

June 24, 2025

BSE Limited

P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001.
Scrip Code: 511218

National Stock Exchange of India Limited

Listing Department
Exchange Plaza, 5th Floor,
Plot no. C/1, G- Block,
Bandra-Kurla Complex,
Mumbai – 400 051.
NSE Symbol: SHRIRAMFIN

Dear Sir/Madam,

Sub.: Annual Report for the Financial Year 2024-25 containing Notice of the 46th Annual General Meeting pursuant to Regulation 30, 34, 50 and 53 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

This is in furtherance to our letter dated April 25, 2025, wherein we had informed that the 46th Annual General Meeting (“46th AGM”) of the Company is scheduled to be held on Friday, July 18, 2025 through Video Conferencing (VC) /Other Audio-Visual Means (OAVM).

In compliance with Regulations 30, 34, 50, 53 and other applicable provisions of the Listing Regulations, please find enclosed herewith the following documents for the Financial Year 2024-25:

1. Notice of the 46th AGM scheduled to be held on Friday, July 18, 2025 at 2:00 p.m. (IST) through VC/ OAVM. The list of the agenda items proposed to be transacted at the 46th AGM is given in “**Annexure A**”;
2. Annual Report for the Financial Year 2024-25; and
3. Business Responsibility and Sustainability Report for the Financial Year 2024-25.

The soft copy of the Notice of 46th AGM and Annual Report for the Financial Year 2024-25 is being sent to those Members whose E-mail IDs are registered with the Company/Registrar and Transfer Agent, Integrated Registry Management Services Private Limited /Depository Participant(s).

Shriram Finance Limited

Corporate Office: Wockhardt Towers, Level -III, West Wing, C-2, G-Block, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra. Ph: +91 22 4095 9595

Registered Office: Sri Towers, Plot No.14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu, India. Tel: +91 44 2499 0356

Website: www.shriramfinance.in | Corporate Identity Number (CIN) — L65191TN1979PLC007874

Further, in accordance with Regulation 36(1)(b) of the Listing Regulations, the Company has initiated sending a letter containing the web-link along with the path to access the Annual Report 2024-25 (including the Notice) to the Members whose email addresses are not registered with the Company/RTA/Depository Participant(s).

The Member who wishes to obtain a hard copy of the Annual Report can send a request for the same at secretarial@shriramfinance.in mentioning Folio No/ DP ID and Client ID.

The Notice of 46th AGM and the Annual Report for the Financial Year 2024-25 can also be accessed or downloaded from the web-link - [SFL Annual Report 2024-25](#).

The Company has appointed Central Depository Services (India) Limited ('CDSL'), e-voting agency to facilitate voting through electronic means. The remote e-voting period will commence from **Tuesday, July 15, 2025 (9.00 a.m. IST)** and end on **Thursday, July 17, 2025 (5:00 p.m. IST)**. The e-voting module will be disabled by CDSL for voting thereafter. During this period, Members holding shares either in physical form or in dematerialised form as on **Friday, July, 11, 2025 i.e. Cut-off Date**, may cast their vote electronically.

The Company will also provide the facility of live webcast of the proceedings of 46th AGM.

We request you to take this on record and treat the same as compliance with the applicable provisions of the Listing Regulations.

Thanking you,

Yours faithfully,

For Shriram Finance Limited

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RARAO UPPU
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BALASUNDARARAO
UPPU
Date: 2025.06.24
16:53:37 +05'30'

U Balasundararao

Company Secretary & Compliance Officer

Encl.a/a

Shriram Finance Limited

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Annexure A

The list of agenda items proposed to be transacted at the 46th AGM of the Company is as under:

Sr. No.	Particulars
Ordinary Business:	
1.	Ordinary Resolution for consideration and adoption of the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon
2.	Ordinary Resolution for consideration and adoption of the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Report of the Auditors thereon
3.	Ordinary Resolution for declaration of final dividend of Rs.3/- per Equity Share of face value of Rs.2/- each fully paid-up and the confirmation of two Interim Dividends of Rs.22/- per Equity Share of face value of Rs.10/- each (pre-split) and second interim dividend of Rs.2.50 per Equity Share of face value of Rs. 2/- each (post-split) for the Financial Year ended March 31, 2025
4.	Ordinary Resolution for re-appointment of Mr. Ignatius Michael Viljoen (DIN 08452443) as a Director retiring by rotation
5.	Ordinary Resolution for fixation of remuneration of M/s. G D Apte & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No.100515W), Joint Statutory Auditors of the Company for the Financial Year 2025-26
6.	Ordinary Resolution for fixation of remuneration of M/s M M Nissim & Co. LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 107122W/W100672), Joint Statutory Auditors of the Company for the Financial Year 2025-26
Special Business:	
7.	Ordinary Resolution for appointment of M/s. V Suresh Associates, Practising Company Secretaries (Firm Registration No. P2016TN053700) as Secretarial Auditor of the Company for a period of 5 (five) years and fixation of their remuneration
8.	Ordinary Resolution for payment of commission to the Independent Directors of the Company
9.	Special Resolution for enhancement of limits of borrowing by the Board of Directors of the Company from Rs.2,35,000 crores to Rs.2,95,000 crores

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10.	Special Resolution for enhancement of limits for creation of security by the Board of Directors of the Company on the Company's assets with respect to borrowing from Rs.2,93,750 crores to Rs.3,54,000 crores
11.	Special Resolution for enhancement of limit to sell/ assign/ securitize receivables by the Board of Directors of the Company from Rs.50,000 crores to Rs.75,000 crores
12.	Special Resolution for alteration of the Main Object Clause (Clause IIIA) of the Memorandum of Association of the Company

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Trust that Delivers
Growth that Endures

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Investor Information

Market Capitalisation as of March 31, 2025	Rs. 123,400 crores
CIN	L65191TN1979PLC007874
BSE Code	511218
NSE Symbol	SHRIRAMFIN
Legal Identifier Code	335800TM2YO24B76XL26
AGM Date	Friday, July 18, 2025 at 2.00p.m.
AGM Venue	Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
Website	www.shriramfinance.in



Disclaimer

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

For more details please visit:

<https://www.shriramfinance.in/investors/financials?section=annual-reports>



Scan this QR code to view
our Investors page

Corporate Information

Board of Directors

Mr. Jugal Kishore Mohapatra

Chairman (Independent)

Mr. Umesh Revankar

Executive Vice-Chairman

Mr. Y. S. Chakravarti

Managing Director & CEO

Mr. Parag Sharma

Managing Director & CFO

(Elevated and re-designated w.e.f. June 01, 2024)

Mr. Pradeep Kumar Panja

Independent

Mrs. M. V. Bhanumathi

Independent (w.e.f. June 01, 2024)

Mr. S. Ravindran

Independent

Mr. Gokul Dixit

Independent (w.e.f. June 01, 2024)

Mr. S. Sridhar

Independent (upto October 19, 2024)

Mrs. Maya S. Sinha

Independent (upto December 03, 2024)

Mr. D. V. Ravi

Non - Executive & Non - Independent

Mr. Ignatius Michael Viljoen

Non - Executive & Non - Independent

Senior Management Team

Mr. S. Sunder

Joint Managing Director

Mr. Hardeep Singh Tur

Chief Risk Officer

Mr. R. Chandrasekar

Joint Managing Director & Chief Compliance Officer

Mr. U Balasundararao

Company Secretary & Compliance Officer

Mr. Sanjay K. Mundra

Executive Director - Investor Relations

Statutory Auditors

(w.e.f. July 30, 2024 – 45th AGM)

M/s. G. D. Apte & Co., Chartered Accountants

M/s M M Nissim & Co LLP, Chartered Accountants

(upto July 30, 2024 – 45th AGM)

KKC & Associates LLP (Formerly Khimji Kunverji & Co LLP), Chartered Accountants

M/s. Sundaram & Srinivasan, Chartered Accountants

Registrar & Share Transfer Agent

Integrated Registry Management Services Private Limited

2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600017

Website: www.integratedindia.in

Tel No.: +91 44 28140801/02/03,

Fax: +91 44 2814 2479

Debenture Trustees

IDBI Trusteeship Services Limited

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

Mr. Subrat Udgate

Tel No. : +91 22 40807021

itslcompliance@idbitrustee.com/itsl@idbitrustee.com

Axis Trustee Services Limited

The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai- 400028

Mr. Anil Grover

Tel No. : + 91 22 6230 0451,

Fax: +91 22 6230 0700

debenturetrustee@axistrustee.com/compliance@axistrustee.in

Catalyst Trusteeship Limited

Unit No- 901, 9th Floor, Tower – B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013

Mr. Umesh Salvi

Tel No. : +91 22 – 49220555,

Fax: +91 22 49220505

ComplianceCTL-Mumbai@ctltrustee.com

● Registered office

Sri Towers, Plot No.14A, South Phase, Industrial Estate,
Guindy, Chennai – 600032, Tamil Nadu
Tel: +91 44 4852 4666, Fax: +91 44 4852 5666

● Corporate Office

Wockhardt Towers, West Wing, Level-3, C-2, G-Block,
Bandra-Kurla Complex, Bandra (East), Mumbai - 400051
Tel No. : +91 22 4095 9595, Fax: +91 22 4095 9597

● Listed At

National Stock Exchange of India Limited
BSE Limited

● List of Banks

Australia and New Zealand Banking Group

Axis Bank

Bank of Baroda

Bank of India

Bank of Maharashtra

Bandhan Bank

Barclays Bank PLC

BNP Paribas

Canara Bank

Central Bank of India

Citibank N.A.

City Union Bank

CSB Bank

CTBC Bank Co. Ltd.

DBS Bank India

DCB Bank

Deutsche Bank AG

Dhanlaxmi Bank

Doha Bank Emirates NBD Bank (P.J.S.C.)

Equitas Small Finance Bank

Emirates NBD Bank (P.J.S.C.)

EXIM Bank

HDFC Bank

ICICI Bank

IDBI Bank

Indian Bank

Indian Overseas Bank

IndusInd Bank

JP Morgan Chase Bank N.A.

KEB Hana Bank

Kotak Mahindra Bank

Karur Vysya Bank

May Bank

Mizuho Bank

MUFG Bank

Punjab National Bank

Punjab & Sind Bank

RBL Bank

South Indian Bank

Standard Chartered Bank

State Bank of India

SBM Bank (India)

Societe Generale

Sumitomo Mitsui Banking Corporation

The Hongkong and Shanghai Banking Corporation

The Federal Bank

UCO Bank

Union Bank of India

Ujjivan Small Finance Bank

United Overseas Bank

Woori Bank

Yes Bank

● List of Institutions

Asian Infrastructure Investment Bank (AIIB)

International Finance Corporation (IFC)

Life Insurance Corporation of India (LIC)

Micro Units Development and Refinance Agency Limited (MUDRA)

National Bank for Agriculture and Rural Development (NABARD)

Nabkisan Finance Limited

Small Industries Development Bank of India (SIDBI)



Trust that Delivers Growth that Endures

At Shriram Finance, trust is more than a concept; it is the very foundation upon which we stand. Over decades, we have built a legacy marked by resilience, consistency, and the creation of lasting value. Our growth is not about chasing fleeting triumphs but about cultivating stability, embracing responsibility, and committing wholeheartedly to those we serve. Through every market cycle and economic shift, we have remained devoted, empowering millions with financial solutions that inspire confidence and security.

This enduring philosophy of trust and perseverance finds a powerful reflection in the world of cricket, where few names command as much respect as Rahul Dravid. Revered as 'Mr. Dependable,' Dravid's success was never about dramatic flair or shortcuts. It was defined by quiet yet formidable qualities—patience, precision, and purpose, the unshakeable ability to rise to the occasion when it mattered most and deliver, time after time. His legacy, founded on trust and reliability, embodies the same values that have long defined Shriram Finance.

Much like Dravid, who stood firm at the crease, we too have remained steady, delivering reliable and consistent performance year after year. This enduring commitment is captured

in this year's theme: **Trust that Delivers, Growth that Endures.** In a world of constant change and unpredictability, Shriram Finance continues to strengthen its leadership, refine its asset portfolio, and create sustainable value for every stakeholder. With the trust we have earned, we empower millions to dream without limits, plan with foresight, and achieve progress that stands the test of time.

The message of our **#TogetherWeSoar** campaign further amplifies this spirit of partnership. By fostering long-lasting relationships with our customers, we guide them through life's challenges, helping them navigate uncertainty with confidence and realise their aspirations. Just as Dravid's steady innings anchored his team to victory, Shriram Finance's consistent growth builds trust, secures futures, and fuels the ambition for all that lies ahead.

With Trust that Delivers and Growth that Endures, we are not merely shaping the future of Shriram Finance. We are empowering millions to take charge of their lives and build the future they envision, with their belief fuelling our journey and their progress shaping our legacy.





Theme Story

Actions that Fuel Consistent Progress...

We stand true to our commitment to sustainable and inclusive growth, driven by strategic decisions and deep-rooted relationships. By optimising operations, expanding financial access, and empowering our workforce, we are continuously fortifying India's financial ecosystem and creating meaningful impact.



...Through Strategic Moves

At Shriram Finance, growth is not a one-time achievement but a relentless pursuit. The strategic divestment of Shriram Housing Finance Ltd. (SHFL) to Warburg Pincus marks a pivotal moment in unlocking fresh opportunities, while strengthening our core capabilities. This change enables SHFL to flourish independently, while we sharpen our focus on building a stronger financial framework for India's future.



...Through Optimised Operations

We are enhancing operational efficiencies by realigning our portfolio and reinforcing our financial foundation. This enables us to deploy resources more strategically. Thus, ensuring that we foster sustainable growth and amplify our influence across vital lending sectors.





...Through Inclusive Financing

Financial inclusion is at the heart of our business approach. To support this, we remain dedicated to enabling Small Road Transport Operators (SRTOs), First-Time Buyers (FTBs) of vehicles and Micro, Small and Medium Enterprises (MSMEs). By ensuring credit accessibility, we are helping ignite entrepreneurship and drive economic progress throughout India.



...Through Trusted Relationships

Our relationship-driven approach is what sets us apart. We focus on building long-term partnerships with our customers and stakeholders, cultivating trust and stability. Our customised financial solutions empower both businesses and individuals, fostering collective growth and progress.



...Through People-Led Progress

Our people are our greatest strength. By fostering a culture of innovation, adaptability, and ownership, we equip our workforce to lead with confidence. This ensures we stay agile and well-positioned to thrive in a dynamic financial environment.



|| About Us

Credit Solutions that **Empower Lives**

Shriram Finance Limited (also referred to as 'Shriram Finance,' 'Our Company' or 'We') ranks among India's foremost Non-Banking Finance Companies (NBFCs). Since our establishment in 1979, we have played a vital role in transforming the country's credit ecosystem by broadening financial access, enabling economic growth, and empowering millions with tailored lending solutions.

We support our customers through every stage of their financial journey, empowering them to explore limitless possibilities with us. With our strong digital capabilities and deep customer understanding, we cater to the evolving needs of customers across generations.

At the same time, we stay committed to reaching the unbanked and underserved. By staying agile and innovative, we continue to evolve our offerings and deliver timely, essential financial solutions in a fast-moving world.

A Snapshot of **Our Prominence**

46 Years
Of Legacy

**One of the Largest
Retail Asset-Backed
NBFCs in India**

Rs. 263,190 crores
Assets Under Management (AUM) as of
March 31, 2025



Our Loan Offerings



Commercial Vehicle Loan



Passenger Vehicle Loan



Construction Equipment Loan



**Tractor and
Farm Equipment Loan**



Two-Wheeler Loan



**Micro, Small and Medium
Enterprise (MSME) Loan**



Personal Loan

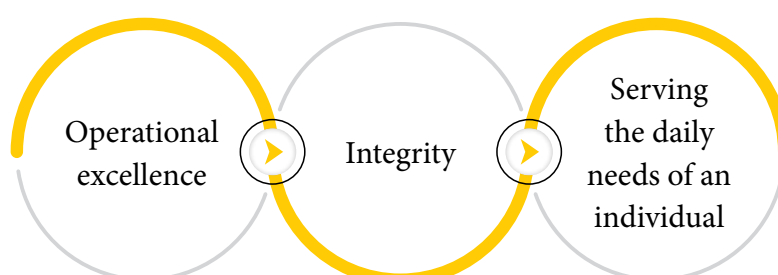


Gold Loan

Our Vision

To be the country's most preferred Financial Services destination, delivering delightful customer experience through empowered employees.

