in order to facilitate quick decision-making and encourage delegation of authority. Presently, there are Six sub-committees, namely:

- Asset Liability Management Committee;
- Information Security Committee;
- Internal Complaint Committee;
- IT Steering Committee;
- Risk Management Committee of Executives;
- Wilful Defaulter-Identification Committee.

The terms of reference or charter of the aforesaid Committees are decided by the Board and noted by the relevant Committee in line with the applicable laws. Minutes of the Committee meetings are placed before the Board/ relevant Board Committee for noting. During the year, the Committee meetings were held through

hybrid mode. The role and composition including the number of meetings and attendance are detailed below.

1. AUDIT COMMITTEE

Regulatory Requirement

The Audit Committee of the Board has been constituted as per the requirements set out in Section 177 of the Act read with the relevant rules made thereunder, Regulation 62F of the SEBI LODR Regulations and Regulation 17 of Chapter – IV of the Reserve Bank of India (Non-Banking Financial Company– Governance) Directions, 2025.

Meeting Details

During the Financial Year 2025-26, 5(Five) Audit Committee Meetings were held on 28th May, 2025, 21st July, 2025, 02nd September, 2025, 07th November, 2025 and 30th January, 2026.

Composition & Attendance

The Composition of the Audit Committee and the details of attendance of the Members at the Meetings held during the year under review are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Anand Raghavan	Chairperson	Non-Executive Independent Director	07-04-2018	5	5
Mr. Amar Lal Daultani ¹	Member	Non-Executive Independent Director	01-04-2016	5	5
Ms. Debanshi Basu	Member	Non- Executive Nominee Director	09-11-2020	5	5
Ms. Nanda Sameer Dave	Member	Non- Executive Independent Director	18-04-2024	5	5
Mr. Mukul Mathur ²	Member	Non-Executive Independent Director	01-04-2026	-	-

Notes:

- Mr. Amar Lal Daultani ceased to be a member of Audit Committee w.e.f. closure of business hours on 31st March, 2026.
- Mr. Mukul Mathur has been appointed as a member of Audit Committee w.e.f. 1st April, 2026

The necessary quorum was present for all the above meetings and Chairperson of the Audit Committee was present in Annual General Meeting to answer the queries of the shareholders. Members of audit committee are financially literate and possess requisite experience in finance or accounting.

Besides the members of the committee, meetings of the Audit Committee were attended by the Chief Financial Officer, Auditors of the Company (wherever required) and other invitees with the permission of the Chairperson. The Company

Secretary & Compliance Officer acts as a secretary to the Committee.

Terms of reference

The terms of reference of the Audit Committee inter-alia includes the following:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- b) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report;
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement], and making appropriate recommendations to the board to take up steps in this matter;
- g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the listed entity with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussion with internal auditors of any significant findings and follow up there on;
- o) 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;
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) to review the functioning of the whistle blower mechanism;
- s) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- t) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.;
- u) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- v) monitoring the end use of funds raised through public offers and related matters;
- w) The audit committee shall mandatorily review the following information:
- Management discussion and analysis of financial condition and results of operations;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).
- x) To review the functioning of the vigil mechanism;
- y) The Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and;
- z) To oversight governance, compliance, implementation of Anti-Bribery and Anti-Corruption Policy and monitor the effectiveness considering its suitability and adequacy
- aa) To oversee the Implementation of KYC/AML Policy;
- bb) To accord the necessary approvals for selling of Individual Loans and Classification of Non-Performing Asset as prescribed under Sale of Stressed Asset Policy;
- cc) To ensure that an Information System Audit of the internal systems and processes is conducted every year to assess operational risks faced by the Company.
- dd) To oversee and approve any adjustments in the Expected Credit Losses (ECL) model output (i.e. a management overlay).
- ee) Review with Statutory Auditors, any audit problems or difficulties and management's response;
- ff) Resolve any disagreements of the Statutory Auditors with the management regarding financial reporting;
- gg) Review the performance of the Statutory Auditors and submit report to RBI post approval from ACB
- hh) Internal Audit:**
- To review and approve the Risk Based Internal Audit Policy & propose the same to the Board.
 - Review with Internal Auditors, any audit problems or difficulties and management's response;
 - Approval of the audit plan and its execution, reporting structure, budget, coverage and frequency of internal audit to determine the priorities of the internal audit function based on the level and direction of risk;
 - Discuss with internal auditors for status on closure of audit reports;
 - Review all pending high and medium risk issues & persisting irregularities along with status of compliance and suggest requisite action on areas in which risk mitigation has not been undertaken despite risk identification.
 - To ensure assessment of the internal audit function at least once in a year for adherence to the internal audit policy, objectives and expected outcomes.
 - To review the consolidated position of major risks faced by the Company at least annually based on inputs from all forms of audit.
 - Approve hiring of experts who can be hired on contractual basis after assuring that such expertise does not exist within audit function.
- ii) Internal Controls**
- To put in place and oversee the Internal Audit Function of the Company;
 - To put in place a robust system of Internal audit of all outsourced activities;
 - To approve Risk Based Internal Audit ("RBIA") plan to determine the priorities of the internal audit function based on the level and direction of risk, as consistent with the entity's goals and review it on annual basis;
 - Review the performance of RBIA and formalize & maintain a quality assurance

and improvement program that covers all aspects of the internal audit function;

- Review Management letters / letters of internal control weaknesses issued by internal auditors;
- Review management's report on internal control and Statutory auditor's attestation/observations on management's assertion;
- To formulate and maintain a quality assurance and improvement program that covers all aspects of the internal audit function which shall include assessment of the internal audit function at least once in a year for adherence to the internal audit policy, objectives and expected outcomes;
- To promote the use of new audit tools/ new technologies for reducing the extent of manual monitoring / transaction testing / compliance monitoring, etc.;
- To appoint Internal Audit Head ("HIA") for a fixed tenure, as deemed fit;
- To meet the HIA on the quarterly basis without the presence of the senior management, including the MD & CEO.

jj) Risk Management:

- Discuss with the management, the Company's policies with respect to risk assessment and risk management, including appropriate guidelines to govern the process, as well as the Company's major financial risk exposures including policy for foreign exchange and derivative transactions and the steps management has undertaken to control them.
- Review and approve the risk assessment of business and other functions on an annual basis.

kk) Related party transactions:

- The committee may grant omnibus approval for related party transactions proposed to be entered into by the Company and shall specify the criteria for making the omnibus approval in compliance of provisions mentioned under SEBI LODR;

II) RBI Compliances:

- To review & monitor all frauds involving an amount of ₹ 1 crore and above.

- To certify the fact that the systems and procedures, identified as the causative factors and plugging of the lacunae has been ensured for all fraud cases to be closed
- To review all individual cases of fraud involving ₹ 25 lakh or more and also review the attempted frauds.
- To review periodically the cases of wilful default and recommend steps to be taken to prevent such occurrences and their early detection should these occur.
- The Committee shall ensure that all the necessary steps are being taken by the company to comply with the various master directions, notices and circulars issued by RBI from time to time;
- To review audit notes and ensure compliance with KYC norms on quarterly basis;
- To review periodically ageing analysis of entries pending reconciliation with outsourced vendors.
- To approve the classification of the Accounts that are past due beyond 90 days but not treated as impaired, with the rationale for the same clearly documented.
- To oversee the implementation of the Compliance policy and reviewing the activities undertaken by the Compliance Function on a quarterly basis.
- To review the Compliance Risk Assessment Framework on an annual basis
- To ensure detailed annual review of Compliances in the organization and review any material Compliance failure while ensuring that appropriate remedial or disciplinary action is taken.;
- To track the status of compliance of all regulatory guidelines/ prescriptions/ communications and disseminate the same within the organization to the relevant stakeholders and ensure proper compliance.
- To meet the CCO at quarterly intervals on a one to one basis without the presence of any official from the senior management, including MD & CEO
- To review the performance appraisal of the Chief Compliance Officer.

mm) Responsibilities under the Code of Conduct for Prevention of Insider Trading:

- Review the compliances of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015("Code") at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- Taking on record such reports as may be required from the Compliance Officer under the Code at least once in a year.
- The Audit Committee of a listed company or other analogous body for intermediary or fiduciary shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively;
- The compliance officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors, but not less than once in a year
- Deciding penal and disciplinary action in respect of violation of the Regulations/Code.

nn) Others:

- Shall have the power to seek information from any employees, obtain legal or professional advice from external sources and have full access to

information contained in the records of the Company and secure attendance of outsiders with relevant expertise, if it considers necessary.

- Carrying out such other functions as may be specifically referred to the Audit Committee by the Board and/or other committees of directors of the Company.
- Carrying out any other functions and roles as provided under the Act, the SEBI LODR Regulations, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties;
- Such information as may be prescribed under the Act, and the rules thereunder, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and the SEBI LODR Regulations, each as amended.

2. COMMITTEE OF INDEPENDENT DIRECTORS

Regulatory Requirement

The Committee of Independent Directors has been constituted pursuant to the Securities and Exchange Board of India has introduced certain amendments to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2022.

Meeting Details

During the Financial Year 2025-26, no meeting of Committee of Independent Directors was held.

Composition & Attendance

The Composition of the Committee of Independent Directors are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since
Mr. Anand Raghavan	Chairperson	Non- Executive Independent Director	21-07-2025
Mr. Amar Lal Daultani	Member	Non- Executive Independent Director	21-07-2025
Mr. Mukul Mathur	Member	Non- Executive Independent Director	21-07-2025
Ms. Nanda Sameer Dave	Member	Non-Executive Independent Director	21-07-2025

Terms of reference

The terms of reference of the Committee of Independent Directors inter-alia includes the following:

- To review or carry out all necessary activities, without requiring any further approval of the shareholders or the board of directors of the Company, relating to the draft pre-Offer and price band advertisement (the “Price Band Advertisement”) to be issued by the Company in relation to the proposed initial public offering of its equity shares (the “Offer”) and issue a recommendation for inclusion in the Price Band Advertisement, that the price band is justified based on quantitative factors/key performance indicators disclosed in “Basis for Offer Price” chapter of the Offer Documents vis-à-vis the weighted average cost of acquisition of primary issuance/secondary transaction(s) disclosed in the “Basis for Offer Price” chapter of the Offer Documents; and

- To perform such other duties and functions as may be specifically required to be performed by a committee of independent directors of the Company under applicable law, including the Act, and the regulations, circulars, directives and notifications of the Securities and Exchange Board of India.”

3. NOMINATION AND REMUNERATION COMMITTEE

Regulatory Requirement

The NRC of the Board has been constituted as per the requirements set out in Section 178 of the Act read with relevant rules made thereunder, Regulation 62G of SEBI LODR Regulations and Regulation 18 of Chapter – IV of the Reserve Bank of India (Non-Banking Financial Company– Governance) Directions, 2025.

Meeting Details

During the Financial Year 2025-26, 3(Three) NRC Meetings were held on 28th May, 2025, 01st September, 2025 and 29th January, 2026.

Composition & Attendance

The Composition of the NRC and the details of attendance of the Members at the Meetings held during the year under review are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Anand Raghavan	Chairperson	Non- Executive Independent Director	07-04-2018	3	3
Mr. Amar Lal Daultani ¹	Member	Non- Executive Independent Director	09-05-2025	3	3
Ms. Debanshi Basu	Member	Non- Executive Nominee Director	09-11-2020	3	2
Mr. Mukul Mathur	Member	Non- Executive Independent Director	18-04-2024	3	3
Ms. Nanda Sameer Dave ²	Member	Non-Executive Independent Director	01-04-2026	-	-

Notes:

- Mr. Amar Lal Daultani became member of the Committee on 9th May, 2025 and Ceased to be the member of NRC w.e.f. from closure of Business hours on 31st March, 2026.
- Ms. Nanda Sameer Dave has been appointed as a member of NRC w.e.f. 1st April, 2026.
- The Chief Human Resource Officer (CHRO) was inducted as a permanent invitee to the Committee effective from 7th November, 2025. Mr. Anil Sharma, who held the position of CHRO, ceased to be a permanent invitee upon his resignation, w.e.f. the close of business hours on 28th February, 2026; however, the CHRO position continues to remain a permanent invitee to the Committee.

The necessary quorum was present for all the above meetings and Chairperson of the NRC was present in Annual General Meeting to answer the queries of the shareholders. Leave of absence was granted to the respective members who could not attend committee meetings.

Besides the members of the committee, meeting of the NRC was attended by the Chief Financial Officer and other invitees with the permission of Chairperson of the meeting. The Company Secretary & Compliance Officer acts as a secretary to the Committee.

Terms of reference

The terms of reference of the Nomination and Remuneration Committee inter-alia includes the following:

Nomination:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Make recommendation to the Board on 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 senior management.
- To undertake the process of due diligence to determine the suitability of the person for appointment / continuing to hold appointment as a director on the Board and

to assess the “fit and proper” criteria of the existing and proposed directors;

- To devise a policy on Succession Planning;
- To periodically review Succession Plan for Senior Managerial Personnel and Key Managerial Personnel as may be required.
- To ensure ‘fit and proper’ status of proposed/ existing directors and that there is no conflict of interest in appointment of directors on Board of the company, KMPs and senior management.

Remuneration & Compensation Plans:

- To recommend to the Board a policy, relating to the remuneration, compensation and commission of the directors, key managerial personnel and other employees;
- To oversee the framing, review and implementation of compensation policy of the company which should have the approval of the board;
- To formulate the criteria for making payments to Non-Executive Directors;
- To recommend to the board, all remuneration, in whatever form, payable to Executive and Non-Executive directors;
- To recommend changes in the company’s compensation plans, in consultation with management and allot shares when options are exercised by eligible employees.
- The compensation of Key Managerial Personnel (KMPs) and senior management needs to be reasonable, recognizing all relevant factors including adherence to statutory requirements and industry practices.
- The compensation packages may comprise of fixed and variable pay components aligned effectively with prudent risk taking to ensure that compensation is adjusted for all types of risks, the compensation outcomes are symmetric with risk outcomes, compensation pay-outs are sensitive to the time horizon of the risks, and the mix of cash, equity and other forms of compensation are consistent with risk alignment.

Performance Evaluation:

- To specify the criteria for evaluation of performance of the Board, its committees and individual directors including Independent Directors;
- To review the implementation and compliance of the performance evaluation;

- u) To specify the criteria for evaluation of performance of the KMPs and SMPs with KPIs;
- v) Determination and review of KPIs for the performance evaluation of KMPs and SMPs.

ESOP:

The Nomination and Remuneration Committee shall perform such functions as are required to be performed by the committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021:

- w) Administering and reviewing the implementation of the employee stock option plans of the Company, as may be required;
- x) determining the eligibility of employees to participate under the employee stock option plans of the Company;
- y) granting options to eligible employees and determining the date of grant;
- z) determining the number of options to be granted to an employee;
- aa) determining the exercise price under the employee stock option plans of the Company; and
- bb) construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company;
- cc) formulate detailed terms and conditions of the scheme;

Composition & Attendance

The Composition of the Stakeholders Relationship Committee and the details of attendance of the Members at the Meetings held during the year under review are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Amar Lal Daultani ¹	Chairperson	Non- Executive Independent Director	20-12-2022	1	1
Mr. Anand Raghavan ²	Chairperson	Non-Executive Independent Director	01-04-2026	-	-

- dd) frame suitable policies and procedures to ensure that there is no violation of securities laws by the company and its employees.

Others:

- ee) The NRC may work in close coordination with Risk Management Committee (RMC) of the company to achieve effective alignment between compensation and risks.
- ff) the NRC may ensure that compensation levels are supported by the need to retain earnings of the company and the need to maintain adequate capital based on ICAAP
- gg) To oversee the familiarization programmes of the Independent Directors;
- hh) To scrutinize the declarations submitted by the existing / proposed directors.
- ii) To ensure that except for directorship in a subsidiary, KMP shall not hold any office (including directorships) in any other NBFC-Middle Layer or NBFC-Upper Layer;
- jj) carrying out any other activities as may be delegated by the Board and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Act, the SEBI LODR Regulations, RBI Directions or any other applicable law, as and when amended from time to time.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

Regulatory Requirement

The Stakeholders Relationship Committee of the Board has been constituted as per the requirements set out in Section 178 of the Act and Regulation 62H of the SEBI LODR Regulations.

Meeting Details

During the Financial Year 2025-26, 1(One) Stakeholders Relationship Committee (SRC) Meeting was held on 25th April, 2025.

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Rajendra Kumar Setia	Member	Executive Director (Managing Director & CEO)	20-12-2022	1	1
Mr. Simit Batra	Member	Non- Executive Nominee Director	13-06-2023	1	1
Mr. Yash Setia	Member	Executive Director (Whole time Director)	13-06-2023	1	1

Notes:

1. Mr. Amar Lal Daultani ceased to be the Chairperson of SRC w.e.f. closure of Business hours on 31st March, 2026.
2. Mr. Anand Raghavan has been inducted in the SRC and appointed as its Chairperson w.e.f. 1st April, 2026.

The necessary quorum was present for all the above meeting and Chairperson of the SRC was present in Annual General Meeting to answer the queries of the shareholders.

Besides the members of the committee, meeting of the Stakeholders Relationship Committee was attended by the Chief Financial Officer and other invitees with the permission of the Chairperson. The Company Secretary & Compliance Officer acts as a secretary to the Committee.

The investor complaints are processed in a centralized web-based complaints redress system called SCORES and ODR. There were no investor grievances received during the financial year ended on 31st March, 2026. Ms. Anagha Bangur, Company Secretary acts as the Compliance officer for the purpose of SEBI LODR Regulations and keeps a regular track of such complaints. The investor grievances are also reported to the Stock Exchange on a quarterly basis in accordance with the SEBI LODR Regulations.

The Company hereby submits the statement of the investor complaints for the year ended on March 31, 2026 and details are tabulated as below:

No. of shareholders complaints received during the Financial Year	NIL
No. of complaints not solved to the satisfaction of shareholders	NIL
No. of investor complaints pending at the end of the Financial Year	NIL

Terms of reference

The terms of reference of the Stakeholders Relationship Committee inter-alia includes the following:

- a) 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.

- b) Review of measures taken for effective exercise of voting rights by shareholders.
- c) Review of adherence to the service standards adopted by the company in respect of various services being rendered by the registrar & share transfer agent.
- d) 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.
- e) Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.
- f) Formulate and recommend to the Board policy(s) and procedure(s) in line with the statutory guidelines to ensure speedy disposal of request received from security holders from time to time.
- g) Monitor and review any investor complaints received by the company directly or through SEBI or SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary & Compliance officer and Registrar and Transfer Agent ("RTA") of the company.
- h) Oversee the statutory compliance relating to all securities including dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- i) Suggest and drive implementation of various investor-friendly initiatives.

- j) Committee may consult with other committees of the Board, if required, while discharging its responsibilities.
- k) Carrying out any other functions as is referred by the Board from time to time or required to be carried out by the Stakeholders Relationship Committee as contained in the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable law, as and when amended from time to time.

5. RISK MANAGEMENT COMMITTEE

Regulatory Requirement

The company has constituted Risk Management committee (RMC) in accordance with Regulation 621 of SEBI LODR Regulations and Regulation 9 of Chapter – III of the Reserve Bank of India (Non-Banking Financial Company– Governance) Directions, 2025.

Meeting Details

During the Financial Year 2025-26, 4(Four) Risk Management Committee Meetings were held on 25th April, 2025, 01st September, 2025, 06th November, 2025 and 29th January, 2026.

Composition & Attendance

The Composition of the Risk Management Committee and the details of attendance of the Members at the Meetings held during the year under review are as under:

Name of the Member	Status in Committee	Category	Member of Committee since	No. of Meetings entitled to attend	No. of Meetings attended
Ms. Nanda Sameer Dave	Chairperson	Non- Executive Independent Director	18-04-2024	4	4
Mr. Mukul Mathur	Member	Non- Executive Independent Director	18-04-2024	4	4
Mr. Amar Lal Daultani	Member	Non- Executive Independent Director	01-04-2016	4	4
Mr. Anand Raghavan	Member	Non- Executive Independent Director	09-02-2022	4	4
Ms. Debanshi Basu	Member	Non-Executive Nominee Director	12-08-2021	4	4
Mr. Rajendra Kumar Setia	Member	Executive Director (Managing Director & CEO)	13-04-2013	4	4
Mr. Simit Batra	Member	Non-Executive Nominee Director	13-06-2023	4	3

Notes:

- Ms. Anubha Khandelwal, Chief Compliance Officer (CCO), Mr. Bhavesh Kumar, Chief Information Security Officer (CISO) and Mr. Jai Govind Pancholi, Chief Risk Officer (CRO) of the company are permanent invitees of the Committee meeting.

The necessary quorum was present for all the above meetings and Chairperson of the RMC was present in Annual General Meeting to answer the queries of the shareholders. Leave of absence was granted to the respective members who could not attend committee meetings.

Besides the members of the committee, meeting of the Risk Management Committee was attended by the Chief Financial Officer, Permanent and other invitees with the permission of the Chairperson. The Company Secretary & Compliance Officer acts as a secretary to the Committee.

Terms of reference

The terms of reference of the Risk Management Committee inter-alia includes the following:

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, 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.

- Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
 - To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
 - To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
 - To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
 - The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
 - The board of directors shall define the role and responsibility of the Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit such function shall specifically cover cyber security;
 - The 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;

Risk Management Systems:

- To examine and determine the sufficiency of the Company's internal processes for reporting on and managing key risk areas;
- To assess and recommend to the Board acceptable levels of risk;
- To monitor and review the working and functioning of the Risk Management Committee of Executives;
- To carry out any other functions as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.
- To monitor sectoral exposure limits for consumer credit as approved by Board on an ongoing basis.

- To oversee the effectiveness of the framework for Early Warning Signals (EWS)/ Red Flagged Accounts (RFA). To review & monitor the efficiency & efficacy of AML transaction Monitoring systems.
- To review the MLTF risk assessment conducted & progress thereof

Liquidity Risk:

- To evaluate the overall risks faced by the company including liquidity risk;
- To monitor and review the working and functioning of the Asset Liability Management Committee;

Information Technology and Information/Cyber Security Risk

- To review and update Information Technology and Information security risks, including the Cyber Security related risks in consultation with the IT Strategy Committee as presented by the Chief information Security Officer ("CISO") on quarterly basis.

Outsourcing Financial Services:

- To formulate and implement a comprehensive Outsourcing of Financial Services policy;
- To approve a framework for evaluating the risks and materiality of all existing and prospective outsourcing and the policies that apply to such arrangements;
- To lay down appropriate approval authorities for outsourcing depending on risks and materiality;
- To set up suitable administrative framework of senior management for the purpose of implementing robust risk management practices with respect to Outsourcing;
- To undertake regular review of outsourcing strategies and arrangements for their continued relevance, safety and soundness;
- To decide on business activities of a material nature to be outsourced and to approve such arrangements;
- To review the central record of material outsourcing on half yearly basis;
- To establish adequate management structure to monitor and control the outsourcing activities.
- To review the working of risk management committee of executives w.r.t. discussions and decisions pertaining to outsourcing of financial services.

- bb) To approve on boarding the vendor whose estimated annual expenses is more than INR 2 crore. For existing vendor, whose actual annual expense reaches the limit of INR 2 crore shall be submitted to the Committee in subsequent meeting.

Others

- cc) To review portfolio level report of all accounts turned into Special Mention Account or Non-Performing Asset along with status of repayment from such accounts.
- dd) To execute strategy of overall governance and oversight of core risk management activities when delegated by the Board of directors of the Company.
- ee) any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI LODR Regulations,

Composition & Attendance

The Composition of the CSR Committee and the details of attendance of the Members at the Meetings held during the year under review are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Rajendra Kumar Setia	Chairperson	Executive Director (Managing Director & CEO)	30-01-2015	2	2
Mr. Anand Raghavan	Member	Non- Executive Independent Director	07-04-2018	2	2
Mr. Simit Batra	Member	Non-Executive Nominee Director	13-06-2023	2	1
Mr. Yash Setia	Member	Executive Director (Whole Time Director)	30-01-2023	2	2
Mr. Mukul Mathur	Member	Non- Executive Independent Director	18-04-2024	2	2

The necessary quorum was present for all the above meetings. Leave of absence was granted to the respective members who could not attend committee meetings.

Besides the members of the committee, meetings of the CSR Committee were attended by the Chief Financial Officer and other invitees with the permission of Chairperson of the Meeting. The Company Secretary & Compliance Officer acts as a secretary to the Committee.

RBI Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 notified vide RBI/DoR/2023-24/106 DoR. FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Regulatory Requirement

The Company has constituted a CSR Committee in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules 2014. The detailed report on CSR activities is attached as “Annual Report on CSR Activities” which forms part of this Annual Report.

Meeting Details

During the Financial Year 2025-26, 2(Two) CSR Committee Meetings were held on 28th May, 2025 and 29th January, 2026.

Terms of reference

The terms of reference of the CSR Committee inter-alia includes the following:

- Formulate and recommend to the Board of Directors of the Company, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- Implementing the CSR policy and monitoring the same from time to time;

- Reviewing and making recommendations, as appropriate, with regard to the Company's CSR policy indicating CSR programs / projects to be undertaken by the Company as specified under Schedule VII of the Act;
- Recommending the amount of expenditure to be incurred on the identified CSR activities;
- Formulate and recommend to the Board, an annual action plan consisting of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Act, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken;
- Coordinating with implementing agencies for implementing programs and executing initiatives as per the CSR policy and review the performance of such agencies periodically for execution of CSR programs or projects of the Company;
- Identification and monitoring the implementation of multi-year projects / programs (“Ongoing Projects”) and recommending to the Board modifications, if any, for the smooth implementation of the Ongoing Projects within the overall legally permissible time period. The Committee may also recommend to the Board, after providing reasonable justification that a CSR project or program that was not initially approved as a multi-year project be re-categorized as an Ongoing Project.
- Fix the schedule of implementation of CSR projects and programs and monitoring the progress on approved projects and shortfalls in achieving the CSR plan;
- Reviewing the expenditure incurred on CSR activities by the company and submission of the Annual report on CSR to the Board;
- Monitoring the administrative overheads in pursuance of CSR activities or projects or programs so that they do not exceed the prescribed thresholds;

- The Committee shall ensure that the necessary monitoring mechanism has been put in place to monitor the utilization of the funds disbursed for CSR activities or projects or programs.
- To recommend to the Board an amount available for setting off the excess amount spent against CSRObligations of the financial year(s) following the year of excess spend.
- Liaising with management on the Company's CSR program, including significant sustainable development, community relations and procedures;
- Identifying the principal areas of risks and impacts relating to CSR and ensuring that sufficient resources are allocated to address these liabilities;
- Reviewing the Company's CSR performance to assess the effectiveness of the Company's CSR program and to determine whether the Company is taking all appropriate action in respect of those matters and has been duly diligent in carrying out its responsibilities and to make recommendations for improvement, where appropriate;
- Reporting regularly to the Board with respect to such matters as are relevant for the Committee to discharge its responsibility;
- Performing any other activities consistent with applicable laws and as the Committee or the Board determines necessary or appropriate.

7. IT STRATEGY COMMITTEE

Regulatory Requirement

The company has constituted IT Strategy Committee in accordance with the Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023 dated November 07, 2023, as amended from time to time.

Meeting Details

During the Financial Year 2025-26, 4(Four) IT Strategy Committee Meetings were held on 25th April, 2025, 1st September, 2025, 6th November, 2025 and 29th January, 2026.

Composition & Attendance

The Composition of the IT Strategy Committee and the details of attendance of the Members at the Meetings held during the year under review are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Mukul Mathur	Chairperson	Non- Executive Independent Director	18-04-2024	4	4
Mr. Amar Lal Daultani	Member	Non- Executive Independent Director	22-09-2017	4	4
Ms. Nanda Sameer Dave	Member	Non- Executive Independent Director	18-04-2024	4	4
Mr. Simit Batra	Member	Non –Executive Nominee Director	13-06-2023	4	3
Mr. Yash Setia	Member	Executive Director (Whole Time Director)	30-01-2023	4	4

Notes:

- Mr. Avijit Bahadur Singh was appointed as Chief Information Officer of the company w.e.f. 04th August, 2025 in the meeting of Board of Directors held on 28th May, 2025 and consequently, inducted as Permanent Invitee in place of Mr. Ajit Singh Sajwan, Chief Technology Officer.
- Mr. Bhavesh Kumar, Chief Information Security Officer is permanent invitee of the meeting.

The necessary quorum was present for all the above meetings. Leave of absence was granted to the respective members who could not attend committee meetings.

Besides the members of the committee, meeting of the IT Strategy Committee was attended by the Chief Financial Officer, Permanent and other invitees with the permission of the Chairperson. The Company Secretary & Compliance Officer acts as a secretary to the Committee.

Terms of reference

The terms of reference of the IT Strategy Committee inter-alia includes the following:

- The Committee shall work in partnership with other Board committees and Senior Management to provide input to them for IT Governance;
- Approving and reviewing IT strategy and policy documents and suggest changes, if required;
- Ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;

- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls;
- Review the Digital processes and its Roadmap;
- Review of Cyber Security Arrangements;
- Review the working of IT Steering Committee of the Company;
- Review the status of IT Investments;
- Review the IT Outsourcing Arrangements and evaluating the risks and materiality of associated with prospective outsourcing on periodic basis and recommending the same to the Board;
- Describing the approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;
- Review organizational arrangements so that security concerns are appreciated, receive adequate attention and get escalated to appropriate levels in the hierarchy to enable quick action;

- Reviewing the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management at least on annual basis;
- Institute an effective governance mechanism and risk management process for all IT outsourced operations;
- Ensuring that contingency plans have been developed and tested adequately;
- Ensuring an independent review and audit in accordance with approved policies and procedures;
- Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the RE towards accomplishment of its business objectives.
- Ensuring processes for assessing and managing IT and cybersecurity risks are put in place.
- Ensuring that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the company's IT maturity, digital depth, threat environment and industry standards and are utilized in a manner intended for meeting the stated objectives.

8. EXECUTIVE COMMITTEE

The Executive Committee is a Board delegated committee that deals with strategic and operational matters which require fast decision making. The Committee monitors resource mobilization and ensures efficient and timely decisions on the matters relating to Finance activities of the Company. The decisions taken at the meetings of Executive committee are within the power conferred by the Board to the committee. Such decisions are further noted at a duly convened Board meeting.

Meeting Details

During the Financial Year 2025-26, 34 (Thirty-Four) Executive Committee Meetings were held on 09th April 2025, 17th April 2025, 24th April 2025, 12th May 2025, 21st May 2025, 30th May 2025, 10th June 2025, 20th June 2025, 25th June 2025, 27th June 2025, 30th June 2025, 17th July 2025, 18th August 2025, 20th August 2025, 30th August 2025, 18th September 2025, 23rd September 2025, 26th September 2025, 09th October 2025, 13th October 2025, 24th October 2025, 14th November 2025, 25th November 2025, 26th November 2025, 17th December 2025, 29th December 2025, 13th January 2026, 30th January 2026, 16th February 2026, 25th February 2026, 16th March 2026, 23rd March 2026, 26th March 2026 and 31st March 2026 .

Composition & Attendance

The Composition of the Executive Committee and the details of attendance of the Members at the Meetings held during the year under review are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Rajendra Kumar Setia	Chairperson	Managing Director & CEO	28-05-2015	34	32
Mr. Vivek Haripal Singh	Member	Chief Strategy Officer and Head- Resource Mobilization	28-06-2018	34	34
Mr. Atul Arora	Member	Chief Financial Officer	28-05-2015	34	34
Mr. Yash Setia	Member	Whole Time Director	30-01-2023	34	32
Mr. Munish Dayal	Member	Senior President	29-01-2025	34	34

The necessary quorum was present for all the above meetings. Leave of absence was granted to the respective members who could not attend committee meetings.

Besides the members of the committee, meeting of the Executive Committee was attended by the other invitees with the permission of the Chairperson. The Company Secretary & Compliance Officer acts as a secretary to the Committee.

Terms of reference

The terms of reference of the Executive Committee inter-alia includes the following:

- a) Managing the day to day business and operational affairs of the Company;
- b) Establishing best management practices, functional standards and work ethics;
- c) Borrow money and exercise all powers to borrow moneys not exceeding ₹ 18,000 Crores (Rupees Eighteen Thousand Crores only) in Indian Rupees or equivalent thereof in any foreign currency(ies) in aggregate at any time including but not limited to term loans, cash credit, working capital, overdraft facility, external commercial borrowing, commercial paper, securitization and assignment transaction and other form of borrowings and taking all necessary actions connected therewith within the limit prescribed under law and authorize employees of the company for execution;
- d) Creation/modification of charges on assets of the company to secure borrowings made/ to be made under section 179 and 180(1) (c) of the Act and satisfaction of charges post repayment of such borrowings.
- e) Issue and Allot non-convertible debentures aggregating up to ₹ 6,300 Crores (Rupees Six Thousand and Three hundred Crores only) in one or more tranches from time to time (including but not limited to public issue of Non- Convertible Debentures (NCDs), if any) and to do all such acts, deeds and things, and take necessary actions and to comply with all formalities as may be required in connection with and incidental to the aforesaid offering of NCDs, including the prior and 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;
- f) Provide guarantee including performance guarantee, issue letter of comfort and providing securities and taking all necessary actions connected therewith (subject to applicable provisions of Act and applicable laws;
- g) Review of banking arrangement/facilities and taking all necessary actions connected therewith including re-financing for optimization of borrowing costs (subject to overall limit of borrowing);
- h) Selling of portfolio through direct assignment of its receivables/ book debts upto 12% (twelve Percent) of the Total Asset under

Management (AUM) immediately preceding quarter end in favour of banks / financial institutions, other investing agencies and trustees for the holders of debentures / bonds / Pass Through Certificates and other instruments and authorize employees of the company for execution;

- i) Selling of portfolio through securitization transactions (PTCs) of its receivables/ book debts upto 35% (Thirty Five percent) of the Total AUM immediately preceding quarter end in favour of banks / financial institutions, other investing agencies and trustees for the holders of debentures / bonds / Pass Through Certificates and other instruments and authorize employees of the company for execution;
- j) To approve the Write off cases of receivables/ book debts/ asset of the company;
- k) Purchasing assignment and through securitized portfolio of other company's/ body corporate receivables/ banks / financial institutions receivables/ book debts upto 10% of Total AUM immediately preceding quarter end in favour of company and to authorize employees of the company for execution;
- l) Adoption, Amendment of functional and internal management policies and Standard Operating Procedures ("SOP") falling under the purview of Executive Committee of Board;
- m) To ensure the implementation of all approved policies and SOP's falling under the purview of Executive Committee of Board and to do all such ancillary activities related to such policies and SOP's;
- n) To enter into co-lending arrangements with Banks, financial institutions, Non-banking financial companies and other body corporates and to all such acts, things and deeds as may be required in this regard in compliance with co-lending policy approved by the Board of Directors of the Company;
- o) Advise on financial matters/policies in overall interest of Company;
- p) Opening of various bank/ demat/escrow accounts and/or operation of bank/ demat/ escrow accounts;
- q) Appointment of employees/ officers as authorize signatories on behalf of the company for appearing before various judicial, quasi-judicial, non-judicial, forms, governments, semi-governments authorities or any other governing body;

- r) Appointment of employees/ officers as authorize signatories on behalf of the company for Securitization of its Receivables/ book debts/ asset of the company;
- s) Appointment of employees/ officers of company as 'Authorized Officer' under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") and allied rules as amended from time to time;
- t) Empanelment of Vendors for Outsourcing Arrangements, conduction of Due Diligence or such other matters in this connection;
- u) Authorize employees/officers for signing various agreements, engagement letters, mandates;
- v) To approve all charges and any revisions thereof as per the interest rate policy of the company;
- w) To approve the process in relation to Recruitment, on-boarding, re-hiring and separation of employee;
- x) To Approve the Schemes/processes for Employee benefits, Leave Entitlement Manual and Learning & Development Programme for their Implementation;
- y) To authorize the Managing Director & Chief Executive Officer or Whole Time Director or Chief Financial Officer or Company Secretary & Compliance Officer of the company to sign, certify and submit various forms, returns, Board/Committee resolutions, documents, agreements, affidavits, undertakings, clarifications, declaration/disclosure, papers and letters etc. on behalf of the company with any Statutory, Judicial, Quasi-Judicial

Authority(ies) and to do all such ancillary acts, deeds, matters and things as required in the best interest of the Company;

- z) To enter into any type of Derivative Products and Structured Hedge Contract with banks / financial institutions /other body corporate and to authorize employees of the company for its execution;
- aa) To approve Sale of Stressed Assets/Loans in compliance with the board approved Sale of stressed assets policy of the company and any other applicable law.
- bb) To take note of transfer of Company's equity shares which attracts filing of FC-TRS and to place summary of the same in the quarterly board meeting.

9. PRODUCT APPROVAL COMMITTEE

Regulatory Requirement

The company has constituted Product Approval Committee in accordance with the Reserve Bank of India (Non-Banking Financial Company- Governance) Directions, 2025 dated 28th November, 2025, Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025 dated 28th November, 2025 and RBI Circular- Compliance Function and Role of Chief Compliance Officer (CCO) notified vide RBI/2022-23/24 Ref.No.DoS.CO.PPG./SEC.01/11.01.005/2022-23 dated 11 April, 2022.

Meeting Details

During the Financial Year 2025-26, 4(Four) Product Approval Committee Meetings were held on 26th June, 2025, 19th August, 2025, 17th October, 2025 and 24th January, 2026.

Composition & Attendance

The Composition of the Product Approval Committee and the details of attendance of the Members at the Meetings held during the year under review are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Rajendra Kumar Setia	Chairperson	Managing Director & CEO	12-04-2023	4	4
Mr. Ajit Singh Sajwan ¹	Member	Head of IT Projects-Chief Technology Officer	12-04-2023	1	1
Mr. Avijit Bahadur Singh ¹	Member	Head of IT Projects- Chief Information Officer	19-08-2025	3	3
Ms. Anubha Khandelwal	Member	Chief Compliance Officer	04-11-2022	4	4

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Atul Arora	Member	Chief Financial Officer	12-04-2023	4	4
Mr. Balveer Bera ¹	Member	Head of IT Projects-Senior Vice President 1 Business Solution Group	12-04-2023	1	1
Mr. Gajendra Sharma ²	Member	National Credit Manager	12-04-2023	3	3
Mr. Tej Pratap Singh	Member	National Head of Operations	20-12-2023	4	4
Mr. Yash Setia	Member	Whole time Director	04-11-2022	4	4
Mr. Sameer Bhatia ¹	Member	Head of IT Projects-Chief Digital Officer	03-02-2025	1	1
Mr. Jai Govind Pancholi	Member	Chief Risk Officer	20-03-2025	4	4
Mr. Krishan Dalal ²	Member	Head of Credit-Wheels	24-01-2026	1	1

Notes:

- Mr. Avijit Bahadur Singh was appointed as Chief Information Officer of the company w.e.f. 04th August, 2025 in the meeting of Board of Directors held on 28th May, 2025 and consequently, inducted as member in place of Mr. Ajit Singh Sajwan, Chief Technology Officer and Mr. Balveer Bera, Senior Vice President 1, Business Solution Group and Mr. Sameer Bhatia, Chief Digital Officer.
- Mr. Krishan Dalal was appointed as Head of Credit-Wheels of the Company w.e.f. 04th December, 2025 and consequently, inducted as member in place of Mr. Gajendra Sharma, National Credit Manager.

The necessary quorum was present for all the above meetings. The Company Secretary & Compliance Officer acts as a secretary to the Committee.

Besides the members of the committee, meeting of the Product Approval Committee was attended by the invitees and proposers with the permission of the Chairperson.

Terms of reference

The terms of reference of Product Approval Committee inter-alia includes the following:

- The Committee shall review any new product proposals and suggest modifications if any.
- The Committee shall review any changes, modification, upgradation, revision in the existing products, as and when proposed.
- The Committee shall propose the critical/material changes in the products for

the approval to the Board of Directors in accordance with the Board approved Credit Policy.

10. INVESTMENT COMMITTEE

The company has constituted an Investment Committee which is a Board Delegated Committee to review, approve, and oversee the Investment and other related matters of Investment of the company.

Meeting Details

During the Financial Year 2025-26 12 (Twelve) Investment Committee Meetings were held on 04th April 2025, 09th May 2025, 10th June 2025, 10th July 2025, 11th August 2025, 12th September 2025, 15th October 2025, 17th November 2025, 29th December 2025, 15th January 2026, 10th February 2026 and 14th March 2026.

Composition & Attendance

The Composition of the Investment Committee and the details of attendance of the Members at the Meetings held during the year under review are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Rajendra Kumar Setia	Chairperson	Managing Director & CEO	04-11-2022	12	12
Mr. Atul Arora	Member	Chief Financial Officer	04-11-2022	12	12
Mr. Vivek Haripal Singh	Member	Chief - Strategy officer and Head- Resource Mobilization	04-11-2022	12	12
Mr. Ankur Rastogi	Member	DVP - Resource Mobilisation	04-11-2022	12	12
Mr. Arpan Nayak	Member	AVP- Resource Mobilisation	28-05-2024	12	12
Mr. Honey Jain	Member	Finance Controller	04-11-2022	12	12

The necessary quorum was present for all the above meetings. The Company Secretary and Compliance Officer acts as a secretary to the Committee.

Terms of reference

The terms of reference of the Investment Committee inter-alia includes the following:

- Deployment of funds/ sale of investments towards investment activities undertaken under the Investment policy;
- Approve deployment or liquidation of funds in Fixed Deposits;
- Approve recommendations for any changes in the investment policy and subsequently submit to the Board for ratification and approval for implementation;
- Determining classification of investments into current and long term investments;
- Ensuring Investment of funds as per the policy guidelines;
- Ensuring Accounting of the Securities transactions and reconciliation thereof and valuation of securities;
- Reassessing all onboarded Companies and re-approving on unanimous consent basis on a half yearly basis;
- Approve any breach in the Internal Limits defined in this policy, depending upon the rationale for such breach and risk associated with such breaches.
- Establish procedures governing:
 - disposal of securities and realization of proceeds and revenue dues;
 - day to day monitoring of Investment portfolio;

- review of portfolio as and when required

- Reviewing annually the internal control structure established by Chief Strategy Officer & Head of Resource Mobilisation;
- Re-approving onboarded company for further investment, in case there has been any downward change in the rating of the same, post approval from Investment Committee;
- Delegating power to Managing Director & CEO/Chief Financial Officer/Chief Strategy Officer and Head of Resource Mobilisation of the company to place FDs with Banks/SFBs, as and when required, to manage day to day cash management/funds planning cost effectively;
- Any other matter incidental to the above scope to necessary to support objectives of investment policy or within scope of the regulatory guidelines.

11. CUSTOMER SERVICE COMMITTEE (CSC):

Regulatory Requirement

The company has constituted Customer Service Committee (CSC) which is a Board Delegated Committee in accordance with Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026 dated 14th January, 2026.

Meeting Details

During the Financial Year 2025-26, 04 (Four) Customer Service Committee Meetings were held on 25th April, 2025, 01st September, 2025, 06th November, 2025 and 29th January, 2026.

Composition & Attendance

The Composition of the CSC are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of meetings entitled to attend	No. of Meetings attended
Mr. Yash Setia	Chairperson	Whole Time Director	01-02-2024	4	4
Mr. Rajendra Kumar Setia	Member	Managing Director & CEO	01-02-2024	4	4
Ms. Nanda Sameer Dave	Member	Non- Executive Independent Director	18-04-2024	4	4
Mr. Amar Lal Daultani	Member	Non- Executive Independent Director	18-04-2024	4	4

Notes:

- Mr. Nirmal Joshi was appointed as Internal Ombudsman of the Company for the tenure of 3(three) years commencing from 23rd May, 2022 till 22nd May, 2025. Upon expiry of his term, Mr. Rooplal Meena was appointed as Internal Ombudsman of the company w.e.f. 20th April, 2025 and was inducted as permanent invitee in place of Mr. Nirmal Joshi.
- Ms. Anubha Khandelwal, Chief Compliance Officer & Principal Nodal Officer and Mr. Chetan Gupta, Grievance Redressal officer shall serve as permanent invitees to the Committee.

The necessary quorum was present for all the above meetings. The Company Secretary and Compliance Officer acts as a secretary to the Committee.

Besides the members of the committee, meeting of the Customer Service Committee was attended by the Permanent and other invitees with the permission of the Chairperson.

Terms of reference

The terms of reference of the Customer Service Committee inter-alia includes the following:

- To review the level of customer service in the Company including customer complaints and the nature of their resolution;
- To provide guidance in improving the level of customer service;
- To ensure that the Company provides and continues to provide services focused on Customer Centricity across all its category of customers to help the Company in protecting and growing its brand equity;
- To evolve innovative measures for enhancing the quality of customer service and improving the overall satisfaction level of customers;
- To ensure implementation of directives received from RBI with respect to rendering of services to customers;
- To determine the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman/Deputy Internal Ombudsman, which should be appropriate keeping in view

their stature and position being at the apex of the grievance redress mechanism and also the need to attract experienced persons with requisite expertise;

- To review the periodic reports (including the analysis of complaints) furnished by the Internal Ombudsman to the committee;
- To review and discuss the cases where the decision of the Internal Ombudsman has been rejected;
- To review and approve the SOP for handling rejected/ partially rejected complaints;
- To review the root cause analysis for the complaints received and controls implemented to improve the process;
- To review complaints escalated by the customer to RBI and reason thereof;
- To review any amendments made in the Customer Grievance Redressal mechanism and provide guidance on the same;
- To review customer service aspects and intimate the same to the Board and guide for initiating prompt corrective action wherever service quality / skill gaps have been noticed;
- To review metrics and indicators that provide information on the state of customer service; providing direction to the management on actions to be taken to improve the metrics;
- To reviewing the actions taken/ being taken to standardize the delivery of customer experience across all branches.

12. IPO COMMITTEE:

Regulatory Requirement

The company has constituted an IPO Committee which is a Board Delegated Committee for the purposes of approving and undertaking various activities in relation to the Initial Public Offer and listing of the Equity Shares on one or more of the recognized stock exchanges.

Meeting Details

During the Financial Year 2025-26, 01 (One) IPO Committee Meeting was held on 21st July, 2025.

Composition & Attendance

The Composition of the IPO Committee are as under:

Name of the Member	Status in Committee	Category	Member of Committee Since	No. of meetings entitled to attend	No. of Meetings attended
Rajendra Kumar Setia	Chairperson	Managing Director & CEO	01-02-2024	1	1
Yash Setia	Member	Whole Time Director	01-02-2024	1	1
Anand Raghavan	Member	Non- Executive Independent Director	01-02-2024	1	1
Simit Batra	Member	Non-Executive Nominee Director	01-02-2024	1	1

Notes:

- Mr. Niren Shah, Investor Observer on behalf of Norwest Business Ventures X – Mauritius is permanent invitee of the Committee meeting .

The necessary quorum was present for the above meeting. The Company Secretary and Compliance Officer acts as a secretary to the Committee.

Besides the members of the committee, meeting of the IPO Committee was attended by the Chief Financial Officer and Permanent invitee with the permission of the Chairperson.

Terms of reference

The terms of reference of the IPO Committee inter-alia includes the following:

- To take on record the number of Equity Shares proposed to be offered by the Selling Shareholder(s);
- To make applications to, seek clarifications, obtain approvals and seek exemptions from, where necessary, the SEBI, the Stock Exchanges, the Registrar of Companies, Rajasthan at Jaipur ("RoC"), the relevant registrar of companies, the Reserve Bank of India, and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications

/ amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;

- To finalize, settle, approve, adopt and file in consultation with the book running lead managers appointed for the Offer (the "BRLMs") where applicable, the draft red herring prospectus, the red herring prospectus and the prospectus in connection with the Offer, the preliminary and final international wrap, abridged prospectus, and any amendments, supplements, notices, addenda or corrigenda thereto together with any summaries thereof as may be considered desirable or expedient ("Offer Documents"), and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;
- To decide, negotiate and finalise in consultation with the BRLMs on the actual Offer size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including any reservation, green shoe option and any rounding off

in the event of any oversubscription, the price band (including offer price for anchor investors), any revision to the price band, bid period, minimum bid lot for the purpose of bidding, final Offer price after bid closure, to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable law, determine the anchor investor portion, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer;

(e) To appoint, instruct and enter into and terminate arrangements with the BRLMs, and in consultation with BRLM(s), appoint and enter into agreements with intermediaries including underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, sponsor bank(s), legal advisors, auditors, advertising agency, independent chartered accountants, industry expert, depositories, custodians, printers and any other agencies or persons or intermediaries in relation to the Offer, including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and remuneration of all such intermediaries/agencies including the payments of commissions, brokerages, etc.;

(f) To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the draft red herring prospectus, the red herring prospectus, the prospectus, the preliminary and final international wrap, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the Offer, agreement with the advertising agency in relation to the Offer, bid-cum-application forms, confirmation of allotment notes and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, advertising agency, stock exchange(s), BRLMs, and any other agencies/intermediaries in connection with the Offer, and any notices, supplements and corrigenda thereto, with the power to authorise one or more officers of the

Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;

(g) To decide, negotiate and finalize, in consultation with the BRLMs, all matters regarding the Pre-IPO Placement, if any, including entering into discussions and execution of all relevant documents with Investors;

(h) To seek, if required, the consent and/or waiver of the lenders of the Company, customers, suppliers, strategic partners, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;

(i) To open and operate bank accounts in terms of the cash escrow and sponsor bank agreement with a scheduled bank to receive applications along with application monies, for handling of refunds, and for the purposes set out in Section 40(3) of the Act, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

(j) To determine the amount, the number of Equity Shares, terms of the issue of the equity shares, the categories of investors for the Pre-IPO Placement, if any including the execution of the relevant documents with the investors, in consultation with the BRLMs, and rounding off, if any, in the event of oversubscription and in accordance with Applicable Laws;

(k) To determine and finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including issue price for anchor investors), reservation or discount (if any), approve the basis of allotment and confirm allocation/allotment of the equity shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLM(s) and the Selling Shareholders (to the extent applicable) and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;

(l) all actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the price band, allow revision of the Offer portion in case any Selling Shareholder decides to revise it, in accordance with the applicable laws;

(m) To authorise and approve in consultation with the BRLM(s), incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

(n) To accept and appropriate the proceeds of the Offer in accordance with the Applicable Laws;

(o) To approve code of conduct as may be considered necessary by the IPO Committee or as required under the Applicable Laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;

(p) To approve the implementation of any corporate governance requirements, code of conduct for the Board, officers and other employees of the Company that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the SEBI LODR Regulations, as amended and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under Applicable Laws;

(q) To finalise and issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges, with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;

(r) To undertake as appropriate such communication with the Selling Shareholders as required under applicable law, including inviting the existing shareholders of the Company to participate in the Offer by making an offer for sale in relation to such number of Equity Shares held by them as may be deemed appropriate, and which are eligible for the offer for sale in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, take all actions as may be necessary and authorised in connection with the Offer for Sale and to

approve and take on record the approval of the Selling Shareholder(s) for offering their Equity Shares in the Offer for Sale and the transfer of Equity Shares in the Offer for Sale;

(s) To authorise and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Act, as amended and other Applicable Laws;

(t) To issue advertisements in such newspapers and other media as it may deem fit and proper in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Act, as amended and other Applicable Laws;

(u) To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any;

(v) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, in consultation with the Selling Shareholders and BRLMs, including without limitation, to determine the anchor investor portion and allocation to anchor investors, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, credit of Equity Shares to the demat accounts of the successful allottees in accordance with the relevant rules, in consultation with the BRLMs in accordance with Applicable Laws;

(w) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorise one or more officers of the Company to execute all or any of the aforesaid documents;

(x) To make in-principle and final applications for listing and trading of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation,

entering into listing agreements and affixing the common seal of the Company where necessary and to take all such other actions as may be necessary in connection with obtaining such listing;

(y) To settle all questions, difficulties or doubts that may arise in relation to the Offer, including issue, allotment, terms of the Offer, utilisation of the Offer proceeds and matters incidental thereto as it may deem fit;

(z) To submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies, Rajasthan at Jaipur, the Reserve Bank of India and the relevant stock exchange(s) where the Equity Shares are to be listed;

(aa) To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;

(bb) To execute and deliver and/or to authorise and empower officers of the Company (each, an "Authorised Officer") for and on behalf of the Company to execute and deliver, on a several basis, any and all other documents or instruments and any declarations, affidavits, certificates, consents, agreements as well as amendments or supplements thereto as may be required from time to time or that the Authorised Officers consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements, the registrar agreement, the depositories agreements, the offer agreement, the underwriting agreement, the syndicate agreement, the cash escrow and sponsor bank agreement and confirmation of allocation notes, with the BRLMs, syndicate members, bankers to the Offer, registrar to the Offer, bankers to the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Offer, if any and any and all other documents

or instruments and doing or causing to be done any and all acts or things as the IPO Committee and/or Authorised Officer may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee and/or Authorised Officer shall be conclusive evidence of the authority of the IPO Committee and/or Authorised Officer and Company in so doing;

(cc) To decide, negotiate and finalise the pricing and all other related matters regarding the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with Applicable Laws;

(dd) To if necessary, withdraw the draft red herring prospectus or the red herring prospectus or to decide to not proceed with the Offer at any stage in accordance with Applicable Laws and in consultation with the BRLMs; and

(ee) To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.

13. WILFUL DEFAULTERS-REVIEW COMMITTEE

Regulatory Requirement

The company has constituted Wilful Defaulters-Review Committee which is a Board Delegated Committee in accordance with Reserve Bank of India (Non-Banking Financial Companies – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025 dated 28th November, 2025.

Meeting Details

During the Financial Year 2025-26, no meeting of Wilful Defaulters-Review Committee was held.

Composition & Attendance

The Composition of the Wilful Defaulters-Review Committee is as under:

Name of the Member	Status in Committee	Category
Mr. Rajendra Kumar Setia	Chairperson	Managing Director & CEO
Mr. Amar Lal Daultani	Member	Non- Executive Independent Director
Ms. Nanda Sameer Dave	Member	Non- Executive Independent Director

Terms of reference

The terms of reference of the Investment Committee inter-alia includes the following:

- Review and examine the evidence of wilful default on the part of the borrower / guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity;
- Review and Classify the proposal as wilful defaulter basis examination of evidences of wilful default as proposed by Identification Committee.
- Ensure that the parties are given necessary opportunities to put forth their cases before classifying them as wilful defaulters;

- Review and consider the proposal of the identification committee along with written representation, if any, and take a decision.
- Review of the problematic areas leading to advancement of wilful defaulters in the Company and develop control measures to mitigate the same;
- Review the wilful defaulters status of the Company at periodic intervals and highlight unfavorable trends and issues to the management and Board as appropriate;
- To pass a reasoned order and communicate to the wilful defaulter.

5. GENERAL BODY MEETINGS

- Details of the last three Annual General Meetings and Special resolutions passed thereat:

AGM	Date &Time	Location	Special Resolutions passed
31 st AGM	August 04, 2025 at 02:00 p.m	Through Video Conferencing Hosted at Plot No.36, Dhuleshwar Garden, Jaipur- 302001 (Rajasthan)	No Special Resolution was passed in the 31 st AGM.
30 th AGM	August 07, 2024 at 10:30 a.m.	Through Video Conferencing Hosted at Plot No.36, Dhuleshwar Garden, Jaipur- 302001 (Rajasthan)	No Special Resolution was passed in the 30 th AGM.
29 th AGM	September 25, 2023 at 02:30 p.m.	Through Video Conferencing Hosted at Plot No.36, Dhuleshwar Garden, Jaipur- 302001 (Rajasthan)	To approve the remuneration of non-executive directors of the company

- Details of the Extra ordinary General Meeting and Special resolutions passed thereat during the FY 2025-26.

Pursuant to Section 100, 101 of Act read with Companies (Management and Administration) Rules, 2014 and clause 1.2.7 of Secretarial standards on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India ("ICSI"), the Company received shareholders' approval with the requisite majority at the Extraordinary General Meetings ("EGMs") held on April 15, 2025, October 30, 2025 and March 20, 2026.

Date & Time of EGM	Venue of EGM	Agenda Passed as Special Resolution
15 th April, 2025 at 11:00 A.M	G 1-2, New Market, Khalsa Kothi, Jaipur, Rajasthan, India, 302001	1. To approve the alteration in Articles of Association of the company.
30 th October, 2025 at 11:00 A.M	G 1-2, New Market, Khalsa Kothi, Jaipur, Rajasthan, India, 302001	1. To revise the ceiling limit of remuneration of Mr. Rajendra Kumar Setia, Managing Director and Chief Executive Officer of the company. 2. To authorise the Board for issuance of Non-Convertible Debentures, in one or more tranches for one year.
20 th March, 2026 at 02:30 P.M	G 1-2, New Market, Khalsa Kothi, Jaipur, Rajasthan, India, 302001	No Special Resolution was passed in the EGM.

Notes:

- Quorum was present throughout the meetings.

c) Postal Ballot

During the financial year 2025-26, no resolutions have been passed through postal ballot.

Further, there is no proposal in the ensuing AGM to transact any business that requires the passing of resolution through postal ballot.

6. MEANS OF COMMUNICATION

The Company strives to maintain the highest standards of transparency in its communications with Shareholders, Debenture Holders, Lenders, and other stakeholders. All material information having a bearing on the performance and operations of the Company, including its financial performance and other price-sensitive or material developments, is disclosed in a full, fair, and timely manner.

Such disclosures are made electronically through BSE's Listing Centre for dissemination to the public at large. The unaudited and audited financial results of the Company are promptly submitted to the Stock Exchange and the Debenture Trustees upon approval by the Board of Directors. These results are simultaneously posted on the website of the Company at the Weblink <https://www.skfin.in/investor/investor-services>. The Company also published its results in widely circulated newspapers i.e. Financial Express and The Economic Times.

The website of the company i.e. www.skfin.in contains a complete overview of

the Company. The Company's Annual Report, financial results, details of its business, corporate announcements, policies, transcripts of general meetings, contact information of the designated officials handling investor grievances, credit ratings and other details as required under various laws are regularly updated on the Company's website.

Annual Reports (including financial statements, Auditors' report, Board Reports etc.), notice of the meetings and other communications to the members of the company, debenture trustees and to all other persons so entitled are generally sent through e-mail. Pursuant to the Regulations 58 of SEBI LODR Regulations in relation to the dispatch of the Annual Report to debenture holders, including who have not registered their email addresses, a company is permitted to send a communication containing the web link, including the exact path, where the complete Annual Report is available. This is in consonance with the relaxations granted by the Ministry of Corporate Affairs ("MCA") from time to time. Accordingly, in compliance with the applicable MCA circulars, the Annual Report along with the Notice of the Annual General Meeting ("AGM") shall be sent only through electronic mode to all Members, debenture holders, debenture trustees and other persons entitled to receive the same. Such documents shall be transmitted only to the email addresses registered with the Company or with the respective depository participant(s).

7. GENERAL SHAREHOLDER INFORMATION

32 nd Annual General Meeting	Day & Date: Tuesday, 22 nd September, 2026. Through video conferencing Time: 02:30 P.M. Venue: G 1-2, New Market, Khasa Kothi, Jaipur, Rajasthan, India, 302001
Financial Year	The financial year covers the period from 1 st April, 2025 to 31 st March, 2026.
Dividend Payment Date	The Board has not recommended dividend for F.Y. 2025-2026.
Name and address of Stock Exchange where Securities are listed and confirmation about payment of annual listing fees	The Company has issued privately placed Non-Convertible Debentures which are listed on: BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001 MH IN The Company has paid the requisite listing fees in full.
Registrars to the Issue and Share transfer Agents	Kfin Technologies Limited Selenium Building, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddi Telangana 500032 India. Email id: Venu.sp@kfin.com

Share Transfer System	In terms of Regulation 7 of the SEBI LODR Regulations, M/s Kfin Technologies Limited continues to be the Registrar and Share Transfer Agent and handles all relevant share registry services. All the securities of the Company are in dematerialized form, hence there are no physical transfer of securities.																																
Debenture Trustees	Vardhman Trusteeship Private Limited Unit No. 412, The Capital, C-70 G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051 Contact Person: Mr. Yogesh Limbachiya E-Mail: compliance@vardhmantrustee.com , yogesh@vardhmantrustee.com																																
Dematerialization of shares and liquidity	100% of the equity shares of the company are in electronic form with both National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). Transfer of these shares are done through the depositories with no involvement of the company.																																
Outstanding Convertible instruments	During the reporting period there were no outstanding Global Depository Receipts (GDRs), American Depository Receipts (ADRs), or warrants pending for conversion. Further, the Company has not issued any convertible instruments during the reporting period that would have an impact on equity.																																
Commodity price risk or foreign exchange risk and hedging activities	Commodity price risk: Not Applicable The company has fully hedged its foreign exchange risks associated with External Commercial Borrowings.																																
Locations	The Company has strengthened its presence across the 12 states and 2 Union Territories with a network of 707 branches. The geographic concentration of branches are provided in the Management Discussion and Analysis Report of this annual report.																																
Address for correspondence	Registered Office Address G 1-2, New Market, Khasa Kothi, Jaipur, Rajasthan, India – 302001 Ph.:+91-141-4161300/309, , Website: www.skfin.in , E-Mail: cs@skfin.in For queries/ complaints Contact person: Ms. Anagha Bangur Designation: Company Secretary & Compliance Officer Email id: cs@skfin.in																																
Credit ratings obtained	During the period under review, the Company reported the following changes in the credit ratings. <table><tr><th>Type of Instrument</th><th>Name of Credit Rating</th><th>Rating assigned</th><th>Previous rating assigned</th></tr><tr><td rowspan="3">(i) Non – convertible debentures</td><td>CRISIL Ratings Limited</td><td>Rating Withdrawn</td><td>CRISIL AA-/Stable</td></tr><tr><td>ICRA limited</td><td>[ICRA] AA-(Stable)</td><td>[ICRA] AA-(Stable)</td></tr><tr><td>India Ratings & Research Private Limited</td><td>IND AA-/Positive</td><td>IND AA-/Stable</td></tr><tr><td rowspan="2">(ii) Market Linked debentures</td><td>CARE Ratings Limited</td><td>Withdrawn</td><td>CARE PP-MLD AA-; Stable</td></tr><tr><td>CRISIL Ratings Limited</td><td>Withdrawn</td><td>CRISIL PP-MLD AA-; Stable</td></tr><tr><td rowspan="2">(iii) Loan facility</td><td>CARE Ratings Limited</td><td>CARE AA-;Stable</td><td>CARE AA-; Stable</td></tr><tr><td>India Ratings & Research Private Limited</td><td>IND AA-/Positive</td><td>IND AA-/Stable</td></tr><tr><td>(iv) Commercial paper</td><td>India Ratings & Research Private Limited</td><td>IND A1+</td><td>IND A1+</td></tr></table> Note: * Due to redemption/maturity of the Non-Convertible Debentures of the Company the rating was withdrawn.	Type of Instrument	Name of Credit Rating	Rating assigned	Previous rating assigned	(i) Non – convertible debentures	CRISIL Ratings Limited	Rating Withdrawn	CRISIL AA-/Stable	ICRA limited	[ICRA] AA-(Stable)	[ICRA] AA-(Stable)	India Ratings & Research Private Limited	IND AA-/Positive	IND AA-/Stable	(ii) Market Linked debentures	CARE Ratings Limited	Withdrawn	CARE PP-MLD AA-; Stable	CRISIL Ratings Limited	Withdrawn	CRISIL PP-MLD AA-; Stable	(iii) Loan facility	CARE Ratings Limited	CARE AA-;Stable	CARE AA-; Stable	India Ratings & Research Private Limited	IND AA-/Positive	IND AA-/Stable	(iv) Commercial paper	India Ratings & Research Private Limited	IND A1+	IND A1+
Type of Instrument	Name of Credit Rating	Rating assigned	Previous rating assigned																														
(i) Non – convertible debentures	CRISIL Ratings Limited	Rating Withdrawn	CRISIL AA-/Stable																														
	ICRA limited	[ICRA] AA-(Stable)	[ICRA] AA-(Stable)																														
	India Ratings & Research Private Limited	IND AA-/Positive	IND AA-/Stable																														
(ii) Market Linked debentures	CARE Ratings Limited	Withdrawn	CARE PP-MLD AA-; Stable																														
	CRISIL Ratings Limited	Withdrawn	CRISIL PP-MLD AA-; Stable																														
(iii) Loan facility	CARE Ratings Limited	CARE AA-;Stable	CARE AA-; Stable																														
	India Ratings & Research Private Limited	IND AA-/Positive	IND AA-/Stable																														
(iv) Commercial paper	India Ratings & Research Private Limited	IND A1+	IND A1+																														

8. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2026

a. Distribution of equity shareholding as on 31st March, 2026:

Number of Shares	Holding	Percentage to capital	Number of Accounts	Percentage to total accounts
Upto 50,00,000	3,18,72,160	23.70%	368	98.92%
50,00,001- 1,00,00,000	71,95,836	5.35%	1	0.27%
Above 1,00,00,000	9,54,15,760	70.95%	3	0.81%
Total	13,44,83,756	100%	372	100%

b. Categories of equity shareholders as on 31st March, 2026:

Category	No of equity shares*	Percentage of Holding
Promoter & Promoter Group*	4,31,44,771	32.08%
Alternate Investment Funds	2,03,35,020	15.12%
Foreign Institutional Investors	6,51,69,849	48.46%
Others	58,21,616	4.34%
Total	13,44,83,756	100%

*The equity shares in Promoter & Promoter group comprises of persons as under:

S. No.	Name of person	Category	No. of shares
1	Mr. Rajendra Kumar Setia	Promoter	4,19,02,747
2	Rajendra Kumar Setia HUF	Promoter	2,50,000
3	Mr. Yash Setia	Promoter	2,600
4	Ms. Bhajan Devi Setia	Promoter Group	2,600
5	Ms. Shalini Setia	Promoter Group	2,600
6	Mr. Raj Kumar Setia	Promoter Group	7,65,224
7	Mr. Sameer Arora	Promoter Group	2,19,000

9. OTHER DISCLOSURES

- a) All transactions entered into with the Related Parties as defined under the Act and SEBI LODR Regulations during the financial year were in the ordinary course of business and on an arm's length basis. The details of the transactions with related parties were placed before the Audit Committee and Board on the quarterly basis throughout the year.