Our Core Values



Our Journey

Moments that Moulded Us

1979

- Established Shriram Transport Finance Company Limited (now SFL)

1984

- Initial Public Offering

1990

- Investment from Telco and Ashok Leyland

1999

- Partnered with Citicorp for CV financing under Portfolio Management Services (PMS)
- Commenced the first securitisation transaction by STFC

2002-04

- Preferential Allotment to Citicorp Finance (India) in 2002
- Preferential Allotment to Axis Bank and Reliance Capital in 2004

2005-06

- Merged Shriram Investment Limited and Shriram Overseas Finance Limited with STFC
- PAT crosses Rs.1,000 Million in 2006
- Received investment from Chrys Capital in 2005 and TPG in 2006

2015-16

- Achieved upgradation of long-term issuer ratings by FITCH to 'IND AA+' from 'IND AA'
- Obtained upgradation of long-term debt instruments, bank facilities, and FD by CRISIL to 'CRISIL AA+/FAAA/Stable' from 'CRISIL AA/FAA+/Positive'
- Merged Shriram Equipment Finance Co. Limited with STFC

2013

- Surpassed Rs. 500 Billion in AUM

2011

- Introduced Shriram Automalls, a dedicated platform for trading of preowned trucks at a fair value

2010

- Securitised Rs. 87.57 Billion during FY 2009-10
- Successfully raised Rs. 5.84 Billion through QIP with domestic and international investors
- Initiated financing of construction equipment

2009

- Successfully placed Rs. 10 Billion of NCDs with domestic investors
- Purchased hypothecation loans outstanding for commercial vehicles and construction equipment of GE Capital Services India and GE Capital Financial Services (GE) aggregating to approximately Rs. 11 Billion

2016-17

- Successfully raised Rs. 13.5 Billion through the issuance of “Masala Bonds,” Senior Secured Rupee-Denominated Bonds listed on the Singapore Stock Exchange

2017-18

- Raised Rs. 11.6 Billion through the issuance of “Masala Bonds,” Senior Secured Rupee-Denominated Bonds listed on the Singapore Stock Exchange
- Sold the controlling stake (55.44%) in its wholly owned subsidiary, Shriram Automall India Limited (SAMIL), to MXC Solutions India Private Limited (MXC)

2018-19

- Raised maximum permissible USD 750 Million through the ECB route during FY 2018-19
- AUM crosses Rs. 1 Trillion

2019-20

- Raised Rs. 4.9 Billion through ECB in January 2020
- Raised Rs. 34.9 Billion through the issuance of Global Medium Term Note Programme (GMTN) in April 2019, Rs. 17.14 Billion in July 2019, Rs. 35.4 Billion in January 2020
- Raised Rs. 1.94 Billion through the issuance of NCD – Tranche II in January 2020

2020-21

- Raised Rs. 14.92 Billion through the Rights Issue in August 2020
- Raised Rs. 36.69 Billion and Rs. 16.53 Billion through the issuance of GMTN in January 2021 and March 2021, respectively

2024-25

- AUM exceeds Rs. 2.6 Trillion
- Disinvested entire stake in Shriram Housing Finance Limited, a debt-listed subsidiary of the Company, to Warburg Pincus, a renowned global growth investor for a consideration of Rs. 3,929 crores
- Issued and allotted USD 500 Million, 6.15% senior secured notes due 2028 in offshore market (Social Bonds) for a sum of Rs. 41.84 Billion under USD 3.5 Billion GMTN

2023-24

- AUM exceeded Rs. 2 Trillion
- Executed highest single tranche of securitisation, amounting to Rs. 29 Billion, as on March 26, 2024
- Secured a position in the Nifty50 index
- Issued USD 750 Million, 6.625% senior secured notes due 2027 in offshore market (Social Bonds) for a sum of Rs. 62.32 Billion under USD 3.5 Billion Global Medium Term Note Programme

2022-23

- Merged Shriram City Union Finance Limited (SCUF) and Shriram Capital Limited (SCL) with Shriram Transport Finance Company Limited and renamed it as Shriram Finance Limited
- Issued and allotted USD 150 Million Senior Secured Floating Rate Notes under the USD 3.5 Billion GMTN programme

2021-22

- Raised Rs. 19.99 Billion through the QIP issue in June 2021
- Raised Rs. 5.0 Billion through preferential allotment (Rs. 2.5 Billion) and conversion of warrants (Rs. 2.5 Billion) to Promoters
- Issued and allotted USD 0.475 Billion 4.15% Senior Secured Notes due 2025 (Social Bonds) under the USD 3.50 Billion GMTN programme in January 2022

|| Pan-India Footprint

Support that **Covers Every Corner**

Our Company enjoys a strong presence across India, from thriving cities to remote villages, ensuring people have access to financial services they can trust. We support millions with practical, personalised solutions that meet their everyday needs.

This wide reach, combined with our understanding of local communities, allows us to drive meaningful progress and support financial inclusion where it matters most.

A Snapshot of **Our Presence**

3,220

Branch Offices

9.5 Million

No. of Customers

79,872

Employees

627

Rural Centres

61,673

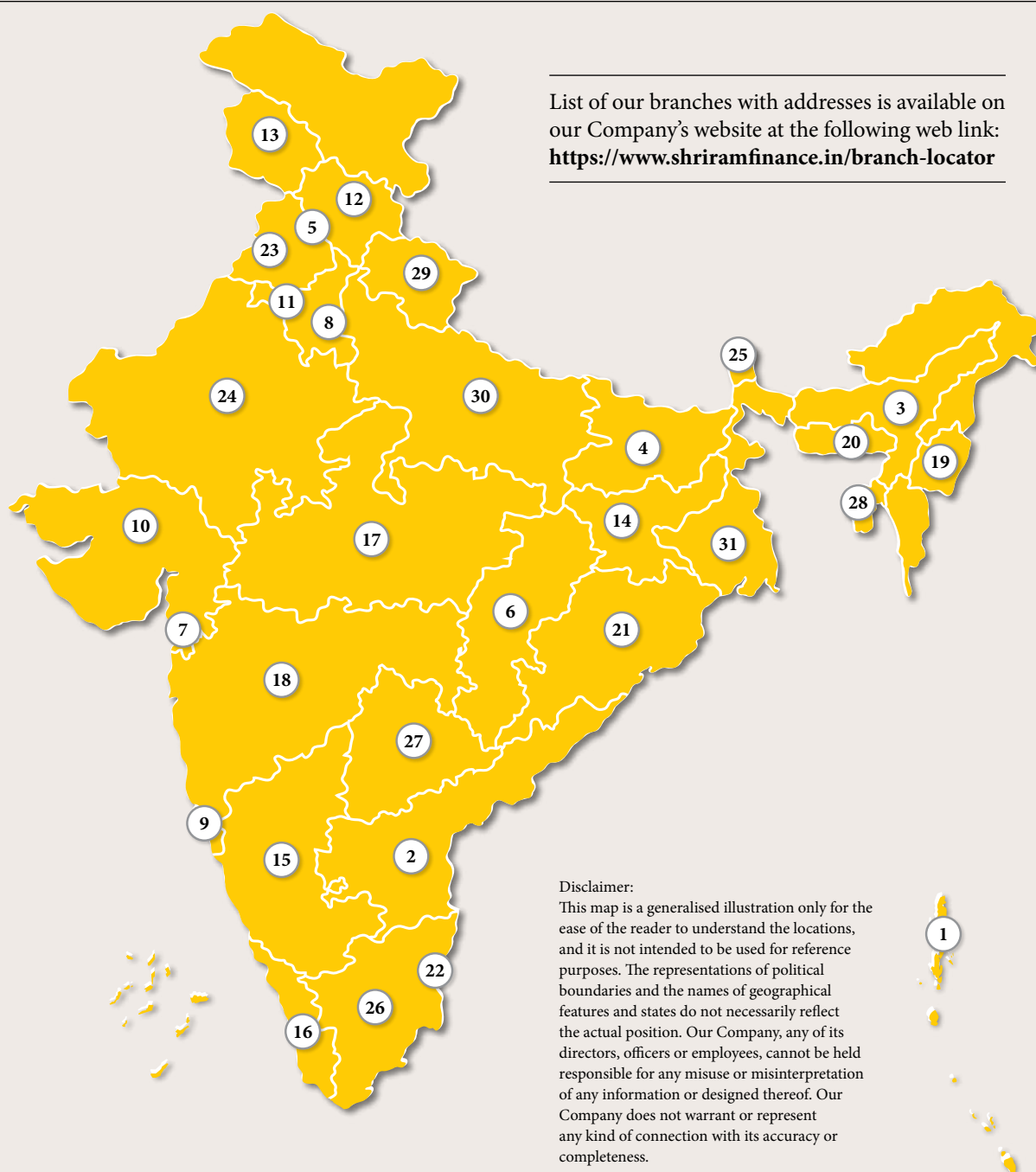
Business Team



Our Branch Network across India

(3,220 Branches as of March 31, 2025)

1. Andaman and Nicobar Islands :	01	12. Himachal Pradesh :	42	23. Punjab :	72
2. Andhra Pradesh :	305	13. Jammu & Kashmir :	17	24. Rajasthan :	146
3. Assam :	31	14. Jharkhand :	40	25. Sikkim :	03
4. Bihar :	93	15. Karnataka :	226	26. Tamil Nadu :	775
5. Chandigarh :	04	16. Kerala :	126	27. Telangana :	216
6. Chhattisgarh :	71	17. Madhya Pradesh :	200	28. Tripura :	05
7. Dadra and Nagar Haveli :	01	18. Maharashtra :	284	29. Uttarakhand :	19
8. Delhi :	23	19. Manipur :	01	30. Uttar Pradesh :	186
9. Goa :	05	20. Meghalaya :	01	31. West Bengal :	75
10. Gujarat :	110	21. Odisha :	57		
11. Haryana :	71	22. Puducherry :	14		



Product Range

Offerings that Nurture Ambitions

Our Company offers diverse financial products tailored to meet every customer's unique needs. Whether it is pre-owned vehicle finance, personal loans, or farm equipment loans, our solutions are designed to empower individuals and businesses. We design every product with a focus on inclusion and customisation. Thus, ensuring we deliver the right support at the right time.



Our Product Suite

**Commercial
Vehicle
Loan**



**Passenger
Vehicle
Loan**



**Construction
Equipment
Loan**



**Tractor and Farm
Equipment Loan**



**Two-Wheeler
Loan**



**Micro, Small
and Medium
Enterprise
(MSME) Loan**



**Personal
Loan**



Gold Loan



Commercial Vehicle Loan

We offer a wide range of commercial vehicle loans with flexible repayment terms, tailored to meet the distinct needs of our customers.

Key Characteristics

- Attractive interest rates
- Flexible repayment options with varied tenures
- Fast disbursal and prompt loan approval with minimum documentation
- Finance for new and used commercial vehicles



Rs. **118,560** crores
AUM as of March 2025

45.05 %
of Total AUM as of March 2025

Passenger Vehicle Loan

We offer a wide range of passenger vehicle loans with flexible repayment options, designed to suit the diverse needs of our customers.

Key Characteristics

- Tailored loan with minimal documentation
- Flexible repayment tenures
- A broad array of vehicles covered under loan options



Rs. **54,104** crores
AUM as of March 2025

20.56 %
of Total AUM as of March 2025

Construction Equipment Loan

We offer affordable financial assistance for new and used construction equipment, helping our customers meet their business needs. Our solutions also help them stay competitive in a fast-changing market, with flexible repayment options.

Key Characteristics

- Attractive interest rates for both new and used equipment
- Flexible repayment options
- Minimal documentation for smooth loan processing
- Quick loan approvals and disbursements



Rs. **17,878** crores
AUM as of March 2025

6.79 %
of Total AUM as of March 2025

Tractor and Farm Equipment Loan

We offer cost-effective financing solutions for purchasing new and used tractors and farm equipment, tailored to the unique needs of our customers. Our aim is to drive growth and prosperity with attractive and convenient repayment options.

Key Characteristics

- Attractive interest rates
- Flexible repayment options
- Minimal documentation for smooth loan processing
- Quick loan approvals and disbursements



Rs. **5,207** crores
AUM as of March 2025

1.98 %
of Total AUM as of March 2025

Two-Wheeler Loan

We offer two-wheeler loans that combine speed, convenience, and flexible repayment options with competitive interest rates. Our processes ensure a smooth, hassle-free journey for our customers, from application to ownership.

Key Characteristics

- Attractive interest rates
- Simplified process and quick approval with minimal documentation
- Fast loan disbursal within 24 hours of documentation



Rs. **15,581** crores
AUM as of March 2025

5.92 %
of Total AUM as of March 2025

MSME Loan

Our Company offers secured and unsecured business loans to suit the diverse financial needs of our customers. With competitive interest rates and favourable repayment terms, we offer tailored solutions for both small businesses and established enterprises.

Key Characteristics

- Flexible repayment terms
- Minimal documentation for smooth loan processing
- Loans with/without collaterals



Rs. **37,413** crores
AUM as of March 2025

14.22 %
of Total AUM as of March 2025

Personal Loan

We offer streamlined financial solutions, tailored for customers requiring personal loans.

Key Characteristics

- Attractive interest rates
- Flexible repayment options with various tenures
- A fully digital borrowing experience for greater convenience in loan access
- Pre-approved personal loans within hours



Rs. **9,610** crores
AUM as of March 2025

3.65 %
of Total AUM as of March 2025

Gold Loan

We provide a secure and reliable gold loan solutions that meet our customers' personal or capital needs.

Key Characteristics

- Attractive interest rates
- Flexible loan tenures
- Minimal documentation for smooth loan processing
- Safe, secure and fast loan disbursement



Rs. **4,837** crores
AUM as of March 2025

1.84 %
of Total AUM as of March 2025

Chairman's Statement



Our commitment to empowering individuals and businesses through tailored financial solutions has enabled us to make meaningful contributions to the economic fabric of our nation.



Dear Stakeholders,

With immense pride and gratitude, I present the 46th Annual Report of the Company for FY 2024-25. This year's theme, "Trust that Delivers, Growth that Endures," captures the essence of who we are and what we stand for.

Your unwavering trust has been the foundation of our strength and success. It inspires us to deliver consistent performance, drive growth, and create long-term value for all stakeholders.

FY 2024-25 was a year that reaffirmed the resilience of our business model and the trust placed in us by our stakeholders. In a fast-changing NBFC landscape, Shriram Finance remained focused and responsive, adapting to emerging challenges with a clear sense of direction.

We continued to extend financial services to a wide and diverse customer base, staying aligned with our long-standing commitment to financial inclusion.



Our approach remained rooted in prudence, with every decision guided by the values and principles that define us. As we move forward, our focus stays on delivering stable, long-term growth that creates value for all.

Macro Overview

In 2024, the global economy experienced moderate growth, with the IMF projecting a 3.2% increase in global GDP. This was further led by a slight rebound in advanced economies and a measured slowdown in emerging markets. Amid global uncertainties, our nation has displayed remarkable endurance, maintaining its position as one of the fastest-growing major economies.

With a GDP growth of 6.5% for FY 2024-25, India's strong domestic demand and effective policy measures have played a crucial role in sustaining economic momentum. This solid performance highlights India's ability to navigate global challenges while continuing to drive inclusive and sustainable growth.

India's financial sector echoed this strength, particularly the NBFC segment, which witnessed significant developments during FY 2024-25. After a period of solid double-digit expansion, the sector is transitioning towards sustainable expansion, with AUM growth anticipated to moderate to 15-17% over the next fiscal years. In response, the Reserve Bank of India (RBI) sharpened regulatory oversight through the Scale-Based Regulation (SBR) framework. This change has enhanced governance and monitoring, especially for systemically important NBFCs.

As of December 2024, the Gross Non-Performing Assets (GNPA) ratio for NBFCs was recorded at 2.53%, a marked improvement from 2.70% in December 2023. This progress reflected enhanced asset quality and effective risk management practices within the sector.

However, challenges remain, particularly in unsecured lending, where rising defaults among over-leveraged borrowers warrant cautious optimism. Countering this, regulatory interventions by the RBI are steering the sector towards more responsible growth strategies. Despite these pressures, our sector continues

to serve as a vital enabler of financial inclusion and economic upliftment, especially for underserved communities.

Financial and Operational Performance in FY 2024-25

We delivered strong and consistent performance throughout the fiscal year. Our financial results remained robust across all key metrics, underlining our disciplined execution and sharp focus on sustainable growth. This was evident in the substantial rise in net profit, which reached Rs. 9,761 crores in FY 2024-25 from Rs. 7,190 crores in FY 2023-24. Our Assets Under Management (AUM) also saw significant growth, touching Rs. 2,63,190 crores, a year-on-year increase of 17.05%.

Further, our Company's asset quality demonstrated a marked improvement, with the Gross Non-Performing Assets (GNPA) ratio reducing to 4.55% in FY 2024-25 from 5.45% in the previous fiscal year and Net Non-Performing Assets (NNPA) ratio reducing to 2.64% in FY 2024-25 from 2.70% in the previous fiscal year. These achievements reflect our ability to navigate market uncertainties, uphold asset quality and sustain consistent, profitable growth.

Key Developments During the Year

FY 2024-25 marked a transformative chapter for our Company. It was shaped by strategic decisions and purposeful action that strengthened our leadership and created enduring value. As part of our portfolio optimisation strategy, we completed the successful divestment of our stake in Shriram Housing Finance, now known as Truhome Finance. This strategic exit unlocked a one-time gain of Rs. 1,489 crores.

To enhance shareholders' value, we declared substantial interim dividends, including 220% in Q2 and 125% in Q3. To increase market liquidity, sub-division/split of face value of share into 5:1 was facilitated. This move aims to make our shares more accessible and encourage wider investor participation.

Furthering our commitment to sustainable growth, we brought all green financing efforts under Shriram Green Finance, with a focussed ambition to build an AUM of Rs. 5,000 crores over the next 3-4 years.

Additionally, our efforts into electric vehicle financing and sustainable mobility solutions reflect our role in enabling India's transition to a cleaner, greener future.

To strengthen our brand's visibility and deepen trust, we appointed cricketing legend Rahul Dravid as our brand ambassador. His association with Shriram Finance personifies our integrity, reliability, and performance. We also launched impactful brand campaigns, which improved customer engagement and further solidified our position as a trusted financial partner.

In parallel, we continued to strengthen our operational excellence through innovation, digital transformation and strong risk practices. These efforts have helped us fortify our leadership in vehicle financing.

Outlook

As we step into FY 2025-26, we hold fast to our belief: Trust that Delivers, Growth that Endures. In an environment marked by regulatory shifts and global uncertainties, we are dedicated to strengthening the trust we have built over decades and steering towards sustainable, responsible growth.

Furthermore, we are committed to maintaining our asset quality through prudent risk practices and expanding our digital strengths to enhance customer experience. We are also deepening our efforts in green financing to support India's march towards a cleaner future.

The trust reposed in us by our customers, employees, partners, and shareholders continues to guide our journey. It encourages thoughtful decisions, supports meaningful progress, and deepens our commitment to the communities we serve. As we move forward, we do so with a long-term vision, delivering consistent value and ensuring that the growth we foster is both inclusive and enduring.

With the continued belief and support of our stakeholders, we are confident our Company will remain a beacon of resilience, reliability and growth that stands the test of time.

With regards,

Jugal Kishore Mohapatra
Chairman



Awards and Accolades

Awards

Year 2024-2025



Best Organisations
for Women by ET
NOW-2025



Certified by Great Place to
Work Institute as a
'Great Place to Work in India'



Best Workplaces™ in
Health & Wellness.



Best Digital CX strategy - **Gen AI**
based **Customer Support System**
Best User Experience - **Super App**
Best digital CX product - **Ziva 2.0**



Best Digital Transformation
Initiative (Investment Management)
- Super App – **BFSI Technology**
Excellence Awards 2024



ESG Issuer of the Year - **ASSOCHAM**
7th National Summit & Awards
Corporate Bond Market 2024



Winner of Securitisation Deal
of the Year - **ASSOCHAM 7th**
National Summit & Awards
Corporate Bond Market 2024



Silver Shield in Category-V
– Financial Services Sector -
ICAI Awards for Excellence in
Financial Reporting 2023-24



Best Social Loan -
NBFI India The Asset Triple
A Awards

|| Perspectives from our Leaders

Leadership Insights



We are excited to announce that Shriram Finance is on track to approach Rs 3 lac crore in Assets under Management during FY 2025-26. With GDP growth projected at 6.5%, we expect our credit growth for FY 2025-26 to align closely with this figure, as historically, loan growth tends to be more than double that of GDP growth. In line with evolving market demands, we are strengthening electric vehicle financing solutions to support the shift towards sustainable transportation. At the same time, we are enhancing our digital infrastructure to streamline loan processing, ensuring a faster, more seamless experience for our customers.

Umesh Revankar,
Executive Vice Chairman



Our growth continues to be anchored in the trust and confidence our customers place in us. By offering tailored financial solutions and embracing digital innovation, we are not just meeting evolving customer needs, we are building lasting relationships. This trust-driven approach has powered strong momentum across our core loan products and contributed significantly to our AUM growth in FY 2024-25, reinforcing our position as a preferred lending partner in today's dynamic market.

Yalamati Srinivasa Chakravarti
Managing Director & CEO



We have seen significant growth this year, with strong growth in disbursements and AUM. Our net interest income also reflected our solid financial performance. The liquidity was higher at the year end resulting in marginal dip in NIM. Additionally, our asset quality has been improving over the years. We continue to have prudent ALM policy, ensuring financial stability and flexibility for sustained growth.

Parag Sharma,
Managing Director & CFO

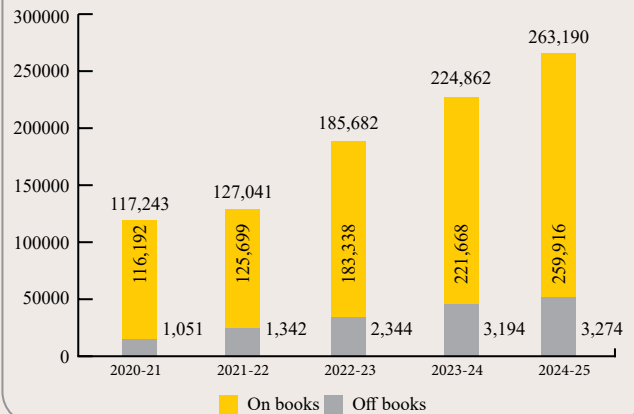
Financial Performance

Figures that Reflect Strength

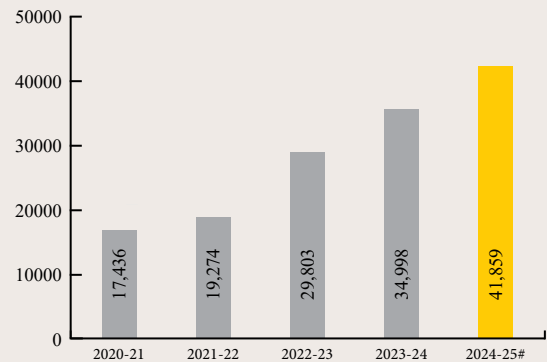
We delivered a standout financial performance, marked by strong growth in profitability and steady income generation. Strong lending across core segments contributed to this momentum. We also declared interim dividends, reaffirming our commitment to long-term value creation for our shareholders.



ASSETS UNDER MANAGEMENT (Rs. in crores)



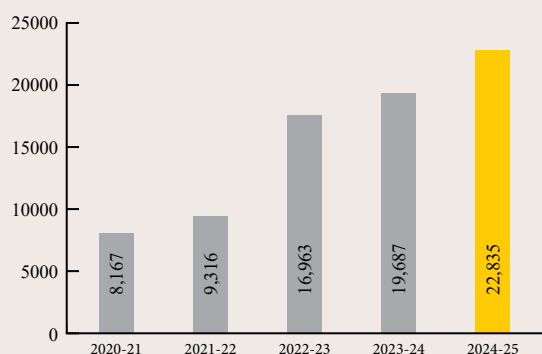
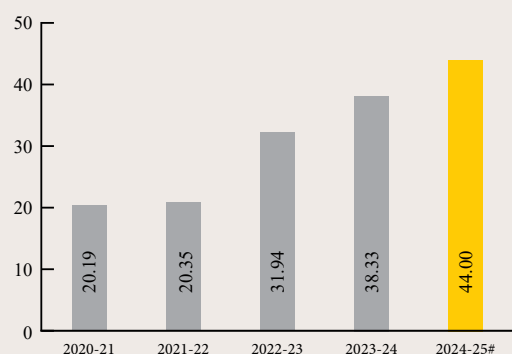
TOTAL INCOME (Rs. in crores)



#Excluding exceptional items

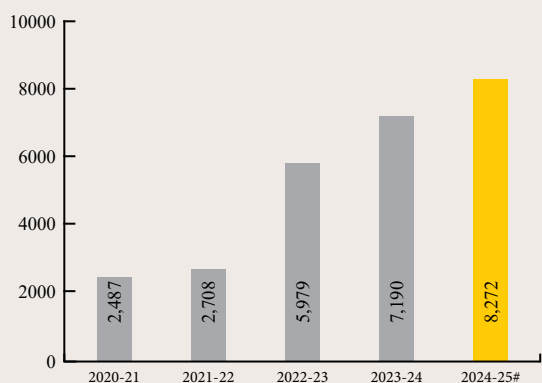
Note:

The figures from FY 2022-23 onwards include the effect of merger of transferor Companies SCUF and SCL and are therefore not comparable with figures of previous years.

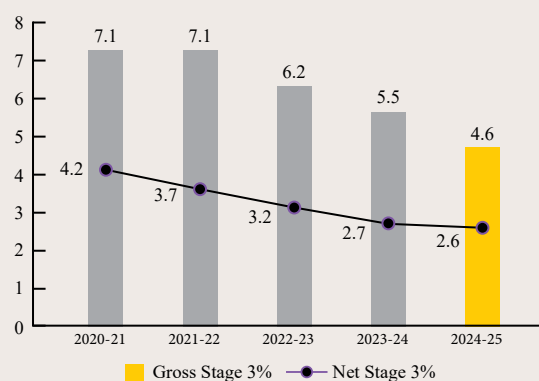
NET INTEREST INCOME (Rs. in crores)**EPS (BASIC)* (in Rs.)**

*Restated post share split

#Excluding exceptional items

NET PROFIT (Rs. in crores)

*Excluding exceptional items

STAGE 3 (%)

Note:

The figures from FY 2022-23 onwards include the effect of merger of transferor Companies SCUF and SCL and are therefore not comparable with figures of previous years.

Experiences that Inspire Convenience

Our Company strives to offer a seamless customer experience through smart digital platforms and personalised service. We engage proactively across all touchpoints, offering clear, timely support and solutions that simplify financial interactions. This approach ensures consistency, builds trust, and enhances the overall quality of every customer journey.

This journey is mapped through well-defined stages that guide customers from first contact to long-term engagement. Each stage plays a distinct role in deepening understanding, building trust, and encouraging meaningful platform use.



Engagement (Pre-Onboarding) Stage

During this stage, we build a strong foundation by introducing new users to the platform.

- Reaching out through targeted email, SMS, and in-app notifications
- Educating users about the platform's benefits
- Encouraging exploration ahead of onboarding





Offer Generation Stage

We craft personalised offers based on customer profiles.

- Evaluating eligibility through credit score and financial history
- Calculating offers tailored to customer needs and preferences
- Focussing on competitive pricing and the right product fit ahead of onboarding



Cross-Selling Stage

This stage helps us boost customer value and revenue growth.

- Identifying cross-sell opportunities through intelligent data insights
- Giving personalised offers based on customer needs
- Tracking key metrics to measure impact and growth



Engagement (Application) Stage

Through this stage, we ensure application completion and customer retention.

- Providing live chat, phone, and email support
- Designing clear, user-friendly application forms
- Updating application status in real time and verifying details securely



Engagement (Post-Sales) Stage

We enhance the post-sale experience through ongoing engagement.

- Offering multi-channel customer support and timely assistance
- Delivering tailored interactions with relevant products and services
- Enabling self-service for smooth post-sales management



Credit Underwriting Stage

We verify and assess applicant information for credit decisions.

- Verifying identity and address using official documentation
- Assessing creditworthiness, risk profile, and financial health
- Disbursing funds promptly upon approval



Collections Stage

This is a proactive approach helping us recover overdue payments.

- Monitoring payment trends using IVR, SMS, and voice bots
- Deploying dedicated teams for effective debt recovery
- Initiating empathetic conversations to resolve outstanding balances

Operating Environment

Landscape that Guides Our Course

India's NBFC sector is undergoing rapid change, shaped by surging credit demand, stricter rules, and rising capital costs. Our Company is navigating this shifting environment head-on, backed by a broad portfolio and strong regional roots. By embracing digital innovation, optimising funding, and maintaining our asset quality, we stay poised for sustainable growth in an ever-evolving sector.



Key Sector Trends

Increased Costs of Funds (CoF)

Regulatory updates such as increased risk weights for NBFC borrowing have raised the CoF for these entities. Many NBFCs are addressing this challenge by repricing products and prioritising high-yield segments to offset the impact.

(Source: [chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://images.assettype.com/bloomberqint/2024-01/edcd3b09-52fa-45f6-8654-e783bd71dec0/Centrum_Shriram_Finance_Ltd_Q3_FY24_Result_Review.pdf](https://images.assettype.com/bloomberqint/2024-01/edcd3b09-52fa-45f6-8654-e783bd71dec0/Centrum_Shriram_Finance_Ltd_Q3_FY24_Result_Review.pdf))

Enhanced Regulatory Oversight

The RBI has tightened regulations for NBFCs by introducing measures like risk-based capital requirements and stricter asset quality monitoring. These changes align NBFC regulations more closely with those for banks, reinforcing sector stability.

Improved Credit Growth

NBFCs are outpacing banks in credit growth, with AUM expected to rise by 15-20% in FY 2024-25. This momentum stems from segments like vehicle financing, MSMEs, and personal loans, supported by deeper penetration into urban and rural markets.

(Source: [chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://web-assets.bcg.com/86/82/9b11253b481585f8fff6dbf966ab/2024-june-nbfc-sector-roundup-upload.pdf](https://web-assets.bcg.com/86/82/9b11253b481585f8fff6dbf966ab/2024-june-nbfc-sector-roundup-upload.pdf))

Accelerated Digital Transformation

The integration of digital solutions and collaborations with fintech companies are increasing operational efficiency and broadening customer outreach. Consequently, NBFCs are prioritising the effective use of advanced analytics and technology adoption to drive innovation and scalability.

(Source: [chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://images.assettype.com/bloomberqint/2024-01/edcd3b09-52fa-45f6-8654-e783bd71dec0/Centrum_Shriram_Finance_Ltd_Q3_FY24_Result_Review.pdf](https://images.assettype.com/bloomberqint/2024-01/edcd3b09-52fa-45f6-8654-e783bd71dec0/Centrum_Shriram_Finance_Ltd_Q3_FY24_Result_Review.pdf))

Strengthened Asset Quality

The sector has improved its non-performing asset (NPA) levels, and credit costs are stabilising around 2%, reflecting enhanced risk management practices.



SFL's Strategic Responses

We have strategically adapted to these trends, capitalising on our established position as one of the leading NBFCs.

Diversified Portfolio Expansion

Vehicle finance, personal loans, and gold loans have witnessed solid growth, with gold loan offerings now accessible in over 1,000 branches. Plans are underway to further expand the reach of these services to cater to a broader customer base.

Extended Geographical Presence

Following the merger, we aim to enhance our market presence and service coverage. In particular, these include underserved regions in few States.

Optimised Cost Structures

We have responded to rising fund costs by shifting focus to high-yield, products, while also optimising our funding mix through international borrowing. This approach helps us mitigate the impact of higher CoF and support the maintenance of net interest margins 8.55%. Our proactive pricing adjustments further contribute to sustaining profitability, while adapting to the changing financial arena.

Streamlined Operational Processes

We are enhancing our digital capabilities and forging strategic partnerships to streamline the lending process for MSME loans. These initiatives help cut turnaround times, improve operational efficiency and broaden access to credit, further strengthening our Company's market position.

Strengthened Risk and Asset Quality

We have tightened our provisioning and write-off strategies, effectively managing credit costs and minimising the NPA levels. These improvements have helped us maintain financial stability and ensure our ability to weather economic fluctuations, while enhancing our asset quality.

|| New Initiatives

Choices that Enable a Greener Future

Green financing is a key enabler of sustainable economic development, facilitating the reduction of carbon emissions and the accelerated adoption of clean energy solutions.

At Shriram Finance, we are committed to leading this transition by strategically investing in electric mobility, renewable energy, and environmentally resilient infrastructure. Through a combination of innovative financing models and strong institutional partnerships, we are actively contributing to India's journey towards a low-carbon, sustainable future.



Aim to achieve Rs. 5,000 crores AUM in Green Finance

We are targeting Rs. 5,000 crores in Assets Under Management (AUM) within our green finance vertical, with electric vehicles (EVs) serving as the primary growth engine.

With the EV industry projected to grow at a compound annual growth rate (CAGR) of 15–20%, we anticipate a minimum 20% year-on-year increase in our green finance portfolio, driving robust and scalable expansion.

Beyond EV financing, our focus extends to solar energy projects, EV charging infrastructure, vehicle retrofitment solutions, and industrial sustainability upgrades, further reinforcing our long-term commitment to environmental stewardship and responsible lending.

Tailored Financing for a Greener Tomorrow

EV Loans

Comprehensive financing solutions for electric two-wheelers, three-wheelers, commercial vehicles, and buses-enabling widespread EV adoption across segments.

EV Charging Infrastructure

Term loans of up to Rs. 5 crores extended to individuals and enterprises for the development of EV charging ecosystems, including battery-swapping stations, public charging hubs, and dedicated captive charging facilities.

Renewable Energy Projects

Strategic funding support for solar rooftop installations and battery energy storage systems, in line with national renewable energy mandates and sustainability targets.

EV Retrofitment

Facilitating the conversion of conventional vehicles to electric powertrains as a cost-efficient, eco-conscious alternative. This solution enhances asset longevity, optimizes capital deployment, and supports compliance with zero-emission regulations.

Strategic Partnerships Driving Sustainable Growth

We have established strategic partnerships with leading Original Equipment Manufacturers (OEMs) including Montra, Bajaj, TVS, Hero, Ola, Ather, Ape, Mahindra, and Tata to facilitate the rapid adoption of electric vehicles. These collaborations also encompass EV charging infrastructure, enabling the creation of an integrated and seamless electric mobility ecosystem.

In alignment with national sustainability objectives, we also support key government-led initiatives such as:

- ▶ **Pradhan Mantri Surya Ghar Muft Bijli Yojana:** Promoting residential adoption of solar energy by providing accessible financing solutions.
- ▶ **Surya Shakti Solar Finance Scheme:** Extending financial support to MSMEs for the installation of solar energy systems, thereby accelerating the transition to clean energy sources.

Commitment to India's Sustainability Vision

As a responsible financial institution, we are aligned with India's Nationally Determined Contributions (NDCs) under the Paris Agreement. We strategically deploy capital towards projects that mitigate carbon emissions, enhance renewable energy capacity, and foster sustainable infrastructure development.

By embedding Environmental, Social, and Governance (ESG) criteria into our financing framework, we uphold the principles of responsible lending while maintaining compliance with dynamic regulatory standards.

Our approach-anchored in innovation, strategic investments, and an unwavering commitment to sustainability-is shaping a greener, more resilient economy and generating long-term impact across India's socio-economic landscape.

Methods that Deliver Enduring Value

Inputs

Our Company builds value on the foundation of financial inclusion. We offer diverse products and an extensive distribution network while maintaining a customer-centric approach. This strategy drives value creation through every step of a financing journey.

Furthermore, our actions are anchored by strong governance and powered by digital innovation. This powerful combination helps us drive sustainable growth, uplift communities, and nurture entrepreneurial ambitions.