During the Financial Year 2025-26, there were no materially significant transactions or arrangements entered into between the Company and its Promoters, Directors or their Relatives or the Management, etc., that may have potential conflict with the interests of the Company at large. Further, details of related party transactions are presented in Note Number 37 to Financial Statements in the Annual Report. The policy on dealing with Related Party Transaction is available on the Company's website at the web link <https://www.skfin.in/investor/policies-codes>

Note: Pursuant to Regulation 62(K) of SEBI LODR Regulations, the Company have submitted the disclosures of related party

transactions along with the half yearly financial results.

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

• Adjudication application with ROC:

The Company had filed a suo moto application dated April 26, 2024, before the RoC seeking adjudication of penalties for non-compliance with section 62(1) (b) of the Act. In this regard, the RoC, by way of its order dated May 22, 2024, has imposed a penalty of ₹ 4 lakhs (Rupees Four Lakhs Only) upon the Company and ₹ 1 lakh (Rupees One Lakh Only) each on our Managing Director and Chief Executive Officer, Whole-time Director, Chief Financial Officer and the Company Secretary. The Company, Managing Director and Chief Executive Officer, Whole-time Director, Chief Financial

Officer and the Company Secretary, have made the payments pertaining to the aforesaid penalties.

• Settlement Application filed with SEBI:

SEBI had issued summary settlement notice dated August 29, 2024 to the Company for alleged violation of Section 23(1), 26(4), 26(6) and 33(1) of the Act and Regulation 4(3), 6, 7, 8, 9 and 16 of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 for Non-Convertible Debentures issued to Karvy Capital Limited in FY 2018-19 on private placement basis. Accordingly, the company had filed the Settlement Application with SEBI on September 27, 2024 under Chapter-II of the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 ("SEBI Settlement Regulations") by paying settlement amount of ₹ 67,50,000/- (Rupees Sixty-Seven Lakh and Fifty Thousand). The said settlement amount was refunded by SEBI.

The Company had again filed a settlement application dated May 02, 2025 with SEBI under the SEBI (Settlement Proceedings) Regulations, 2018, proposing to settle, by neither admitting nor denying the findings of facts and conclusions of law, the enforcement proceedings that may be initiated against it for the alleged violations of applicable provisions of the Act, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and SEBI (Issue and Listing of Debt Securities) Regulations, 2008, for Non-Convertible Debentures issued on private placement basis.

The Company has paid an amount of ₹ 8,75,000.00 (Indian Rupees Eight Lakh Seventy Five Thousand only) towards the settlement. The SEBI has issued the settlement order in this regard on February 12, 2026.

- c) The Vigil Mechanism as envisaged in the Act and the Rules prescribed thereunder, RBI Directions and the SEBI LODR Regulations is implemented through the Whistle Blower Policy. This Policy provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee. The Audit Committee is apprised on the vigil mechanism on a

periodic basis. During the year, no personnel was denied access to the Chairperson of the Audit Committee.

The Whistle Blower Policy provides for protected disclosure and protection to the Whistle Blower. Under the Vigil Mechanism all stakeholders have been provided access to the Audit Committee through the Chairperson, to report illegal or unethical behavior, actual or suspected fraud(s) or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity. The Whistle Blower Policy is available on the Company's website at the Weblink <https://www.skfin.in/investor/policies-codes>.

- d) Disclosure of commodity price risks and commodity hedging activities- The Company does not engage in trading or dealing in commodities and hence is not exposed to commodity price risk. However, the Company has entered into derivative transactions with various counterparties to hedge its foreign exchange and interest rate risks arising out of External Commercial Borrowings (ECBs) and these ECBs are fully hedged.
- e) The Company during the reporting period has not raised funds through preferential allotment or qualified institutions placement.
- f) During the year, the Board has accepted all recommendations made by the committees of the board.
- g) The total fees paid to Statutory Auditors of the Company and all entities in the network firm/network entity of which the statutory auditor is a part, for the year ended March 31, 2026, are as follows:

M/s S.R. Batliboi & Associates LLP#

S. No.	Particulars	Fees Amount
1	Fees for Initial Public Offer (IPO) related Services	1,14,97,078
Total		1,14,97,078

M/s Deloitte Haskins & Sells*

S. No.	Particulars	Fees Amount
1	Statutory Audit Fee	1,23,41,157
2	Non-Audit Service	23,71,360
3	Fees for IPO related Services	1,90,75,000
Total		3,37,87,517

M/s A. Bafna & Co*

S. No.	Particulars	Fees Amount
1	Statutory Audit Fee	22,89,000
2	Non-Audit Service	54,500
Total		23,43,500

*In accordance with section 139 of the Act, M/s Deloitte Haskins & Sells, Chartered Accountants [Firm Registration Number: 117365W], were appointed for a three-year term i.e. till the conclusion of the 33rd Annual General Meeting (AGM) of the Company to be held in the calendar year 2027.

Further in compliance with the RBI Guidelines on appointment of Statutory Central Auditors (SCAs)/Statutory Auditors of Commercial Banks (excluding RRBs), UCBs and NBFCs, specifically mandating the appointment of Joint Statutory Auditor in Entities with an asset size of ₹15,000 crore and above, the Company, having an asset size of ₹15,160.19 crore as on March 31, 2025, was required to appoint a Joint Statutory Auditor. Accordingly, based on the recommendations of the Audit Committee and the Board in their respective Meetings held on 28th May, 2025, M/s A. Bafna & Co., Chartered Accountants, [Firm Regn. No. – 003660C] were appointed as Joint Statutory Auditor by the Members in the 31st AGM of the Company for a period of 3 consecutive years from the conclusion of 31st AGM held on 04th August, 2025 till the conclusion of 34th AGM of the Company to be held in the calendar year 2028.

#Services of **M/s S.R. Batliboi & Associates LLP** (who were appointed as Statutory auditor of the company from 01st April, 2021 to 31st March, 2024) were taken for IPO related matters.

- h) The Company is committed to providing and promoting a safe and healthy work environment for all its employees at the workplace and has adopted a 'Policy on Prevention of Sexual Harassment at workplace' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the Redressal of complaints pertaining to sexual harassment and in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules thereunder. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right of Women to work with dignity.

The following is a summary of Sexual Harassment complaint(s) received and

disposed off during the year 2025-26, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder:

Complaints at the beginning of the year	Complaints received during the year	Complaints resolved during the year	Complaints Pending for more than 90 days	Complaints pending at the end of the year
NIL	NIL	NIL	NIL	NIL

- i) The Company has not provided any Loans and Advances in the nature of loans to firms/companies in which directors are interested.
- j) The Company does not have any subsidiary company. However, the Board has approved "Policy on determining material subsidiaries". The policy may be referred at the website of the Company at the weblink: <https://www.skfin.in/investor/policies-codes>
- k) All the members of the Board and Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2026. The Code is displayed on the website of the Company at the Weblink: <https://www.skfin.in/investor/policies-codes>. A declaration to this effect signed by the Managing Director and CEO forms part of Annual Report as "Annexure – I".
- l) The Management Discussion and Analysis Report (MDAR) forms part of this Annual Report. The detailed report is placed in a separate section of the Annual Report.
- m) A certificate from Mr. Manoj Maheshwari, Practicing Company Secretary (Membership No. FCS 3355), partner of M/s V. M. & Associates, Company Secretaries has been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority. The same forms part of the Annual Report as "Annexure-II".
- n) A certificate from Mr. Manoj Maheshwari, Practicing Company Secretary (Membership No. FCS 3355), partner of M/s V. M. & Associates, Company Secretaries regarding compliance of conditions of corporate governance forms part of Annual Report as "Annexure – III".
- o) The Company adheres to the Fair Practices Code (FPC) recommended by sector regulator, the Reserve Bank of India (RBI) and seeks to promote good and fair practices by

setting minimum standards in dealing with customers while doing lending business. Moreover, the comprehensive Know Your Customer (KYC) Guidelines and Anti Money Laundering Standards, issued by the RBI, are also strictly followed.

- p) The Company has framed and adopted a Code of conduct to regulate, monitor and report trading by designated persons and immediate relatives of designated persons in the listed securities of the Company as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015 (SEBI PIT Regulations). A policy containing procedures for conduct of inquiry in case of leakage of UPSI or suspected leakage of UPSI forms part of the Code for designated persons and immediate relatives of designated persons. The Company has also formulated a Code of practices and procedures for fair disclosure of UPSI and a policy for determination of 'legitimate purposes' for communicating / procuring UPSI. The said Code of practices and procedures for fair disclosure is available

on the Company's website at <https://www.skfin.in/investor/policies-codes>

10.ADOPTION OF MANDATORY AND NON-MANDATORY REQUIREMENTS OF PART E OF SCHEDULE II OF SEBI LODR:

The Company has fulfilled the following non - mandatory requirements:

- The Report of the Joint Statutory Auditors on the financial statement of the Company for the FY 2025-26 doesn't contain any qualification;
- The Chairperson of the Company is a non-executive director and is not related to the Managing Director and the Chief Executive Officer of the Company;
- The position of Chairperson and Managing Director are held by different individuals;
- The Board of Directors of the Company comprises one (1) Woman Independent Director.

For and on behalf of the Board of Directors
For **SK Finance Limited**

Place: Jaipur
Date: July 29, 2026
Regd. Address: G 1-2, New Market, Khasa Kothi, Jaipur, Rajasthan, India - 302001
Website: www.skfin.in
Email: info@skfin.in

Yash Setia
Whole-Time
Director DIN: 09831391

Rajendra Kumar Setia
Managing Director & CEO
DIN: 00957374

Annexure-I

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To,
The Board of Directors
SK FINANCE LIMITED

I, Rajendra Kumar Setia, Managing Director and Chief Executive Officer of the Company acknowledges that the Board of Directors of SK Finance Limited has adopted a Code of Conduct to be followed by all Members of the Board and Senior Management Personnel of the Company respectively in compliance with the Regulation 62D(10) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. I hereby declares that as per Regulation 62D(10), Regulation 62O(3) and Schedule V of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended on 31st March, 2026.

Rajendra Kumar Setia

Managing Director & Chief Executive Officer
DIN: 00957374

Place: Jaipur
Date: July 29, 2026
Regd. Address: G 1-2, New Market, Khasa Kothi,
Jaipur – 302001 (Rajasthan)
Website: www.skfin.in Email: info@skfin.in

Annexure-II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to BSE Limited's Notice dated January 07, 2022 read with Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
SK Finance Limited
G 1-2, New Market, Khasa Kothi
Jaipur– 302001 (Rajasthan)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SK Finance Limited** having **CIN: U65923RJ1994PLC009051** and having registered office at **G 1-2, New Market, Khasa Kothi, Jaipur – 302001 (Rajasthan)** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with BSE Limited's Notice no. 20220107-16 dated January 07, 2022 read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other Statutory Authority.

Sr. No.	Name of Director	DIN
1.	Rajendra Kumar Setia	00957374
2.	Yash Setia	09831391
3.	Anand Raghavan	00243485
4.	Amar Lal Daultani	05228156
5.	Debanshi Basu	07135074
6.	Simit Batra	09739615
7.	Nanda Sameer Dave	08673208
8.	Mukul Mathur	10025806

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Jaipur
Date: April 30, 2026
UDIN: F003355H000239206

For **V. M. & Associates**
Company Secretaries
(ICSI Unique Code P1984RJ039200
PR 5447 / 2024

CS Manoj Maheshwari
Partner
Membership No.: FCS 3355
C P No.: 1971

Annexure – III

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
SK Finance Limited
G 1-2, New Market, Khasa Kothi
Jaipur– 302001 (Rajasthan)

1. We have examined the compliance of conditions of Corporate Governance of SK Finance Limited (“the Company”) for the year ended on March 31, 2026 (“Audit Period”) as stipulated in Chapter VA and paragraphs C, D and E of Schedule V of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [collectively referred to as “SEBI Listing Regulations”].

During the Audit Period, the Company ceased to qualify as a High Value Debt Listed Entity (“HVDLE”) pursuant to Regulation 62C(1) of SEBI Listing Regulations, w.e.f. January 22, 2026. Consequently, the provisions of Chapter VA of the SEBI Listing Regulations remained applicable to the Company up to that date.

Management’s Responsibility for compliance with the conditions of SEBI Listing Regulations

2. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Our Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with the Corporate Governance requirements by the Company.
5. We have conducted our examination in accordance with the Guidance Note on Corporate Governance Certificate and the Guidance Manual on Quality of Audit & Attestation Services issued by the Institute of Company Secretaries of India (“ICSI”).

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations.
7. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Jaipur
Date: April 30, 2026
UDIN: F003355H000239173

For **V. M. & Associates**
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 5447 / 2024

CS Manoj Maheshwari
Partner
Membership No.: FCS3355
C P No.: 1971

INDEPENDENT AUDITORS’ REPORT

To The Members of SK Finance Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of SK Finance Limited (the “Company”), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year 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 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, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (“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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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

Key Audit Matter	Auditor’s Response
Impairment of loans Management estimates impairment provision using Expected Credit Loss (ECL) model for the loan exposure as per the Board approved policy which is in line with Ind AS and applicable regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: Identification and classification of the impaired loans, including classification of loans into Stage 1, Stage 2, Stage 3 and Others in accordance with the internal credit risk management framework of the Company, criteria prescribed under Ind AS 109 “Financial Instruments” and in consideration with relevant regulatory guidelines of the Reserve Bank of India (RBI),	Our audit approach include 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.

Key Audit Matter	Auditor's Response
- The segmentation of loans for ECL assessment on a collective basis, - Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, macro-economic factors, subsequent recoveries made and other relevant factors. - Adjustments to model driven ECL results. The relevant disclosures are made in financial statements for ECL including those related to judgements and estimates used by the Management in determination of the ECL. Refer Notes 3(C), 8 and 43(B) to the financial statements.	We tested the completeness of loans included in the ECL calculations as of March 31, 2026, by reconciling it with the balances as per loan register as on that date. We tested loans in Stage 1, Stage 2 and Stage 3 and Others, on sample basis to verify that they were classified to the appropriate stage and tested the appropriateness of the segmentation. For samples of exposure, we tested the appropriateness of determining Exposure at Default (EAD), PD and LGD. We tested samples to ascertain the accuracy of the input data used for determining the PD and LGD rates. For forward looking assumptions used in ECL calculations, we held discussions with management and those charged with governance, assessed the assumptions used and the probability weights assigned to the possible outcomes. Tested details of post model adjustments. Tested the arithmetical accuracy of computation of ECL provision performed by the Company. We assessed the adequacy and appropriateness of disclosures in compliance with Ind AS 107: Financial Instruments - Disclosures in relation to ECL.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Boards' Report including Annexures (the "Board's report"), but does not include the financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Board's 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'.

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows 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 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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

The financial statements as at and for the year ended March 31, 2025, have been audited by Deloitte Haskins & Sells, Chartered Accountants, one of the joint statutory auditors of the Company, whose report dated May 28, 2025, expressed an unmodified opinion on those financial statements. Accordingly, we, A Bafna & Co, Chartered Accountants, do not express any opinion on the figures reported in the financial statements as at and for the year ended March 31, 2025.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes and the Statement of Cash Flows in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the 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 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 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 financial statements - Refer Note 36 to the 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 52 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 90 (viii) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 90 (viii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether

recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), 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 accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the 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 Registration No. 117365W)

G. K. Subramaniam

Partner
(Membership No 109839)
UDIN: 26109839VXFEHM9318
Place: Mumbai
Date: April 30, 2026

For A Bafna & Co

Chartered Accountants
(Firm Registration No. 003660C)

Vivek Gupta

Partner
(Membership No 400543)
UDIN: 26400543HALNLR2114
Place: Jaipur
Date: April 30, 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 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 financial statements of SK Finance Limited (the “Company”) as at March 31, 2026 in conjunction with our audit of the 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 financial statements based on the internal control with reference to 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 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements

A Company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or

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

For Deloitte Haskins & Sells

Chartered Accountants
(Firm Registration No. 117365W)

G. K. Subramaniam

Partner
(Membership No 109839)
UDIN: 26109839VXFEHM9318
Place: Mumbai
Date: April 30, 2026

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 financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note.

For A Bafna & Co

Chartered Accountants
(Firm Registration No. 003660C)

Vivek Gupta

Partner
(Membership No 400543)
UDIN: 26400543HALNLR2114
Place: Jaipur
Date: April 30, 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)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (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 Company has a program of verification of Property, Plant and Equipment so to cover all the items once every 3 years which, in our opinion, it is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.
- (c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, (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 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 any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year, hence clause 3(ii)(d) of the Order is not applicable.
- (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 and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- ii. (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) As explained in Note 1 to the financial statements, the Company is a non-deposit taking non-banking financial company (NBFC) registered with the RBI and as part of its business activities, is engaged in the business of lending across various types of loans.

During the year, in the ordinary course of its business, the Company has made investments in, provided security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. The Company has not provided any guarantee to any other entity during the year. With respect to such investments, security and loans and advances:
 - a. The Company’s principal business is to give loans, and hence reporting under clause 3(iii) (a) of the Order is not applicable.
 - b. In our opinion, having regard to the nature of the Company’s business, the investments made, security given and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, prima facie, not prejudicial to the Company’s interest. The Company has not provided any guarantees during the year.
 - 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 3(C) to the financial statements explains the Company’s accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2026, aggregating Rs.

52,146.27 lakh were categorised as credit impaired (“Stage 3”) and Rs. 56,491.36 lakh were categorised as those where the credit risk has increased significantly since initial recognition (“Stage 2”) and Rs. 9,317.11 lakh as those which went to Stage 3 (90+ DPD) earlier and has rolled back but yet to become 0 DPD on the reporting date (“Others”). Disclosures in respect of such loans have been provided in Note 43(B)(i) to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating Rs. 12,97,395.87 lakh, where credit risk has not significantly increased since initial recognition (categorised as “Stage 1”), overdue in the repayment of interest and/or principal aggregating Rs. 6,732.96 lakh were also identified, albeit of less than 31 days. 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 in respect of loans and advances in the nature of loans overdue for more than ninety days, as at the year-end is Rs. 52,146.27 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

- b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs. in lakh)	Period to which the Amount Relates	Forum where Dispute is Pending
Finance Act, 1994	Service Tax	550.37	FY 2010-2015	Customs, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	446.89	FY 2015-2018	Customs, Excise and Service Tax Appellate Tribunal
CGST Act, 2017	GST	591.80	FY 2017-2018	Goods and Service Tax Department-Additional Commissioner
CGST Act, 2017	GST	172.86	FY 2018-2019	Goods and Service Tax Department-Additional Commissioner
Income Tax Act, 1961	Income Tax	33.46	FY 2019-2020	Commissioner of Income Tax (Appeals)

during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Act, and hence reporting under clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable.
- (vii) In respect of statutory dues:

- a. The Company has generally been regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees’ State Insurance, Income Tax, Cess and other material statutory dues applicable to it, with the appropriate authorities. As explained to us, the Company did not have any dues payable on account of sales tax, service tax, duty of customs, duty of excise and value added tax.

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.

- (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 terms loans raised towards the end of the year.
- (d) On an overall examination of the maturity profile of financial assets and financial liabilities provided in Note 44 to the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company does not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company does not have any subsidiary or associate or joint venture and hence reporting on clause 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.
- (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) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) 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 financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports issued to the Company for the year.
- (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 conducted Non-Banking Financial activities with a valid Certificate of Registration ('CoR') from the RBI as per the Reserve Bank of India Act, 1934. The Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
- (c) The Company is not a Core Investment Company ("CIC") and hence reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Company does not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (xvi)(d) of the Order is not applicable to the Company.
- (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, Asset Liability Maturity (ALM) pattern, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.
- (xxi) The Company does not have any subsidiary or associate or joint Venture during the year and hence, reporting under the clause (xxi) of the Order is not applicable.

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

G. K. Subramaniam
Partner
(Membership No 109839)
UDIN: 26109839VXFEHM9318
Place: Mumbai
Date: April 30, 2026

For A Bafna & Co
Chartered Accountants
(Firm Registration No. 003660C)

Vivek Gupta
Partner
(Membership No 400543)
UDIN: 26400543HALNLR2114
Place: Jaipur
Date: April 30, 2026

Balance Sheet

As at March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Financial assets			
Cash and cash equivalents	4	33,404.44	38,569.15
Bank balance other than cash and cash equivalents	5	82,216.91	1,51,846.12
Derivative financial instruments	6	10,337.70	565.83
Receivables			
Other receivables	7	1,754.71	1,682.27
Loans	8	13,83,049.58	11,84,088.05
Investments	9	1,30,609.24	1,03,941.03
Other financial assets	10	48,237.60	35,326.43
Total financial assets		16,89,610.18	15,16,018.88
Non-financial assets			
Current tax assets (net)		34.20	348.46
Deferred tax assets (net)	32	-	1,091.21
Property, plant and equipment	11	21,353.80	21,585.03
Intangible assets under development	12	118.36	275.64
Other intangible assets	13	1,941.82	956.50
Other non-financial assets	14	2,162.12	1,664.19
Total non-financial assets		25,610.30	25,921.03
Total assets		17,15,220.48	15,41,939.91
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	6	-	894.95
Debt securities	15	3,45,256.56	2,17,668.36
Borrowings (other than debt securities)	16	9,36,717.72	9,42,740.83
Other financial liabilities	17	30,029.73	27,614.23
Total financial liabilities		13,12,004.01	11,88,918.37
Non-financial liabilities			
Current tax liabilities (net)		355.43	-
Provisions	18	2,067.98	1,194.97
Deferred tax liabilities (net)	32	794.43	-
Other non-financial liabilities	19	1,810.08	1,644.77
Total non-financial liabilities		5,027.92	2,839.74
EQUITY			
Equity share capital	20	1,344.83	1,340.01
Other equity	21	3,96,843.72	3,48,841.79
Total equity		3,98,188.55	3,50,181.80
Total liabilities and equity		17,15,220.48	15,41,939.91
Material accounting policies	1-3		

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No: 117365W

For **A Bafna & Co.**
Chartered Accountants
Firm Registration No: 003660C

For and on behalf of the Board of Directors of
SK Finance Limited

G. K. Subramaniam
Partner
ICAI Membership No. 109839

Vivek Gupta
Partner
ICAI Membership No. 400543

Rajendra Kumar Setia
(Managing Director & CEO)
DIN - 00957374

Yash Setia
(Whole Time Director)
DIN - 09831391

Atul Arora
(Chief Financial Officer)

Anagha Bangur
(Company Secretary)
Membership No.: F10697

Place : Mumbai
Date : April 30, 2026

Place : Jaipur
Date : April 30, 2026

Place : Jaipur
Date : April 30, 2026

Statement of Profit and Loss

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operation			
Interest income	22	2,45,586.50	2,12,020.20
Fees and commission income	23	14,528.67	9,662.05
Net gain on fair value changes	24	712.73	-
Net gain on de-recognition of financial instruments under amortised cost category	25	21,532.16	16,111.89
(I) Total revenue from operations		2,82,360.06	2,37,794.14
(II) Other income	26	458.67	843.63
(III) Total income (I+II)		2,82,818.73	2,38,637.77
Expenses			
Finance costs	27	1,11,916.69	97,130.69
Net loss on fair value changes	24	-	281.40
Impairment on financial instruments	28	32,599.96	23,876.97
Employee benefits expenses	29	58,989.07	49,792.94
Depreciation and amortization	30	5,298.19	4,649.45
Other expenses	31	17,289.84	14,430.23
(IV) Total expenses		2,26,093.75	1,90,161.68
(V) Profit before tax (III-IV)		56,724.98	48,476.09
(VI) Tax expense	32		
(1) Current tax		12,281.75	9,290.48
(2) Deferred tax		1,354.61	1,218.90
Total tax expense		13,636.36	10,509.38
(VII) Profit for the year (V-VI)		43,088.62	37,966.71
(VIII) Other comprehensive income	32		
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(144.59)	(192.71)
Income tax relating to items that will not be reclassified to profit or loss		36.39	48.50
Items that will be reclassified to profit or loss			
Cash flow hedge reserve		2,254.56	(1,148.22)
Income tax relating to items that will be reclassified to profit or loss		(567.43)	288.98
Other comprehensive income		1,578.93	(1,003.45)
(IX) Total comprehensive income for the year (VII+VIII) (comprising profit and other comprehensive income for the year)		44,667.55	36,963.26
(X) Earnings per equity share par value of ₹ 1 each	33		
Basic (₹)		32.08	28.36
Diluted (₹)		31.80	28.15
Material accounting policies	1-3		

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No: 117365W

For **A Bafna & Co.**
Chartered Accountants
Firm Registration No: 003660C

For and on behalf of the Board of Directors of
SK Finance Limited

G. K. Subramaniam
Partner
ICAI Membership No. 109839

Vivek Gupta
Partner
ICAI Membership No. 400543

Rajendra Kumar Setia
(Managing Director & CEO)
DIN - 00957374

Yash Setia
(Whole Time Director)
DIN - 09831391

Atul Arora
(Chief Financial Officer)

Anagha Bangur
(Company Secretary)
Membership No.: F10697

Place : Mumbai
Date : April 30, 2026

Place : Jaipur
Date : April 30, 2026

Place : Jaipur
Date : April 30, 2026

Statement of Changes in Equity

For the year ended March 31, 2026

A. Equity share capital

(₹ in lakhs except otherwise stated)

Particulars	As at		As at	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Balance at the beginning of the reporting year	1,340.01	1,337.44		
Changes in equity share capital during the year	4.82	2.57		
Balance at the end of the reporting year	1,344.83	1,340.01		

Equity share capital

Particulars	As at March 31, 2026			As at March 31, 2025		
	Number	Amount	Number	Amount	Number	Amount
Equity shares of ₹ 1 each issued, subscribed and fully paid						
Balance at the beginning of the reporting year	13,40,02,204	1,340.01	13,37,45,064	1,337.44		
Changes in equity share capital due to prior period errors	-	-	-	-		
Restated balance at the beginning of the current/previous year						
Changes in equity share capital during the year	13,40,02,204	1,340.01	13,37,45,064	1,337.44		
Balance at the end of the reporting year	4,81,552	4.82	2,57,140	2.57		
	13,44,83,756	1,344.83	13,40,02,204	1,340.01		

Note 1 - refer note 20(f) for description of changes in equity shares during the year.

B. Other equity

Particulars	Share application money pending allotment	Reserves and surplus					Other comprehensive income on	Total
		Statutory reserve	Securities premium	Share options outstanding account	Retained earnings- other than remeasurement of post employment benefit obligations	Retained earnings- remeasurement of post employment benefit obligations		
Balance as at April 1, 2024	160.02	19,597.21	2,09,539.12	1,957.64	78,475.79	(209.12)	-	3,09,520.66
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2024	160.02	19,597.21	2,09,539.12	1,957.64	78,475.79	(209.12)	-	3,09,520.66
Profit for the year (net of tax)	-	-	-	-	37,966.71	-	-	37,966.71
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(144.21)	(859.24)	(1,003.45)
Total Comprehensive income for the year ended March 31, 2025	-	-	-	-	37,966.71	(144.21)	(859.24)	36,963.26

Statement of Changes in Equity

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	Share application money pending allotment	Reserves and surplus					Other comprehensive income on	Total
		Statutory reserve	Securities premium	Share options outstanding account	Retained earnings- other than remeasurement of post employment benefit obligations	Retained earnings- remeasurement of post employment benefit obligations		
Transfer/utilizations								
Application money received/ (adjusted) during the year	(160.02)	-	-	-	-	-	-	(160.02)
Transfer to statutory reserve	-	7,593.34	-	-	(7,593.34)	-	-	-
Securities premium on fresh issue of equity share capital	-	-	-	-	-	-	-	-
Securities premium on transfer of ESOP Shares to employees	-	-	765.29	-	-	-	-	765.29
Share issue expenses	-	-	-	-	-	-	-	-
Share options exercised during the year	-	-	343.60	(343.60)	-	-	-	-
Share based payment expenses	-	-	-	1,752.60	-	-	-	1,752.60
Transfer of reserve on account of bonus issue	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	-	27,190.55	2,10,648.01	3,366.64	1,08,849.16	(353.33)	(859.24)	3,48,841.79
Balance as at April 1, 2025	-	27,190.55	2,10,648.01	3,366.64	1,08,849.16	(353.33)	(859.24)	3,48,841.79
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2025	-	27,190.55	2,10,648.01	3,366.64	1,08,849.16	(353.33)	(859.24)	3,48,841.79
Profit for the year (net of tax)	-	-	-	-	43,088.62	-	-	43,088.62
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(108.20)	1,687.13	1,578.93
Total Comprehensive income for the year ended March 31, 2026	-	-	-	-	43,088.62	(108.20)	1,687.13	44,667.55
Transfer/utilizations								
Application money received/ (adjusted) during the year	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	8,617.72	-	-	(8,617.72)	-	-	-
Securities premium on fresh issue of equity share capital	-	-	-	-	-	-	-	-

Statement of Changes in Equity

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	Share application money pending allotment	Reserves and surplus					Other comprehensive income on	Total
		Statutory reserve	Securities premium	Share options outstanding account	Retained earnings-remeasurement of post employment benefit obligations	Retained earnings-remeasurement of post employment benefit obligations		
Securities premium on transfer of ESOP shares to employees	-	-	1,407.31	-	-	-	-	1,407.31
Share issue expenses	-	-	-	-	-	-	-	-
Share options exercised during the year	-	-	660.92	(660.92)	-	-	-	-
Share based payment expenses	-	-	-	1,927.07	-	-	-	1,927.07
Transfer of reserve on account of bonus issue	-	-	-	-	-	-	-	-
Balance as at March 31, 2026	-	35,808.27	2,12,716.24	4,632.79	1,43,320.06	(461.53)	827.89	3,96,843.72

Material accounting policies

1-3

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 117365W

For **A Bafna & Co.**
Chartered Accountants
Firm Registration No. 003660C

For and on behalf of the Board of Directors of
SK Finance Limited

G. K. Subramaniam
Partner
ICAI Membership No. 109839

Vivek Gupta
Partner
ICAI Membership No. 400543

Rajendra Kumar Setia
(Managing Director & CEO)
DIN - 00957374

Yash Setia
(Whole Time Director)
DIN - 09831391

Place : Mumbai
Date : April 30, 2026

Place : Jaipur
Date : April 30, 2026

Atul Arora
(Chief Financial Officer)
Place : Jaipur
Date : April 30, 2026

Anagha Bangur
(Company Secretary)
Membership No.: F10697

Statement of Cash Flows

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flows from operating activities		
Profit before tax	56,724.98	48,476.09
Adjustments for:		
Loss/(gain) on sale of property, plant and equipment	(22.55)	3.94
Finance costs	1,11,916.69	97,120.26
Interest income	(2,45,586.50)	(2,12,020.20)
Net gain on de-recognition of financial instruments under amortised cost category	(21,532.16)	(16,111.89)
Net gain on investments	(2.98)	(2.65)
Impairment on financial instruments	32,599.96	23,876.97
Employee share based payment expenses	1,927.07	1,752.60
Depreciation and amortization	5,298.19	4,649.45
	(58,677.30)	(52,255.43)
Cash inflow from interest on loans	2,28,362.79	1,94,296.95
Cash outflow towards finance cost	(1,07,846.79)	(96,074.23)
Cash generated from operation before working capital changes	61,838.70	45,967.29
Working capital changes:		
(Increase) in trade receivables	(72.44)	(1,674.86)
(Increase) in loans	(2,24,558.54)	(2,43,253.29)
(Increase) in other financial assets	(731.43)	(10,462.01)
(Increase) in other non-financial assets	(497.93)	(532.08)
Increase in other financial liabilities	5,141.51	6,135.55
Increase/(decrease) in provisions	728.42	(470.12)
Increase in other non-financial liabilities	165.31	406.08
	(1,57,986.40)	(2,03,883.44)
Income taxes paid (net of refunds)	(11,612.07)	(7,328.58)
Net cash (used in) operating activities (A)	(1,69,598.47)	(2,11,212.02)
Cash flows from investing activities		
Purchase of property, plant and equipment, capital work in progress and other intangible assets	(4,789.78)	(8,082.82)
Proceeds from sale of property plant and equipment	186.57	149.93
Investment in fixed deposits	(82,214.41)	(1,31,274.98)
Proceeds from redemption of fixed deposits	1,51,570.54	1,37,175.67
Purchase of investments	(12,27,786.46)	(9,25,659.57)
Proceeds from redemptions of investments	12,00,881.16	8,51,358.48
Interest received on investments	19,801.80	19,763.36
Net cash generated from / (used in) investing activities (B)	57,649.42	(56,569.93)

Statement of Cash Flows

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flows from financing activities		
Proceeds from issue of shares including securities premium (net off expenses)	1,412.13	767.86
Proceeds from issue of debt securities	1,34,500.00	1,68,247.72
Repayment of debt securities	(11,692.71)	(1,05,852.75)
Proceeds from borrowings (other than debt securities)	4,35,935.07	5,98,035.49
Repayment of borrowings (other than debt securities)	(4,50,644.15)	(3,93,538.14)
Payment of lease liability	(2,726.00)	(2,308.72)
Net cash generated from financing activities (C)	1,06,784.34	2,65,351.46
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(5,164.71)	(2,430.49)
Add : Cash and cash equivalents as at the beginning of the year	38,569.15	40,999.64
Cash and cash equivalents as at the end of the year*	33,404.44	38,569.15
* Components of cash and cash equivalents as at the end of the year (refer note 4)		
Balances with banks	25,674.83	22,550.40
Term deposits with original maturity of 3 months or less	4,121.21	13,221.62
Cash on hand	3,608.40	2,797.13
	33,404.44	38,569.15

Change in liabilities arising from financing activities

Particulars	As at April 1, 2024	Issued/ taken	Repaid	Non-cash changes*	As at March 31, 2025	Issued/ taken	Repaid	Non-cash changes*	As at March 31, 2026
Debt securities	1,53,655.91	1,68,247.72	(1,05,852.75)	1,617.48	2,17,668.36	1,34,500.00	(11,692.71)	4,780.91	3,45,256.56
Borrowings (other than debt securities)	7,39,832.06	5,98,035.49	(3,93,538.14)	(1,588.58)	9,42,740.83	4,35,935.07	(4,50,644.15)	8,685.97	9,36,717.72
Lease liability	9,190.42	3,742.01	(2,217.39)	742.52	11,457.56	2,308.19	(2,503.79)	595.91	11,857.87
Total	9,02,678.39	7,70,025.22	(5,01,608.28)	771.42	11,71,866.75	5,72,743.26	(4,64,840.65)	14,062.79	12,93,832.15

* Non-cash changes includes amortisation of transaction cost, accrued interest, exchange difference and change in lease liability on account of termination.