Customer Base and Market Reach

We deeply understand India's underserved and credit-starved segments, especially MSMEs, self-employed individuals, and first-time borrowers. Our wide distribution network of over 3,220 branches enables last-mile delivery across rural and semi-urban regions.



Domain Expertise and Relationship Capital

With over 46 years of experience in financing commercial vehicles and MSMEs, Our Company has developed a customer-centric approach built on long-standing relationships, trust and profound knowledge of borrower needs.



Robust Risk Management Framework

We maintain asset quality and manage risk effectively through robust evaluation and credit assessment methods. These processes help us serve even high-risk customer segments without compromising performance.



Technology and Digital Infrastructure

We use technology through digital onboarding, mobile apps, data analytics and online platforms. These tools enhance customer experience, boost operational efficiency and enable quicker loan disbursement.



Financial Strength

Prudent capital management, a diversified funding profile, and strong liquidity support enable us to offer customised loan products while ensuring long-term financial sustainability and growth.

Value Chain

Outputs

**Insights and Intelligence**

We use deep market intelligence and data-led insights to identify financing needs across target customer segments.

**Products and Personalisation**

We create customised loan products across asset classes like commercial vehicles, MSMEs, personal needs, two-wheelers, and gold. Each offering is carefully designed to meet the specific requirements of our customers.

**Acquisition and Disbursal**

We deploy a well-established branch network and dedicated field teams for customer acquisition, document verification, and loan disbursal.

**Process and Service**

We use advanced CRM platforms and digital tools to ensure seamless service across the loan lifecycle. Alongside this, we also focus on repayment management, while driving higher customer satisfaction.

**Collections and Recovery**

Our solid collection and recovery processes are designed to ensure timely repayments, while maintaining customer relationships and financial discipline.

**End-of-Term Solutions**

We provide refinancing, top-up loans, and end-of-term services to retain customers and maximise lifecycle value.

We invest across every stage of our value chain to maximise customer value and optimise returns. Simultaneously, we remain committed to responsible lending and sustainable business practices.



We empower millions of underserved customers with timely credit, fuelling entrepreneurship and financial inclusion throughout India. Additionally, our responsible lending practices and customer-first mindset help us create long-term value for every stakeholder.

As on March 31, 2025

Rs. 263,190 crores

Assets Under Management (AUM)

Rs. 22,835 crores

Net Interest Income (NII)

Rs. 9,761 crores

Net Profit[#]

18.58%

Return on Equity (ROE)[#]

Financial Inclusion Impact

Serving over 9.56 Million active customers with significant outreach in rural and semi-urban areas

[#] Includes exceptional items



II Digitalisation

Systems that Enable Smart Growth

Technology plays a pivotal role in India's evolving NBFC sector, driving efficiency, expanding access, and meeting the expectations of a digitally empowered financial ecosystem. Our robust digital foundation, built on automation, analytics, and intelligent platforms, drives continuous innovation and operational excellence. Moreover, by embedding advanced solutions into our operations, we ensure superior customer experiences, streamlined processes and a competitive edge.

Our Technology Initiatives

Digital Integration and Super App Development

We have developed the 'Shriram One' super app to club the Group's diverse offerings onto a single digital platform. The app's integrated ecosystem spans both financial and non-financial services, ranging from product distribution to ticket booking, enhancing customer convenience.

Outcomes

- ▶ Offered seamless and paperless experience for customers
- ▶ Enabled faster loan processing and cross-selling of products



Partnerships and Digital Tools

We have digitised our loan lifecycle across both Shriram Super Web and the Shriram One app. With this journey rolled out, we have enabled faster, paperless, and hassle-free access to credit. Additionally, we have actively partnered with fintech firms and deployed tools to streamline lending processes.

Outcomes

- Ensured higher customer acquisition
- Extended operational reach
- Enabled faster turnaround times for loan approvals



Employee Training Platforms

To support technological integration post-merger, we launched 'myCoach,' a tailored learning management system that delivers customised digital training modules for our employees.

Outcomes

- Improved operational readiness
- Enhanced cross-selling capabilities



Customer Engagement

We have prioritised rural and underserved markets, using digital tools to advance meaningful financial inclusion. Our initiatives include digitisation of customer onboarding and loan processing, ensuring faster, more accessible, and seamless service delivery.

Outcomes

- Increased Customer Retention
- Expanded Market Reach
- Improved Operational Efficiency



DID YOU KNOW?

Shriram Finance secured the 51st position in UPI transactions nationwide, underscoring our expanding footprint and rising acceptance in India's digital payments ecosystem.

Features of the Shriram One app

Unified Financial Solutions

High Accessibility

Payment Services

Credit Monitoring and Vehicle Management



Key Technologies Implemented

1

AI-powered underwriting models to accelerate loan approvals and reduce manual intervention.

2

Integration of eKYC and CKYC to enable instant identity verification and strengthen fraud detection.

3

Assessing credit using alternative data, including cash flow, behaviour, and repayment trends.

4

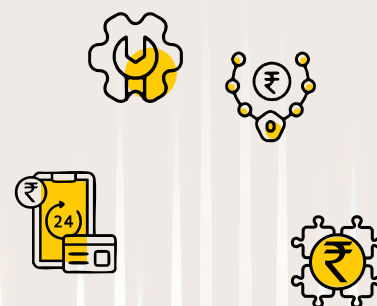
Utilisation of time data to dynamically adjust loan offers and credit limits.

5

Usage of big data analytics to create personalised loan products for targeted customer segments.

6

Deployment of advanced cross-sell and up-sell strategies by analysing transaction behaviour.



Privacy and Data Security Compliance

Operating within a tightly regulated financial environment, we prioritise customer data protection and full regulatory compliance with evolving technology-related regulatory mandates. Additionally, our digital operations rest on strong governance, designed to uphold transparency, ensure security, and respect customer consent.

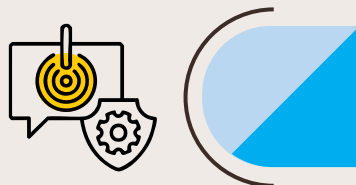
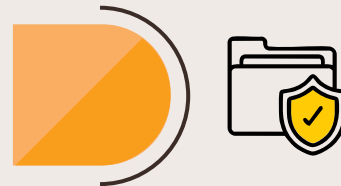


Upholding RBI's Digital Lending Mandates

We enable direct transfers between borrowers and lenders, cutting out intermediaries and reinforcing transparency. Each digital loan comes with a Key Fact Statement (KFS), empowering customers with clear and concise information. In addition, we offer a mandated cooling-off period, providing borrowers the flexibility to exit loans without penalties. Furthermore, we uphold stringent data privacy standards, ensuring no lending service provider retains or misuses customer data.

Safeguarding Data under the DPDP Act, 2023

We follow data localisation norms, storing all critical data securely within India's borders. We also obtain clear and explicit consent.

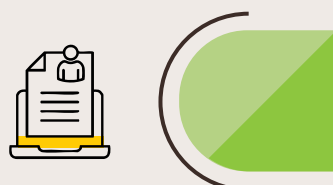
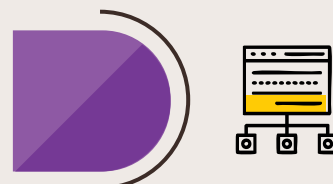


Strengthening Cyber Resilience through RBI's Framework

Our 24x7 Security Operations Centre (SOC) monitors threats in real-time, under the RBI's IT Governance norms. We run frequent Vulnerability Assessments and Penetration Tests (VAPT) and follow CERT-In protocols for prompt incident reporting and resolution, ensuring solid cyber resilience.

Aligning with the Account Aggregator (AA) Framework

We are actively aligning with the RBI's AA framework to enable secure, consent-based sharing of financial data. By adopting Open Banking APIs, we ensure structured and protected exchange of financial data across the ecosystem.



Ensuring Full Aadhaar and UIDAI Compliance

We follow all Aadhaar e-KYC regulations for seamless and legally compliant digital onboarding. Aadhaar number storage is restricted in accordance with UIDAI's masking and tokenisation guidelines, ensuring the highest levels of data protection and compliance.

Safeguarding Trust through Technology

AI-Powered Anomaly Detection

- ▶ Learns transaction patterns
- ▶ Flags suspicious behaviour in real-time

Machine Learning Models

- ▶ Train on historical fraud data
- ▶ Adapt to evolving fraud techniques

Multi-Layered Security Approach

- ▶ Combines artificial intelligence (AI), and multi-factor authentication (MFA)
- ▶ Integrates anomaly detection for maximum protection

Technology Outcomes (in %)

34

Total Existing Customers
Onboarded Digitally

66

Customers, New to
Shriram Finance,
Onboarded Digitally

68

Customers Onboarded,
Active on Digital Platforms

85

Customers Onboarded Conducted
their Transactions Digitally



Decisions that Balance Risk and Reach

Our approach to credit profile management goes beyond conventional methods. By integrating data, technology, and customer insights, we make well-informed lending decisions. This framework helps us address the varied needs of individuals, MSMEs, and larger businesses.

Parallely, we maintain a balance between risk management and inclusion, allowing us to extend credit responsibly while supporting customer growth and ensuring financial discipline.



Robust Credit Assessment and Risk Mitigation

At Shriram Finance, the risk assessment process begins with rigorous due diligence for every borrower. By using both internal and external credit scores, we ensure that our lending decisions are well-informed. In most cases, we lend to existing customers or to those guaranteed by our current clients. This helps us strengthen our credit controls and reduce exposure to risk. We also conduct segment-wise stress testing, supported by one of the Big Four accounting firms, to enhance our risk management practices.

Smarter Credit Decisions through AI and ML

Technology plays a vital role in strengthening our credit profiling and underwriting processes. AI-powered scoring models analyse large volumes of data to identify borrower patterns and behavioural anomalies. At the same time, machine learning algorithms enable us to carry out predictive risk assessments. Additionally, our automated underwriting processes streamline document analysis and fraud detection, ensuring speed without compromising on diligence.

Responsible Lending for Sustainable Growth

We anchor our lending practices in responsibility and long-term sustainability. Every borrower's financial health and repayment ability is assessed with great care. Moreover, our risk-based pricing considers a broad range of factors including credit scores, income stability and debt-to-income ratios. This ensures all loans are priced fairly and transparently, advancing financial inclusion and helping us maintain strong asset quality.

Effective Strategies for NPA Mitigation and Recovery Efficiency

With 3,846 touchpoints and over 61,000 professionals in our collections team, we manage recoveries with high efficiency. Our Company has also introduced convenient digital payment platforms like the Shriram App to simplify EMI collections. Besides these platforms, regular customer contact through SMS alerts, account statements and field visits by our sales teams further supports recovery. These efforts strengthen our strategies and help reduce NPAs effectively.

Alternative Data for Inclusive Lending

Our Company utilises non-traditional data sources like utility payments, rental records, banking habits, and field investigation reports from borrowers' native places, to assess creditworthiness, especially in underserved segments. This data-driven approach enables us to extend credit to those outside the reach of conventional banking, fostering inclusive growth.

Offering Tailored Risk Frameworks for Different Segments

Our lending strategy adapts to the unique needs of retail, MSME, and commercial portfolios. MSME loans are mostly extended to existing retail borrowers or those with existing borrower guarantees, ensuring continuity and trust in our client base. The average tenure across our lending segments is 46 months, backed by a strong credit appraisal process and risk-based pricing models.

Balancing Expansion with Financial Prudence

As we pursue credit expansion to unlock economic opportunities, we uphold a disciplined approach to capital adequacy. Rigorous risk assessment and sufficient collateralisation ensure we remain compliant with regulatory requirements, while protecting our balance sheet.

Technology-Driven Credit Monitoring and Early Warning Systems

A fraud detection engine monitoring suspicious activities at device and user levels

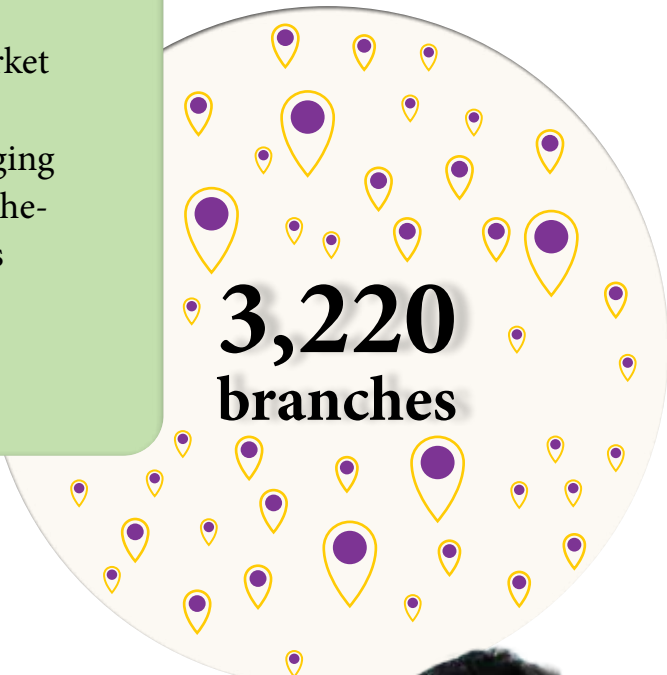
A comprehensive solution that manages Initial Screening, Continuous Monitoring, and Early Warning Systems (EWS)

An AML engine that tracks all the transactions to detect suspicious clusters through cyclic graphs

Real-time credit scoring models for dynamic, on-the-spot creditworthiness evaluation

Approach that **Amplifies Expansion**

Our sales and distribution strategy fuses market depth, digital innovation, and a focus on customer-driven financial solutions. By merging an extensive physical network with state-of-the-art technology, we guarantee effortless access to our products, fuelling both growth and operational excellence.



3,220
branches



1 Expanded into new territories, particularly focussing on MSMEs and self-employed individuals

2 Built a strong ecosystem of partners, to facilitate vehicle financing, particularly Manufacturer/dealers

3 Introduced specialised financial solutions such as tyre loans, working capital assistance, and engine replacement financing, addressing niche customer needs

Expanding Our Footprint Across India

Our extensive distribution network reaches both urban and rural areas, driving financial inclusion across varied customer segments. With 3,220 branches and a strong network of dealers, partners, and digital channels, we bridge financial gaps, empowering individuals and businesses alike.

Implementing A Seamless Omnichannel Strategy

Our Company's sales and distribution strategy revolves around an omnichannel model, offering seamless service across both traditional and digital touchpoints. While our physical branch network remains a trusted and accessible pillar, we are incorporating technology-driven solutions to further enhance customer convenience.

1 Utilised branch and digital sales synergy, allowing customers to access loan products through both our branch network and digital platforms, ensuring faster approvals and streamlined processes

2 Applied data-driven customer insights, employing AI and predictive analytics to understand customer preferences and offer personalised financial products

3 Enhanced digital payments and collections, integrating UPI, wallets, and net banking to improve efficiency and reduce delinquencies

1 Conducted AI-powered credit assessments, ensuring instant approvals and risk mitigation

2 Deployed smart CRM systems that enhance customer engagement and track preferences for tailored solutions

3 Automated lead management, optimising conversion rates by guiding prospects through the sales funnel effectively

Using Technology for Superior Customer Engagement

Technology plays a key role in optimising our sales and distribution strategy. We continuously invest in AI-driven loan processing, real-time credit assessments, and automated underwriting, making financial solutions more accessible and efficient.

Dealer and Partner Network

Our partnerships with dealers and manufacturers form a key pillar of our sales and distribution network. By strengthening these relationships, we reinforce our distribution model and enhance market reach.

1 Enabled vehicle manufacturers and dealers to offer financing solutions, ensuring a seamless purchase experience

2 Reinforced OEM partnerships to improve our presence in commercial vehicle, two-wheeler, and equipment financing

3 Launched Shriram Green Finance Initiative to promote green financing solutions such as electric vehicle loans and charging infrastructure financing

Empowering Our Direct Sales Force

A critical component of our sales strategy is our dedicated and well-trained sales force, operating across our branch network. We focus on the following aspects.

1 Introduced targeted training programmes, equipping our teams with industry insights and customer engagement strategies through regular upskilling initiatives

2 Implemented performance-based incentives, structuring rewards systems to ensure high motivation and result-oriented sales execution

3 Adopted localised outreach strategies, training our sales teams to understand regional customer behaviours and ensure a personalised approach



Strategies that Strengthen Brand Trust

At Shriram Finance, brand management revolves around trust, and a deep understanding of customer needs. This approach ensures long-term loyalty and reinforces our market leadership. By embracing digital advancements and strategic outreach, we enhance our brand equity while remaining dedicated to serving our diverse, pan-India customer base. Moreover, we focus on empowering communities, fostering financial inclusion, and strengthening our brand presence through innovative solutions that drive sustainable growth.

Our Brand Strategy

We are at a crucial stage where evolving our brand strategy is essential to staying relevant in a fast-changing, digitally driven financial environment. As we move forward, our approach to brand transformation will focus on three key priorities:



Strengthening Our Digital Presence

We aim to broaden our digital footprint by investing in innovative technologies and platforms that enhance customer engagement and accessibility. While staying true to our legacy of trust, we are harnessing digital tools to offer a seamless, more connected brand experience, making it easier for customers to interact with us anytime, anywhere.



Creating Seamless Omnichannel Engagement

The Shriram One app will be pivotal in shaping our brand narrative. Through a seamless and intuitive digital experience, it will enable us to engage with customers across various touchpoints, simplifying and speeding up their journey with us, while making it more meaningful.



Utilising AI to Deliver Personalised Communication

We are adopting artificial intelligence to tailor communication to our customers' specific needs. This will deepen engagement and reaffirm our commitment to placing customers at the core of everything we do.

Enhancing Brand Trust

Building trust and credibility has always been at the heart of our Company's brand strategy. The first step in this journey has been crafting an authentic brand voice that is relatable, clear, and resonant with our diverse customer base.

We focus on communicating in ways that make our customers feel heard, understood, and valued. To deepen these connections, we have refreshed our approach to social media, guided by our new brand philosophy. This shift prioritises fostering meaningful engagement and more impactful interactions.

Simultaneously, we are reimagining our branches, which are our primary touchpoints, to offer a seamless and unified experience that embodies our brand philosophy in every interaction. From messaging and visuals to tone of voice, we ensure consistency across all marketing channels. A strong, cohesive brand presence not only reflects our professionalism but also reinforces the trust and confidence our customers have in us.

We are excited to welcome Indian cricketing icon Rahul Dravid as the new brand ambassador for Shriram Finance. Renowned for his continuous dedication, leadership and integrity on and off the field, Dravid's calm and composed nature perfectly aligns with our values. His steady, patient approach mirrors our brand's commitment to delivering reliable, customer-centric financial solutions that enable individuals and businesses to thrive at their own pace.



Our Brand Campaigns

Together We Soar Campaign

Our 'Together We Soar' campaign, featuring Rahul Dravid as our brand ambassador, honours the resilience and determination of everyday Indians. It captures aspiring India's 'So What?' philosophy, which inspires individuals to face challenges head-on with courage and conviction. Through this campaign, we strengthen our role as a trusted financial partner, supporting our customers in pursuing their dreams and overcoming obstacles.

The campaign is a multi-lingual, multi-platform initiative, launched in seven regional languages. Crafted by renowned writers, it resonates with local communities through carefully chosen messaging. Featured across television, print, outdoor, cinema, and digital media, the campaign has also been showcased on prominent platforms like the Pro Kabaddi League and major cricket events. With this campaign, we reaffirm our dedication to financial inclusion, empowering our customers to rise above challenges and soar toward their dreams.



Estimated **25** Crore
No. of Individuals Reached

Gold Loan Campaign

We introduced the 'Jitne Samay Ka Loan, Utne Ka Hi Byaj' campaign to promote our innovative gold loan features. With this offering, customers only pay interest for the duration of the loan, starting from a minimum tenure of just seven days. The campaign spans multiple platforms, including TV, digital media, and cinema halls across several states, aiming to engage a wide audience and highlight our dedication to customer-centric solutions. The campaign was also supported by the Shri Swagatam Customer Connect initiative which was done at more than 600 branches and engaged more than 24,000 walk-in customers.



Estimated **12.09** crores
No. of Individuals Reached

Two-wheeler loan campaign

Our two-wheeler loan campaign blends a comprehensive digital strategy with on-ground activations such as two-wheeler loan melas, and influencer driven social media efforts. This campaign focuses on promoting our two-wheeler loan eligibility voucher, providing customers with instant access to their loan eligibility amount. By employing a multi-channel approach, including digital platforms, real-world engagement, and trusted influencers, we ensure broad outreach, enhancing visibility and customer acquisition. The campaign simplifies the loan process, enabling faster, more transparent access to two-wheeler financing.

Estimated **2.73** crores
No. of Individuals Reached



Participation in Industry and Cultural Events

In 2024-25, Shriram Finance actively engaged with communities across India by participating in prominent industry and cultural events. From celebrating Ganesh Utsav in Maharashtra with a digital diya, Durga Puja in West Bengal, and Navratri in Gujarat, to being present at Bali Yatra in Odisha, Sonepur Mela in Bihar, and Gwalior Mela in Madhya Pradesh, the Company fostered strong regional connections. Participation in Bharat Mobility Expo, BAUMA, and Krishi Darshan Expo reaffirmed our role as a trusted industry partner.

Estimated **2.87** Crore
No. of Individuals Reached



Scan to experience our journey of growth and trust with Together We Soar.



Board of Directors

Meet Our Board & its key Committees

■ Audit Committee	■ Asset Liability Management Committee	■ Special Committee of the Board for Monitoring and follow-up cases of Frauds
■ Nomination and Remuneration Committee	■ Corporate Social Responsibility Committee	
■ Stakeholders' Relationship Committee	■ Environmental, Social and Governance Committee	
■ Risk Management Committee	■ IT Strategy Committee	

C - Chairperson

M - Member



Mr. Jugal Kishore Mohapatra
Chairman, Independent Director

M C C



Mr. Umesh Revankar
Executive Vice Chairman

M C M C M M M



Mr. Yalamati Srinivasa Chakravarti
Managing Director & CEO

M M C M M M M



Mr. Parag Sharma
Managing Director & CFO

M M M



Mr. Pradeep Kumar Panja
Independent Director

C M M M



Mr. Ravindran Shunmugakani
Independent Director

M C M M



Mr. Ravi Devaki Venkataraman
Non-Executive, Non-Independent Director

M



Mr. Ignatius Michael Viljoen
Non-Executive, Non-Independent Director



Mr. Gokul Subramanian Dixit
Independent Director

M M C M



Mrs. Bhanumathi Viswanathan Melattur
Independent Director

M M M C



Environment, Social and Governance Report

At Shriram Finance Limited ('SFL,' 'our Company,' 'we'), we recognise the responsibility we carry in shaping a sustainable future. As one of India's leading NBFCs, our commitment goes beyond financial services. We aim to create a positive environmental and social impact through responsible and forward-looking business practices. The following initiatives reflect our progress in FY 2024–25.

Shriram Finance Limited has undertaken a structured sustainability journey, anchored in a clearly defined ESG framework. We have established a dedicated ESG Committee and formalised our commitment through an ESG Charter. Over the years, the Committee has continued to strengthen disclosure standards by adopting the Business Responsibility and Sustainability Reporting (BRSR) framework and publishing comprehensive Sustainability Reports.

ESG considerations are now integrated across our operations from Value Chain (VC) ESG reporting to regular capacity-building through employee training programmes. A notable strategic move this year was our sharpened focus on electric vehicle (EV) financing and green assets including rooftop solar, aligning our business with India's broader shift toward low-carbon mobility.



Environment

Our sustainable financing vertical actively promotes the adoption of cleaner mobility solutions, supported by internal policies that restrict the financing of older vehicles with higher emissions. We are also advancing our digital transition to reduce paper usage across operations. In parallel, we have begun tracking water consumption across offices and have adopted energy-efficient lighting and water-saving fixtures to help conserve essential resources.





Social

Our sustainability journey is deeply rooted in our core mission of empowering the unbanked and underserved. For around five decades, our business strategy has focused on uplifting livelihoods, transforming drivers into owners by funding income-generating assets and enabling them to improve their earnings.

Our commitment to our employees is reflected in the comprehensive benefits and continuous skill development opportunities we offer to support their growth and well-being. This year, we also conducted ESG training for employees and value chain partners, helping embed our sustainability vision across the broader ecosystem. Through our community education efforts, we have reached over 3.8 lacs underprivileged children of trucking community across India. In preventive healthcare, we extended support to more than 14 lacs members of the trucking community through medical units. We have trained and upskilled more than 1 lacs truck drivers. Additionally, 5,512 young people from disadvantaged backgrounds were trained in automotive two wheelers repair and service, creating pathways to employment.



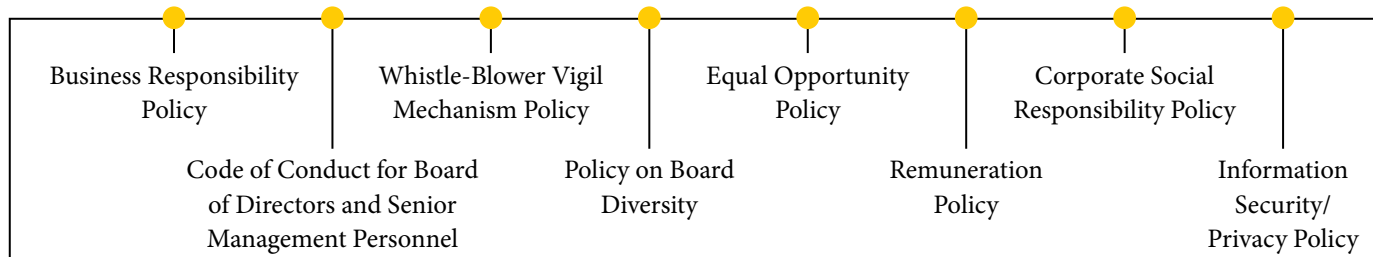
Governance

Our Board is composed of experienced professionals with independent directors leading key committees, demonstrating our commitment to strong governance.

Strong governance is central to our operations. It has enabled key initiatives such as enhanced digitisation of ESG data collection, achieving BRSR Core Assurance for the second consecutive year, and expanding ESG-related training for Key Managerial Personnel (KMP). The Board also participated in a focussed training session on climate-related financial risks and opportunities, as outlined by the RBI.

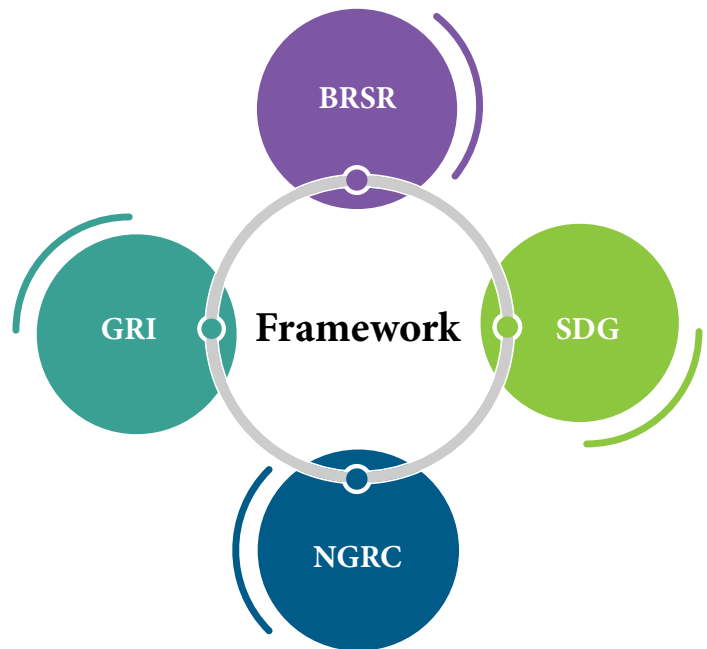
As we move forward, we remain committed to integrating ESG principles into our business strategy. This enables us to create long-term value for our stakeholders while making meaningful contributions to society and the environment.





List of Policies

Frameworks in Focus



Key Highlights FY 2024-25

Environment	Social	Governance
Target to achieve Rs. 5000 crores AUM in Green Finance Vertical in next 3-4 years	Rs. 131.44 crores CSR Annual Budget Outlay	MSCI ESG SCORE- A
Energy intensity per rupee of turnover reduced year-on-year	3 lacs + beneficiaries from CSR projects	ICRA ESG Impact Rating - 82 / Outstanding
Carbon Emissions intensity per rupee of turnover for Scope 1 & 2 reduced year-on-year	ESG training rolled out for Value Chain Partners	NSE ESG Rating - 71
36,000+ Loans disbursed under Green Finance	Human Rights & Health & Safety training for 97.03% employees	100% Board attendance in trainings
200,000+ Loans disbursed through digital mode	100% Employee ESG training	Independent director led board committees.
	850,000+ Customers financed under Social Finance Framework	

ICRA

ESG Impact Rating

82

Outstanding

SFL has earned a strong ESG Impact Rating from ICRA, highlighting its deep integration of environmental, social, and governance practices into its core business operations. The rating reflects SFL's commitment to sustainability, inclusive growth, and ethical corporate conduct.

Environmental Impact (Score: 76 – Good)

SFL demonstrates a low operational environmental footprint due to the nature of its business as a non-banking financial company (NBFC). It has taken active steps to improve resource efficiency by adopting LED lighting, energy-efficient air conditioners, and sensor-based taps, along with promoting paperless operations and video conferencing. SFL's green financing strategy supports electric vehicles (EVs), renewable energy products, and eco-friendly infrastructure, with a target to build a Rs. 5,000 crore green portfolio over the next 3–4 years. Additionally, it tracks Scope 1, 2, and 3 emissions, including financed emissions, and has successfully reduced financed emission intensity. However, the absence of renewable energy adoption and lack of specific operational impact reduction targets are current limitations.

Social Impact (Score: 94 – Outstanding)

SFL has a remarkable social performance, driven by its focus on financial inclusion, employee well-being, and community upliftment. The company facilitates sustainable livelihoods by empowering truck drivers and underserved individuals to become entrepreneurs. Its workforce of over 74,000 employees benefits from comprehensive insurance, maternity/paternity leave, and upskilling programs, including post-graduate opportunities. Through its CSR programmes, SFL has impacted over 300,000 students via scholarships and supported mobile medical units and driver training initiatives. The company's Social Finance Framework ensures funding for socially beneficial projects. Areas for improvement include addressing gender wage gaps, high attrition rates, and the need for formal supplier assessments on health and safety.

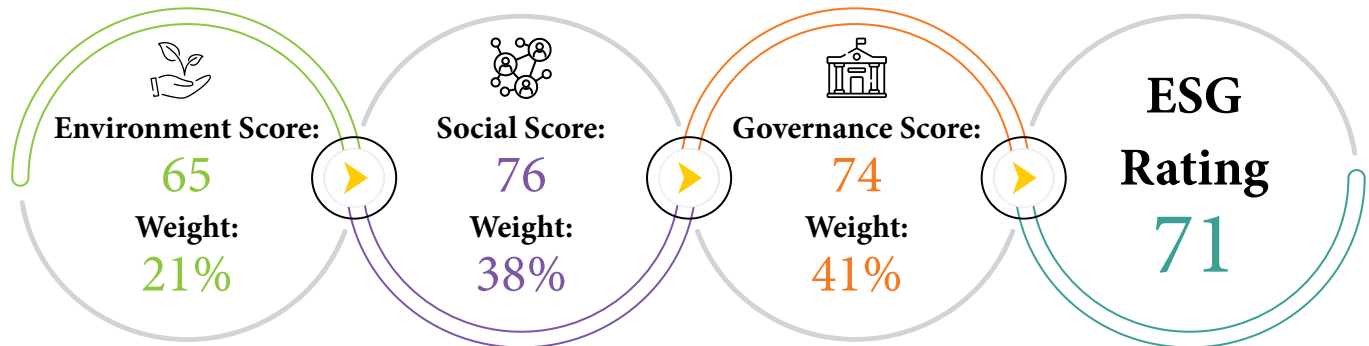
Governance Practices (Score: 82 – Outstanding)

SFL maintains robust governance mechanisms with a highly independent board, a separated chairperson and MD structure, and active committee oversight. It ensures transparency through detailed and timely disclosures, including an integrated annual report and dedicated sustainability reports. The company uses regulatory technology to strengthen compliance and has implemented reasonable assurance for its sustainability data. Its governance structure supports oversight of both social and green financing initiatives. While the company has a strong foundation, gender diversity in leadership and the setting of formal sustainability targets aligned with global frameworks are areas needing further development.



NSE ESG Rating

The Company shows consistent performance across Environmental, Social, and Governance (ESG) areas. Environmental measures are embedded into operations, supported by responsible social practices and structured governance systems.



Impactful Initiatives of SFL

Initiative and Impact	Relevant SDG(s)
Shriram offers affordable loans to low-income households, fostering economic opportunities and reducing poverty	1 POVERTY
Loans support farming families in adopting sustainable practices, boosting yields, reducing risks, and ensuring food security	2 ZERO HUNGER
Shriram's financial products help customers handle health emergencies without risking poverty	3 GOOD HEALTH AND WELL-BEING
A holistic CSR program empowered underserved communities with access to education, healthcare, skills training, and cultural preservation	3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS, 17 PARTNERSHIPS FOR THE GOALS
Shriram's loans make education expenses manageable for its customers	4 QUALITY EDUCATION
The loans empower small entrepreneurs, especially women, to expand businesses and build assets, promoting gender equality and economic growth. Shriram also fosters diversity in recruitment, with 13.3% women employees	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES
Shriram's loans help rural families build toilets, advancing equitable sanitation. Its offices also ensure hygiene with proper sanitation and clean drinking water facilities	6 CLEAN WATER AND SANITATION
Implementation of power-down protocols and sensor-based water taps drove substantial energy and water savings	6 CLEAN WATER AND SANITATION, 7 AFFORDABLE AND CLEAN ENERGY

Initiative and Impact	Relevant SDG(s)
Digitization of ESG data and water monitoring improved tracking and efficiency in resource use and conservation	  
Replacing conventional lighting with LED fixtures and upgrading to energy-efficient infrastructure, including 5-star ACs, improved efficiency and reduced energy use	 
Phasing out diesel generators in favor of eco-friendly inverters reduced carbon emissions and reliance on fossil fuels	 
Auto-switching equipment to power off after idle periods minimized energy waste and optimized automation	 
Shriram's loans support low-cost business models, creating jobs in rural and urban areas and boosting India's GDP	  
Introduction of a Value Chain Code of Conduct strengthened ESG accountability and transparency across the supply chain	  
Shriram App and SMS services track payment histories and credit scores, allowing these to serve as security, thereby improving access to finance	
Launch of the 'Shriram One' Super App integrated services into a seamless digital platform, enhancing user access and experience	 
Timely loans to rural and semi-urban customers curb migration, boost economies, and foster sustainable communities	
Facilitating electric vehicle adoption through strategic partnerships promoted clean transportation and reduced emissions	 
Enforcing Pollution Under Control (PUC) compliance in vehicles encouraged sustainable financing and reduced environmental impact	 
Rolling out sustainability awareness programs fostered a culture of environmental responsibility among employees	 
Promoting video conferencing over travel reduced carbon emissions from business travel	
Shriram upholds ethical, transparent governance, fostering inclusivity and diversity. It ensures legal compliance, data security, and accessible communication for employees and customers	
Shriram has multi-stakeholder partnerships and collaborates with financial institutions, government bodies, NGOs, and industry players to strengthen its impact and activities	

Sustainability Strategy

Our Material Issues

Materiality Assessment forms a critical foundation of our sustainability strategy at SFL. It enables us to identify key Environmental, Social, and Governance (ESG) issues that have the most significant impact on our business and stakeholders.