The above statement of cash flows has been prepared under the 'indirect method' as set out in Ind AS 7 - 'Statement of cash flows'.

Material accounting policies 1-3

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No: 117365W

For **A Bafna & Co.**
Chartered Accountants
Firm Registration No: 003660C

For and on behalf of the Board of Directors of
SK Finance Limited

C. K. Subramaniam
Partner
ICAI Membership No. 109839

Vivek Gupta
Partner
ICAI Membership No. 400543

Rajendra Kumar Setia
(Managing Director & CEO)
DIN - 00957374

Yash Setia
(Whole Time Director)
DIN - 09831391

Atul Arora
(Chief Financial Officer)

Anagha Bangur
(Company Secretary)
Membership No.: F10697

Place : Mumbai
Date : April 30, 2026

Place : Jaipur
Date : April 30, 2026

Place : Jaipur
Date : April 30, 2026

Notes to the Financial Statements

As at and for the year ended March 31, 2026

Note 1 – Corporate Information

SK Finance Limited ("SKFL" or "the Company") is a Public Limited Company incorporated under the provisions of the Companies Act, 1956. The Company is holding a Certificate of Registration ('CoR') and registered as a Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India ('RBI') Act, 1934 and having its registered office in G 1-2, New Market, Khasa Khoti, Jaipur-302001 Rajasthan. The Company is a NBFC classified under 'Middle Layer' pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Company - Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 dated November 28, 2025 as amended. The Company is engaged in the business of asset financing, lending to Small and Medium Enterprises and allied activities.

Note 1A – Basis of preparation

A. Statement of compliance and basis of preparation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (the 'Act'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The Balance Sheet, The Statement of Profit and Loss, The Statement of Changes in Equity, The Statement of Cash Flows and notes to the financial statements, including a summary of material accounting policies and other explanatory information are together referred as the 'financial statements' of the Company.

The financial statements of the Company as at and for the year ended March 31, 2026 have been prepared and presented in accordance with the accounting principle generally accepted in India specified under Section 133 of the 'Act' read with the Companies (Indian Accounting Standards) Rules 2015, as amended.

The financial statements are prepared and presented on accrual and going concern basis and the relevant provisions of Act and the guidelines and directives issued by the Reserve Bank of India (RBI) to the extent applicable. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

These financial statements were authorized for issue by the Company's Board of Directors in their meeting held on April 30, 2026.

B. Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value/amortised cost, as applicable (refer to material accounting policies), net defined (asset)/ liability, present value of defined benefit obligations at fair value, investments carried at fair value and liabilities for equity-settled share-based payment arrangements at fair value. The methods used to measure fair value are detailed further in notes to financial statements.

C. Functional and presentation currency

These financial statements are prepared in Indian Rupees (INR or ₹), which is the Company's functional currency. All financial information presented in INR or ₹ has been rounded to the nearest lakhs and two decimals thereof, except as stated otherwise. The Company presents its Balance sheet in order of liquidity.

Note 2 - Use of estimates and judgements

The preparation of financial statements to be in conformity with the Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reported period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgement, estimates and assumptions are required in particular for:

I. Determination of estimated useful lives of property, plant and equipment and intangible assets

Useful lives of property, plant and equipment and intangible assets are based on the life prescribed in Part C of Schedule II of the 'Act'.

II. Measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the

Notes to the Financial Statements

As at and for the year ended March 31, 2026

basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy.

III. Recognition of deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

IV. Recognition and measurement of provisions and contingencies

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

V. Fair value of share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility, future salary increases and dividend yield and making assumptions about them.

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses a Black-Scholes model.

VI. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be derived

from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

VII. Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI (Solely Payments of Principal and Interest) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

VIII. Effective Interest Rate (EIR) method

The Company's EIR methodology recognises interest income/expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given/taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instruments. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

IX. Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECL) on its financial assets measured at amortized cost, Fair Value through Other Comprehensive Income (FVOCI) and Fair Value through Profit and Loss (FVTPL).

Notes to the Financial Statements

As at and for the year ended March 31, 2026

At each reporting date, the Company assesses whether the above financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

X. Determination of lease term

Ind AS 116 *Leases* requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

XI. Discount rate for lease liability and right of use assets

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. And discount rate of security deposits is generally based on the SBI deposit rate at the time of deposit.

Note 3 – Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. Accounting policies are consistently applied except where a newly-issued Ind AS initially adopted or a revision to an existing Ind AS requires a change in the accounting policy.

A. Property, plant and equipment

i. Recognition and measurement

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable

purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Advances paid towards acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other non-financial assets and cost of assets not ready to use before such date are disclosed under capital work-in-progress. The capital work-in-progress is stated at cost less impairment, if any.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and cost of respective item can be measured reliably.

iii. Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives in the manner prescribed in Part C of the Schedule II of the 'Act', and is recognised in the statement of profit and loss. Depreciation is charged on a pro-rata basis for assets acquired/sold during the year from/to the date of acquisition/sale. The Company has estimated 5% residual value at the end of the useful life for all block of assets.

The estimated useful lives of items of PPE for the current and comparative periods are as follows:

Nature of assets	Useful life as per part c Schedule II of the 'Act'	Useful life adopted by the Company
Furniture and fixture	10 years	10 years
Vehicles	8 years	8 years
Office equipment	5 years	5 years
Computers and accessories	3 years	3 years
Servers and networks	6 years	6 years
Plant and equipment	15 years	15 years

Leasehold improvements are depreciated over the remaining period of lease or estimated useful life of the assets, whichever is lower.

Notes to the Financial Statements

As at and for the year ended March 31, 2026

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively if appropriate.

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates prospectively.

iv. De-recognition

PPE are de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is recognised in other income/expense in the Statement of Profit and Loss in the year the asset is de-recognised.

B. Intangible assets

i. Recognition and measurement

Intangible assets are stated at cost of acquisition less accumulated amortization 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.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

ii. Subsequent expenditure

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

iii. Amortisation

Intangible assets comprise computer software which is amortized on a straight-line basis over the estimated useful economic life. The useful life of the intangible assets are estimated at 3 to 5 years.

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

iv. De-recognition

Intangible assets are de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is recognised in other income/expense in the Statement of Profit and Loss in the year the asset is de-recognised.

C. Impairment of financial assets

Methodology for computation of Expected Credit Losses (ECL)

The financial instruments covered within the scope of ECL include financial assets measured at amortised cost and FVOCI.

The loss allowance has been measured using lifetime ECL except for financial assets on which there has been no significant increase in credit risk since initial recognition. In such cases, loss allowance has been measured at 12 month ECL.

At each reporting date, the Company assesses whether any financial asset carried at amortised cost and FVOCI is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred since initial recognition. Evidence that a financial asset is credit-impaired includes the observable data such as Days Past Due ('DPD') or default event.

ECL is a probability weighted estimate of credit losses, measured as follows:

ECL has been estimated by determining the probability of default ('PD'), loss given default ('LGD') and Exposure at Default ('EAD'). PD has been computed using observed history of default and converted into forward looking PD's using suitable macro-economic variable data. For the financial assets that are credit impaired at the reporting date, the methodology is similar with PD set at 100%.

For trade receivables, the Company applies a simplified approach. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Notes to the Financial Statements

As at and for the year ended March 31, 2026

Criteria used for determination of movement from stage 1 (12 month ECL) to stage 2 (lifetime ECL), stage 3 (Credit impaired)

The Company applies a three-stage approach to measure ECL on financial assets measured at amortised cost. The assets migrate through the following three stages based on an assessment of qualitative and quantitative considerations:

- Stage 1: 12 month ECL:

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Interest income is accrued using the EIR on the gross carrying amount.

- Stage 2: Lifetime ECL (significant impaired):

At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial assets since initial recognition. In determining whether credit risk has increased significantly since initial recognition, the Company uses DPD information and other qualitative factors to assess deterioration in credit quality of a financial asset.

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Interest income is accrued using the EIR on the gross carrying amount.

- Stage 3: Credit impaired:

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the asset have occurred. For financial assets that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the EIR to the amortized cost (net of loss allowance).

If, in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the ECL reverse from lifetime ECL (credit impaired) to lifetime ECL (significant impaired)/12-months ECL.

- Others:

Others include loan facilities which went to stage 3 (90+ DPD) earlier and rolled back but yet to become 0 DPD on the reporting date.

For such credit exposures, the Company recognizes either 12-month ECL or lifetime ECL, based on the DPD of the respective credit exposures as at the reporting date.

Method used to compute lifetime ECL:

The Company calculates ECLs based on a 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 present value of cash flows that the entity expects to receive. The Company applies statistical techniques to estimate lifetime ECL.

Manner in which forward looking assumptions are incorporated in ECL estimates:

The Company considers its historical loss experience and adjusts it for current observable data. In addition, the Company uses reasonable forecasts of future economic conditions including judgement to estimate the amount of ECL. The methodology and assumptions including any forecasts of future economic conditions are periodically reviewed and changes, if any, are accounted for prospectively.

D. Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, an impairment is recognised for such excess amount in the Statement of Profit and Loss.

The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on pre-tax discount rate.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the statement of profit and loss.

Notes to the Financial Statements

As at and for the year ended March 31, 2026

E. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value (except trade receivables which is at transaction price) and, in the case of financial assets not recorded at fair value through profit or loss, transaction fees or costs that are directly attributable and incremental to the origination/acquisition of the financial asset.

All regular way purchase or sale of financial assets are recognised and derecognised on a trade date basis.

Regular way purchase or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification

The Company classifies its financial assets as subsequently measured at either amortized cost or fair value based on the business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Business model assessment

The Company assesses the objective of a business model in which an asset is held such that it best reflects the way the business is managed and is consistent with information provided to management. The information considered includes:

- The objectives for the portfolio, in particular, management's strategy of focusing on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing

the financial assets is achieved and how cash flows are realised;

- 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.

Assessment whether contractual cash flows is solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Subsequent measurement and gains and losses:

The Company classifies its financial assets in the following measurement categories:

(i) Amortised cost (AC)

A financial asset is measured at amortised cost if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. EIR is being calculated by considering all costs and incomes attributable to acquisition of a financial asset reported as part of interest income in the Statement of Profit and Loss. The losses if any, arising from impairment are recognised in the Statement of Profit and Loss.

Notes to the Financial Statements

As at and for the year ended March 31, 2026

(ii) Fair value through profit and loss (FVTPL)

This is a residual category for classification. Any asset which does not meet the criteria for classification as at amortised cost or FVOCI, is classified as FVTPL. Financial assets at FVTPL are measured at fair value, and changes in fair value therein are recognised in the Statement of Profit and Loss.

(iii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that meets the SPPI test, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI).

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

The Company issues non-convertible debentures, the return of which is linked to performance of specified indices market indicators over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the Statement of Profit and Loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received.

Financial liabilities

All financial liabilities are recognised initially at fair value. In the case of financial liabilities not recorded at fair value through profit or loss, the financial liabilities are recognized at fair value

plus transaction fees or costs that are directly attributable and incremental to the origination/acquisition of the financial liabilities.

All financial liabilities are subsequently measured at amortised cost using EIR method. Liabilities which are classified at fair value through profit or loss, including derivatives that are liabilities, shall be subsequently measured at fair value. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

F. Derecognition of financial assets and financial liabilities

Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under assignment arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company assesses the derecognition test where the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred or retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the carrying amount of the

Notes to the Financial Statements

As at and for the year ended March 31, 2026

asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in the Statement of Profit and Loss.

Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The difference between the carrying value of the financial liability and the consideration paid is recognised in the Statement of Profit and Loss.

G. Write-offs

Financial assets are written off when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts or fraud cases. Any subsequent recoveries are credited to impairment on financial instruments in the Statement of Profit and Loss. However, financial assets that are written-off may be subject to enforcement activities to comply with the Company's procedures for recovery of amounts due.

H. Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

When measuring the fair value 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).

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.

I. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

J. Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Derivative financial instruments are initially recognised at fair value on the date at which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss.

Notes to the Financial Statements

As at and for the year ended March 31, 2026

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss.

K. Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. 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 fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or 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.

Hedges that meet the criteria for hedge accounting are accounted for, as described below:

Fair value hedges

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability, or an identified portion of such an asset, liability that is attributable to a particular risk and could affect the Statement of Profit and Loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the Statement

of Profit and Loss in net gain/(loss) on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the Statement of Profit and Loss in net gain/(loss) on fair value changes.

The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria is no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the Statement of Profit and Loss.

Cash flow hedges

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 (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately 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

Notes to the Financial Statements

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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.

L. Revenue recognition

Interest income

Interest income from financial asset is recognised by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

The EIR is the rate that discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset adjusted for transaction fees or costs that are directly attributable. The interest income is recognised on EIR method on a time proportion basis applied on the carrying amount for financial assets.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the Balance Sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of Profit and Loss.

Interest income on credit impaired assets is recognised by applying the EIR to the amortised cost (i.e. carrying value net of loss allowance) of the financial asset.

Delayed payment interest levied on customers for delay in repayments/non-payment of contractual cash flows is accrued on certainty of realization.

Income from investments are recognised on accrual basis as the investments are classified as fair value through profit and loss.

Fees and commission income

Revenue towards satisfaction of a performance obligation (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at amount of transaction price (net of variable consideration) allocated to that

performance obligation. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Income from other financial charges including cheque bouncing charges, foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

Net gain on fair value changes

The Company classifies certain financial assets for subsequent measurement at fair value through

Notes to the Financial Statements

As at and for the year ended March 31, 2026

profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises unrealised gains on fair value change of financial assets measured at FVTPL and realised gains on de-recognition of financial asset measured at FVTPL and FVOCI on net basis in the Statement of Profit and Loss.

Income from other support services is accounted on accrual basis.

Net gain/(loss) on de-recognition of financial instruments under amortised cost category

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of Excess Interest Spread (EIS). The future EIS basis the scheduled cash flows, on execution of the transaction, discounted at the applicable rates is recorded upfront in the Statement of Profit and Loss.

M. Employee benefits

(i) Compensated absences

The Company accounts for the liability for compensated absences based on an independent actuarial valuation conducted by an independent actuary using the Projected Unit Credit Method as at the Balance Sheet date. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

a. Gratuity – Defined Benefit Plan

The Company provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement or death while in employment or on termination of employment of on amount equivalent to 15 days basic salary payable to each completed year of service. Vesting occurs after completion of five years of service. The same is valued by an independent external actuary as at the Balance Sheet date using the

projected unit credit method to determine the present value of defined benefit obligation and the related service costs.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

b. Provident Fund/Employee State Insurance Scheme - Defined Contribution Plan

In accordance with the applicable law, all employees of the Company are entitled to receive benefits under the Provident Fund Act, 1952. The Company contributes an amount, on a monthly basis, at a determined rate to the pension scheme administered by the Regional Provident Fund Commissioner ('RPFC') and the Company has no liability for future provident fund benefits other than its annual contribution. Since it is a defined contribution plan, the contributions are accounted for on an accrual basis and recognized in the statement of profit and loss.

(iii) Share based payment

Employees Stock Option Scheme ("ESOS") - Equity settled

The ESOS provides for grant of the equity shares of the Company to employees. The scheme provides that employees are granted an option to subscribe to the equity shares of the Company that vest in the graded manner. The option may be exercised within the specified period.

Equity-settled share-based payments to employees are recognised as an expense at the fair value of equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the graded vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

N. Taxes

Income tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of

Notes to the Financial Statements

As at and for the year ended March 31, 2026

Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income-tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset only if the Company has a legally enforceable right to set off the recognised amounts, and it intends to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

O. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year, adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

P. Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of

Notes to the Financial Statements

As at and for the year ended March 31, 2026

the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The Company considers incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change

in rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the lease liability, right-of-use asset or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right of use assets has been presented under Property, plant and equipment while lease liability is presented under Other Financial Liabilities in the Balance Sheet. Lease payments made by the Company are classified as financing cash flows.

Q. Provisions, Contingent liabilities and Contingent assets

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

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Company recognize such assets.

Notes to the Financial Statements

As at and for the year ended March 31, 2026

R. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

S. Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange

gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit and loss, if any.

T. Statement of cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

4 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	3,608.40	2,797.13
Balances with banks		
(i) In current account	25,674.83	22,550.40
(ii) In term deposits with original maturity of 3 months or less	4,121.21	13,221.62
Total	33,404.44	38,569.15

5 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Freehold deposits with banks	11,175.67	68,173.88
Balances with banks to the extent held as margin money or security against the borrowings *	71,041.24	83,672.24
Total	82,216.91	1,51,846.12

* Balances with banks held as security against borrowings amounts to ₹ 54,886.00 lakhs (March 31, 2025: ₹ 69,118.49 lakhs) and as cash collateral for securitisation of receivables amounts to ₹ 16,155.24 lakhs (March 31, 2025: ₹ 14,553.75 lakhs).

6 Derivative financial instruments

Particulars	As at March 31, 2026		As at March 31, 2025	
	Fair value assets	Fair value liability	Fair value assets	Fair value liability
Part I				
Currency derivatives				
Cross currency swaps	10,148.40	-	565.83	-
Interest rate derivatives				
Interest rate swaps	189.30	-	-	894.95
Total derivative financial instruments	10,337.70	-	565.83	894.95
Part II				
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows				
Fair value hedging				
Cross currency swap	-	-	-	-
Cash flow hedging				
Cross currency swap	7,532.72	-	-	1,330.88
Interest rate swaps	205.91	-	-	807.01
Undesignated derivatives	2,599.07	-	1,808.77	-
Total derivative financial instruments	10,337.70	-	1,808.77	2,137.89

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

6.1. Notional amount of derivatives financial instruments cross currency swaps is ₹ 93,697.22 lakhs (March 31, 2025 is ₹ 73,684.89 lakhs) and Interest rate swaps is ₹ 64,605.66 lakhs (March 31, 2025 is ₹ 75,681.55 lakhs).

6.2. Refer note 4.3 on financial risk management for maturity analysis of derivative financial liabilities.

6.3. The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirements or hedges that are economic hedges. The table above shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

7 Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Other receivables		
Receivables considered good - unsecured	1,754.71	1,682.27
Total	1,754.71	1,682.27

7.1 No other receivable are due from directors or other officers of the Company either severally or jointly with any other person, or from firms including limited liability partnerships (LLPs) or private companies respectively in which any director is a partner, a director or a member.

Other receivables ageing

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 years	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2026						
Undisputed other receivables – considered good	1,749.23	5.48	-	-	-	1,754.71
Undisputed other receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed other receivable – credit impaired	-	-	-	-	-	-
Disputed other receivables - considered good	-	-	-	-	-	-
Disputed other receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed other receivables – credit impaired	-	-	-	-	-	-
Total	1,749.23	5.48	-	-	-	1,754.71

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 years	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2025						
Undisputed other receivables – considered good	1,682.27	-	-	-	-	1,682.27
Undisputed other receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed other receivable – credit impaired	-	-	-	-	-	-
Disputed other receivables - considered good	-	-	-	-	-	-
Disputed other receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed other receivables – credit impaired	-	-	-	-	-	-
Total	1,682.27	-	-	-	-	1,682.27

There are no unbilled and undue receivables, hence the same is not disclosed in the ageing.

8 Loans

Particulars	As at March 31, 2026	As at March 31, 2025
A. Loans - amortised cost		
(a) Term loans	13,90,205.70	11,88,754.50
(b) Others		
- Trade advances	2,803.59	2,566.09
- Retained interest under direct assignments	22,341.32	16,069.34
Total - Gross Loans (A)	14,15,350.61	12,07,389.93
Less: Impairment loss allowance	(32,301.03)	(23,301.88)
Total - Net Loans (A)	13,83,049.58	11,84,088.05
B. Secured/ Unsecured		
(a) Secured by tangible assets	14,02,202.45	11,99,405.70
(b) Unsecured	13,148.16	7,984.23
Total - Gross Loans (B)	14,15,350.61	12,07,389.93
Less: Impairment loss allowance	(32,301.03)	(23,301.88)
Total - Net Loans (B)	13,83,049.58	11,84,088.05

8.1 All loans are in India and have been granted to individuals or entities other than public sector.

8.2 The Company covers/secures the credit risk associated with the loans given to customers by creating an exclusive charge/ hypothecation/ security on the assets/ vehicles as mentioned/ specified in the loan agreement with the customers.

8.3 During the year, the Company has not given any loan or advance to promoters, directors, key managerial personnel's and the related parties (as defined under the Act), either severally or jointly with any other person that are (a) repayable on demand, (b) without specifying any terms or period of repayment.

8.4 Refer note 4.3 on financial risk management for credit risk of assets.

8.5 Term loans originated by the Company are hypothecated with borrowings and debts securities on the exclusive charge basis as security.

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

9 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
At fair value through profit or loss		
Outside India	-	-
In India		
Debts securities	1,13,680.30	91,724.00
Security receipt of Asset Reconstruction Companies	16,928.94	12,217.03
Total	1,30,609.24	1,03,941.03

9.1 Investments in debts securities includes ₹ 22,292.13 lakhs (March 31, 2025: ₹ 29,137.66 lakhs) held as high quality liquid assets (i.e. 'HQLA') for meeting Liquidity Coverage Ratio ('LCR') requirement in compliance with Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025.

9.2 Debts securities includes investments earmarked in favour of trustees for the benefit of debenture holders as security.

10 Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Unsecured considered good		
Other advances recoverable	13,756.68	13,074.41
Excess interest spread receivable	34,411.68	22,057.53
Security deposits	474.58	425.42
Total gross	48,642.94	35,557.36
Less: Impairment loss allowance	(405.34)	(230.93)
Total net of impairment loss allowance	48,237.60	35,326.43

11 Property, plant and equipment

(₹ in lakhs except otherwise stated)

Particulars	Land	Furniture and fixtures	Vehicles	Office equipment	Computers	Leasehold improvement	Plant and equipment	Right of use assets (ROU)	Total
Balance as at April 1, 2024	8.88	2,473.24	1,995.17	1,870.13	2,876.82	5,214.72	28.15	11,275.48	25,742.59
Additions	-	435.21	746.06	416.28	944.41	1,560.16	-	3,797.31	7,899.43
Disposals/adjustments	-	(8.62)	(195.10)	(28.94)	(118.72)	(17.84)	-	(1,073.42)	(1,442.64)
Balance as at March 31, 2025	8.88	2,899.83	2,546.13	2,257.47	3,702.51	6,757.04	28.15	13,999.37	32,199.38
Accumulated depreciation as at April 1, 2024	-	702.78	484.83	736.73	1,584.59	1,261.95	0.56	2,998.17	7,769.61
Depreciation for the year	-	256.20	265.46	364.53	654.52	731.24	1.78	1,680.78	3,954.51
Disposals/adjustments	-	(3.85)	(65.39)	(19.81)	(108.46)	(17.84)	-	(894.41)	(1,109.76)
Accumulated depreciation as at March 31, 2025	-	955.13	684.90	1,081.45	2,130.65	1,975.35	2.34	3,784.54	10,614.36
Net carrying amount as at March 31, 2025	8.88	1,944.70	1,861.23	1,176.02	1,571.87	4,781.69	25.81	10,214.83	21,585.03
Balance as at April 1, 2025	8.88	2,899.83	2,546.13	2,257.47	3,702.51	6,757.04	28.15	13,999.37	32,199.38
Additions	-	149.07	387.24	177.17	1,409.83	400.79	-	2,318.66	4,842.76
Disposals/adjustments	-	(3.66)	(191.38)	(23.45)	(423.23)	(392.57)	-	(1,028.32)	(2,062.61)
Balance as at March 31, 2026	8.88	3,045.24	2,741.99	2,411.19	4,689.11	6,765.26	28.15	15,289.71	34,979.53
Accumulated depreciation as at April 1, 2025	-	955.13	684.90	1,081.45	2,130.65	1,975.35	2.34	3,784.54	10,614.36
Depreciation for the year	-	274.60	303.48	380.62	825.54	803.29	1.78	1,905.74	4,495.05
Disposals/adjustments	-	(2.32)	(61.41)	(15.63)	(394.00)	(392.22)	-	(618.09)	(1,483.67)
Accumulated depreciation as at March 31, 2026	-	1,227.41	926.97	1,446.44	2,562.18	2,386.42	4.12	5,072.19	13,625.73
Net carrying amount as at March 31, 2026	8.88	1,817.83	1,815.02	964.75	2,126.93	4,378.84	24.03	10,217.52	21,353.80

11.1.1.The Company has not carried out any revaluation of property, plant and equipment during the year ended March 31, 2026 and March 31, 2025.

11.1.2 The title deeds of the immovable properties mentioned above are in the name of the Company.

11.1.3 The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

11.1.4 The Company has elected to include ROU assets pertaining to lease of buildings as part of the property, plant and equipment as permitted under paragraph 4.7 of Ind AS 116.

11.1.5 Details of immovable properties of land, whose title deeds have been pledged in favour of trustees for the benefit of debenture holders as security (till January 10, 2025), has been explained in note 15.

11.1.6 On transition to Ind AS, the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

12 Intangible assets under development (IAUD)

Particulars	As at March 31, 2026	As at March 31, 2025
Intangible assets under development	118.36	275.64
Total	118.36	275.64

a) Intangible assets under development (IAUD) ageing schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2026					
Projects in progress	118.36	-	-	-	118.36
Projects temporarily suspended	-	-	-	-	-
Total	118.36	-	-	-	118.36
As at March 31, 2025					
Projects in progress	275.64	-	-	-	275.64
Projects temporarily suspended	-	-	-	-	-
Total	275.64	-	-	-	275.64

b) Intangible assets under development (IAUD) completion schedule

There is no intangible assets under development for which completion is overdue or has exceeded its cost compared to its original plan in the Company.

13 Other intangible assets

Particulars	Computer software	Total
Balance as at April 1, 2024	2,313.33	2,313.33
Additions	295.13	295.13
Disposals/adjustments	-	-
Balance as at March 31, 2025	2,608.46	2,608.46
Accumulated depreciation as at April 1, 2024	957.02	957.02
Amortization for the year	694.94	694.94
Disposals/adjustments	-	-
Accumulated depreciation as at March 31, 2025	1,651.96	1,651.96
Net carrying amount as at March 31, 2025	956.50	956.50
Balance as at April 1, 2025	2,608.46	2,608.46
Additions	1,788.45	1,788.45
Disposals/adjustments	(634.61)	(634.61)
Balance as at March 31, 2026	3,762.30	3,762.30
Accumulated depreciation as at April 1, 2025	1,651.96	1,651.96
Amortization for the year	803.14	803.14
Disposals/adjustments	(634.62)	(634.62)
Accumulated depreciation as at March 31, 2026	1,820.48	1,820.48
Net carrying amount as at March 31, 2026	1,941.82	1,941.82

14.1. The Company has not carried out any revaluation of intangible assets during the year ended March 31, 2026 and March 31, 2025.

14.2 On transition to Ind AS, the Company has elected to continue with the carrying value of all other intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of other intangible assets.

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

14 Other non-financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	1,905.68	1,422.09
Balances with statutory / government authorities	120.89	62.44
Advance against salary to staff	134.80	157.60
Capital advances	0.75	22.06
Total	2,162.12	1,664.19

15 Debt securities

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Secured		
Non-convertible debentures	3,45,256.56	2,09,247.38
Unsecured		
Commercial paper	-	8,420.98
Total (A)	3,45,256.56	2,17,668.36
Debt securities in india	3,45,256.56	2,17,668.36
Debt securities outside india	-	-
Total (B)	3,45,256.56	2,17,668.36

a) Nature of security

Debentures are secured by mortgage of the Company's immovable property situated at Chennai in the state of Tamil Nadu (till January 10, 2025) and are also secured against fixed deposits, investments and designated loans assets. The total asset cover is 100%-120% of the principal amount of the said debentures. There are no amount of personal guarantee given by directors and others, against the debt securities.

b) Terms of repayment schedule of secured privately placed redeemable non-convertible debentures

Maturity schedule	Interest rate range		Carrying amount	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Maturity within 1 year	9.20% - 9.25%	8.95% - 10.94%	91,525.21	3,999.79
Maturity between 1 to 3 years	9.10% - 9.67%	9.20% - 9.25%	2,10,394.95	1,75,501.41
Maturity between 3 to 5 years	9.20% - 9.25%	9.65% - 9.70%	45,926.04	31,743.89
Maturity greater than 5 years	-	-	-	-
Total	-	-	3,47,846.20	2,11,245.09
Less: Unamortised finance cost	-	-	(2,589.64)	(1,997.71)
Total amortised cost	-	-	3,45,256.56	2,09,247.38

The maturity schedule has been prepared considering the date of the final repayment instalment of the respective borrowings.

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

c) Terms of repayment schedule of commercial paper

Maturity schedule	Interest rate range		Carrying amount	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Maturity within 1 year	-	8.95% - 9.00%	-	8,420.98
Total			-	8,420.98
Less: Unamortised finance cost			-	-
Total amortised cost			-	8,420.98

The maturity schedule has been prepared considering the date of the final repayment instalment of the respective borrowings.

d) The Company has not defaulted in the repayment of dues to its lenders.