In line with our commitment to responsible and transparent reporting, we undertake a structured and inclusive approach. We draw insights from internal stakeholder consultations, peer benchmarking, and recommendations from global reporting frameworks and rating agencies. One-on-one engagements with key internal stakeholders, along with an in-depth analysis of local and global industry trends, further guide the identification of relevant material topics.

These efforts culminate in the development of a focussed list of material issues, categorised under Environmental, Social, and Governance pillars. This list reflects our strategic priorities, ensuring that our sustainability initiatives are aligned with the expectations of our stakeholders and the long-term objectives of our business.

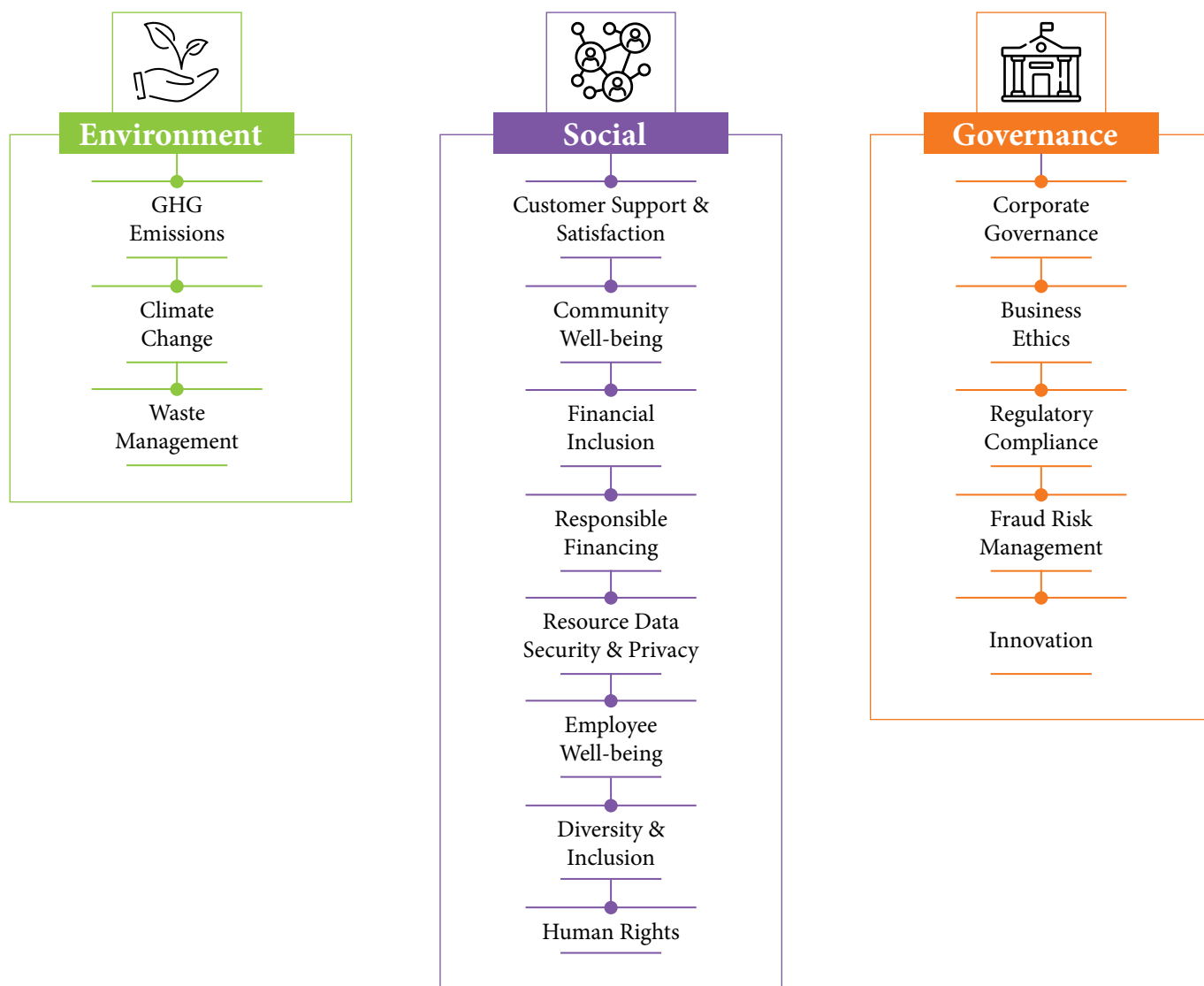
ESG Commitments

The company is actively working on the development of a robust Decarbonization and Net Zero Roadmap to reduce Scope 1 and Scope 2 emissions, supporting our long-term sustainability objectives and commitment to climate action. SFL is also in the process of calculating Scope 3 emissions, including financed emissions, to ensure a comprehensive understanding of our climate impact across the value chain.

Stakeholders At the Core

SFL places strong emphasis on stakeholder engagement as a core pillar of its business strategy. By adopting a multi-stakeholder approach, SFL actively engages with a diverse group including customers, value chain partners, shareholders, investors, employees, regulatory bodies, and the CSR community to ensure their needs, expectations, and concerns are well understood and addressed. This continuous engagement fosters mutual trust, transparency, and long-term relationships, while also aligning stakeholder interests with the company's sustainability goals and business objectives. Through dialogue, feedback mechanisms, and collaborative initiatives, SFL integrates stakeholder insights into decision-making, thereby reinforcing its commitment to inclusive and responsible growth.





Creating Impact Through Responsible Finance

At SFL, responsible financing is a key pillar of our ESG strategy, serving as a catalyst for sustainable development and inclusive growth. By integrating environmental stewardship, social empowerment, and strong governance into our core operations, we aim to create lasting value for our customers, communities, and stakeholders, alike.

Our focus on financing green technologies, supporting underserved segments, and upholding ethical governance reflects our commitment to building a resilient and equitable future. Through responsible finance, we aim to drive economic progress while also enabling meaningful change that uplifts lives and safeguards the planet for generations to come.

FY 2024-25 marked the third year of our BRSR report filing and sustainability reporting, in reference to the Global Reporting Initiative (GRI). Our steadfast adoption of sustainability positively impacted our revenue growth, cost efficiency, reduced regulatory and legal interventions, increased employee engagement and optimised investor relations. Our investment and dedication to sustainability indicate our pursuit of long-term value creation and resilience in an ever-changing business and environmental landscape.

Social Audit Report

Following are the findings of the Social Audit Report for the period of April 2022 to March 2024:.

- 90% of customers saw growth in their business
- 80% felt more secure in their businesses, enabling them to acquire more assets
- 80% could afford better education for their children, host family celebrations, or purchase household assets like gold or livestock
- 67% reported an increase in their gold and livestock holdings, reflecting a positive shift in financial security
- 83% noted an improvement in their lifestyle and social status, enjoying greater respect in their communities
- Access to personal loans enabled customers to invest in education, healthcare, and housing, improving their overall quality of life
- There has been a significant growth in loan volumes for women from March 2023 to March 2024, with notable increases in MSME (+93.1%), Personal Loans (+38.3%), and Gold Loans (+42.7%)



Encouraging Cleaner Mobility Through Lending Practices

We are aligning our lending strategy with environmental sustainability by promoting the adoption of cleaner, more efficient vehicles. We do not finance older vehicles with higher emissions. Further, we employ differentiated loan-to-value and margin practices to incentivise customers to operate newer, lower-emission vehicles. Additionally, SFL is actively exploring opportunities to finance electric vehicles (EVs) charging infrastructure, renewable energy projects and other Green assets. Thus, reinforcing our commitment to supporting the transition toward greener mobility solutions.

We recognize the growing momentum of Electric Vehicles (EVs) in India as a critical solution to mitigate climate change and reduce dependence on fossil fuels. Acknowledging their transformative potential in shaping the future of mobility, we have taken proactive steps to

support the transition by offering dedicated financial solutions for EVs.

Our efforts are aligned with India's broader vision for sustainable economic growth. By facilitating access to EV financing, we aim to accelerate their adoption and contribute meaningfully to the development of a low-carbon transportation ecosystem

While the EV industry is still evolving, we have proactively launched initiatives to promote cleaner mobility financing. We run targeted campaigns offering longer tenors and concessional interest rates for electric vehicles, particularly in the two-wheeler and three-wheeler segments.

These segments align with our focus on first-time borrowers and last-mile operators, ensuring a dual impact-social inclusion and environmental benefit. Additionally, we are building a dedicated green asset portfolio, which includes financing for EV charging infrastructure, critical to enabling the broader EV ecosystem.



Rooted in Ethical and Transparent Governance

At SFL, our foundation is rooted in ethical business practices and transparent governance. This strong internal governance framework is, in turn, guided by our Board of Directors. Our Board comprises experienced professionals from diverse domains, whose insights help drive long-term value creation for our stakeholders.

The day-to-day operations at SFL are overseen by our Executive Vice Chairman and Managing Director & CEO, along with the senior management team, who ensure effective execution, strategic guidance, and operational excellence. The Board regularly reviews key policies, strategic objectives, and performance indicators to uphold the highest standards of governance.

Our governance structure is further reinforced through specialised committees constituted by the Board. These committees, aligned with regulatory requirements, provide oversight on strategic decision-making, financial prudence, and long-term shareholder value. Their collective focus ensures consistency in transparency and accountability across the organisation.

All our directors are required to submit annual declarations confirming adherence to the Code of Conduct for the Board and Senior Management. This reinforces our culture of ethical conduct, integrity, and accountability at the leadership level.

To strengthen our sustainability agenda, we have instituted a dedicated ESG Committee responsible for:

- Advising the Board on ESG-related strategy
- Overseeing ESG policies and performance
- Ensuring alignment with global reporting frameworks

The Committee also plays a key role in reviewing and approving the ESG Report. It operates under a formal ESG Committee Charter that defines its scope, responsibilities, and governance approach.



Our Business Responsibility Policy further underpins our governance practices by emphasising transparency, ethical conduct, and regulatory compliance across all operations. This policy acts as a foundational framework for fostering professionalism, integrity, and trust throughout the organisation.

Ethical Conduct and Stakeholder Accountability

In alignment with our unfaltering focus on ethical business practices, SFL upholds a zero-tolerance policy towards bribery and corruption. We have instituted comprehensive policies and internal controls designed to prevent such practices and ensure integrity in all business dealings. Our Business Responsibility Policy and Code of Conduct explicitly prohibit any involvement in corrupt, abusive, or anti-competitive activities. Thus, reinforcing our commitment to the highest standards of ethical behaviour across the organisation.

We recognise the importance of providing all stakeholders with a transparent and accessible grievance redressal mechanism. Our robust system enables our stakeholders to voice concerns with confidence. Furthermore, we are committed to resolving every issue raised in a timely, fair, and effective manner.

Our dedication to responsible governance drives us to integrate sustainability principles into our operations. This helps foster accountability and transparency while generating long-term value for all our stakeholders. By continuously strengthening our governance practices, we are building a more resilient, ethical, and sustainable future.

Social Finance Working Group

We have governance mechanisms in place to ensure the responsible and transparent deployment of social finance. A Social Finance Working Group (SFWG) has been established to oversee project screening, fund allocation, and annual reporting. This group ensures that every initiative undergoes rigorous ESG risk screening. Thereby aligning it with best practices such as those outlined by S&P Global and upholding a high level of accountability and transparency.

ESG Charter

Guided by a clearly defined ESG Charter, we are addressing environmental, social, and governance issues comprehensively and effectively. The Charter outlines the Committee's roles and responsibilities, ensuring it is empowered to fulfil its mandate without operational hindrances.

Committed to Progress with Environmental Responsibility

Building on our dedication to environmental protection, we have implemented eco-friendly policies, encouraged energy-efficient operations, and participated in carbon offset programmes. Our key focus is extending credit primarily to vehicles powered by alternative fuels to support greener transportation. Our strict financing guidelines exclude older vehicles with higher emissions, further reducing our carbon footprint. Additionally, resource conservation and waste reduction practices are actively promoted across all our facilities.

Emission Intensity across the portfolio reduced by over 10% from 111.2 tCO₂e/Rs. crores in FY 2021–22 to 99.9 tCO₂e/Rs. Rs. crores in FY 2023–24, reflecting enhanced carbon efficiency.

Scope 3 Emissions Reporting

At Shriram Finance, environmental stewardship remains a core pillar of our sustainability journey. This year, we made significant strides by expanding our Greenhouse Gas (GHG) Emissions reporting to include six key Scope 3 categories: Purchased Goods and Services, Capital Goods, Fuel and Energy-Related Activities, Waste Generated, Business Travel, and Employee Commute. This comprehensive effort spans 3,220 branches and offices, marking a critical step toward understanding and managing our broader environmental footprint.

Strengthening Climate Risk Mitigation

As part of our climate risk mitigation strategy, we have embedded environmental impact assessments into our decision-making processes. We have also updated our lending policies to exclude financing for older, high-emission vehicles. These proactive measures are designed to support a cleaner environment and strengthen the climate resilience of our portfolio and the communities we serve.

Carbon Emissions Management & Mitigation

As we continue to strengthen our approach to carbon management, the year gone by marked a significant step forward with the digitisation of data inputs for Scope 1, Scope 2, and select categories of Scope 3 emissions. This reduction reflects an overall improvement in the environmental efficiency of our loan portfolio. We remain committed to prioritising sustainability efforts and closely monitoring emission intensity to ensure lasting positive outcomes. This forward-looking initiative lays the foundation for deeper analysis and more effective strategies to reduce emissions in the long term.



Green Finance Solutions provided by SFL include:

Aiming to reach Rs. 5,000 crores AUM within the next 3-4 years in the Green Finance vertical, with Electric Vehicles leading the charge.

EV Two-Wheeler Loan

EV Three-Wheeler Loan

EV Four-Wheeler Loan

EV Charging Station Finance

Solar Panel Finance

Renewable Energy Project Finance

Being an Employer of Choice

At SFL, our social initiatives are grounded in inclusivity, empowerment, and the creation of long-term value for both our workforce and the communities we serve.

Human Rights and an Inclusive Workplace

At SFL, we are committed to upholding human rights and fostering a workplace that is inclusive, safe, and respectful for all. Our Business Responsibility Policy guides our efforts to promote equal opportunity, fair treatment, and a supportive culture across the organisation.

We strongly advocate for gender equality and provide equal opportunities for professional growth. We also extend focussed support to differently abled individuals through accessible infrastructure and inclusive policies.

Training on human rights policies remains a priority for us, with a significant share of employees benefiting from these programmes. Our Internal Complaints Committee (ICC) and grievance redressal mechanisms are in place to address concerns effectively and ensure a respectful work environment.

Employee Well-being and Skill Development

At Shriram Finance Limited, we place strong emphasis on employee well-being and continuous learning, recognising our people as the foundation of our success. We are proud to be ranked among the top 50 companies in the 'Great Place to Work' list for employee health and wellness.

We offer comprehensive health and personal accident insurance to 100% of our employees, along with access to structured learning programmes. These include a two-year Corporate Post Graduate Diploma in Business Administration, delivered via a flexible, cloud-based platform.

Our in-house Management Education Scheme (MES-2024) furthers this commitment by offering specialised training aligned to core business functions. Participants receive a certificate and monetary rewards on completion, reinforcing our focus on continuous upskilling.

Beyond professional development, we regularly conduct training sessions on health, safety, and emergency preparedness. In FY 2024-25 alone, we conducted around 3,100 such sessions, strengthening our culture of safety, learning, and operational excellence.



Employee Satisfaction

We prioritise employee growth and well-being through regular performance reviews, career development conversations, and strong health and safety practices. Our field teams are equipped with first aid kits and are also encouraged to wear helmets to ensure on-site safety.

Our HRMS portal enables employees to raise concerns confidentially, with each issue being directly monitored by the HR head. This ensures timely resolution and helps foster a fair, responsive, and supportive workplace.



Fostering Digital Innovation

As a technology-led organisation, we continue to enhance customer experience through secure, scalable, and flexible digital platforms. A notable milestone in this journey was the launch of India's first Blockchain-assured Digital Fixed Deposit Certificates, ensuring 100% cryptographic security, transparency, and fraud protection.

Our centralised contact hub, powered by AI bots and smart IVR, operates 24x7 to streamline customer interactions and lead conversion. We also adopted cloud computing to boost efficiency, enhance storage capabilities, and reduce infrastructure burdens.



Social Finance Framework

We have established a Social Finance Framework to issue Social Financing Instruments (SFIs) such as bonds, notes and other debt instruments and/or to avail loans. Funds raised are directed towards financing social projects that promote sustainability. In alignment with the ICMA Social Bond Principles, we collaborate with external agencies to obtain second-party opinions and independent assurance on our framework.

Through these initiatives, we offer favourable interest rates to small road transport operators and first-time commercial vehicle buyers from underserved communities. We also support micro, small, and medium-sized enterprises (MSMEs), in accordance with India's MSME Development Act.