16 Borrowings (other than debt securities)

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Secured		
Term loans		
From banks	6,09,374.97	6,09,323.39
From other parties	34,746.14	40,691.43
External commercial borrowings	96,485.74	63,965.57
Loans repayable on demand		
from banks (cash credit facilities and working capital demand loans)	19,060.39	7,326.23
Other loans		
Associated liabilities in respect of securitization transactions*	1,77,050.48	2,21,434.21
Total (A)	9,36,717.72	9,42,740.83
Borrowings in India	8,40,231.98	8,78,775.26
Borrowings outside India	96,485.74	63,965.57
Total (B)	9,36,717.72	9,42,740.83

* Includes associated liabilities in respect of securitization transactions from banks of ₹ 1,64,888.93 lakhs (March 31, 2025: ₹ 2,01,846.90 lakhs) and from other parties ₹ 12,161.55 lakhs (March 31, 2025: ₹ 19,587.31 lakhs)

a) Nature of security

- Term loans from banks, from other parties and external commercial borrowings are secured by way of hypothecation on book debts, receivable and fixed deposits along with personal guarantees of directors. The total amount of personal guarantee given by directors against the term loans amounting to ₹ 62,769.36 lakhs (March 31, 2025 ₹ 58,001.55 lakhs).
- Cash credit facilities and working capital demand loans from banks are secured by way of hypothecation on book debts, term deposits and receivable along with personal guarantees of directors. The total amount of personal guarantee given by directors against the cash credit facilities and working capital demand loans amounting to Nil (March 31, 2025 Nil).
- Associated liabilities in respect of securitization transactions' represents amount received in respect of securitization transactions as these transactions do not meet the derecognition criteria specified under IND AS. These are secured by way of hypothecation of designated loans assets receivables. The Company has provided credit enhancement to the trust by way of cash collateral and bank guarantee.

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

b) Terms of repayment schedule of term loans from banks

Maturity schedule	Interest rate range		Carrying amount	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Maturity within 1 year	7.10% - 10.45%	8.50% - 10.10%	42,462.63	19,840.23
Maturity between 1 to 3 years	7.10% - 10.35%	7.10% - 10.95%	2,84,279.68	2,93,367.39
Maturity between 3 to 5 years	6.90% - 10.00%	7.50% - 10.00%	2,85,014.08	2,98,826.83
Maturity greater than 5 years	7.55% - 7.60%	-	14.88	-
Total			6,11,771.27	6,12,034.45
Less: Unamortised finance cost			(2,396.30)	(2,711.06)
Total amortised cost			6,09,374.97	6,09,323.39

The maturity schedule has been prepared considering the date of the final repayment instalment of the respective borrowings.

c) Terms of repayment schedule of term loans from other parties

Maturity schedule	Interest rate range		Carrying amount	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Maturity within 1 year	9.20% - 9.25%	7.50% - 10.80%	825.27	5,176.88
Maturity between 1 to 3 years	7.75% - 9.80%	7.75% - 9.90%	33,973.37	35,573.93
Maturity between 3 to 5 years	-	-	-	-
Total			34,798.64	40,750.81
Less: Unamortised finance cost			(52.50)	(59.38)
Total amortised cost			34,746.14	40,691.43

The maturity schedule has been prepared considering the date of the final repayment instalment of the respective borrowings.

d) Terms of repayment schedule of external commercial borrowings

Maturity schedule	Interest rate range		Carrying amount	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Maturity between 1 to 3 years	10.55% - 10.60%	10.80% - 10.85%	7,830.44	3,295.93
Maturity between 3 to 5 years	8.47% - 9.06%	9.06% - 10.57%	89,284.59	61,611.59
Total			97,115.03	64,907.52
Less: Unamortised finance cost			(629.29)	(941.95)
Total amortised cost			96,485.74	63,965.57

The maturity schedule has been prepared considering the date of the final repayment instalment of the respective borrowings.

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

e) Terms of repayment schedule of associated liabilities related to securitization transactions

Maturity schedule	Interest rate range		Carrying amount	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Maturity within 1 year	8.70% - 8.75%	8.95% - 9.00%	1,695.47	304.48
Maturity between 1 to 3 years	8.75% - 11.20%	8.75% - 9.25%	29,068.83	48,366.69
Maturity between 3 to 5 years	7.75% - 8.75%	8.35% - 8.95%	1,27,100.78	1,03,404.46
Maturity greater than 5 years	7.10% - 9.00%	8.35% - 9.10%	20,089.27	70,368.49
Total			1,77,954.35	2,22,444.12
Less: Unamortised finance cost			(903.87)	(1,009.91)
Total amortised cost			1,77,050.48	2,21,434.21

The maturity schedule has been prepared considering the date of the final repayment instalment of the respective borrowings.

- f) Loans repayable on demand includes on cash credit and working capital demand loans from banks which are secured by specific charge on identified receivables and term deposits. As at March 31, 2026, the rate of interest across the cash credit and working capital demand loans was in the range of 6.75% p.a. to 9.45% p.a. (March 31, 2025 - 6.95% p.a. to 10.05% p.a.)
- g) The Company has not defaulted in the repayment of dues to its lenders.
- h) The Company has utilised the borrowings for the purpose for which it was obtained except temporary deployment pending application of proceeds.

17 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability (refer note 38)	11,857.87	11,457.56
Creditors for other expenses	7,181.15	5,001.05
Advances received from customers	1,267.99	1,348.87
Pending remittance on assignments	8,157.12	8,954.16
Security and other deposits	1,565.60	852.59
Total	30,029.73	27,614.23

18 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Gratuity (refer note 39)	1,303.70	587.49
Compensated absences (refer note 39)	764.28	607.48
Total	2,067.98	1,194.97

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

19 Other non-financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payables	1,428.98	1,303.95
Security deposits	381.10	340.82
Total	1,810.08	1,644.77

20 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized		
30,00,00,000 (March 31, 2025: 30,00,00,000) equity shares of ₹ 1 each fully paid up with voting rights	3,000.00	3,000.00
	3,000.00	3,000.00
Issued and subscribed		
13,44,83,756 (March 31, 2025: 13,40,02,204) equity shares of ₹ 1 each	1,344.83	1,340.01
	1,344.83	1,340.01
Paid up (fully paid)		
13,44,83,756 (March 31, 2025: 13,40,02,204) equity shares of ₹ 1 each	1,344.83	1,340.01
	1,344.83	1,340.01

a. Reconciliation of number of shares outstanding at the beginning and at the end of the year :

Particulars	No. of shares	Amount
Equity shares of ₹ 1 each, fully paid-up		
Balance as at April 1, 2024	13,37,45,064	1,337.44
Add : Issued during the year	2,57,140	2.57
Balance as at March 31, 2025	13,40,02,204	1,340.01
Add : Issued during the year	4,81,552	4.82
Balance as at March 31, 2026	13,44,83,756	1,344.83

b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of outstanding equity shares having a face value of ₹ 1 per share. In respect of every equity share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid up on such equity share. During the year the Company has not declared and paid any dividend. In the event of the liquidation of the Company, the holder of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to capital paid upon such equity share.

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

c. Details of shares held by each shareholder holding more than 5% shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares				
Rajendra Kumar Setia	4,19,02,747	31.16%	4,19,02,747	31.27%
Norwest Venture Partners X – Mauritius	3,04,21,656	22.62%	3,04,21,656	22.70%
TPG Growth IV Sf Pte. Ltd.	2,30,91,357	17.17%	2,32,83,665	17.38%
India Business Excellence Fund IV	71,95,836	5.35%	71,95,836	5.37%
Total	10,26,11,596	76.30%	10,28,03,904	76.72%

d. Number of shares reserved for share options

Particulars	As at March 31, 2026	As at March 31, 2025
Equity shares of ₹ 1 fully paid up		
Number of shares reserved for ESOPs (refer note 40)	32,22,058	40,36,060

e. Details of shareholding of promoters and promoter groups (face value ₹ 1 per share)

Promoter name	As at March 31, 2026		As at March 31, 2025		% Changes during the year
	No. of shares	% Holding	No. of shares	% Holding	
Promoter:					
Rajendra Kumar Setia	4,19,02,747	31.16%	4,19,02,747	31.27%	0.00%
Rajendra Kumar Setia HUF	2,50,000	0.19%	2,50,000	0.19%	0.00%
Yash Setia	2,600	0.00%	2,600	0.00%	0.00%
Promoter Group:					
Bhajan Devi Setia	2,600	0.00%	2,600	0.00%	0.00%
Raj Kumar Setia	7,65,224	0.57%	7,65,224	0.57%	0.00%
Shalini Setia	2,600	0.00%	2,600	0.00%	0.00%
Sameer Arora	2,19,000	0.16%	2,19,000	0.16%	0.00%
	4,31,44,771	32.08%	4,31,44,771	32.19%	

f. During the year ended March 31, 2026, the Company has allotted 4,81,552 shares to employees in accordance with the Company's employees stock option scheme(s). During the year ended March 31, 2025, the Company has allotted 2,57,140 shares to employees in accordance with the Company's employees stock option scheme(s).

g. Shares allotted as fully paid-up without payment being received in cash / by way of bonus shares:-

The Company has not issued bonus shares or shares for consideration other than cash during the five year period immediately preceding the reporting date except as stated below-

- The Board of Directors of the Company in its meeting held on February 01, 2024 and shareholders of the Company in the Extraordinary General Meeting held on March 11, 2024 approved the

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

sub-division of shares from ₹ 2 per share to ₹ 1 per share and also approved the bonus share in the ratio of 1:1.

- Pursuant to above approval, the Company has effected the sub-division of the equity shares from face value of ₹ 2 each to ₹ 1 each and has allotted 6,68,72,532 equity shares of face value of ₹ 1 each as bonus shares in the proportion of one bonus equity share of face value of ₹ 1 for every one equity share of face value of ₹ 1 held as on the record date i.e. March 16, 2024, by capitalising an amount of ₹ 668.72 lakhs from 'Retained earnings- other than remeasurement of post employment benefit obligations'.
- Consequently, in terms of the Employee Stock Option Scheme of the Company, the grant price and the number of outstanding stock options in respect of stock options granted under the Employee Stock Option Scheme were proportionately adjusted.

h. Shares bought back :-

The Company has not bought back any of its securities during the five year period immediately preceding the reporting date.

21 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Securities premium	2,12,716.24	2,10,648.01
Share options outstanding account	4,632.79	3,366.64
Statutory reserve	35,808.27	27,190.55
Retained earnings- other than remeasurement of post employment benefit obligations	1,43,320.06	1,08,849.16
Retained earnings- remeasurement of post employment benefit obligations	(461.53)	(353.33)
Other comprehensive income - Cash flow hedge reserve	827.89	(859.24)
Total	3,96,843.72	3,48,841.79

21.1 Nature and purpose of reserve

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

Share options outstanding account

In accordance with resolution approved by the shareholders, the Company has reserved shares options, for issuance to the eligible employees through ESOP scheme. The shareholders of the Company have approved stock option scheme on September 11, 2018 as amended from time to time. The administrator (i.e. nomination and remuneration committee ('NRC') of the Company's board of directors) has the power to grant the options in pursuance to the ESOP scheme, each option consist of one equity share.

Such option vest at a definite date, save for specific incidents, prescribed in the schemes as framed/ approved by the Company. Such options are exercisable for a period following vesting at the discretion of the NRC, subject to the conditions prescribed in the ESOP scheme as amended from time to time.

Statutory reserve

This is a statutory reserve created in accordance with section 45 IC(1) of the RBI Act, 1934 which requires the Company to transfer a specified sum (not less than 20% of its profit after tax) to reserve fund based on its net profit as per the Statement of Profit and Loss. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the NBFC.

Notes to the Financial Statements

As at March 31, 2026

(₹ in lakhs except otherwise stated)

Retained earnings- other than remeasurement of post employment benefit obligations

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Retained earnings- remeasurement of post employment benefit obligations

The Company recognises change on account of remeasurement of the net defined benefit liability / asset as part of retained earnings.

Other comprehensive income - Cash flow hedge reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

21.2 Other equity movement

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Securities premium		
Opening balance	2,10,648.01	2,09,539.12
Addition during the period/year	2,068.23	1,108.89
Deduction during the period/year	-	-
Closing balance	2,12,716.24	2,10,648.01
(ii) Share options outstanding account		
Opening balance	3,366.64	1,957.64
Addition during the period/year	1,927.07	1,752.60
Transfer to securities premium	(660.92)	(343.60)
Closing balance	4,632.79	3,366.64
(iii) Statutory reserve		
Opening balance	27,190.55	19,597.21
Transfer from retained earnings	8,617.72	7,593.34
Closing balance	35,808.27	27,190.55
(iv) Retained earnings- other than remeasurement of post employment benefit obligations		
Opening balance	1,08,849.16	78,475.79
Net profit for the period/year	43,088.62	37,966.71
Transfer to statutory reserve	(8,617.72)	(7,593.34)
On issue of bonus shares	-	-
Closing balance	1,43,320.06	1,08,849.16
(v) Retained earnings- remeasurement of post employment benefit obligations		
Opening balance	(353.33)	(209.12)
Other comprehensive income for the period/year	(108.20)	(144.21)
Closing balance	(461.53)	(353.33)
(vi) Other comprehensive income - Cash flow hedge reserve		
Opening balance	(859.24)	-
Other comprehensive income for the period/year	1,687.13	(859.24)
Closing balance	827.89	(859.24)

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

22 Interest income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Financial assets measured at amortised Cost		
Interest income on financial assets measured at amortised cost	2,26,157.86	1,89,921.84
Interest on deposits with banks	9,287.60	11,971.90
Financial assets measured at fair value through profit or loss (FVTPL)		
Income on investment	10,141.04	10,126.46
Total	2,45,586.50	2,12,020.20

23 Fees and commission income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Foreclosure and other charges	11,032.53	9,093.44
Insurance commission	3,496.14	568.61
Total	14,528.67	9,662.05

24 Net gain/(loss) on fair value changes

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net gain/(loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments	2.98	2.65
- Derivative contracts	709.75	(284.05)
Total net gain/(loss) on fair value changes	712.73	(281.40)
Fair value changes:		
- Realized	2.98	2.65
- Unrealized	709.75	(284.05)
Total net gain/(loss) on fair value changes	712.73	(281.40)

25 Net gain on de-recognition of financial instruments under amortised cost category

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Gain on derecognition of financial instruments	21,532.16	16,111.89
Total	21,532.16	16,111.89

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

26 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Income from support services	272.04	511.59
Net gain on derecognition of property, plant and equipment	22.55	-
Miscellaneous income	164.08	332.04
Total	458.67	843.63

27 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
At amortised cost		
Interest on debt securities	25,752.32	19,064.16
Interest on borrowings	84,406.39	76,567.44
Interest on lease liability (refer note 38)	1,068.55	990.32
Other borrowing costs	689.10	475.42
Other interest expenses	0.33	33.35
Total	1,11,916.69	97,130.69

28 Impairment on financial instruments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
At amortised cost		
Loans	16,791.43	12,419.17
Bad debts written-off (net of recoveries)	15,808.53	11,457.80
Total	32,599.96	23,876.97

29 Employee benefits expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	51,329.88	42,420.84
Contribution to provident and other funds	3,187.87	2,906.25
Gratuity and compensated absence (refer note 39)	868.46	860.30
Share based payments to employees (refer note 40)	1,927.07	1,752.60
Staff welfare expenses	1,675.79	1,852.95
Total	58,989.07	49,792.94

30 Depreciation and amortization

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment (refer note 11)	2,589.31	2,273.73
Depreciation on right of use assets (refer note 11)	1,905.74	1,680.78
Amortization of intangible assets (refer note 13)	803.14	694.94
Total	5,298.19	4,649.45

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

31 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent, taxes and energy costs	902.66	876.92
Repairs and maintenance	178.52	297.17
Communication costs	1,269.99	920.16
Printing and stationery	327.69	316.37
Advertisement and publicity expenses	236.39	398.69
Business promotion expenses	602.54	725.58
Director's fees, allowances and expenses	103.55	102.02
Auditor's fees and expenses (refer note 34)	170.56	116.16
Legal and professional charges	1,694.76	1,857.90
Collection expenses	2,431.03	1,048.17
Travelling expenses	3,283.44	2,626.71
Net loss on derecognition of property, plant and equipment	-	3.94
Information technology expenses	3,716.26	2,274.77
Expenses towards corporate social responsibility (refer note 35)	573.76	560.94
Other expenditure	1,798.69	2,304.73
Total	17,289.84	14,430.23

32 Tax expenses

(A) Amounts recognized in statement of profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax expense		
Current period	12,281.75	9,290.48
Total current tax expense (A)	12,281.75	9,290.48
Deferred tax (asset) / liability, net		
Origination and reversal of temporary differences	1,354.61	1,218.90
Deferred tax (income) / expense (B)	1,354.61	1,218.90
Total tax expense for the year (A)+(B)	13,636.36	10,509.38

(B) Amounts recognized in other comprehensive income

Particulars	For the year ended March 31, 2026			For the year ended March 31, 2025		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to profit or (loss)						
- Remeasurements of the defined benefit plans	(144.59)	36.39	(108.20)	(192.71)	48.50	(144.21)
Items that will be reclassified to profit or loss						
- Cash flow hedge reserve	2,254.56	(567.43)	1,687.13	(1,148.22)	288.98	(859.24)
Total	2,109.97	(531.04)	1,578.93	(1,340.93)	337.48	(1,003.45)

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

(C) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Amount	% terms	Amount	% terms
Profit before tax as per statement of profit and loss	56,724.98		48,476.09	
Enacted Tax Rate is 25.168%	14,276.54	25.17%	12,200.46	25.17%
Add/(less) : Non-deductible expenses for tax purposes				
CSR expenses	144.40	0.25%	141.18	0.29%
Deduction u/s 80JJAA of the Income Tax Act, 1961	(596.97)	-1.05%	(772.16)	-1.59%
Tax related to earlier years	-	0.00%	(900.94)	-1.86%
Tax effect of expenses that are deductible for tax purposes	(187.62)	-0.33%	(159.16)	-0.33%
Total adjustments	(640.19)	-1.13%	(1,691.08)	-3.49%
Total tax expense	13,636.35	24.04%	10,509.38	21.68%

33(C.1) The Company has elected to exercise the option permitted under section 115BAA of the income-tax act, 1961, as introduced by the taxation laws (amendment) ordinance, 2019.

(D) Movement in deferred tax balances

Particulars	Net balance March 31, 2025	Recognized in profit or loss	Recognized in OCI	Net balance March 31, 2026	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)						
Expected credit loss (ECL)	5,652.28	2,246.63	-	7,898.91	7,898.91	-
Unamortized processing fee	(399.28)	(928.78)	-	(1,328.06)	-	1,328.06
Employee benefits	300.75	183.33	36.39	520.47	520.47	-
Lease liability	2,883.64	100.75	-	2,984.39	2,984.39	-
Right to use asset	(2,450.17)	62.79	-	(2,387.38)	-	2,387.38
Excess interest spread receivable	(5,551.44)	(3,109.29)	-	(8,660.73)	-	8,660.73
Depreciation on property, plant and equipment	133.13	54.46	-	187.59	187.59	-
Other adjustments	522.27	35.50	(567.43)	(9.66)	-	9.66
Total	1,091.18	(1,354.61)	(531.04)	(794.47)	11,591.36	12,385.83

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	Net balance March 31, 2024	Recognized in profit or loss	Recognized in OCI	Net balance March 31, 2025	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (liabilities)						
Expected credit loss (ECL)	4,141.61	1,510.67	-	5,652.28	5,652.28	-
Unamortized processing fee	(312.54)	(86.74)	-	(399.28)	-	399.28
Employee benefits	370.57	(118.32)	48.50	300.75	300.75	-
Lease liability	2,313.05	570.59	-	2,883.64	2,883.64	-
Right to use asset	(2,009.80)	(440.37)	-	(2,450.17)	-	2,450.17
Excess interest spread receivable	(2,885.78)	(2,665.66)	-	(5,551.44)	-	5,551.44
Depreciation on property, plant and equipment	41.63	91.50	-	133.13	133.13	-
Other adjustments	313.85	(80.57)	288.98	522.27	522.27	-
Total	1,972.59	(1,218.90)	337.48	1,091.18	9,492.07	8,400.89

33(D.1) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

33 Earnings per equity share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up.

Diluted EPS is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Profit for the year, attributable to equity shareholders	43,088.62	37,966.71
(ii) Weighted average number of equity shares for basic earnings per share	1,343.36	1,338.58
(iii) Effect of dilution on account of ESOP and partly paid-up shares	11.54	10.05
(iv) Weighted average number of equity shares for diluted earnings per share	1,354.90	1,348.62
Earning per share (basic) (i/ii)	32.08	28.36
Earning per share (diluted) (i/iv)	31.80	28.15
Face value per share	1	1

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

34 Payment to auditors (Net of GST credit availed)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) As auditor:		
Audit fees	59.95	54.49
Limited review	82.84	54.50
b) For other services:		
Certification fees	21.75	3.82
c) For reimbursement of expenses	6.02	3.35
Total	170.56	116.16

35 Corporate social responsibility (CSR)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a. Amount required to be spent by the Company during the financial year	735.00	510.00
b. Amount spent during the year ended:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	573.76	560.94
c. Pursuant to Section 135 (5) & (6) of Companies Act, 2013 read with companies (corporate social responsibility policy) rules, 2014, the Company have transferred 161.24 (March 31, 2025 Nil) in a separate bank account as 'unspent CSR account', which will be spent over the period of 3 years.		
d. Details of related party transactions in relation to CSR expenditure as per Ind AS 24, related party disclosures (refer note no 37).		
e. The Company has undertaken CSR activities in the domain of education, healthcare, women empowerment, traffic road safety, animal welfare and other activities as per schedule VII of the Companies Act, 2013.		

36 Contingent liabilities and commitments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Contingent liabilities:-		
(a) Claims against the company not acknowledged as debt,		
- Indirect tax matter	1,764.57	2,460.07
- Direct tax matter	33.46	33.46
(b) Guarantees:-		
- towards law suits, claims and proceedings, including collection and repossession related matters, which arise in the ordinary course of business	46.47	43.30
	1,844.50	2,536.83
(ii) Commitments:-		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided	1,418.41	1,974.36
(b) Other commitments		
Disbursements - Undrawn	11,503.57	12,403.71
	12,921.98	14,378.07

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

- Demand raised by the office of commissioner, central excise, Jaipur for the period December 2010 to June 2017 (net of amount paid under protest and provided), for non-payment of service tax on services rendered towards collection of receivables and liquidity facilities in respect of securitization / direct assignments transactions is ₹ 1,764.57 lakhs. The Company has filed an appeal against this order with the CESTAT, New Delhi and has deposited an amount equal to 7.5% of the tax demand i.e. ₹ 51.10 lakhs under protest.
- Demand raised by the office of the principal commissioner, central goods and service tax commissionerate, Jaipur for the period July 2017 to March 2019 for non-payment of GST on excess interest spread income on assignment transactions is ₹ 866.52 lakhs (net of amount paid under protest and provided). The Company has filed appeal against the demand with Appellate Authority and has pre-deposited a sum of ₹ 38.23 lakhs. During the year ended March 31, 2026, the commissioner (appeals) has passed an order in favor of the Company and the demand has been set aside.
- The assistant commissioner, income tax, through an order dated March 31, 2022, has confirmed the demand of income tax of ₹ 33.46 lakhs from the Company and thereby reducing the amount of refund with the same in relation to under reporting of income. The Company has filed the appeal for the same on April 23, 2022 to commissioner of income-tax (appeals).

37 Related party disclosure

Related party disclosures, as required by notified Ind AS 24 - 'Related party disclosures' are given below:

A. Names of related parties

Particulars	
a) Names of the related parties where control exists	The Company has no subsidiary and holding Company.
b) Key management personnel	
Rajendra Kumar Setia	Managing Director and CEO
Yash Setia	Whole-time Director
Atul Arora	Chief Financial Officer
Anagha Bangur	Company Secretary
Amar Lal Daultani	Independent Director*
Anand Raghavan	Independent Director
Nanda Sameer Dave	Independent Director
Mukul Mathur	Independent Director
Debanshi Basu	Nominee Director
Simit Batra	Nominee Director
c) Relatives of key management personnel and promoter group	
Bhajan Devi Setia	Mother of Managing Director and CEO
Shalini Setia	Wife of Managing Director and CEO
Raj Kumar Setia	Brother of Managing Director and CEO
Sameer Arora	Promoter group (Chief Operating Officer)
d) Entities controlled or jointly controlled by individual having significant influence or their relatives	
Infrasoft Technologies Limited	Company (Upto January 16, 2025)
SK Foundation	Trust
Sk Finance Limited Employee Gratuity Trust	Trust
Rajendra Kumar Setia HUF	Hindu Undivided Family of Managing Director and CEO

* Ceases to be independent director after business hours of March 31, 2026 and has been appointed as non-executive director w.e.f. April 01, 2026.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Disclosure has been made only when there have been any transactions and outstanding balances with those parties.

B. Key management personnel compensation

The table below describes the compensation to key management personnel under Ind AS 24:

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
i) Short-term employee benefits	909.48	928.09
ii) Post-employment benefits	-	-
iii) Other long-term benefits	-	-
iv) Termination benefits	-	-
v) Share-based payment *	-	-

* The above details does not include employee stock option plan cost charged in statement of profit and loss as the same is calculated for the Company as a whole, the said expense/ liability pertaining specifically to key managerial personnel are not known.

38(B.1) As liability for gratuity and compensated absences is provided on actuarial basis, and calculated for the Company as a whole, the said expense/ liability pertaining specifically to key managerial personnel are not known, and hence, not included in the above table.

38(B.2) Gross remuneration comprises salary, medical reimbursement, leave travel concession, allowances and performance bonus but excludes non monetary value of other perquisites computed on the basis of the Income Tax Act and Rules.

C. Transactions/balances with related parties

i) Transactions during the year

Name of the related party	Nature of transactions	For the year ended	
		March 31, 2026	March 31, 2025
Directors			
Rajendra Kumar Setia	Salary	377.61	517.61
Yash Setia	Salary	255.06	163.39
Amar Lal Daultani	Sitting fees and Commission	28.67	31.17
Anand Raghavan	Sitting fees and Commission	25.07	31.07
Nanda Sameer Dave	Sitting fees and Commission	26.16	22.07
Mukul Mathur	Sitting fees and Commission	23.65	17.71
Rajendra Kumar Setia	Insurance expenses	5.06	5.13
Relative of directors			
Raj Kumar Setia	Salary	175.49	96.91
Shalini Setia	Rent	47.93	45.65
Key management personnel (excluding directors)			
Atul Arora	Salary	133.00	114.49
Anagha Bangur	Salary	40.25	30.58
Atul Arora	Proceeds from issue of share capital	210.00	-
Anagha Bangur	Proceeds from issue of share capital	24.00	-

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Name of the related party	Nature of transactions	For the year ended	
		March 31, 2026	March 31, 2025
Entities controlled or jointly controlled by individual having significant influence or their relatives			
Infrasoft Technologies Limited	Information Technology Expenses	-	20.40
SK Foundation	CSR Expenses	247.57	296.82
SK Foundation	Donation	24.23	22.69
Sk Finance Limited Employee Gratuity Trust	Gratuity	-	1,200.00

ii) Outstanding balances

Name of the related party	Nature of transactions	As at	As at
		March 31, 2026	March 31, 2025
Directors			
Rajendra Kumar Setia	Equity share capital	419.03	419.03
Yash Setia	Equity share capital	0.03	0.03
Relative of directors			
Bhajan Devi Setia	Equity share capital	0.03	0.03
Shalini Setia	Equity share capital	0.03	0.03
Raj Kumar Setia	Equity share capital	7.65	7.65
Key management personnel (excluding directors)			
Atul Arora	Equity share capital	2.70	2.00
Anagha Bangur	Equity share capital	0.20	0.12
Entities controlled or jointly controlled by individual having significant influence or their relatives			
Sk Finance Limited Employee Gratuity Trust	Gratuity	1,206.73	-
Rajendra Kumar Setia HUF	Equity share capital	2.50	2.50

38(C.1) The above details does not include employee stock option plan cost charged in statement of profit and loss as the same is calculated for the Company as a whole, the said expense/ liability pertaining specifically to key managerial personnel are not known.

38(C.2) As liability for gratuity and compensated absences is provided on actuarial basis, and calculated for the Company as a whole, the said expense/ liability pertaining specifically to key managerial personnel are not known, and hence, not included in the above table.

38(C.3) Gross remuneration comprises salary, medical reimbursement, leave travel concession, allowances and performance bonus but excludes non monetary value of other perquisites computed on the basis of the Income Tax Act and Rules.

D. Personal guarantees provided by directors

Details of personal gurantees given by the directors for borrowings as at March 31, 2026 and March 31, 2025 is stated under note 15 and 16.

E. Terms and conditions of transactions with related parties

All transactions with these related parties are priced on an arm's length basis. Outstanding amount as at the end of the year are unsecured and to be settled in cash.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

38 Leases

Lease in the capacity of lessee:

The Company's lease asset primarily consist of leases for office premises having lease term upto 25 years with an option to extend the lease or terminate on mutual agreement between lessee and lessor. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

The table below provides details for the changes in the carrying value of right of use assets

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	10,214.83	8,277.31
Additions	2,318.66	3,797.31
Depreciation (refer note 11)	(1,905.74)	(1,680.78)
Adjustment/Deletion (refer note 11)	(410.23)	(179.01)
Closing balance	10,217.52	10,214.83

The table below provides details for the changes in the lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	11,457.56	9,190.42
Additions	2,308.19	3,742.01
Finance cost accrued during the year (refer note 27)	1,068.55	990.32
Payment of lease liabilities	(2,503.79)	(2,217.39)
Adjustment/Deletion	(472.64)	(247.80)
Closing balance	11,857.87	11,457.56
Current	1,581.08	1,311.29
Non-current	10,276.79	10,146.26

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2026	As at March 31, 2025
Within one year	2,571.01	2,271.84
One to three years	4,804.14	4,278.22
Three to five years	4,270.80	3,985.98
More than five years	4,520.33	5,514.74
Closing balance	16,166.28	16,050.78

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

39 Employee benefits

A. The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined contribution plans:

The Company makes provident fund contributions to recognized provident fund for employees. The Company has recognized ₹ 3,187.87 lakhs (March 31, 2025 ₹ 2,906.25 lakhs) for provident fund and national pension fund contributions in the statement of profit and loss.

(ii) Defined benefit plan:

Gratuity :-

The Company's defined benefit gratuity plan requires contributions to be made to a separately administered fund. The gratuity plan is funded with ICICI Prudential Life Insurance Company Limited (w.e.f. March 28, 2025). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation is actuarially determined based on the projected unit credit method as at balance sheet date.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognized in the company's financial statements as at balance sheet date:

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation (A)	2,510.44	1,787.49
Fair value of plan assets (B)	1,206.74	1,200.00
Net liability recognized in the balance sheet (A-B)	1,303.70	587.49

B. Change in fair value of plan assets

The following table shows changes in fair value of plan assets and its components.

Particulars	Fair value of Plan assets	
	As at March 31, 2026	As at March 31, 2025
Opening balance	1,200.00	-
Employer contributions	-	1,200.00
Benefits paid	-	-
Return on plan assets	79.08	41.82
Experience adjustments	(72.34)	(41.82)
Closing balance	1,206.74	1,200.00

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

C. Movement in net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components.

Particulars	Defined benefit obligation	
	As at March 31, 2026	As at March 31, 2025
Opening balance	1,787.49	1,299.30
Included in profit or loss:		
Current service cost	591.96	381.71
Past service cost	85.60	-
Interest cost	113.18	86.02
	2,578.23	1,767.03
Included in OCI		
Remeasurement loss (gain):		
Actuarial loss (gain) arising from:		
Demographic assumptions	281.68	0.37
Financial assumptions	(151.16)	50.95
Experience adjustment	(58.27)	99.56
Return on plan assets excluding interest income	-	-
	72.25	150.88
Other		
Contributions paid by the employer		
Benefits paid	(140.04)	(130.42)
Liabilities settled	-	-
Closing balance	2,510.44	1,787.49

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages)

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	7.43%	6.59%
Expected Return on Plan Assets	6.59%	6.97%
Salary increase rate	7.00%	7.00%
Attrition Rate	1.5% - 45%	10% - 46%
Retirement Age (in years)	60	60
Pre-retirement mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Disability	Nil	Nil

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

Particulars	As at March 31, 2026		As at March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (100 bps)	2,146.53	2,962.95	1,208.15	1,403.67
Future salary growth (100 bps)	2,955.12	2,146.68	1,396.94	1,212.45
Attrition (100 bps)	2,497.88	2,523.27	1,286.70	1,312.19

E. Investments quoted in active markets:

Particulars	As at March 31, 2026	As at March 31, 2025
Government securities	228.46	541.20
Corporate securities	285.14	528.96
Equity Instruments	572.74	-
Other investments	120.38	129.84
Total	1,206.72	1,200.00

F. Expected maturity analysis of the defined benefit plans in future years

Particulars	As at March 31, 2026	As at March 31, 2025
Expected contributions / addl. provision next year	1,813.89	890.17
Average duration of defined benefit obligations	13.67 years	5.10 years
Expected total benefit payments		
Year 1	43.01	131.78
Year 2	67.19	139.37
Year 3	54.69	168.37
Year 4	85.31	160.21
Year 5	101.01	178.93
Next 5 years	549.61	781.71

G. Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such entity is exposed to various risk as follows:

Salary increases : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Discount rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

Mortality & disability : Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Withdrawals : Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

H. Compensated absences

The Company has provided for compensatory leaves which can be availed and encashed as per the Company's policy. The net amount of compensated absences of the Company's obligation is actuarially determined based on the projected unit credit method as at balance sheet date by actuarial valuation. Amount recognised in the statement of profit and loss is as under :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Compensated absences	764.28	607.48

- I. 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 ₹ 94.37 lakh under 'Employee benefits expenses' in the financial statements during the year ended March 31, 2026, based on available information. The impact on the cost will be re-assessed and finalised based on the final rules and industry practices.

40 Share Based Payment

A Share option plans (equity-settled)

The Company had formulated and implemented a policy i.e. Employee Stock Option Plan 2018 approved by the shareholders on September 11, 2018 which was amended and replaced by "Amended and Restated Employee Stock Option Plan 2018" ("Plan") by the shareholders on October 31, 2018 (1st amendment). Further, the shareholders of the Company amended the scheme on March 11, 2022 (2nd amendment) and April 25, 2024 (3rd amendment). The Nomination and Remuneration Committee (NRC) of the Board of Directors of the Company, inter alia, administers and monitors the Plan in accordance with the provisions of Companies Act, 2013 and rules made thereunder. It was further classified in three schemes (i.e. ESOP-I, ESOP-II and ESOP-III).

Out of options granted, 25% shares will vest at the end of eighteen months from the date of grant, 25% at the end of the thirty months , 25% at the end of the forty-two months and balance 25% at the end of fifty-four months. The fair value of the options will be estimated at the grant date using a Black-Scholes pricing model, taking into account the terms and conditions upon which the ESOP were granted.

Such option vest at definite date, save for specific incidents, prescribed in the schemes as framed/ approved by NRC. Such options are exercisable for a period following vesting at the discretion of the NRC, subject to a maximum of 7 years from the date of vesting for ESOP Schemes.

The fair value of the option is determined using a Black-Scholes options pricing model. During the year ended March 31, 2026 ₹ 1,927.07 lakhs (March 31, 2025 ₹ 1,752.60 lakhs) has recognized to the Company's statement of profit and loss in respect of equity-settled share-based payments transactions.

B Movement of share options

Movement in the options outstanding under the Employees Stock Option Plan for the year ended March 31, 2026

Scheme reference	Grant date	Balance as at April 1, 2025	Granted during the year	Exercised during the year	Lapsed/ cancelled/ adjusted during the year	Balance as at March 31, 2026	Weighted average exercise price
ESOP - I (a)	15-Oct-18	5,752	-	(5,752)	-	-	62.34
ESOP - II (a)	02-Apr-19	12,500	-	(12,500)	-	-	149.07
ESOP - II (c)	05-Nov-20	45,000	-	-	-	45,000	149.07
ESOP - I (b) and II (d)	05-Aug-22	17,07,308	-	(4,43,600)	(1,28,250)	11,35,458	300.00

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Scheme reference	Grant date	Balance as at April 1, 2025	Granted during the year	Exercised during the year	Lapsed/ cancelled/ adjusted during the year	Balance as at March 31, 2026	Weighted average exercise price
ESOP - I (c) and II (e)	05-May-23	65,400	-	(19,700)	(11,700)	34,000	300.00
ESOP - III	28-May-24	14,66,800	-	-	(2,59,200)	12,07,600	576.72
ESOP - III	24-Oct-24	5,75,000	-	-	-	5,75,000	576.72
ESOP - III	20-Mar-25	1,58,300	-	-	(25,300)	1,33,000	576.72
ESOP - III	28-May-25	-	3,000	-	-	3,000	576.72
ESOP - III	04-Aug-25	-	24,000	-	-	24,000	576.72
ESOP - III	01-Sep-25	-	45,000	-	-	45,000	576.72
ESOP - III	30-Jan-26	-	20,000	-	-	20,000	576.72
		40,36,060	92,000	(4,81,552)	(4,24,450)	32,22,058	

The total options exercisable as at March 31, 2026 is 11,82,407.

The weighted average remaining contractual life of options as at March 31, 2026 is 3.63 years.

Movement in the options outstanding under the Employees Stock Option Plan for the year ended March 31, 2025

Scheme reference	Grant date	Balance as at April 1, 2024	Granted during the year	Exercised during the year	Lapsed/ cancelled/ adjusted during the year	Balance as at March 31, 2025	Weighted average exercise price
ESOP - I (a)	15-Oct-18	7,252	-	(1,500)	-	5,752	62.34
ESOP - II (a)	02-Apr-19	12,500	-	-	-	12,500	149.07
ESOP - II (c)	05-Nov-20	45,000	-	-	-	45,000	149.07
ESOP - I (b) and II (d)	05-Aug-22	21,25,248	-	(2,50,640)	(1,67,300)	17,07,308	300.00
ESOP - I (c) and II (e)	05-May-23	76,400	-	(5,000)	(6,000)	65,400	300.00
ESOP - III	28-May-24	-	14,76,800	-	(10,000)	14,66,800	576.72
ESOP - III	24-Oct-24	-	5,75,000	-	-	5,75,000	576.72
ESOP - III	20-Mar-25	-	1,58,300	-	-	1,58,300	576.72
		22,66,400	22,10,100	(2,57,140)	(1,83,300)	40,36,060	

The total options exercisable as at March 31, 2025 is 8,15,360.

The weighted average remaining contractual life of options as at March 31, 2025 is 4.35 years.

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(₹ in lakhs except otherwise stated)

C Fair value of share options

The fair value of options granted is estimated using the Black Scholes Option Pricing Model after applying the key assumption which are tabulated below.

Scheme	Grant Date	Exercise price (₹)*	Expected life of the option (Years)	Annual Dividend yield	Expected volatility	Risk free rate	Fair value per share options (₹)	Market price (₹)
ESOP - I (a)	15-Oct-18	62.34	4.50 to 7.50	Nil	0.30	7.81% to 7.98%	24.34 to 32.97	62.35
ESOP - II (a)	02-Apr-19	149.07	4.50 to 7.50	Nil	0.30	7.81% to 7.98%	58.16 to 78.79	149.07
ESOP - II (c)	05-Nov-20	149.07	1.50 to 4.50	Nil	0.47	3.82% to 5.01%	43.93 to 75.37	159.08
ESOP - I (b) and II (d)	05-Aug-22	300.00	4.50 to 7.50	Nil	0.46	6.89% to 7.39%	129.53 to 167.73	310.01
ESOP - I (c) and II (e)	05-May-23	300.00	4.00 to 6.76	Nil	0.44	7.02% to 7.09%	169.71 to 237.16	393.26
ESOP - III	28-May-24	576.72	4.50 to 7.50	Nil	0.32 to 0.54	7.41% to 7.52%	135.06 to 289.24	519.22
ESOP - III	24-Oct-24	576.72	4.00 to 7.00	Nil	0.32 to 0.40	6.85% to 6.88%	151.10 to 275.26	571.63
ESOP - III	20-Mar-25	576.72	4.00 to 7.00	Nil	0.32 to 0.44	6.64% to 6.69%	162.37 to 297.13	638.54
ESOP - III	28-May-25	576.72	4.00 to 7.00	Nil	0.32 to 0.44	6.64% to 6.69%	162.37 to 297.13	638.54
ESOP - III	06-Aug-25	576.72	4.00 to 7.00	Nil	0.32 to 0.44	6.64% to 6.69%	162.37 to 297.13	638.54
ESOP - III	01-Sep-25	576.72	4.00 to 7.00	Nil	0.32 to 0.44	6.64% to 6.69%	162.37 to 297.13	638.54
ESOP - III	30-Jan-26	576.72	4.50 to 7.50	Nil	0.32 to 0.43	6.59% to 7.14%	203.81 to 336.37	684.00

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

41 Transfer of financial assets

41.1 Transfer of financial assets that do not result in derecognition

The Company has transferred its receivables through securitization agreement with a first loss default guarantee (FLDG) such as corporate guarantee, cash collateral, subscription to subordinated pass through certificates (PTCs) etc. The Company has also agreed to provide servicing assistance to the transferee pursuant to the terms of servicing agreement.

In view of the above, the Company has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the derecognition criteria as set out in Ind-AS 109 and recognises an associated liability for the consideration received.

The Company had no ability to use these assets during the tenure of the receivables in view of the legal transfer pursuant to securitisation agreement.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

The following table sets out the carrying amount of the financial assets transferred that are not derecognized in their entirety and associated liabilities:

Particulars	As at March 31, 2026	As at March 31, 2025
Securitisation		
Carrying amount of assets	2,11,168.57	2,57,311.62
Carrying amount of associated liabilities	1,77,050.48	2,21,434.21
Fair value of assets (A)	2,08,232.39	2,49,722.13
Fair value of associates liabilities (B)	1,76,299.24	2,19,999.14
Net position at fair value (A-B)	31,933.15	29,722.99

41.2 Transfer of financial assets that are derecognised

During the year, the Company has assigned (earlier measured at amortised cost) by way of direct assignment as per the agreed terms of the deals. Since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the books of accounts. The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition during the year:

Particulars	As at March 31, 2026	As at March 31, 2025
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	1,33,215.38	1,17,840.72
Carrying amount of exposures retained by the company at amortised cost	14,731.56	12,708.59
Gain on sale of the derecognised financial assets	19,255.63	14,501.92

Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety, therefore the whole of the interest spread (over the expected life of the asset) is recognized on the date of derecognition itself as interest strip receivable and correspondingly recognised as gain on derecognition of financial asset.

41.3 Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

4.2 Fair values of financial instruments

A. Categories of financial assets and financial liabilities:

The following table shows the carrying amounts of financial assets and financial liabilities which are classified as fair value through profit and loss (FVTPL), fair value through other comprehensive income (FVTOCI) and amortised cost.

Particulars	As at March 31, 2026				As at March 31, 2025			
	FVTPL	FVTOCI	Amortised cost	Total	FVTPL	FVTOCI	Amortised cost	Total
Financial assets								
Cash and cash equivalents	-	-	33,404.44	33,404.44	-	-	38,569.15	38,569.15
Bank balance other than cash and cash equivalents	-	-	82,216.91	82,216.91	-	-	1,51,846.12	1,51,846.12
Derivative financial instruments	2,599.07	7,738.63	-	10,337.70	1,896.71	(1,330.88)	-	565.83
Receivables								
Other receivables	-	-	1,754.71	1,754.71	-	-	1,682.27	1,682.27
Loans	-	-	13,83,049.58	13,83,049.58	-	-	11,84,088.05	11,84,088.05
Investments	1,30,609.24	-	-	1,30,609.24	1,03,941.03	-	-	1,03,941.03
Other financial assets	-	-	48,237.60	48,237.60	-	-	35,326.43	35,326.43
Total	1,33,208.31	7,738.63	15,48,663.24	16,89,610.18	1,05,837.74	(1,330.88)	14,11,512.02	15,16,018.88
Financial liabilities								
Derivative financial instruments	-	-	-	-	87.94	807.01	-	894.95
Debt securities	-	-	3,45,256.56	3,45,256.56	-	-	2,17,668.36	2,17,668.36
Borrowings (other than debt securities)	-	-	9,36,717.72	9,36,717.72	-	-	9,42,740.83	9,42,740.83
Other financial liabilities	-	-	30,029.73	30,029.73	-	-	27,614.23	27,614.23
Total	-	-	13,12,004.01	13,12,004.01	87.94	807.01	11,88,023.42	11,88,918.37

B. Fair value hierarchy:

Fair values of financial assets and financial liabilities measured as fair value, including their levels in the fair value hierarchy, are presented below.

Particulars	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	-	10,337.70	-	10,337.70	-	565.83	-	565.83
Investments								
Security receipt of Asset Reconstruction Companies	-	16,928.94	-	16,928.94	-	12,217.03	-	12,217.03
Mutual funds units	-	-	-	-	-	-	-	-
Debts securities	-	1,13,680.30	-	1,13,680.30	-	91,724.00	-	91,724.00
Total	-	1,40,946.94	-	1,40,946.94	-	1,04,506.86	-	1,04,506.86
Financial liabilities								
Derivative financial instruments	-	-	-	-	-	894.95	-	894.95
Total	-	-	-	-	-	894.95	-	894.95

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Financial instruments measured at amortised cost

Particulars	As at March 31, 2026			As at March 31, 2025		
	Carrying amount	Fair value	Fair value hierarchy	Carrying amount	Fair value	Fair value hierarchy
Financial assets						
Loans	13,83,049.58	13,62,721.46	Level 3	11,84,088.05	11,53,028.94	Level 3
Total	13,83,049.58	13,62,721.46		11,84,088.05	11,53,028.94	
Financial liabilities						
Debt securities	3,45,256.56	3,30,183.13	Level 3	2,17,668.36	2,05,866.31	Level 3
Borrowings (other than debt securities)	9,36,717.72	9,25,653.22	Level 3	9,42,740.83	9,39,447.15	Level 3
Total	12,81,974.28	12,55,836.35		11,60,409.19	11,45,313.46	

The financial assets and liabilities, such as cash and cash equivalents, bank balances other than cash and cash equivalents, other receivable, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturity of these instruments.

C. Measurement of fair values

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The categories used are as follows:

The categories used are as follows:

Level 1 : Level 1 hierarchy includes financial instruments measured using unadjusted quoted prices in active markets that the Company has the ability to access for the identical assets or liabilities. A financial instrument is classified as a Level 1 measurement if it is listed on an exchange. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in active markets is determined using valuation techniques which maximize the use of observable market data either directly or indirectly, such as quoted prices for similar assets and liabilities in active markets, for substantially the full term of the financial instrument but do not qualify as Level 1 inputs. If all significant inputs required to fair value an instrument are observable the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based in observable market data, the instruments is included in Level 3. That is, Level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear that risk. The Company develops Level 3 inputs based on the best information available in the circumstances.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Instrument type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in mutual funds	The investment in mutual funds are valued using the closing NAV.	Not applicable	Not applicable
Investments 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 prevailing bond rate on balance sheet date. The Company has liquid debt instruments.	Not applicable	Not applicable

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(₹ in lakhs except otherwise stated)

Instrument type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in security receipts	The Investment in security receipts are valued using the closing NAV.	Not applicable	Not applicable
Derivative financial instrument (assets)	Cross currency interest rate swap (CCIRS) held for the purpose of hedging foreign currency denominated External Commercial Borrowings are accounted as a derivative financial instrument. CCIRS is being considered under Level 2 for fair valuation which is performed through discounted cash flow method by deriving future forward rates from published zero coupon yield curve. All future cash flows for both the paying and receiving legs in the swap contract are discounted to present value using these forward rates and accordingly arrived at the valuation for a point of time. The fair value of Interest Rate Swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.	Not applicable	Not applicable

Financial instruments not measured at fair value

Instrument type	Valuation technique
Loans	The fair values of loans and receivables are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics. The fair value is then extrapolated to the portfolio using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. This fair value is then reduced by impairment allowance which is already calculated incorporating probability of defaults and loss given defaults to arrive at fair value net of risk.
Debt securities and borrowings other than debt securities	The fair values of the Company's debt securities and borrowings other debt securities are calculated based on a discounted cash flow model and for the purpose of disclosures are classified under Level 3.

Transfer between fair value hierarchy levels

There were no significant changes in the classification and no significant movements between the fair value hierarchy classifications of assets and liabilities.

4.3 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- A) Credit risk ;
- B) Liquidity risk ; and
- C) Market risk

A. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee. The risk management committee of board exercises supervisory power in connection with the risk management of the Company, developing and monitoring risk management policies, monitoring of

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

the exposures, reviewing adequacy of risk management process, ensuring compliance with the statutory/regulatory framework of the risk management process.

The Company's risk management policies are established to identify and analyze 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. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Management believes that an effective risk management process is the key to sustained operations thereby protecting value for all stakeholders, identifying and mitigating and continuously monitoring risks to business, achieving business objectives, improving governance processes and preparing for unplanned circumstances. Management ensures effective risk management by implementing following steps:

1. Adheres to procedures described in various policies approved by the board from time to time by implementing adequate financial controls.
2. Communicates various policies to the stakeholders through suitable training and communication and periodical review of its relevance in changing business atmosphere.
3. Identifies risks and promotes proactive approach for treating such risks.
4. Allocates adequate and timely resources to mitigate, manage and minimize the risks and their adverse impact on outcomes.
5. Strives towards strengthening the risk management system through continuous learning and improvement.
6. Complies with all relevant laws and regulations across the areas of operations of the Company.
7. Optimizes risk situations to manage adverse exposure on deliverables and bring them in line with acceptable risk appetite of the Company in consonance with business objectives.
8. Engages internal auditors to periodically review various aspects of the internal control systems. The reports of the internal auditors are reviewed by the audit committee.
9. The Company has implemented adequate internal financial controls.
10. The Company has a board approved asset liability management policy.

B. Credit risk

Credit risk is the risk of actual or probable financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances now or in future. The sanction and renewal of any credit facility to a particular borrower requires appropriate credit approval by concerned authority. The appropriate authority has been entrusted with the task of verifying the credentials of the customer as per set processes and guidelines. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for group of counterparties and by monitoring exposures in relation to such limits. Credit worthiness of borrowers is regularly reviewed and monitored by line credit risk managers, who are responsible for maintaining the portfolio quality as per given risk – return targets. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

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(₹ in lakhs except otherwise stated)

The gross carrying amounts of following financial assets represent the maximum credit risk exposure:-

Particulars	As at March 31, 2026	As at March 31, 2025
Loans	13,90,205.70	11,88,754.50
Others (Trade advance & Retained interest under direct assignments)	25,144.91	18,635.43
Total	14,15,350.61	12,07,389.93

i. Credit quality analysis

The following table sets out the information about the credit quality of financial assets measured at amortised cost.

Particulars	As at March 31, 2026					As at March 31, 2025				
	Stage 1	Stage 2	Stage 3	Others	Total	Stage 1	Stage 2	Stage 3	Others	Total
Gross Loans										
Neither past due nor impaired	11,55,949.34	-	-	333.31	11,56,282.65	10,11,860.77	-	-	1,387.95	10,13,248.72
Past due but not impaired										
01-30 days past due	1,18,123.07	-	-	463.58	1,18,586.65	79,762.90	-	-	3,063.04	82,825.94
31-90 days past due	-	55,801.86	-	8,413.43	64,215.29	-	40,531.86	-	21,531.09	62,062.95
Impaired (more than 90 days)	-	-	51,121.11	-	51,121.11	-	-	30,616.89	-	30,616.89
Others (Trade advance & Retained interest under direct assignments)	23,323.46	689.50	1,025.16	106.79	25,144.91	16,878.16	1,007.83	477.08	272.36	18,635.43
	12,97,395.87	56,491.36	52,146.27	9,317.11	14,15,350.61	11,08,501.83	41,539.69	31,093.97	26,254.44	12,07,389.93
Expected credit loss ratio	0.40%	9.12%	39.66%	14.25%	2.28%	0.27%	8.67%	41.35%	14.55%	1.93%
Impairment loss allowance	(5,139.59)	(5,153.92)	(20,679.78)	(1,327.74)	(32,301.03)	(3,023.56)	(3,602.28)	(12,857.23)	(3,818.81)	(23,301.88)
Net Loans	12,92,256.28	51,337.44	31,466.49	7,989.37	13,83,049.58	11,05,478.27	37,937.41	18,236.74	22,435.63	11,84,088.05

ii. Collaterals held and concentrations of credit risk

Collaterals held

Maximum exposure to credit risk

The maximum exposure to credit risk of loans is their carrying amount. The maximum exposure is before considering the effect of mitigation through collateral.

Narrative description of collateral

Collateral primarily include vehicles purchased by retail loan customers and in case of MSME customer, collateral primarily includes the property.

Quantitative information of collateral

The Company monitors its exposure to loan portfolio using the Loan To Value (LTV) ratio, which is calculated as the ratio of the gross amount of the loan to the value of the collateral. The value of the collateral for retail loans except loan against property is derived by writing down the asset cost at origination by 12.50% p.a on reducing balance basis.

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(₹ in lakhs except otherwise stated)

Quantitative information of collateral - secured loans

Collateral coverage	Collateral value of loans	
	As at March 31, 2026	As at March 31, 2025
Less than 50% coverage	5.29	3.61
51% to 70% coverage	864.74	759.07
71% to 90% coverage	8,377.58	5,027.31
91% to 100% coverage	20,960.90	19,370.77
More than 100% coverage	24,86,432.04	22,40,283.18
Total	25,16,640.55	22,65,443.94

Quantitative information of collateral - credit impaired assets

Collateral coverage	Collateral value of loans	
	As at March 31, 2026	As at March 31, 2025
Less than 50% coverage	-	2.05
51% to 70% coverage	835.74	759.07
71% to 90% coverage	7,908.80	4,657.25
91% to 100% coverage	8,099.93	4,064.62
More than 100% coverage	69,565.00	44,433.15
Total	86,409.47	53,916.14

Concentration of credit risk

Company's loan portfolio is predominantly to finance retail vehicle loans. The Company manages concentration of risk primarily by geographical region in India. The following tables show the geographical concentrations of loans:

Particulars	As at March 31, 2026	As at March 31, 2025
A Northern state	11,71,533.60	9,94,033.71
B Western state	2,43,817.01	2,13,356.22
Total	14,15,350.61	12,07,389.93

iii. Amounts arising from ECL

a Inputs, assumptions and techniques used for estimating impairment

Inputs considered in the ECL model:

In assessing the impairment of financial loans under expected credit loss (ECL) model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorizes loan assets into stages primarily based on the days past due status.

The Company applies the general approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for advances other than stage 1. The Company has computed expected credit losses based on a provision matrix (EAD x PD x LGD) which uses historical credit loss experience and using forward looking economic variables of the Company.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Assessment of significant increase in credit risk (SICR):

The credit risk on a financial asset of the Company is assumed to have increased significantly since initial recognition when contractual payments are more than 30 days past due. Accordingly the financial assets shall be classified as stage 2, if on the reporting date, it has been past due for more than 30 days.

In determining whether credit risk has increased significantly since initial recognition, the Company uses days past due information, early warning signals (EWS) in terms of unusual events including incidents and frauds, repossession of an asset, etc. and forecast information to assess deterioration in credit quality of a financial asset.

Definition of default

The Company considers a financial asset to be in “default” and therefore stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

Exposure at default

“Exposure at default” (EAD) represents the gross carrying amount of the assets subject to impairment.

Estimations and assumptions considered in the ECL model

The Company has made the following assumptions in the ECL Model:

- "Loss given default" (LGD) is common for all three stages and is based on loss experiences in past. Actual cash flows on the past portfolio are discounted at contractual interest rate for arriving loss rate.
- "Probability of Default" (PD) is applied on stage 1 and stage 2 on portfolio basis and for stage 3 PD at 100%. This is calculated as an average historical movement of default rates and future adjustment for macro-economic factor.

Write-off of financial assets

Financial assets are written off either partially or in their entirety when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts.

b An analysis of changes in gross carrying amount as follows:

Particulars	Stage 1	Stage 2	Stage 3	Others	Total
Gross Loans					
Balance as at April 1, 2024	9,18,239.06	28,771.34	21,358.23	12,973.58	9,81,342.21
Transfer to/from stage 1	2,467.24	(1,581.66)	(286.84)	(598.74)	-
Transfer to/from stage 2	(27,754.16)	27,949.16	(37.48)	(157.52)	-
Transfer to/from stage 3	(15,897.85)	(3,436.97)	21,685.08	(2,350.26)	-
Transfer to/from Others	(17,890.88)	(2,670.06)	(169.15)	20,730.09	
New financial assets originated during the year	8,22,111.59	10,695.52	2,813.04	4,221.63	8,39,841.78
Matured or repaid or derecognized	(5,72,735.09)	(18,184.66)	(12,601.12)	(8,564.34)	(6,12,085.21)
Write-offs	(38.08)	(2.98)	(1,667.79)	-	(1,708.85)
Balance as at March 31, 2025	11,08,501.83	41,539.69	31,093.97	26,254.44	12,07,389.93
Transfer to/from stage 1	7,794.85	(4,556.42)	(594.94)	(2,643.49)	-
Transfer to/from stage 2	(37,080.11)	38,036.43	(135.82)	(820.50)	-
Transfer to/from stage 3	(29,176.00)	(6,929.80)	40,993.24	(4,887.44)	-

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	Stage 1	Stage 2	Stage 3	Others	Total
Transfer to/from Others	(5,827.76)	(1,645.70)	(110.34)	7,583.80	-
New financial assets originated during the year	8,98,422.10	13,287.49	3,705.77	811.35	9,16,226.71
Matured or repaid or derecognized	(6,45,229.85)	(23,154.84)	(20,513.03)	(16,920.39)	(7,05,818.11)
Write-offs	(9.19)	(85.49)	(2,292.58)	(60.66)	(2,447.92)
Balance as at March 31, 2026	12,97,395.87	56,491.36	52,146.27	9,317.11	14,15,350.61

c Impairment loss allowance:

The following table shows reconciliations from the opening to the closing balance of the loss allowances::

Particulars	Stage 1	Stage 2	Stage 3	Others	Total
Impairment loss allowance - Gross Loans					
Balance as at April 1, 2024	3,633.06	2,946.55	8,751.40	1,626.79	16,957.80
Transfer to/from stage 1	28.61	(17.45)	(5.70)	(5.46)	-
Transfer to/from stage 2	(3,391.46)	3,408.12	(4.46)	(12.20)	-
Transfer to/from stage 3	(7,708.32)	(1,437.05)	10,126.47	(981.10)	-
Transfer to/from Others	(3,196.20)	(408.76)	(22.42)	3,627.38	
New financial assets originated or impact of changes in credit risk during the year	15,790.52	1,093.56	225.10	655.42	17,764.60
Matured or repaid or derecognized	(2,132.65)	(1,982.69)	(6,213.16)	(1,092.02)	(11,420.52)
Balance as at March 31, 2025	3,023.56	3,602.28	12,857.23	3,818.81	23,301.88
Transfer to/from stage 1	33.44	(20.56)	(2.41)	(10.47)	-
Transfer to/from stage 2	(4,635.57)	4,710.04	(12.13)	(62.34)	-
Transfer to/from stage 3	(13,014.22)	(2,775.79)	17,746.78	(1,956.77)	-
Transfer to/from Others	(939.39)	(239.44)	(16.85)	1,195.68	-
New financial assets originated or impact of changes in credit risk during the year	22,028.40	2,164.95	147.55	1,151.42	25,492.32
Matured or repaid or derecognized	(1,356.63)	(2,287.56)	(10,040.39)	(2,808.59)	(16,493.17)
Balance as at March 31, 2026	5,139.59	5,153.92	20,679.78	1,327.74	32,301.03

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

C Liquidity risk

Liquidity risk is risk that the Company will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its financial liabilities when they are due, under both normal and stressed condition in a timely manner, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has obtained fund based working capital loans from various banks. Further, the Company has access to funds from debt market through non-convertible debentures and other debt instruments including term loans. Short term facilities including cash credits and working capital demand loans are renewed on yearly basis and are revolving in nature. The Company also manages liquidity by raising funds through securitization transaction.

The Company uses debt funds and fixed deposit receipts to manage/ invest its available surplus. The Company has also taken the overdraft facilities on its investments in fixed deposits, and used as a working capital in an ordinary courses of business.

The asset liability management committee (ALCO) of the Company defines its risk management strategy and set the overall policies and procedures. The Liquidity risk management strategies are reviewed by the ALCO to align with changes to the external environments, including regulatory changes, business conditions and market developments.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Particulars	Carrying amount	Total	On demand	0 - 12 months	1-3 years	3-5 years	5+ years
As at March 31, 2026							
Non-derivative financial liabilities							
Trade and other payables	-	-	-	-	-	-	-
Debt securities	3,45,256.56	3,45,256.56	-	93,061.68	2,19,095.13	33,099.75	-
Borrowings (other than debt securities)	9,36,717.72	9,36,717.72	19,060.39	3,96,644.69	4,25,672.18	95,340.10	0.36
Other financial Liabilities	30,029.73	30,029.73	16,903.87	-	-	-	13,125.86
Derivative financial liabilities							
Derivative financial instruments	-	-	-	-	-	-	-

Particulars	Carrying amount	Total	On demand	0 - 12 months	1-3 years	3-5 years	5+ years
As at March 31, 2025							
Non-derivative financial liabilities							
Trade and other payables	-	-	-	-	-	-	-
Debt securities	2,17,668.36	2,17,668.36	-	23,256.35	1,84,307.00	10,105.01	-
Borrowings (other than debt securities)	9,42,740.83	9,42,740.83	7,326.23	3,84,560.99	4,60,000.50	90,853.11	-

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	Carrying amount	Total	On demand	0 - 12 months	1-3 years	3-5 years	5+ years
Other financial liabilities	27,614.23	27,614.23	14,807.80	-	-	-	12,806.43
Derivative financial liabilities							
Derivative financial instruments	894.95	894.95	-	-	-	-	894.95

D Market Risk

i. Interest rate risk

Interest rate risk consists primarily of risk inherent in ALM activities and relates to the potential adverse impact of changes in market interest rates on future net interest income (NII). Interest rate risk arises from mismatches in re-pricing of interest rate sensitive assets (RSA) and rate sensitive liabilities (RSL).

Board of directors of the Company is responsible for management of its interest rate risk and sets the overall policy and risk limits. In order to manage/mitigate interest rate risk, the Company has defined interest rate sensitive gap tolerance limits for each time bucket which is approved by the Board. Treasury is entrusted with the responsibility of managing interest rate risk within the prescribed overall risk limits and the same is monitored by ALCO. Further, the Company undertakes NII analysis to assess the impact of changes in interest rate on the earnings of the Company.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest bearing financial instruments as reported to the management of the Company is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed-rate instruments		
Financial assets	16,89,610.18	15,16,018.88
Financial liabilities	7,17,022.85	6,06,700.43
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	5,94,981.16	5,82,217.94
Total Net	3,77,606.17	3,27,100.52

Fair value sensitivity analysis for fixed-rate instruments

The Company do 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

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit or loss before tax by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	As at March 31, 2026		As at March 31, 2025	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable rate instruments	5,949.81	(5,949.81)	5,822.18	(5,822.18)
Cash Flow Sensitivity	5,949.81	(5,949.81)	5,822.18	(5,822.18)

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

ii. Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises majorly on account of foreign currency borrowings. The Company manages this foreign currency risk by entering into cross currency swaps and forward contract. When a derivative is entered into for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and continue till repayment. The Company holds derivative financial instruments such as cross currency interest rate swap for changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in market place.

Particulars	Currency	As at March 31, 2026	As at March 31, 2025
Financial liabilities in ₹	USD	1,03,413.05	74,322.71

Cash flow sensitivity analysis for foreign currency risk

The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment. Thus, there is no sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. This analysis assumes that all other variables remain constant.

iii. Price risk exposure

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surplus in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

iv. Hedging Policy

The Company hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

Hedging Instrument

The Notional value and Carrying amount for derivative has been shown under note 6. The change in fair value of the derivative has been shown under note 24.

Hedge Ratio

The Company hedges the risk of volatility in floating interest rate on External Commercial Borrowings and the Currency Risk on the principal with a Cross Currency Swap with matched critical terms. Further, the Company also hedges the risk of volatility in floating interest rate on borrowings with an Interest Rate Swap carrying with floating rate swap with comparable terms. This actual hedge ratio does not reflect an imbalance (that could result in an accounting outcome that would be inconsistent with the purpose of the hedge accounting) and hence represents an eligible hedge ratio.

Hedge Effectiveness

The effectiveness is tested to establish that the movements in the value of the Hedging Instrument and the value of the Hedged Item are correlated with each other to offset the volatility in the cash flow throughout the period of the said Hedging Instrument prospectively. Effectiveness is expressed as a percentage of change in the value of the Hedging Instrument over the value of the Hedged Item.