Key Features of the Social Finance Framework:

- **Eligible Projects:** Financing for financial inclusion, employment generation, and socio-economic advancement
- **Eligibility Criteria:** Financial support for underserved road transport operators, women borrowers, MSMEs, and low-income communities, etc., excluding environmentally harmful sectors
- **Target Population:** Underserved individuals, MSMEs, and first-time buyers who lack traditional access to finance



Financing and Financial Services/Financial Inclusion



Employment Generation



Socioeconomic Advancement and Empowerment



Expanding Financial Inclusion Reach

We continue to advance our mission of financial inclusion by supporting underserved segments, particularly first-time buyers (FTBs) and small road transport operators (SRTOs). Through tailored and accessible vehicle financing solutions, we are enabling these groups to gain economic mobility and build sustainable livelihoods. This focussed outreach not only promotes entrepreneurship but also strengthens last-mile connectivity across India.



Project Name	Key Impact
Commercial Vehicle Drivers' Upskilling Programme	➤ Trained over 16,700 drivers across 8 states ➤ 56% Needed formal training pre-programme; 86% wanted more afterward ➤ 97% Gained road safety awareness ➤ 59% Improved digital/financial literacy ➤ 22% Saw income increases linked to certification
STFC India Meritorious Scholarship Programme	➤ Supported 5,186+ undergraduate students from low-income families of trucking community ➤ 87% Completed degrees with 33.4% secured employment ➤ 96% Student satisfaction
Chennai Mathematical Institute – Advancing Excellence in Basic Sciences Education	➤ Supported academic and research growth at CMI ➤ 569 students graduated ➤ Expanded digital outreach through online lectures and seminars

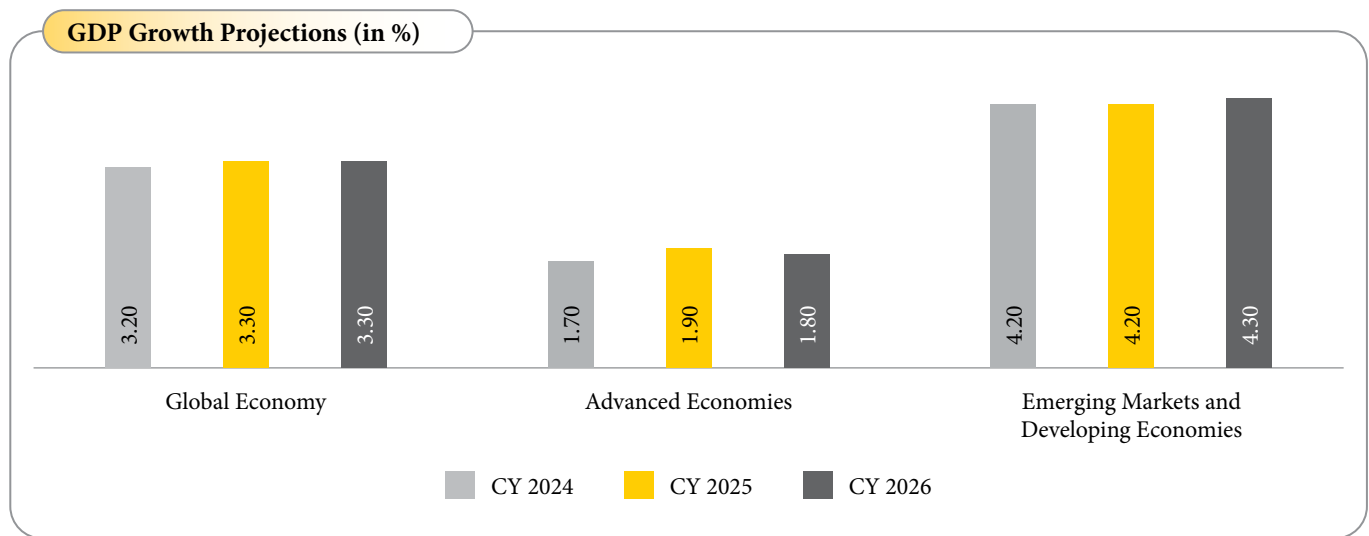


MANAGEMENT

DISCUSSION AND ANALYSIS

GLOBAL ECONOMIC OVERVIEW

In 2024, the global economy achieved a growth rate of 3.2%, reflecting a measured pace of expansion. Nonetheless, this figure fell short of the historical average of 3.7% recorded from 2000 to 2019. The deceleration was attributed to a confluence of both structural and cyclical factors, including policy tightening in major economies, geopolitical instability, and sector-specific challenges. Together, these elements exerted a profound impact on both advanced and emerging markets, leading to a more subdued global economic environment.



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>)

The economic performance of both advanced and emerging economies followed distinctly different trajectories throughout the year. Advanced economies struggled with weak manufacturing activity, faltering consumer confidence, and persistent inflationary pressures, all of which impeded broader economic growth. Rising energy costs, disruptions in global trade flows, and the continued impact of prior monetary tightening further constrained demand. In contrast, emerging markets and developing economies encountered their own set of challenges, including subdued external demand, capital outflows driven by rising interest rates in developed nations, and considerable policy uncertainties. Additionally, trade disruptions and geopolitical tensions significantly contributed to the moderation of growth, particularly in economies heavily reliant on exports. Despite these challenges, certain emerging markets showed strength, supported by strong domestic consumption and targeted fiscal stimuli.

While inflationary trends varied across different economies, global headline inflation showed a significant decrease in 2024, falling from 5.7% in 2023 to 4.2%. This drop was primarily driven by the stabilisation of energy prices and the gradual resolution of ongoing supply chain challenges. Throughout the year, central banks maintained a cautious approach, carefully balancing monetary policy to support economic recovery while ensuring inflation remained on a downward trajectory. Looking ahead, inflation is expected to continue its moderation, potentially reaching 3.5% by 2026, provided geopolitical risks and supply-side shocks remain under control.

Performance of Major Economies in CY 2024

The U.S.: The U.S. economy proved resilient in 2024, supported by a strong labour market and sustained consumer spending. However, the persistence of higher interest rates exerted pressure on business investment and credit growth.

As inflationary pressures receded, the Federal Reserve was able to adopt a judicious and well-calibrated policy approach.

Euro Area: The Euro area faced a more restrained economic climate, struggling with feeble industrial output, tepid domestic demand, and the lingering effects of high borrowing costs. Ongoing inflationary pressures and fluctuations in energy prices further impeded the region's growth prospects.

China: China's economy registered a growth rate of 5.0% in 2024, aligning with the government's target. This growth was primarily driven by industrial output and robust export activity, although domestic consumption remained subdued, constrained by prevailing uncertainties among the workforce.

The global trade environment in 2024 remained precarious, marred by rising protectionism, geopolitical strife, and shifting trade alliances. Disputes between the United States and China, coupled with tariffs and export restrictions, severely disrupted global supply chains. Meanwhile, nearshoring and friend-shoring initiatives introduced new complexities and logistical challenges. Geopolitical tensions, including the ongoing war in Ukraine and regional instability, further fuelled economic uncertainty and market volatility. Oil prices were projected to dip by 2.6% in 2025, driven by weakening demand in China and an increase in non-OPEC+ supply, although geopolitical risks could upend this outlook. Commodity-exporting nations, in particular, faced increased vulnerability as shifts in trade patterns and disruptions to supply chains undermined economic stability.

In 2024, financial markets displayed a range of mixed trajectories, with advanced economies experiencing rallies in equity markets, while emerging markets contended with heightened volatility, primarily due to capital outflows and the upward trajectory of the US dollar. Persistent inflationary trends and shifting expectations regarding interest rates remained central to investor sentiment, with protracted policy tightening posing significant risks to both economic expansion and capital investment. Nations that embraced sound economic policies and fostered strong global collaboration appeared better positioned to weather the prevailing uncertainties and maintain economic vitality.

In the face of ongoing adversities, the global economy in 2024 exhibited considerable resilience, driven by nimble trade strategies and a moderating inflationary trend. While financial instability and geopolitical tensions continued to present challenges, well-calibrated policy measures and diversified economic strategies played a key role in mitigating risks. The year highlighted the paramount importance of adaptability, sound governance, and international cooperation in maintaining growth amid a rapidly changing global environment.

Road Ahead

As we look towards the future, the IMF projects global growth to stabilise at 3.3% in both 2025 and 2026. However,

numerous risks persist, particularly emanating from policy uncertainties, trade tensions, and deep-rooted structural challenges in key economies. While the decline in inflation offers some respite, the long-term sustainability of growth will depend on the adoption of effective policy measures, profound structural reforms, and collaborative international efforts to navigate the changing economic landscape. Ensuring robust economic resilience and fostering inclusive growth will be crucial for sustaining stability in the coming years.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>, <https://businesseconomics.in/imf-world-economic-outlook-january-2025-%E2%80%93-analysisreview>, <https://apnews.com/article/imf-tariff-trump-economic-growth-07f3afdcd1d9c0df5c02c9c47a13f264>)

INDIAN ECONOMIC OVERVIEW

India's economic performance in FY 2024-25 reflects a consistent and robust growth trajectory, with the nation's Gross Domestic Product (GDP) growing by 6.5%, thereby solidifying its status as the fastest-growing major economy. This growth is primarily driven by substantial government investment in infrastructure, a resurgence in rural demand driven by a thriving Kharif crop, and the sustained expansion of the services sector, notably in finance and real estate. The Reserve Bank of India's prudent, accommodative monetary policy, which includes an interest rate reduction, has further spurred both investment and consumption. In addition, a marked improvement in manufacturing output and resilient urban consumption have further invigorated the economic momentum. While global trade uncertainties remain an external risk, India's intrinsic economic strength, coupled with policy interventions and robust private sector investments, is set to underpin continued growth.

GDP Growth

(in %)

FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
(6.6)	8.7	7.0	7.2	6.5

Sector-wise Performance in FY 2024-25

Agriculture and Allied Sectors: The agricultural sector experienced a significant revival with a 4.6% growth in FY 2024-25, emerging from a period of subdued performance. Beneficial monsoon conditions have led to a bumper Kharif crop harvest, driving rural income growth and fuelling increased demand. In parallel, government-led initiatives focussed on empowering farmers and advancing agricultural infrastructure have further reinforced the sector, fostering a foundation for continuous growth and resilience.

Industrial Sector: The industrial sector recorded a GDP growth of 6.1% in FY 2024-25, propelled by substantial progress in construction and key utility sectors, including electricity, gas, and water supply. The manufacturing



segment, in particular, has shown resilience, with increased output across key industries, further strengthening the overall industrial performance.

Services Sector: With its continued dominance in India's GDP, the services sector grew at a pace of 7.2% in FY 2024-25, driven by financial, real estate, and professional services. In parallel, trade, transport, and communication services saw a growth of 6.4%, reflecting an uptick in both economic momentum and consumer-driven demand.

Construction Sector: The construction sector recorded a growth of 9.4% in FY 2024-25, largely driven by extensive infrastructure development and an increase in investments. Government allocations to key projects have played a critical role in stimulating employment, while also fostering growth in related industries.

In a significant development, India's inflation slowed to its lowest level in nearly six years, with retail inflation eased to 3.16% in April 2025, remaining below the RBI's 4% target for the third consecutive month, as food prices rose at a slower pace. The easing inflation also signals improving supply-side dynamics, particularly across food and core components, further reinforcing the outlook for sustained economic momentum.

In its June 6, 2025 policy review, the RBI executed a **50 bps repo rate cut**, bringing the rate down to 5.50%, and simultaneously trimmed the **Cash Reserve Ratio (CRR)** by **100 bps**, injecting nearly INR 2.5 Trillion of liquidity into the banking system. This front-loaded easing, building on earlier cuts of 25 bps in February and April, signals a decisive pivot to rejuvenate growth. The policy stance has shifted from "accommodative" to "neutral," reflecting a strategic pause, even as the central bank signals readiness to act further if conditions warrant. With inflation firmly under control and ample liquidity, these measures aim to stimulate lending (especially to MSMEs and retail borrowers), support credit transmission, and fortify the broader economic recovery amid external uncertainties.

The Union Budget FY 2025-26 reinforced the government's commitment to sustainable growth while maintaining fiscal discipline. Capital expenditure was raised to an unprecedented INR 11.21 Lakh Crores (~3.1% of GDP), underscoring a strategic focus on infrastructure, rural upliftment, and catalyzing private sector investment. The fiscal deficit target was further trimmed to 4.9%, demonstrating prudent budget management. A major boost came from the RBI's record dividend transfer of INR 2.69 Lakh Crores, substantially above the budgeted INR 2.56 Lakh Crores, which creates roughly INR 70,000 Crores of extra fiscal room. This contribution alone could lower the deficit by 20-30 bps, potentially bringing it near 4.2% of GDP, or alternatively, enabling enhanced capital spending on key priorities, all while preserving fiscal prudence.

Consumption revival remained a key policy focus, with higher allocations to rural flagship schemes, enhanced Direct Benefit Transfers (DBTs), and tax relief under the new income tax regime effected to achieve intended outcome. These steps are expected to strengthen disposable income and boost consumption recovery, particularly among rural and middle-income households.

Road Ahead

The Indian economy is projected to experience a growth rate ranging from 6.3% to 6.8% in FY 2025-26, driven by transformative structural reforms, digital evolutions, and a rising wave of consumer demand. Initiatives such as Make in India and the Production-Linked Incentive (PLI) schemes are strengthening the manufacturing sector, channelling significant investments into key sectors like electronics, semiconductors, and renewable energy.

In parallel, large-scale infrastructure projects—spanning highways, ports, and smart city developments—are expected to enhance economic activity and generate substantial employment prospects. With continued policy support and strategic investments, India is well-positioned to sustain its growth trajectory, solidifying its role as a global economic powerhouse.

(Source: https://pib.gov.in/PressReleasePage.aspx?PRID=2098447&utm_source=https://www.reuters.com/world/india/indias-central-bank-delivers-first-rate-cut-nearly-5-years-2025-02-07/, <https://www.ft.com/content/ace560e2-794c-4621-a57c-cc828c6f91e4>, https://pib.gov.in/PressReleasePage.aspx?PRID=2098353&utm_source=https://www.reuters.com/world/india/indias-economic-growth-picks-up-rising-government-consumer-spending-2025-02-28, <https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook>)

INDIAN FINANCIAL SERVICES SECTOR OVERVIEW

India's financial services sector has adeptly navigated a fluctuating environment, influenced by evolving monetary policies and shifting global dynamics. The Reserve Bank of India (RBI) initiated a cycle of monetary easing, reducing key policy rates to stimulate economic growth. Despite this, banks struggled with higher borrowing costs, exacerbated by the rising demand for infrastructure bonds. As of February 2025, the liquidity shortfall had escalated to approximately Rs. 1.7 Trillion. To counterbalance this, the RBI intervened with a USD 10 Billion forex swap, designed to stabilise short-term interest rates and ensure financial equilibrium.

The sector's transformation was further strengthened by rapid technological advancements. The advent of Artificial Intelligence (AI), Open Banking, and digital currencies has become pivotal in refining financial services. The introduction of the Digital Rupee marked a significant step towards a fully cashless economy. AI-driven innovations enhanced both customer experience and risk management, while Open Banking paved the way for broader financial inclusion. Simultaneously, the insurance industry adapted

to emerging risks, with health insurers in Delhi considering premium adjustments due to the increasing prevalence of air pollution-related health issues.

However, the sector continues to face challenges, including rising levels of unsecured lending and an increase in credit card delinquencies, particularly among younger demographics. The recent interest rate cuts have also placed additional pressure on banks' net interest margins. Despite these obstacles, India's financial services sector remains well-positioned for sustained growth and long-term resilience, supported by proactive regulatory measures, robust digital infrastructure, and a persistent commitment to financial inclusion.

(Source: <https://www.reuters.com/world/india/indias-rbi-announces-mega-10-billion-fx-swap-infuse-rupee-liquidity-2025-02-21/>, <https://economictimes.indiatimes.com/industry/banking/finance/insure/insurance-companies-look-to-hike-health-premiums-as-pollution-stings/articleshow/118445289.cms?from=mdr>)

INDUSTRY SCENARIO AND FINANCING

The Non-Banking Financial Companies (NBFC) sector continues to serve as an indispensable pillar in India's financial framework, playing a pivotal role in enhancing financial inclusion and broadening access to credit. As of FY 2024-25, the sector has expanded to approximately USD 350 Billion, marking a consistent increase from the previous year's USD 326 Billion. However, the growth of the sector's Assets Under Management (AUM) is forecasted to moderate, with year-on-year growth projections for FY 2024-25 and FY 2025-26 ranging between 15-17%, a decline from the robust 23% recorded in FY 2023-24. This deceleration is attributed to mounting challenges such as rising delinquencies, intensified regulatory frameworks, and tighter funding conditions. Despite these obstacles, essential lending verticals, including SME financing, loans against property (LAP), and used vehicle financing, are poised to continue their growth trajectory, demonstrating the sector's resilience in the face of adversity.

Regulatory and Market Dynamics

Regulatory reforms continue to reshape the NBFC landscape, with the Reserve Bank of India (RBI) implementing scale-based regulations to enhance governance, risk management, and operational stability. The focus on diversifying funding sources to reduce reliance on traditional banking channels has become more critical in ensuring liquidity and financial health. Additionally, the sector faces increasing competition from traditional banks and fintech players, necessitating strategic realignments to maintain market relevance. The RBI's emphasis on prudent lending practices, particularly in unsecured loan segments, highlights the need for NBFCs to strengthen their risk assessment frameworks and financial prudence.