Accordingly, the ineffective portion towards hedge amounting to Rs. 80.55 lakhs is charged to the Profit and Loss Statement under the line item - Finance costs.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

44 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities according to be when they are expected to be recovered or settled.

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	33,404.44	-	33,404.44	38,569.15	-	38,569.15
Bank balance other than cash and cash equivalents	54,077.22	28,139.69	82,216.91	1,30,120.52	21,725.60	1,51,846.12
Derivative financial instruments	-	10,337.70	10,337.70	-	565.83	565.83
Receivables						
Other receivables	1,754.71	-	1,754.71	1,682.27	-	1,682.27
Loans	4,59,925.25	9,23,124.33	13,83,049.58	3,81,211.74	8,02,876.31	11,84,088.05
Investments	1,02,346.65	28,262.59	1,30,609.24	70,213.44	33,727.59	1,03,941.03
Other financial assets	11,674.17	36,563.43	48,237.60	10,080.47	25,245.96	35,326.43
Total financial assets	6,63,182.44	10,26,427.74	16,89,610.18	6,31,877.59	8,84,141.29	15,16,018.88
Non-financial assets						
Current tax assets (net)	-	34.20	34.20	-	348.46	348.46
Deferred tax assets (net)	-	-	-	-	1,091.21	1,091.21
Property, plant and equipment	-	21,353.80	21,353.80	-	21,585.03	21,585.03
Intangible assets under development	-	118.36	118.36	-	275.64	275.64
Other intangible assets	-	1,941.82	1,941.82	-	956.50	956.50
Other non-financial assets	1,743.35	418.77	2,162.12	1,539.52	124.67	1,664.19
Total non-financial assets	1,743.35	23,866.95	25,610.30	1,539.52	24,381.51	25,921.03
Total assets	6,64,925.79	10,50,294.69	17,15,220.48	6,33,417.11	9,08,522.80	15,41,939.91
LIABILITIES						
Financial liabilities						
Derivatives financial instruments	-	-	-	-	894.95	894.95
Debt securities	93,061.68	2,52,194.88	3,45,256.56	23,256.35	1,94,412.01	2,17,668.36
Borrowings (other than debt securities)	4,15,705.08	5,21,012.64	9,36,717.72	3,91,887.22	5,50,853.61	9,42,740.83
Other financial liabilities	16,903.87	13,125.86	30,029.73	14,807.80	12,806.43	27,614.23
Sub total	5,25,670.63	7,86,333.38	13,12,004.01	4,29,951.37	7,58,967.00	11,88,918.37
Non-Financial liabilities						
Current tax liabilities (Net)	355.43	-	355.43	-	-	-
Provisions	464.95	1,603.03	2,067.98	347.79	847.18	1,194.97
Deferred tax liabilities (Net)	-	794.43	794.43	-	-	-
Other non-financial liabilities	1,469.82	340.26	1,810.08	1,323.72	321.05	1,644.77
Sub total	2,290.20	2,737.72	5,027.92	1,671.51	1,168.23	2,839.74
Total Liabilities	5,27,960.83	7,89,071.10	13,17,031.93	4,31,622.88	7,60,135.23	11,91,758.11

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

45 Capital Management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/ or convertible and/ or combination of short term/ long term debt & borrowing as may be appropriate. The Company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans.

The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI), as per RBI, NBFCs are required to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of its aggregate risk weighted assets. Further, the total of Tier II capital cannot exceed 100% of Tier I capital at any point of time. The capital management process of the Company ensures to maintain the minimum CRAR at all the times. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with capital requirements required by regulator, maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholder value.

Particulars	As at March 31, 2026	As at March 31, 2025
Tier I capital	3,39,025.47	3,08,450.81
Total Capital funds	3,39,025.47	3,08,450.81
Risk weighted assets	13,34,095.05	10,45,262.45
Tier I Capital ratio	25.41%	29.51%
Total Capital ratio	25.41%	29.51%

Tier I capital comprises of shareholders' equity and retained earnings. Tier II Capital comprises of general provision and loss reserves (12 month expected credit losses). Credit enhancement relating to securitisation transactions have been adjusted against Tier I and Tier II capital in accordance with RBI circular RBI/ DOR/2025-26/345 DOR.CAP.REC.264/21-01-002/2025-26 dated November 28, 2025. Tier 1 and Tier II capital have been reported based on financial statements of the Company and as prescribed by RBI guidelines. Risk weighted assets represents the weighted sum of Company's credit exposures based on their risk as prescribed by RBI guidelines.

46 Segment reporting

The managing director (MD) of the Company has been identified as the chief operating decision maker (CODM) as defined by the Ind AS 108, "operating segments". The Company's operating segments are established in the manner consistent with the components of the Company that are evaluated regularly by the CODM. The Company is engaged primarily in the business of financing and there are no reportable segments as per Ind AS 108. Presently, the Company's operations are predominantly confined in India. There are no individual customer contributing more than 10% of Company's total revenue. All non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets of the Company are located in India.

47 Revenue from contracts with customers

a) The Company has recognized following amounts relating to revenue in the statement of profit and loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fees and commission income (refer note 23)	14,528.67	9,662.05
Income from support services (refer note 26)	272.04	511.59
Total revenue	14,800.71	10,173.64

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

b) Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by primary geographical market, major products/service lines and timing of revenue recognition:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Primary geographical market		
India	14,800.71	10,173.64
Total	14,800.71	10,173.64
Major products/service lines		
Income from support services (refer note 26)	272.04	511.59
Fees and commission income (refer note 23)	14,528.67	9,662.05
Total	14,800.71	10,173.64
Timing of revenue recognition		
At a point in time	14,800.71	10,173.64
Over a period of time	-	-
	14,800.71	10,173.64

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particulars	As at March 31, 2026	As at March 31, 2025
Contracts assets	-	-
Contracts liabilities	-	-
Other receivables	1,754.71	1,682.27

48 Details of dues under micro, small and medium enterprises

Dues to micro, small and medium enterprises as defined under the micro, small and medium enterprises development act (MSMED), to the extent identified and information available with the Company pursuant to section 22 of the micro, small and medium enterprises development act (MSMED), 2006, details are mentioned below:

Particulars	As at March 31, 2026	As at March 31, 2025
Principal amount due to suppliers under MSMED Act, as at the year end	189.37	92.96
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act	-	-

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

49 Analytical Ratios

Ratio	As at March 31, 2026	As at March 31, 2025	% Variance	Reason for Variance (if above 25%)
Capital to risk weighted assets ratio(CRAR) Numerator : Tier I capital+Tier II capital Denominator: Total risk weighted assets	25.41%	29.51%	-13.88%	NA
Tier I CRAR Numerator : Tier I capital Denominator: Total risk weighted assets	25.41%	29.51%	-13.88%	NA
Tier II CRAR Numerator : Tier II capital Denominator: Total risk weighted assets	0.00%	0.00%	0.00%	NA
Liquidity Coverage Ratio Numerator : High quality liquid assets amount (HQLA) Denominator: Total net cash flow amount	167.01%	255.26%	-34.57%	Decrease in HQLA on account of maturity and increase in borrowings outflow.

RBI disclosures from Notes 50 to 88 have been prepared as per RBI Circulars / Notification / Master Direction / Scale Based Regulation etc. basis Ind-AS financial statements

50 Capital adequacy ratio

Particulars	As at March 31, 2026	As at March 31, 2025
CRAR (%)	25.41%	29.51%
CRAR-Tier- I capital (%)	25.41%	29.51%
CRAR-Tier- II capital (%)	0.00%	0.00%

51 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
(1) Value of investments		
(i) Gross value of investments		
(a) In India	1,30,609.24	1,03,941.03
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	1,30,609.24	1,03,941.03
(b) Outside India	-	-

Notes to the Financial Statements

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(₹ in lakhs except otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balances	-	-
(ii) Add: provision made during the year	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

52 Derivatives

The Company does not have market linked derivatives (in relation to market linked debenture) contracts as at March 31, 2026 and March 31, 2025.

a) Forward Rate Agreement / Interest Rate Swap

S No	Particulars	As at March 31, 2026	As at March 31, 2025
i)	The notional principal of swap agreements	1,58,302.88	1,49,366.44
ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements		-
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	10,337.70	(329.12)

*Counter - party for all swaps entered into by the Company are scheduled commercial banks.

The Company has hedged its foreign currency borrowings through cross currency swaps and holds interest rate swaps against some of its term loan from banks and others financial institutions.

b) Exchange traded interest rate (IR) derivatives

The Company has not traded into any exchange traded interest rate derivative during the current and previous year.

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures

- The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing or to diversify sources of borrowing and to maintain fixed and floating borrowing mix. The Company do not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction, including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. 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 shall be closely monitored and controlled. Normally transaction entered for hedging, will run over the life of the underlying instrument, irrespective of profit or loss. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

iii) The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions are quarterly monitored and reviewed. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.

iv) Refer note 3 for detailed accounting policies on derivatives and hedge accounting.

Quantitative Disclosures

S No	Particulars	As at March 31, 2026		As at March 31, 2025	
		Currency Derivatives*	Interest Rate Derivatives#	Currency Derivatives*	Interest Rate Derivatives#
(i)	Derivatives (Notional Principal Amount) For hedging	93,697.22	-	73,684.89	-
	Derivatives (Notional Principal Amount)	-	64,605.66	-	75,681.55
(ii)	Marked to Market Positions				
	a) Asset (+)	10,337.70	-	565.83	-
	b) Liability (-)	-	-	-	(894.95)
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

* Cross currency swap

Interest rate swap

53 Disclosure pursuant to RBI notification : Details of securitisation transactions

S 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)	23	21
2	Total amount of securitized assets as per books of the SPEs	2,15,425.31	2,63,172.43
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	23,410.55	20,693.98
	(Cash collateral term deposits with banks)		
	Others*	39,329.40	44,100.75
4	Amount of exposures to securitization transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	First loss	-	-
	Others	-	-

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

S No	Particulars	As at March 31, 2026	As at March 31, 2025
	ii) Exposure to third party securitizations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitizations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitizations		
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets	4,80,478.18	4,60,228.49
	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 facility		
	- Fixed deposit		
	(a) Amount paid	-	-
	(b) Repayment received	-	-
	(c) Outstanding amount	23,410.55	20,693.98
8	Average default rate of portfolios observed in the past	1.01%	0.72%
9	Amount and number of additional/top up loan given on same underlying asset	-	-
10	Investor complaints		
	(a) Directly/Indirectly received and;	NIL	NIL
	(b) Complaints outstanding	NIL	NIL

* MRR including securitization investments.

54 Disclosure pursuant to RBI notification : Loans not in default/stressed loans transferred and acquired to/from other entities

a) Details of loans (not in default) transferred through assignment (excluding co-lending)

S No	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Amount of loan accounts assigned	1,33,215.38	1,17,840.72
(ii)	Retention of beneficial economic interest (MRR)	10%-20%	10%-15%
(iii)	Weighted average maturity (Residual Maturity)	58 Months	52 Months
(iv)	Weighted average holding period	12 Months	11 Months
(v)	Coverage of tangible security coverage	3.02 times	2.63 times
(vi)	Rating-wise distribution of rated loans	Unrated	Unrated

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

b) Details of loans (not in default) acquired through assignment

S No	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Amount of loan accounts assigned	5,543.91	64,444.62
(ii)	Retention of beneficial economic interest (MRR)	10%	10%
(iii)	Weighted average maturity (residual maturity)	26 Months	27 Months
(iv)	Weighted average holding period	8 Months	10 Months
(v)	Coverage of tangible security coverage	1.83 times	2.15 times
(vi)	Rating-wise distribution of rated loans	Unrated	Unrated

c) Details of stressed loans transferred

S No	Particulars	As at March 31, 2026 To asset reconstruction companies (ARC)		As at March 31, 2025 To asset reconstruction companies (ARC)	
		NPA*	SMA	NPA*	SMA
(i)	No. of accounts	9,732.00	-	8,434.00	-
(ii)	Aggregate principal outstanding of loans transferred	21,980.03	-	23,992.43	-
(iii)	Weighted average residual tenor of the loans transferred	28 Months	-	25 Months	-
(iv)	Net book value of loans transferred (at the time of transfer)	16,177.54	-	17,245.08	-
(v)	Aggregate consideration	15,936.00	-	17,611.00	-
(vi)	Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-

* Including written off loans for the year ended March 31, 2026: ₹ 1,121.48 lakhs (March 31, 2025: ₹ 1,875.02 lakhs)

The Company has not reversed any amount of provision in Statement of Profit and Loss on account of sale of stressed loans.

d) Details of stressed loans acquired

The Company has not acquired any stressed loan during the financial year ended March 31, 2026 and March 31, 2025.

e) Details of ratings of SRs outstanding

Rating	Rating Agency	Recovery Rating	As at March 31, 2026 Gross Value of outstanding SRs	As at March 31, 2025 Gross Value of outstanding SRs
RR2	India Rating & Research	75%-100%	326.57	950.81
RR2	India Rating & Research	75%-100%	1,196.79	2,399.32
RR2	India Rating & Research	75%-100%	2,553.32	3,094.00
RR2	Crisil Ratings Limited	75%-100%	3,955.55	-
RR2	India Rating & Research	75%-100%	9,402.62	-
Unrated*			-	6,138.82

* The rating for the SRs of gross value Nil (March 31, 2025: ₹ 6,138.82 lakhs) are unrated till approval of financial statements and rating will be obtained in due course of time as per RBI Master Direction - Reserve Bank of India (Asset Reconstruction Companies) Directions, 2025.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

f) Details of co-lending arrangements (CLAs) wherein the company is partner RE for disbursement during the quarter ended March 31, 2026

S No	Particulars	As at March 31, 2026
(i)	Number of CLA Partners	4
(ii)	Amount of Gross principal outstanding as at March 31, 2026	2,593.45
(iii)	Weighted average rate of interest (%)	13.53%
(iv)	Fees received/ paid	Nil
(v)	Broad Sectors in which CLA was made	Vehicle Loans
(vi)	Performance of loans under CLA as at March 31, 2026 :	
	• Standard Loans	2,593
	• Non-Performing Loans	-
(vii)	Details related to Default Loss Guarantee (DLG)	2.50% to 5.00%

g) Details of co-lending arrangements (CLAs) wherein the company is originating RE for disbursement during the quarter ended March 31, 2026

The Company has not undertaken any co-lending arrangements during the quarter ended March 31, 2026.

55 Asset liability management

Maturity pattern of certain items of assets and liabilities as per RBI guidelines.

As at March 31, 2026

Particulars	Liabilities			Assets		
	Foreign currency liability	Borrowings from banks	Market borrowings**	Advances	Deposits*	Investments
1 to 7 days	-	2,523.98	31,803.28	43,176.61	4,121.21	1,502.57
8 to 14 days	-	1,514.32	13,863.46	1,645.50	6.50	6,050.96
15 to 30/31 days	-	16,210.67	4,448.91	2,636.94	5,412.23	22,963.99
Over one month to 2 months	-	21,743.16	24,192.68	32,120.81	296.23	59,137.02
Over 2 months upto 3 months	582.83	28,049.48	16,643.07	49,403.95	11,793.42	2,532.31
Over 3 months to 6 months	11,195.95	52,136.83	55,163.97	1,11,475.43	1,118.75	1,821.41
Over 6 months to 1 year	10,816.75	1,48,466.97	69,410.45	2,22,908.18	35,450.08	8,338.39
Over 1 year to 3 years	44,247.02	3,15,255.57	2,85,264.71	6,30,976.35	27,605.54	7,956.19
Over 3 years to 5 years	29,643.19	65,376.81	33,419.86	2,56,804.99	534.16	6,313.52
Over 5 years	-	0.36	-	64,201.85	-	13,992.88
Total	96,485.74	6,51,278.15	5,34,210.39	14,15,350.61	86,338.12	1,30,609.24

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

As at March 31, 2025

Particulars	Liabilities			Assets		
	Foreign currency liability	Borrowings from banks	Market borrowings**	Advances	Deposits*	Investments
1 to 7 days	-	2,483.52	7,190.35	34,392.58	113.44	221.57
8 to 14 days	-	1,527.85	14,791.74	982.11	20,082.95	90.06
15 to 30/31 days	-	13,768.57	4,623.06	1,137.72	6.16	5,084.44
Over one month to 2 months	-	17,376.95	23,914.16	25,306.37	51,836.01	42,866.04
Over 2 months upto 3 months	1,593.64	26,937.41	12,980.92	41,928.95	37,049.16	1,081.92
Over 3 months to 6 months	1,166.96	47,578.65	35,145.20	91,979.96	14,537.38	2,648.72
Over 6 months to 1 year	9,211.01	1,35,058.67	59,794.90	1,87,614.45	19,717.02	18,220.69
Over 1 year to 3 years	27,672.33	3,19,925.78	2,96,709.38	5,41,109.90	21,725.62	12,002.91
Over 3 years to 5 years	24,321.64	62,599.18	14,037.32	2,29,948.42	-	2,505.30
Over 5 years	-	-	-	52,989.47	-	19,219.38
Total	63,965.58	6,27,256.58	4,69,187.03	12,07,389.93	1,65,067.74	1,03,941.03

The Company has no foreign currency assets.

* Deposit is in the form of term deposits with banks.

** It includes debt securities and other borrowing (i.e. borrowings not covered under 'Borrowing from banks' & 'Foreign currency liability').

56 Disclosure on Restructured Accounts

The Company has not restructured any non-performing financial assets during the financial year ended March 31, 2026 and March 31, 2025.

57 Exposure to real estate sector

S No	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Direct exposure		
a)	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.	-	-
b)	Commercial real estate-		
	Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	-	-

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

S No	Particulars	As at March 31, 2026	As at March 31, 2025
c)	Investments in mortgage-backed Securities (MBS) and other securitized exposures-		
i.	Residential	-	-
ii.	Commercial real estate	-	-
(ii)	Indirect exposure		
	Fund based and non-fund-based exposures on national housing bank and housing finance companies.	2,066.25	9,730.65
Total Exposure to real estate sector		2,066.25	9,730.65

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

The aforementioned exposure to real estate excludes loan against property, which are not for the purpose of acquiring residential property, that is or will be occupied by the borrower or that is rented.

58 Exposure to capital market

S No	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	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii)	Bridge loans to companies against expected equity flows / issues	-	-
(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	-	-

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

S No	Particulars	As at March 31, 2026	As at March 31, 2025
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds:		
a)	Category I	-	-
b)	Category II	-	-
c)	Category III	-	-
Total Exposure to Capital Market		-	-

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

59 Sectoral exposure

S No	Sectors	As at March 31, 2026			As at March 31, 2025		
		Total exposure	Gross NPAs	% of Gross NPAs to total exposure in that sector	Total exposure	Gross NPAs	% of Gross NPAs to total exposure in that sector
1	Agriculture and Allied Activities	-	-	-	-	-	-
2	Industry	-	-	-	-	-	-
3	Services	-	-	-	-	-	-
4	Personal Loans	10,300.13	316.95	3.08%	5,416.86	223.14	4.12%
5	Others						
	Auto loans	11,99,737.31	51,801.25	4.32%	9,74,791.26	47,297.38	4.85%
	Loan against property	2,05,313.17	9,345.18	4.55%	2,27,181.81	9,827.89	4.33%

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

60 Intra-group exposures

The Company does not have any intra-group exposures for the year ended March 31, 2026 and March 31, 2025.

61 Unhedged foreign currency exposure

The Company has nil unhedged foreign currency exposure as at March 31, 2026 and March 31, 2025. Refer note 43 for policies to manage induce currency risk.

62 Related Party Transactions

Refer note 37 of financial statements for related party disclosures.

The Company does not have entered into any transactions related to borrowings, deposits, placement of deposits, advances & investment during the year with director's, KMP & their relative's. Hence there is no outstanding balance related to mentioned transactions during the years.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

63 Disclosure of complaints

a. Summary information on complaints received by the NBFCs from customers and from the offices of ombudsman

S No	Particulars	As at March 31, 2026	As at March 31, 2025
Complaints received by the NBFC from its customers			
1	No. of complaints pending at the beginning of the year	378	120
2	No. of complaints received during the year	14,977	12,784
3	No. of complaints disposed during the year	15,138	12,526
	3.1 Of which, No. of complaints rejected by the NBFC*	2,955	1,107
4	No. of complaints pending at the end of the year**	217	378
Maintainable complaints received by the NBFC from office of ombudsman			
5	No. of maintainable complaints received by the NBFC from office of ombudsman	42	37
	5.1 Of 5, No. of complaints resolved in favour of the NBFC by office of ombudsman	42	37
	5.2 Of 5, No. of complaints resolved through conciliation/mediation/advisories issued by office of ombudsman	-	-
	5.3 Of 5, No. of complaints resolved after passing of awards by office of ombudsman against the NBFC	-	-
6	Number of awards unimplemented within the stipulated time (other than those appealed)	-	-

* Represents number of complaints submitted by internal ombudsman to RBI vide master direction - Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026.

** These complaints were resolved subsequently.

b. Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	No. of complaints pending at the beginning of the year	No. of complaints received during the year	% change in the no. of complaints received over the previous year	No. of complaints pending at the end of the year	Out of 5, no. of complaints pending beyond 30 days
1	2	3	4	5	6
As at March 31, 2026					
Loans and advances related	189	7,149	95.17%	97	-
Credit information corporation (CIC) updation related	-	874	299.09%	22	-
Mismatch in details related	13	204	-68.62%	1	-
Foreclosure related	-	1,738	38.60%	14	-
Customer documents related	34	1,193	-13.99%	20	-
Others	142	3,819	-31.94%	63	-
Total	378	14,977	17.15%	217	-

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Grounds of complaints, (i.e. complaints relating to)	No. of complaints pending at the beginning of the year	No. of complaints received during the year	% change in the no. of complaints received over the previous year	No. of complaints pending at the end of the year	Out of 5, no. of complaints pending beyond 30 days
1	2	3	4	5	6
As at March 31, 2025					
Loans and advances related	27	3,663	173.36%	189	-
Credit information corporation (CIC) updation related	1	219	-23.96%	-	-
Mismatch in details related	9	650	-1.66%	13	-
Foreclosure related	11	1,254	24.04%	-	-
Customer documents related	11	1,387	56.02%	34	-
Others	61	5,611	111.02%	142	-
Total	120	12,784	86.68%	378	-

The above information is provided as per MIS/reports generated available for internal reporting purpose which include certain estimates and assumption. The same has been relied upon by auditors.

64 Breach of covenant

The Company has no instances of breach of covenant in respect of loans availed and debt securities issued as at March 31, 2026 and March 31, 2025.

65 Divergence in asset classification and provisioning

RBI vide its Master Director - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, has directed NBFCs shall make suitable disclosures, if either or both of the following conditions are satisfied:-

- the additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period, or
- the additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period.

There has been no material divergence observed by the RBI for the financial year 2024-25 (as per assessment by the RBI during financial year 2025-26) in respect of the NBFC's asset classification and provisioning under the extant prudential norms on income recognition asset classification and provisioning (IRACP) which require such disclosures.

66 Disclosure on modified opinion

The auditor have expressed an unmodified opinion for the year ended March 31, 2026 and March 31, 2025.

67 Income and expenditure of exceptional nature

The Company has not booked any income or expenditure of exceptional nature during the year ended March 31, 2026 and March 31, 2025.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

68 Details of financing of parent company products

These details are not applicable since the Company is not a subsidiary of any company.

69 Details of single borrower limit ('SGL') / group borrower limits ('GBL') exceeded by NBFC's

The Company has not exceeded the single borrower limits / group borrowers limits during the financial year ended March 31, 2026 and March 31, 2025.

70 Unsecured advances

The Company has not given any unsecured advances against intangible securities such as charge over the rights licenses, authority, etc. during the financial year ended March 31, 2026 and March 31, 2025. For details of other unsecured advances, refer note 8.

71 Registration obtained from other financial sector regulators

Regulator	Registration no.	Valid Up to
Insurance Regulatory and Development Authority - Corporate agent	CA1009	Valid till 17-Dec-27

72 Details of penalties imposed by RBI and other regulators

No penalty was levied during the year ended March 31, 2026 and March 31, 2025 except as stated below-During year ended March 31, 2025, ROC has levied penalty of Rs. 4 lakh which was paid by the Company, pursuant to suo-moto settlement application filed by the Company with respect to non compliances with section 62(1)(b) of the Companies Act, 2013.

73 Details of ratings assigned by credit rating agencies and migration of ratings during the year

S. No.	Products	Rating assigned*	Previous rating assigned *
(i)	Non-convertible debentures	Withdrwan	CRISIL AA-/Stable
		ICRA Ltd AA-/Stable	ICRA AA-/Stable
		India Rating and Research AA-/Positive	India Rating and Research AA-/Stable
(ii)	Market Linked debentures	Withdrwan	CARE PP-MLD AA-/Stable
		Withdrwan	CRISIL PPMLD AA-/Stable
(iii)	Loan facility	CARE AA-/Stable	CARE AA-/Stable
		India Rating and Research AA-/Positive	India Rating and Research AA-/Stable
(iv)	Commercial paper	India Rating and Research A1+	India Rating and Research A1+

* Month of rating assigned relates to rating valid on March 31, 2026 and March 31, 2025.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

74 Remuneration of non-executive directors

S.No.	Name of Director	Nature of payment	As at March 31, 2026	As at March 31, 2025
1	Amar Lal Daultani	Sitting fees and allowances	28.67	31.17
2	Anand Raghavan	Sitting fees and allowances	25.07	31.07
3	Mukul Mathur	Sitting fees and allowances	23.65	17.71
4	Nanda Sameer Dave	Sitting fees and allowances	26.16	22.07

75 Provisions and contingencies

Break up of 'Provisions and Contingencies' shown under the head expenditure in Statement of Profit and Loss	For the year ended March 31, 2026	For the year ended March 31, 2025
Provision towards NPA	12,536.16	13,339.45
Provision made towards Income tax / deferred tax	13,636.36	10,509.38
Other provision and contingencies (refer note 29)	868.46	860.30
Provision for standard assets	4,255.27	(920.28)

76 Draw down from reserves

The Company has not made any draw down from reserves during the year ended March 31, 2026 and March 31, 2025 except as shown in note 21.

77 Revenue Recognition

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties during the year ended March 31, 2026 and March 31, 2025.

78 Consolidated financial statements

The Company has no subsidiaries for consolidation.

79 Concentration of advances, exposures and NPA's

i) Concentration of advances

S No	Particulars	As at March 31, 2026	As at March 31, 2025
1	Total advances to twenty largest borrowers	1,775.08	1,210.63
2	Percentage of advances to twenty largest borrowers to total advances	0.13%	0.10%

ii) Concentration of exposures*

S No	Particulars	As at March 31, 2026	As at March 31, 2025
1	Total exposure to twenty largest borrowers / customers	1,00,378.84	84,853.30
2	Percentage of exposures to twenty largest borrowers / customers to total exposure on borrowers/ customers	6.63%	6.59%

* Exposure comprises of loan and investment exposure.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

iii) Concentration of NPA's

S No	Particulars	As at March 31, 2026	As at March 31, 2025
1	Total exposure to top four NPA accounts	162.50	151.13

iv) Sector wise NPA % of NPAs to total advances in that sector

S No	Sector	As at March 31, 2026	As at March 31, 2025
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	4.32%	4.85%
7	Loan against property	4.55%	4.33%
8	Other personal loans	3.08%	4.12%

80 Movement of non-performing assets (NPA's)

S No	Sector	As at March 31, 2026	As at March 31, 2025
i)	Net NPAs to net advances (%)	2.83%	3.42%
ii)	Movement of Gross non-performing assets (Gross NPAs)		
a)	Opening balance	57,348.41	34,331.81
b)	Addition during the year	48,096.38	46,930.42
c)	Reduction during the year	(43,981.41)	(23,913.83)
d)	Closing balance	61,463.38	57,348.41
iii)	Movement of Net non-performing assets (Net NPAs)		
a)	Opening balance	40,672.37	23,953.62
b)	Addition during the year	29,828.57	33,299.57
c)	Reduction during the year	(31,045.08)	(16,580.83)
d)	Closing balance	39,455.86	40,672.36
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
a)	Opening balance	16,676.04	10,378.19
b)	Provision made during the year	18,267.81	13,630.85
c)	Write-off / write-back of excess provisions	(12,936.33)	(7,333.00)
d)	Closing balance	22,007.52	16,676.04

81 Overseas assets (for those with joint ventures and subsidiaries abroad)

There are no overseas assets owned by the Company.

82 Off-balance sheet SPVs sponsored

There are no SPVs which are required to be consolidated as per accounting norms during the year ended March 31, 2026 and March 31, 2025.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

83 Disclosures on frauds pursuant to RBI Master direction

Frauds amounting to ₹ 31.10 lakhs reported during the year ended March 31, 2026 and ₹ 64.26 lakhs were reported during the year ended March 31, 2025.

84 Net Profit or Loss for the year, prior period items and changes in accounting policies

There are no prior period items and changes in accounting policies.

85 Loans to directors, senior officers and relatives of directors

Particulars	As at March 31, 2026	As at March 31, 2025
Directors and their relative	Nil	Nil
Entities associated with directors and their relatives	Nil	Nil
Senior officers and their relatives	Nil	7.28

85A Loans against gold and silver collateral

There are no loans given against gold and silver collateral by the Company.

85B Disclosure related to project finance

There are no loans given related to project finance by the Company.

85C Non-Fund Based (NFB) Credit Facilities

There are no non-fund based credit facilities given by the Company.

86 Comparison of provisioning as per IRAC norms and Ind AS 109

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
As at March 31, 2026						
Performing assets						
Standard	Stage 1	12,97,395.87	5,139.59	12,92,256.28	5,193.51	(53.92)
	Stage 2	56,491.36	5,153.92	51,337.44	225.97	4,927.95
Subtotal		13,53,887.23	10,293.51	13,43,593.72	5,419.48	4,874.03
Non-performing assets (NPA)						
Substandard	Stage 3	46,031.55	18,251.85	27,779.70	9,144.96	9,106.89
Substandard	Others	9,317.11	1,327.74	7,989.37	1,349.43	(21.69)
Doubtful - up to 1 year	Stage 3	5,995.12	2,380.41	3,614.71	2,078.23	302.18
1 to 3 years	Stage 3	114.35	45.42	68.93	45.18	0.24
More than 3 years	Stage 3	5.25	2.10	3.15	2.62	(0.52)
Subtotal for doubtful		6,114.72	2,427.93	3,686.79	2,126.03	301.90
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		61,463.38	22,007.52	39,455.86	12,620.42	9,387.10

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current income recognition, asset classification and provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	12,97,395.87	5,139.59	12,92,256.28	5,193.51	(53.92)
	Stage 2	56,491.36	5,153.92	51,337.44	225.97	4,927.95
	Stage 3	52,146.27	20,679.78	31,466.49	11,270.99	9,408.79
	Others	9,317.11	1,327.74	7,989.37	1,349.43	(21.69)
	Total	14,15,350.61	32,301.03	13,83,049.58	18,039.90	14,261.13

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
As at March 31, 2025						
Performing assets						
Standard	Stage 1	11,08,501.83	3,023.56	11,05,478.27	4,440.44	(1,416.88)
	Stage 2	41,539.69	3,602.28	37,937.41	168.28	3,434.00
Subtotal		11,50,041.52	6,625.84	11,43,415.68	4,608.72	2,017.12
Non-performing assets (NPA)						
Substandard	Stage 3	25,082.02	10,361.94	14,720.08	4,958.46	5,403.48
Substandard	Others	26,254.44	3,818.81	22,435.63	3,732.08	86.73
Doubtful - up to 1 year	Stage 3	5,982.41	2,483.04	3,499.37	2,110.99	372.05
1 to 3 years	Stage 3	25.35	10.54	14.81	10.10	0.44
More than 3 years	Stage 3	4.19	1.71	2.48	2.10	(0.39)
Subtotal for doubtful		6,011.95	2,495.29	3,516.66	2,123.19	372.10
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		57,348.41	16,676.04	40,672.37	10,813.73	5,862.31

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current income recognition, asset classification and provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	11,08,501.83	3,023.56	11,05,478.27	4,440.44	(1,416.88)
	Stage 2	41,539.69	3,602.28	37,937.41	168.28	3,434.00
	Stage 3	31,093.97	12,857.23	18,236.74	7,081.65	5,775.58
	Others	26,254.44	3,818.81	22,435.63	3,732.08	86.73
	Total	12,07,389.93	23,301.88	11,84,088.05	15,422.45	7,879.43

In terms of requirement of Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025, non-banking financial companies (NBFCs) are required to create an impairment reserve for any short fall in impairment allowance under Ind AS 109 and income recognition and asset classification and provisioning (IRACP) norms (including provision on standard assets). The impairment allowance under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard assets provisioning), as at March 31, 2026 and March 31, 2025 and accordingly, no amount is required to be transferred to impairment reserve.

87 Disclosure on Liquidity Risk Management Framework

Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for the financial year 2025-2026 is given below:

No.	Particulars	Quarter ended March 31, 2026		Quarter ended December 31, 2025		Quarter ended September 30, 2025		Quarter ended June 30, 2025	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
	High Quality Liquid Assets								
1	Total high quality liquid assets (HQLA)*	29,539.64	27,687.30	32,286.05	29,761.68	32,582.99	29,679.42	1,03,809.84	1,00,757.98
	Cash outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

No.	Particulars	Quarter ended March 31, 2026		Quarter ended December 31, 2025		Quarter ended September 30, 2025		Quarter ended June 30, 2025	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
4	Secured wholesale funding	44,220.07	50,853.08	29,358.42	33,762.18	29,278.46	33,670.23	81,137.97	93,308.67
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	7,367.12	8,472.19	7,749.15	8,911.52	7,192.53	8,271.41	6,479.52	7,451.45
7	Other contingent funding obligations	6,077.19	6,988.77	5,545.59	6,377.43	4,835.67	5,561.02	5,735.95	6,596.35
8	Total Cash Outflows	57,664.38	66,314.04	42,653.16	49,051.13	41,306.66	47,502.66	93,353.44	1,07,356.46
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	48,845.55	36,634.16	51,956.29	38,967.22	42,609.75	31,957.31	45,251.02	33,938.26
11	Other cash inflows	60,601.56	45,451.17	60,303.31	45,227.48	1,02,834.79	77,126.09	72,906.60	54,679.95
12	Total Cash Inflows	43,248.29	49,735.53	31,989.87	36,788.35	30,979.99	35,626.99	70,015.08	80,517.35
13	Total Hqla		27,687.30		29,761.68		29,679.42		1,00,757.98
14	Total Net Cash Outflows		16,578.51		12,262.78		11,875.66		26,839.12
15	Liquidity Coverage Ratio (%)		167.01%		242.70%		249.92%		375.41%

* HQLA includes cash and bank balance and investment in government backed securities.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for the financial year 2024-2025 is given below:

No.	Particulars	Quarter ended March 31, 2025		Quarter ended December 31, 2024		Quarter ended September 30, 2024		Quarter ended June 30, 2024	
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High Quality Liquid Assets									
1	Total high quality liquid assets (HQLA)*	35,530.96	32,325.58	27,105.06	23,742.97	20,478.74	17,134.21	21,825.57	18,445.95
	Cash outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	114.64	131.84
4	Secured wholesale funding	36,632.79	42,127.70	34,792.34	40,011.19	31,967.70	36,762.86	35,598.16	40,937.89
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	7,414.73	8,526.93	7,177.04	8,253.60	7,201.70	8,281.95	6,922.72	7,961.13
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	Total Cash Outflows	44,047.51	50,654.64	41,969.38	48,264.79	39,169.40	45,044.81	42,635.53	49,030.86
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	38,692.45	29,019.34	40,221.80	30,166.35	38,575.82	28,931.86	41,841.74	31,381.30
11	Other cash inflows	50,495.80	37,871.85	30,718.83	23,039.12	28,568.75	21,426.56	35,929.89	26,947.42
12	Total Cash Inflows	33,035.63	37,990.98	31,477.03	36,198.59	29,377.05	33,783.60	31,976.65	36,773.14
13	Total Hqla		32,325.58		23,742.97		17,134.21		18,445.95
14	Total Net Cash Outflows		12,663.66		12,066.20		11,261.20		12,257.71
15	Liquidity Coverage Ratio (%)		255.26%		196.77%		152.15%		150.48%

* HQLA includes cash and bank balance and investment in government backed securities.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Qualitative Disclosure on LCR

The Liquidity Coverage Ratio (LCR) is a global minimum standard to measure the Company's liquidity position. Reserve Bank introduced the liquidity coverage ratio (LCR) requirement for all deposit-taking NBFCs and non-deposit taking NBFCs with an asset size of ₹ 5,000 crore and above. LCR seeks to ensure that the Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs under a 30-day calendar liquidity stress scenario. LCR is calculated by dividing the stock of HQLA's by its total net cash outflow over a 30 day calendar period.

The Company has adopted the liquidity risk framework as required under RBI regulation. It ensures a sound and robust liquidity risk management system by maintaining sufficient liquidity through inclusion of a cushion of unencumbered, high quality liquid asset to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The Board of Directors have delegated responsibility of balance sheet Liquidity Risk Management to the Asset Liability Management Committee.

The LCR is calculated by dividing a Company's stock of HQLA by it's total net cash outflows over a 30 -day stress period. The requirement, as on March 31, 2026 and March 31, 2025 is 100% and 100% respectively. In order to determine High quality Liquid Assets, Company considers all the allowable assets as per RBI including Cash and Bank Balances and investment in Government backed Securities. In order to determine net cash outflows, Company considers total expected cash outflow minus total expected cash inflows for the subsequent 30 calendar days. As per regulations, stressed cash flows is computed by assigning a predefined stress percentage to the overall cash inflows and cash outflows. Net cash outflow over next 30 days is computed as stressed outflows less minimum of stressed inflows subject to 75% of stressed outflow. Accordingly LCR would be computed by dividing Company's stock of HQLA by it's total net cash outflow.

Cash outflow under secured wholesale funding includes contractual obligations under Term loans, NCDs, Interest payable within 30 days. Outflow under other contractual funding obligations primarily includes outflow on account of sundry payables. In order to determine Inflows from fully performing exposures, Company considers the collection from performing advances in next 30 days. Other Cash inflows includes investments in mutual funds,debt securities and fixed deposits which are maturing within 30 days.

Public disclosure on liquidity risk

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Particulars	Number of significant counterparties	Amount	% of Total deposits	% of Total liabilities
As at March 31, 2026	27	11,09,719.44	Not Applicable	84.26%
As at March 31, 2025	28	9,95,018.83	Not Applicable	83.49%

(ii) Top 20 large deposits (amount and % of total deposits) - Not applicable

(iii) Top 10 borrowings

Particulars	Amount	% to Total borrowings
As at March 31, 2026	6,96,490.63	54.33%
As at March 31, 2025	5,87,554.62	50.63%

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

(iv) Funding concentration based on significant instrument/product

Name of the instrument/product	As at March 31, 2026		As at March 31, 2025	
	Amount	% of Total liabilities	Amount	% of Total liabilities
Debt securities (including commercial paper)	3,45,256.56	26.21%	2,17,668.36	18.26%
Term loan from banks	6,09,374.97	46.27%	6,09,323.39	51.13%
Term loan from financial institutions-Secured	34,746.14	2.64%	40,691.43	3.41%
Associated liabilities under securitisation	1,77,050.48	13.44%	2,21,434.21	18.58%
External commercial borrowings	96,485.74	7.33%	63,965.57	5.37%
Short term borrowings	19,060.39	1.45%	7,326.23	0.61%

(v) Stock Ratios:

Particulars	As at March 31, 2026			As at March 31, 2025		
	Total public funds	Total liabilities	Total assets	Total public funds	Total liabilities	Total assets
Commercial paper, as a % of	0.00%	0.00%	0.00%	0.73%	0.71%	0.55%
Non-convertible debentures (original maturity of less than one year), as a % of	Nil	Nil	Nil	Nil	Nil	Nil
Other short term liabilities*, as a % of	41.18%	40.09%	30.78%	36.47%	35.51%	27.45%

* Other short term liabilities include all contractual obligation payable within a period of 1 year excluding commercial paper.

(vi) Institutional set-up for liquidity risk management

The Company has constituted asset liability management committee ('ALCO') to oversee liquidity risk management in compliance with board approved policy. It comprises of senior management of the Company and headed by managing director or/and executive director. ALCO meetings are held once in a quarter or more frequently as required from time to time. The minutes of ALCO meetings are placed before the risk management committee (RMC) and the board of directors.

SKFL has also constituted RMC for the effective supervision and management of various aspects including liquidity risks faced by the Company. This committee shall provide necessary directives to ALCO, as and when necessary. The ALCO and RMC updates the board at regular intervals.

Notes:

- 1) Significant counterparty is "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of total liabilities.
- 2) Significant instrument/product is "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total liabilities.
- 3) Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/Surplus.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

- 4) Public funds are "Public funds" includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue; as defined in Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025.

88 Detail of resolution plan implemented under the resolution framework for Covid-19 related stress as per RBI circular dated August 06, 2020 (resolution framework-1.0) and May 5, 2021 (resolution framework-2.0) for half year ended March 31, 2026 as given below-

Type of Borrowers	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 #	52.58	-	-	14.13	38.45
Corporate persons	-	-	-	-	-
MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	52.58	-	-	14.13	38.45

* Consist of unbilled and overdue principal

Includes restructuring implemented pursuant to OTR 2.0 for personal loans, individual business loans and small business loans.

89 Note on the audit trail

For the year ended March 31, 2026

The Company has used an accounting software for maintaining its 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. Additionally the audit trail has been preserved by the Company as per the statutory requirements for record retention since enable.

For the year ended March 31, 2025

The Company has used an accounting software for maintaining its books of account for the year ended March 31, 2025 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. Additionally the audit trail has been preserved by the Company as per the statutory requirements for record retention since enable.

90 Other Statutory Information

- (i) The Company does not have any investment property.
- (ii) The Company does not have any charges or satisfaction which is yet to be registered with registrar of companies beyond the statutory period for borrowings.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

- (iii) The Company, being a Non-Banking Financial Company ("NBFC") registered with the Reserve Bank of India ('RBI') as a 'Middle Layer' NBFC as per the Scale Based Regulations prescribed by the RBI, the provisions of section 2(87) read with companies (restriction on number of layers) Rules 2017 are not applicable.
- (iv) 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 account.
- (v) There have been no significant events after the reporting date require disclosure in these financial statements.
- (vi) The Company has not entered any transactions with companies that were struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- (vii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (ix) The Company has no 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).
- (x) During the year, no scheme of arrangements in relation to the Company has been approved by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013. Accordingly, aforesaid disclosure are not applicable to the Company.
- (xi) Security deposit for securitisation cases is maintained as cash collateral deposits with banks under lien with respective trustee.
- (xii) SEBI has determined the settlement amount of ₹ 67.50 lakh which was paid by the Company, pursuant to a summary settlement application filed by the Company on September 27, 2024 with SEBI under the SEBI (Settlement Proceedings) Regulations, 2018 without admitting or denying the findings of fact and conclusions of law with respect to certain non compliances of deemed public issue norms for issuance of fully repaid Non-Convertible Debentures (NCDs) for 50 crore issued on private placement basis. The said summary settlement application was settled with SEBI and full amount was refunded to the Company with a further demand of ₹ 8.75 lakhs as a final settlement order dated February 12, 2026. The final settlement amount has been paid by the Company.
- (xiii) The comparative financial statements of the Company for the year ended March 31, 2025 included in the Statement have been audited by one of the joint auditor. The reports of the said joint auditor on this comparative financial statements expressed an un-modified opinion.
- (xiii) (a) During the year ended March 31, 2026, the Company has acquired loan portfolio of ₹ 16,629.01 lakhs (including non performing assets of ₹ 57.33 lakhs) from an NBFC for the consideration of ₹ 17,010.58 lakhs.
- (xiv) The Company has not declared wilful defaulter by any bank or financial institution or other lenders.

Notes to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

- (xv) Pursuant to the RBI circular dated February 15, 2022, the Company has implemented necessary system in place to align its definition of default for loan assets with the guidelines 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 regulatory reporting, as applicable. The financial statement for the year ended March 31, 2026 and March 31, 2025, are prepared in accordance with the applicable Ind-As guidelines and the RBI Financial Statements: Presentation and Disclosures Directions, 2025.

Material accounting policies

1-3

The accompanying notes form an integral part of the financial statements.

For and on behalf of the Board of Directors of
SK Finance Limited

Rajendra Kumar Setia
(Managing Director & CEO)
DIN - 00957374

Yash Setia
(Whole Time Director)
DIN - 09831391

Atul Arora
(Chief Financial Officer)

Anagha Bangur
(Company Secretary)
Membership No.: F10697

Place : Jaipur
Date : April 30, 2026

Appendix to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Schedule to the balance sheet of a Non Deposit Taking Non-Banking Financial Company as required in terms of Annex I of Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

Particulars	Amount outstanding	Amount overdue
Liabilities side:	As at March 31, 2026	As at March 31, 2026
1 Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	3,45,256.56	-
: Unsecured	-	-
(Other than falling within the meaning of public deposits)	-	-
(b) Deferred credits	-	-
(c) Term loans from bank	6,09,374.97	-
(d) Inter-corporate loans and borrowing	1,31,231.88	-
(e) Commercial paper	-	-
(f) Public Deposits	-	-
(g) Other loans:	-	-
Associated liabilities in respect of securitization transactions	1,77,050.48	-
Cash credit facilities and working capital demand loans	19,060.39	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-

Particulars	Amount outstanding
Assets side:	As at March 31, 2026
3 Break-up of loans and advances including bills receivables [other than those included in (4) below] (net off provision on NPA):	
(a) Secured	13,70,159.41
(b) Unsecured	12,890.17
4 Break up of leased assets and stock on hire and other assets counting towards asset financing activities	
(i) Lease assets including lease rentals under sundry debtors	
(a) Financial lease	-
(b) Operating lease	-
(ii) Stock on hire including hire charges under sundry debtors:	
(a) Assets on hire	-
(b) Repossessed assets	-
(iii) Other loans counting towards asset financing activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-

Appendix to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

Particulars	Amount outstanding
Assets side:	As at March 31, 2026
5 Break-up of investments:	
Current investments:	
1. Quoted:	
(i) Shares: (a) Equity	-
(b) Preference	-
(ii) Debentures and bonds	66,704.62
(iii) Units of mutual funds	-
(iv) Government securities	-
(v) Others	-
2. Unquoted:	
(i) Shares: (a) Equity	-
(b) Preference	-
(ii) Debentures and bonds	25,324.69
(iii) Units of mutual funds	-
(iv) Government securities	-
(v) Others*	-
Security receipt of Asset Reconstruction Companies	10,317.34
Long term investments	
1. Quoted:	
(i) Shares: (a) Equity	-
(b) Preference	-
(ii) Debentures and bonds	21,650.99
(iii) Units of mutual funds	-
(iv) Government securities	-
(v) Others	-
2. Unquoted:	
(i) Shares: (a) Equity	-
(b) Preference	-
(ii) Debentures and bonds	-
(iii) Units of mutual funds	-
(iv) Government securities	-
(v) Others*	-
Security receipt of Asset Reconstruction Companies	6,611.60

* excluding Investments in Pass Through Certificates under securitisation transactions.

Appendix to the Financial Statements

For the year ended March 31, 2026

(₹ in lakhs except otherwise stated)

6 Borrower group-wise classification of assets finances as in (3) and (4) above (Amount net of provisions):		As at March 31, 2026		
Category		Secured	Unsecured	Total
1. Related parties				
(a) Subsidiaries		-	-	-
(b) Companies in the same group		-	-	-
(c) Other related parties		-	-	-
2. Other than related parties*		13,70,159.41	12,890.17	13,83,049.58
Total		13,70,159.41	12,890.17	13,83,049.58

* As per Ind AS 24 - Related party disclosures

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		As at March 31, 2026	
Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related parties			
(a) Subsidiaries		-	-
(b) Companies in the same group		-	-
(c) Other related parties		-	-
2. Other than related parties*		1,30,609.24	1,30,609.24
Total		1,30,609.24	1,30,609.24

* As per Ind AS 24 - Related party disclosures

8 Other information		As at March 31, 2026
Particulars		Amount
i Gross non-performing assets		
(a) Related parties		-
(b) Other than related parties		61,463.38
ii Net non-performing assets		
(a) Related parties		-
(b) Other than related parties		39,455.86
iii Assets acquired in satisfaction of debt		-

Notice of Annual General Meeting

NOTICE is hereby given that the 32nd (**Thirty-Second**) Annual General Meeting ("**AGM/ Meeting**") of the members of **SK Finance Limited (the "Company")** will be held on Tuesday, September 22, 2026 at 02:30 P.M. Indian Standard Time ("**IST**") through Video Conferencing ("**VC**") or Other Audio-Visual Means ("**OAVM**") to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 01 – TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026 TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON.

ITEM NO. 02 - TO APPOINT A DIRECTOR IN PLACE OF MR. RAJENDRA KUMAR SETIA (DIN: 00957374), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.

SPECIAL BUSINESS:

ITEM NO.03 TO AUTHORISE THE BOARD FOR ISSUANCE OF NON-CONVERTIBLE DEBENTURES IN ONE OR MORE TRanches FOR ONE YEAR

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT in supersession of the resolution passed by the members through Extra-Ordinary General meeting held on 30th October, 2025 and pursuant to the provisions of Section 42 and 71 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and pursuant to the Foreign Exchange Management Act, 1999, rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("RBI"), the Securities and Exchange Board of

India Act, 1992 ("SEBI"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum of Association and the Articles of Association of the Company and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "**Board**" which term shall be deemed to include any committee thereof, which the Board may have constituted or hereinafter constitute to exercise certain powers and with the power to delegate such authority to any person or persons) to offer, issue and allot, in one or more tranches or series, non-convertible debentures including but not limited to senior, secured, unsecured, subordinated debt, bonds, market linked debentures, non-convertible debentures to be issued/ redeemed at a par or at a discount or at such premium and/or other debt securities etc. whether rated or unrated ("**NCDs**") on a private placement basis, during the period of one year from the date of passing of the Special Resolution by the Members, for an amount not exceeding ₹ 6,300/- Crores (Rupees Six Thousand and Three Hundred Crores only) on such terms and conditions and at such times at a par or at a discount or at such premium, as may be decided by the Board to such person(s), including one or more company(ies), bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person(s) as the Board may decide so, however, that the aggregate amount

of funds to be raised by issue of NCD's shall not exceed the overall borrowing limits of the Company, as may be approved by the Members from time to time.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to determine and consider the terms of issue of NCDs to the Company including, without limitation, the class of investors to which the NCDs are to be issued, timing, size, series/ tranches, issue price, tenor, interest rate, listing, creation of security, appointment of debenture trustee(s) and other agency(ies) and to do all such acts and things and deal with all such matters and settle all the questions, difficulties or doubts that may arise in this regard and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings, as may be required in this regard and matters connected therewith or incidental thereto and to get the acts pursuant to power herein conferred executed through any committee of the Board, Director(s) and/or officer(s) of the Company."

**By Order of the Board of Directors
For SK Finance Limited**

**Anagha Bangur
Company Secretary & Compliance Officer
M. No.: F10697**

Place: Jaipur
Date: July 29, 2026

Regd. Address: G 1-2, New Market, Khasa Kothi,
Jaipur – 302001 (Rajasthan)

Website: www.skfin.in **Email:** info@skfin.in

NOTES:

1. The proceedings of the Annual General Meeting ("AGM") shall be deemed to be conducted at the Registered office of the Company situated at G 1-2, New Market, Khasa Kothi, Jaipur, Rajasthan, India -302001.
2. The Ministry of Corporate Affairs, Government of India (the "MCA") vide General Circular no. 03/2025 dated September 22, 2025 read with all earlier circulars issued in this regard ('MCA Circulars'), have allowed the Companies to conduct their Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue, subject to the fulfilment of conditions as specified in the MCA Circulars. In compliance with the provisions of the Companies Act, 2013 and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. Pursuant to the Regulations 58 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") in relation to the dispatch of the Annual Report to debenture holders, including who have not registered their email addresses, a company is permitted to send a communication containing the web link, including the exact path, where the complete Annual Report is available. This is in consonance with the relaxations granted by the Ministry of Corporate Affairs ("MCA") from time to time. Accordingly, in compliance with the applicable MCA circulars, the Annual Report along with the Notice of the Annual General Meeting ("AGM") shall be sent only through electronic mode to all Members, debenture holders, debenture trustees and other persons entitled to receive the same. Such documents shall be transmitted only to the email addresses registered with the Company or with the respective depository participant(s).
4. The Annual Report along with AGM notice shall be sent through email to the members whose name appears on the Register of Members/List of Beneficial Owners, as received from National Securities Depository Limited Central Depository Services (India) Limited on August 21, 2026. It is however, clarified that all the persons who are members of the Company as on August 21, 2026 (including those members who may not have received this Annual Report & AGM Notice due to non – registration of their e-mail IDs) shall be entitled to vote in relation to the resolutions specified in this AGM Notice. In case any such person requires a physical copy, the same will be provided on receipt of such request addressed to secretarial@skfin.in. Members may note that the Notice and Annual Report for the Financial year 2025-26 will also be available on the Company's website at <https://www.skfin.in/investor/investor-services> and on the website of the stock exchange i.e. BSE Limited at www.bseindia.com.
5. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
7. Institutional/Corporate Members intending to participate in the AGM through their authorised representatives are requested to send a duly certified copy of their Board or Governing body's resolution/Authorization letter etc. authorising their representatives to attend and vote on their behalf at the AGM pursuant to Section 113 of the Companies Act, 2013 to secretarial@skfin.in. Further, HUF members shall participate through Karta or any other member of HUF duly authorized by the Karta by way of authority letter.
8. Attendance of Members / Authorized Representatives through video conferencing shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. Members seeking any information with regard to the financial statements, accounts or any matter to be placed at AGM are requested to submit their questions in advance to secretarial@skfin.in from their registered email address, mentioning their name, DPID and Client ID and mobile number latest by September 11, 2026, and the same will be replied by the Company suitably. Alternatively, the members may also post their queries directly on the VC Platform i.e. the Microsoft teams app during the AGM.
10. In case of joint holders attending the Meeting, only such joint holder whose name appears as the first holder in the order of names as per the Register of Members of the company will be entitled to vote.
11. Brief profile and other information about the Director in respect of re-appointment as required under Secretarial Standard on General Meetings ('SS-2') is annexed to this Notice as **Annexure-I**.

12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the Members during the continuance of AGM.
13. All the documents referred to in the Notice are open for inspection during working hours on all working days from the date of circulation of this notice till the conclusion of the AGM. Members may request for such documents by sending their requests at Secretarial@skfin.in from their registered email address, mentioning their name, DPID and Client ID and mobile number.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
15. Members are requested to address all their correspondence including demat/remat applications, request for share transfers, intimation of change of address and other correspondence to the Company's Registrar & Securities Transfer Agent (RTA) :-

Registrar & Share Transfer Agent:

KFIN Technologies Limited

Address: Selenium Building, Tower B, Plot No. 31& 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India – 500032,

Contact Person: Gopala Krishna K V S - Assistant Vice President – Corporate Registry

Telephone No: +91 9381616972

Email id: einward.ris@kfintech.com

Website: <https://www.kfintech.com>

16. Members are requested to notify the changes if any, in address, contact details, bank account etc. immediately to their respective depository participants.
17. The Members may contact their respective depository participants for making nominations as permitted under Section 72 of the Companies Act, 2013.
18. During the AGM being held through VC, where a poll on any item is required, the members shall cast their vote on the resolutions only by sending emails at secretarial@skfin.in through their registered email addresses.
19. **Procedure for attending the AGM through VC/ OAVM:**
 - a) Members can attend the AGM through Video Conferencing on September 22, 2026 at 02:30 P.M. by clicking on the below mentioned link.

Please join the meeting from your computer, tablet or smartphone.

HYPERLINK
<https://teams.microsoft.com/meet/444634553591155p=dmNKM4Ojqk0V4WddFE>

Join the meeting now
Meeting ID: 444 634 553 591 155

Passcode: Vn7QW7eR
 - b) After clicking on the aforesaid link, a dialogue box will appear stating "Type your name here".
 - c) After entering the aforesaid details, please click on "Next Button" and Join the meeting.
 - d) The aforesaid link for joining the meeting through VC shall be active for participation on the date of the Meeting i.e. September 22, 2026 from 02:30 P.M. (IST) till 03:00 P.M. (IST). The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting. The link will be disabled for participation after the said time of 03:00 P.M. (IST).

- e) Please note that participants connecting from mobile devices or tablets or through laptop, connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- f) Members who need assistance before or during the meeting, can contact at +91-9358822367 or email at Secretarial@skfin.in.

**By Order of the Board of Directors
For SK Finance Limited**

Anagha Bangur
Company Secretary & Compliance Officer
M. No.: F10697

Place: Jaipur

Date: July 29, 2026

Regd. Address: G 1-2, New Market, Khasa Kothi, Jaipur – 302001 (Rajasthan)

Website: www.skfin.in **Email:** info@skfin.in

EXPLANATORY STATEMENT UNDER SECTION 102(1) AND (2) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO.3

Based on projected long-term borrowings taking into consideration, scheduled maturities and retaining flexibility for inter-changeability between bank loans and non-convertible debentures (senior, secured, unsecured, subordinated debt, bonds, market linked debentures, non-convertible debentures to be issued/ redeemed at a par or at a discount or at premium and/or other debt securities etc. whether rated or unrated (collectively, the **“NCDs”**) of the Company, it is proposed to borrow during one year by way of issuing NCDs upto ₹ 6,300/- Crores (Rupees Six Thousand and Three Hundred Crores Only), in one or more tranches /series on a private placement basis.

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (“Prospectus and Allotment Rules”) deals with private placement of securities by a company. Rule 14(1) of the Prospectus and Allotment Rules prescribes that in case of an offer or invitation to subscribe to securities, the Company shall obtain previous approval of its shareholders/members

(“Members”) by means of a special resolution. Rule 14(1) of the Prospectus and Allotment Rules further prescribes that in case of the issue of non-convertible debentures exceeding the limits prescribed in Section 180(1)(c) of the Companies Act, 2013, it shall be sufficient to obtain such previous approval only once in a year for all the offers or invitations for such non-convertible debentures issued during a period of 1 (one) year from the date of passing of the aforementioned special resolution.

In order to augment the resources of the Company and for general corporate purposes and/or such other purposes as may be determined, the Company may invite subscription for NCDs upto ₹ 6,300/- Crores (Rupees Six Thousand and Three Hundred Crores Only) as stipulated above, in one or more series/ tranches on private placement basis. The NCDs proposed to be issued, may be issued either at a par or at a discount and at such premium to face value and the issue price (including any premium or discount) shall be decided by the board of directors/ Committee of Board/any person duly authorized by the Board of the Company on the basis of various factors including the interest rate/effective yield determined, based on market conditions prevailing at the time of the respective issue(s).

Pursuant to Rule 14(1) of the Prospectus and Allotment Rules, the following disclosures are being made by the Company to the Members:

PARTICULARS OF THE OFFER INCLUDING DATE OF PASSING BOARD RESOLUTION	Rule 14(1) of the Prospectus and Allotment Rules prescribes that where the amount to be raised through offer or invitation of NCDs (as defined above) exceeds the limit prescribed, it shall be sufficient if the company passes a previous special resolution only once in a year for all the offers or invitations for such NCDs during the year. In view of this, pursuant to this resolution under Section 42 of the Companies Act, 2013, the specific terms of each offer/issue of NCDs shall be decided from time to time, within the period of 1 (one) year from the date of the aforementioned resolution. In line with Rule 14(1) of the Prospectus and Allotment Rules, the date of the relevant board resolution shall be mentioned/disclosed in the private placement offer and application letter for each offer/issue of NCDs.
KINDS OF SECURITIES OFFERED AND THE PRICE AT WHICH THE SECURITY IS BEING OFFERED	Non-convertible debt securities/NCDs. The NCDs will be offered/issued either at a par or at a discount or at such premium to face value, which will be decided by the Board/Committee of Board/any person duly authorized by the Board for each specific issue, on the basis of the interest rate/effective yield determined, based on market conditions prevailing at the time of the respective issue.

BASIS OR JUSTIFICATION FOR THE PRICE (INCLUDING PREMIUM, IF ANY) AT WHICH THE OFFER OR INVITATION IS BEING MADE	Not applicable, as the securities proposed to be issued (in multiple issues/ tranches) are non-convertible debt instruments which will be issued either at a par or at a discount and at such premium to face value in accordance with terms to be decided by the Board/Committee of Board/any person duly authorized by the Board, in discussions with the relevant investor(s). A redemption premium may also be payable on the NCDs, which shall be determined in accordance with the manner prescribed in the transaction documents in relation to the issue of such NCDs.
NAME AND ADDRESS OF VALUER WHO PERFORMED VALUATION	Not applicable as the securities proposed to be issued (in multiple issues/ tranches) are non-convertible debt instruments.
AMOUNT WHICH THE COMPANY INTENDS TO RAISE BY WAY OF SECURITIES	The specific terms of each offer/issue of NCDs shall be decided from time to time, within the period of 1 (one) year from the date of the aforementioned resolution, provided that the amounts of all such NCDs at any time issued within the period of 1 (one) year from the date of passing of the aforementioned shareholders resolution shall not exceed the limit approved by the shareholders.
MATERIAL TERMS OF RAISING OF SECURITIES, PROPOSED TIME SCHEDULE, PURPOSES OR OBJECTS OF OFFER, CONTRIBUTION BEING MADE BY THE PROMOTERS OR DIRECTORS EITHER AS PART OF THE OFFER OR SEPARATELY IN FURTHERANCE OF OBJECTS; PRINCIPLE TERMS OF ASSETS CHARGED AS SECURITIES	The specific terms of each offer/issue of NCDs shall be decided from time to time, within the period of 1 (one) year from the date of the aforementioned resolution, in discussions with the respective investor(s). These disclosures will be specifically made in each private placement offer and application letter for each offer/issue.

None of the Directors, Key Managerial Personnel and their respective relatives are in any way, financially or otherwise concerned or interested in the said resolution.

The Board of Directors of the Company recommends the Special Resolution set forth in **Item No. 3** of the Notice for approval of the Members.

ANNEXURE-I

BRIEF PROFILE AND OTHER INFORMATION OF DIRECTOR BEING RE-APPOINTED AS SET OUT IN THIS NOTICE, IN TERMS OF CLAUSE 1.2.5 OF SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF THE COMPANY SECRETARIES OF INDIA.

Name	Mr. Rajendra Kumar Setia
Date of Birth	July 01, 1969
Age	56 Years
DIN	00957374
Date of first appointment on the Board	November 21, 1994
Qualifications	Bachelor of Science from Rajasthan University
Brief Profile and Experience	Mr. Rajendra Kumar Setia is Promoter, Managing Director & Chief Executive Officer (“MD & CEO”) of the Company and serving on the board since November 21, 1994. He holds a bachelor’s degree in science from the University of Rajasthan. He has extensive experience, spanning more than 30 years, in the finance sector. He was awarded as one of the “ET Business Leaders of Rajasthan 2019” by the Times Group and has also served as the president of Rajasthan Finance Companies Association – an institution representing interest of finance companies in Rajasthan. He has been instrumental in laying out a vision towards making SK Finance Limited one of the most trusted NBFCs in the regions it is present. He has been able to achieve this by imbibing a culture of customer first at all times.
Other Directorships	Nil
Chairpersonship/ membership of Committees in other companies	Nil
Relationship with other Directors/ Key Managerial Personnel of the Company	Father of Mr. Yash Setia (Whole time Director)
No. of equity shares held in the Company	4,19,02,747 equity shares of ₹ 1/- each
No. of Board meetings attended during the financial year 2025-26	6 (Six)
Terms and conditions of re-appointment	Liable to retire by rotation and other existing terms and condition as approved by shareholders in the Extra-Ordinary General Meeting held on October 30, 2025.
Remuneration last drawn	₹ 377.61 Lakhs for the Financial Year 2025-26

Remuneration sought to be paid

Mr. Rajendra Kumar Setia was re-appointed as Managing Director for a period of five years w.e.f May 19, 2022, liable to retire by rotation, in accordance with the terms and conditions other than the remuneration remain as approved by the shareholder in the Extra-ordinary General Meeting held on March 11, 2022. Further, Mr. Rajendra Kumar Setia was also appointed as Chief Executive Officer by the Board of Directors in their Meeting held on January 30, 2023.

The proposed re-appointment of Mr. Rajendra Kumar Setia as Managing Director is due to retirement by rotation and his remuneration will be paid as per the resolution passed by the Shareholders in the Extra Ordinary General Meeting held on October 30, 2025. .

**By Order of the Board of Directors
For SK Finance Limited**

**Anagha Bangur
Company Secretary & Compliance Officer
M. No.: F10697**

Place: Jaipur

Date: July 29, 2026

Regd. Address: G 1-2, New Market, Khasa Kothi,
Jaipur – 302001 (Rajasthan)

Website: www.skfin.in **Email:** info@skfin.in



SK Finance Limited

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