Technological Advancements and Emerging Opportunities

Digital transformation remains a key growth enabler for NBFCs, with the adoption of AI-driven credit assessments, digital lending platforms, and data-driven risk management significantly enhancing efficiency and customer accessibility. The government's push for financial inclusion, along with initiatives like PMJDY and Mudra Yojana, further supports the sector's expansion into underserved markets. Meanwhile, co-lending partnerships with banks and increased Foreign Direct Investment (FDI) are providing access to low-cost capital, strengthening financial sustainability. While challenges such as regulatory compliance, competition from banks and fintech's, and macroeconomic uncertainties persist, NBFCs that leverage technology, diversify funding sources, and strengthen risk management frameworks will be well-positioned for sustainable growth. The sector's ability to innovate and adapt will ultimately determine its long-term success in India's evolving financial landscape.

(Source: https://www.business-standard.com/finance/news/nbfc-s-assets-growth-to-sharply-decline-to-15-17-in-fy25-and-fy26-124120200402_1.html, <https://www.businessworld.in/article/nbfc-growth-to-remain-under-pressure-report-540653>, <https://www.tribuneindia.com/news/business/outlook-2025-leveraging-tech-and-policy-alignment-to-drive-nbfc-growth/>)

Commercial Vehicle (CV)

The Indian commercial vehicle (CV) sector in FY 2024-25 presents a mixed landscape, shaped by both growth opportunities and market challenges. Retail sales have shown an upward trend, recording an 8.22% year-on-year (YoY) growth in January 2025. However, wholesale volumes have faced a slowdown, declining by 3.2% YoY. Medium and Heavy Commercial Vehicles (M&HCVs) are expected to reach peak production levels of nearly 550,000 units, supported by infrastructure development and government policies like the vehicle scrappage programme. On the other hand, Light Commercial Vehicles (LCVs) are witnessing stagnation or slight declines due to a high base effect and rising competition from electric three-wheelers. Meanwhile, the bus segment is experiencing strong momentum, with an estimated 8-11% growth, driven by increased demand for public transport modernisation.

The sector's future trajectory remains positive, with infrastructure investments, replacement demand, and growth in key industries such as coal, steel, and cement acting as strong tailwinds. However, challenges such as rising commodity costs, policy fluctuations, and funding constraints pose hurdles to sustained expansion. The market is estimated to reach USD 51.09 Billion in 2025, registering a CAGR of 5.36%. Additionally, the push for sustainable mobility is driving a gradual transition towards electric commercial vehicles, supported by government incentives and environmental considerations. While short-term volatility persists, the sector is well-positioned for long-term growth, driven by supportive policies and economic momentum.



(Source: <https://trucks.cardekho.com/en/news/detail/fada-commercial-vehicle-retail-sale-reports-8-22-yoy-sales-growth-in-january-2025-2765.html>, <https://www.motorindiaonline.in/indian-mhcv-production-to-reach-new-all-time-high-in-2025/>, <https://www.cnbctv18.com/auto/auto-sector-2025-outlook-electric-vehicles-scooters-cars-19530238.htm>, <https://blog.91trucks.com/the-future-of-commercial-vehicles-in-india-trends-and-insights-for-2025/>)

Passenger Vehicle (PV)

The Indian passenger vehicle (PV) market is experiencing a period of moderate growth, influenced by a complex interplay of evolving consumer preferences, economic factors, and technological advancements. In FY 2025, the sector achieved an all-time high in sales, registering a 2.0% year-on-year increase to approximately 43 lakh units. However, this growth has been tempered by the high base effect from the preceding years. Sports Utility Vehicles (SUVs) continue to lead the market, driven by strong consumer interest and a wave of new product introductions. Additionally, favourable government policies and a stable macroeconomic backdrop have reinforced consumer confidence, sustaining demand despite inflationary pressures and rising borrowing costs. That said, the competitive intensity within the sector remains formidable, leading to significant pricing pressures and the imperative for continuous innovation to maintain market dominance.

Looking ahead, the passenger vehicle market is poised to reach a remarkable valuation of USD 300 billion by 2026, driven by escalating income levels, urbanisation trends, and an increasing middle class with enhanced purchasing capacity. The electric vehicle (EV) segment, in particular, is expected to emerge as a primary growth catalyst in the coming years, fuelled by investments in EV technology and the expansion of necessary infrastructure. Nonetheless, challenges such as limited charging infrastructure and affordability issues continue to pose barriers to mass adoption. Additionally, the increasing integration of digitalisation within the sector is redefining sales, marketing, and customer engagement, with manufacturers utilising online platforms to drive growth. Despite short-term challenges, the long-term growth trajectory remains positive, underpinned by robust demand in the SUV segment and the accelerating pace of electrification.

(Source: <https://economictimes.indiatimes.com/industry/auto/auto-news/indias-passenger-vehicle-industry-to-see-modest-1-5-growth-in-fy25-report/articleshow/117910001.cms>, <https://www.siam.in/pressrelease-details.aspx?mpgid=48&pgidtrail=50&pid=576>, <https://www.cnbctv18.com/auto/auto-sector-2025-outlook-electric-vehicles-scooters-cars-19530238.htm>)

Two-Wheeler (2W)

The Indian two-wheeler market is navigating a phase of sustained expansion and transformation, driven by evolving consumer demands, rapid technological advancements, and strategic policy initiatives. In FY 2025, the sector saw a robust growth of more than 9%, with significant contributions from internal combustion engine (ICE) motorcycles, scooters, and electric vehicles (EVs). ICE two-wheelers retain their

dominance with an 88% market share, benefiting from a mature infrastructure and price competitiveness. However, the electric vehicle segment is swiftly gaining ground, with retail sales soaring by 33% in FY 2025, and future forecasts predicting a 21% CAGR from FY 2025 to FY 2029. Rising consumer interest in premium features, eco-friendly urban mobility options, and government-backed incentives for EV adoption are further accelerating growth, making the two-wheeler industry a cornerstone of India's transportation transformation.

Looking ahead, the market is expected to grow at a more tempered rate of 2-4% in FY 2025, influenced by the high base effect of previous years. While the electric two-wheeler market continues to expand, challenges such as insufficient charging infrastructure and fierce competition from both established industry players and new entrants continue to pose challenges. The future of the sector will be steered by ongoing technological innovations, including the integration of smart connectivity, enhanced safety features, and performance optimisations. With government policies facilitating electrification and urbanisation, the sector is set for sustained long-term growth, contingent on addressing infrastructure gaps and maintaining a strong emphasis on innovation.

(Source: <https://timesofindia.indiatimes.com/business/india-business/two-wheeler-industry-races-15-17-ahead-moderate-growth-of-2-4-seen-in-2025-from-a-high-base/articleshow/117109407.cms>, <https://www.mordorintelligence.com/industry-reports/india-two-wheeler-market>, <https://www.manufacturingtodayindia.com/indias-e2w-in-2024-the-comeback-of-the-legacy-players>)

Tractor and Farm Equipment

The Indian tractor and agricultural machinery sector experienced a pronounced recovery in FY 2024-25, driven by favourable climatic conditions, progressive government policies, and technological innovations. While tractor sales witnessed a decline of 1.5% in 2024, primarily due to subdued demand in the first half of the year, a robust rebound in the second half has resulted in a 5% year-on-year growth from April to December. In January 2025, domestic tractor sales increased by 11.31%, reflecting an uptick in demand driven by timely monsoons, enhanced crop acreage, and the accelerating trend of farm mechanisation. Furthermore, government-backed initiatives, including subsidy schemes and tax incentives, are propelling sectoral growth, while cutting-edge technologies like GPS-integrated tractors and precision farming solutions are enhancing operational efficiency and cost-effectiveness.

The Indian agricultural tractor market, valued at USD 7.42 million in 2023, is set to expand significantly, with projections suggesting a compound annual growth rate (CAGR) of 6.70% through to 2032, culminating in an estimated value of USD 11.68 million. Tractor sales are expected to rise in the coming years with the northern regions of India leading the charge

due to their high levels of mechanisation, while the Western and Southern regions are also poised to make substantial contributions. Additionally, the sector is witnessing an increasing focus on sustainability, with a shift towards environmentally friendly tractors featuring lower emissions, reflecting global agricultural trends. As the market embraces greater technological integration, overcoming challenges such as intense market competition and infrastructure deficiencies will be crucial to ensure continued growth and long-term prosperity.

(Source: https://www.business-standard.com/markets/news/tractor-sales-fall-1-5-to-901-668-units-in-2024-amid-weak-h1-demand-125012600607_1.html, <https://www.tractorjunction.com/tractor-news/domestic-tractor-sales-report-jan-2025/>, <https://www.datainsightsmarket.com/reports/india-agricultural-tractor-market-842>)

Construction Equipment

The Indian construction equipment market is on an upward trajectory, supported by government-led infrastructure projects and the integration of modern technologies. With an estimated market size between USD 10 billion and USD 14.3 billion in 2024, the sector has seen a 32% jump in sales from H1 2022 to H1 2024, marking the highest growth in three years. Initiatives such as Bharatmala, Sagarmala, and the Smart Cities Mission have stimulated demand, while exports have grown significantly—from 4,139 units in H1 2022 to 7,348 units in H1 2024. The use of advanced technologies, particularly automation and telematics, is improving both productivity and operational efficiency across a variety of equipment.

Looking ahead, the Indian construction equipment market is projected to attain a valuation of USD 29.5 Billion, clocking in a CAGR of 11.91% from FY 2024-25 to FY 2031-32. Despite this promising outlook, the industry faces several challenges, including market fluctuations caused by factors like the Model Code of Conduct and prolonged monsoons, leading to a subdued 3% year-on-year growth in H1 FY 2024-25. Segment-wise, earthmoving equipment has shown modest growth, while material handling machinery has witnessed a decline. As the industry transitions towards sustainable solutions, the adoption of electric and hybrid models is expected to gain traction, ensuring long-term efficiency and environmental sustainability.

(Source: <https://indianinfrastructure.com/2025/02/05/growth-revival-promising-outlook-for-construction-equipment-sales/>, <https://infra.tractorjunction.com/en/news/construction-equipment-industry-records-highest-h1-growth-in-3-years>, <https://timesofindia.indiatimes.com/business/india-business/construction-equipment-industry-clocks-highest-h1-growth-in-three-years/articleshow/115937338.cms>)

Micro, Small and Medium Enterprises (MSMEs)

The Indian MSME sector continues to exhibit strong growth supported by favourable government policies, rising exports and improved access to credit. MSMEs have played a crucial role in India's export performance, with MSME

exports growing from Rs. 3.95 Lakh Crores in FY 2020-21 to Rs. 12.39 Lakh Crores in FY 2024-25, highlighting their increasing global presence. Additionally, the sector witnessed significant expansion, 5.93 Crore MSMEs registered on the Udyam Portal as of 4th February, 2025, including 5.84 Crore micro enterprises. The government's decision to revise the MSME classification criteria in the Union Budget 2025, increasing investment limits is expected to further support business scalability while retaining the benefits associated with the sector.

The sector's growth trajectory will be shaped by continued government initiatives such as increased credit guarantees, special credit cards for small businesses and expanded procurement support. Public sector procurement from micro and small enterprises (MSEs) reached Rs. 71,560 Crores, benefiting 2.02 Lakh MSEs as of April 2024. However, challenges such as limited credit accessibility, infrastructure bottlenecks, and competitive global markets persist. With MSMEs contributing nearly 30% to India's GDP and accounting for 40% of the country's exports, sustained policy support and investment in infrastructure will be crucial in maintaining their growth momentum and fostering long-term resilience in the sector.

The MSME sector also plays a vital role in employment generation, providing livelihoods to millions across urban and rural India. With its contribution to nearly 45% of the country's total manufacturing output, the sector remains a backbone of industrial development. The increasing digitalisation of MSMEs, driven by fintech solutions and e-commerce platforms is further enhancing their market reach and operational efficiency. Additionally, the rise of sustainable and green manufacturing practices within MSMEs is gaining traction, aligning with global environmental standards and enhancing their competitiveness in international markets. Strengthening digital infrastructure, skill development programmes and technology adoption will be key to unlocking the full potential of the sector in the coming years.

(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2099687>, <https://www.jmfinancialservices.in/market-news-and-insights/1568725>, <https://pib.gov.in/PressReleasePage.aspx?PRID=2087361>, <https://pib.gov.in/PressReleasePage.aspx?PRID=2089308>)

Gold Loan

The landscape of the Indian gold loan market is undergoing a paradigm shift, with a growing trend of urban and semi-urban consumers opting for gold-backed credit financing solutions. Traditionally dominated by rural borrowers and small-scale businesses, the sector is now witnessing an increasing adoption among salaried professionals and self-employed individuals to address their immediate liquidity needs. The convenience of gold loans, facilitated by minimal paperwork and rapid approval processes, has contributed significantly to their rising popularity. Furthermore, the



advent of digitalisation has played a key role in enhancing the efficacy of loan applications and disbursements, thereby broadening access through online channels and mobile apps.

Additionally, NBFCs are concentrating their efforts on product innovation to cater to an increasingly diverse customer demographic. New gold loan products, featuring flexible repayment schedules, reduced interest rates, and enhanced loan-to-value (LTV) ratios, are being introduced to appeal to a wide array of borrowers. The growing trend of digital gold loans, which allows customers to electronically pledge their gold, is reshaping the landscape of the industry. Additionally, synergies between fintech companies and conventional lenders are enhancing the customer experience by offering streamlined loan processes and real-time valuation of gold assets.

Although the sector has demonstrated significant growth, it continues to contend with obstacles like regulatory tightening and the inherent volatility of gold prices. The Reserve Bank of India's intensification of regulatory supervision has enforced stricter compliance protocols for lenders, thereby promoting transparency and fostering equitable lending practices. Additionally, fluctuations in gold prices present a double-edged sword: rising valuations encourage greater loan disbursements, yet price declines may expose lenders to amplified risks.

(Source: <https://www.icra.in/CommonService/OpenMediaS3?Key=7ff642d7-e321-4652-b4e6-1bf0a56c7433>, <https://timesofindia.indiatimes.com/business/india-business/gold-loans-grow-over-50-in-seven-months/articleshow/115826247.cms>)

COMPANY OVERVIEW

Shriram Finance Limited (hereinafter referred to as 'Shriram Finance' or 'the Company') stands as a preeminent force within India's retail finance sector, distinguished for its dominance in the organised financing of pre-owned commercial vehicles and two-wheelers. Founded upon a consistent base of customer confidence and a vertically integrated operational framework, the Company extends its fiscal acumen across diverse domains, encompassing passenger vehicles, construction and agricultural machinery, MSME financing, gold-backed loans, personal credit, and working capital solutions.

With a vast and growing customer base of over 95.56 Lakhs individuals and an extensive network of 3,220 branches across India, the Company continues to redefine financial inclusion. As of March 31, 2025, the Company recorded an impressive AUM of Rs. 263,190.27 crores, further solidifying its market leadership.

In a defining strategic manoeuvre, Shriram Finance had approved the divestment of its housing finance subsidiary, Shriram Housing Finance Limited (SHFL), to Warburg Pincus, a global leader in growth investing. The transaction, valued at Rs. 4,630.00 crores, saw Warburg Pincus, via its affiliate Mango Crest Investment, acquire the combined stakes of SFL and its private equity partner, Valiant Partners LP (Mauritius). This decision marks a key moment for both SFL and SHFL, empowering them to pursue independent growth paths, while maximising value for their stakeholders. As SFL transferred control and Valiant exited its investment, SHFL (now renamed as Truhome Finance Limited) is set to enter a new era under Warburg Pincus' leadership, driven by fresh capital and the strategic expertise necessary to propel its expansion.

Key Highlights, FY 2024-25

Please find below the segment-wise Assets Under Management (AUM) of the Company as of March 31, 2025

(Rs. in crores)	
Segment of the Business Portfolio	AUM as of March 31, 2025
Commercial vehicles	118,560.50
Passenger vehicles	54,104.49
Construction equipment	17,878.16
Farm equipment	5,206.60
MSME	37,413.55
Two-wheelers	15,580.56
Gold loans	4,836.70
Personal loans	9,609.71
Total	263,190.27

- Delivered strong growth in FY 2024-25, driven by robust performance across MSME loans, two-wheeler loans, farm equipment loans, and passenger vehicle loans
- Strengthened financial performance with a healthy Net Interest Margin (NIM) of 8.55%

- Enhanced funding stability by securing fresh long-term borrowings with extended tenures
- Reinforced credit fundamentals, reflected in improved credit ratings from multiple rating agencies

- Achieved higher collection efficiency and better asset quality through an upgraded collection framework and expanded network reach
- Intensified focus on digital lending by strengthening technology platforms and leveraging emerging digital opportunities

SWOT ANALYSIS

Strengths

Market Leadership: A dominant player in the domain of pre-owned commercial vehicle financing, with a strong presence in MSME lending, two-wheeler loans, gold loans, and personal finance solutions.

Robust Distribution Network: A far-reaching and well-established network, spanning semi-urban and rural markets across India, effectively reaching diverse customer segments.

Customer-Centric Model: A deep-rooted understanding of client needs, founded on trust and sustained relationships.

Strong Asset Quality & AUM Growth: An asset book that is rigorously managed, demonstrating consistent growth in AUM and strategic risk management practices.

Merger Synergies: The strategic merger between Shriram Transport Finance and Shriram City Union Finance enhances cross-selling potential, boosts operational efficiency, and generates substantial cost savings.

Technology-Driven Lending: Leveraging advanced technological capabilities, including data analytics, AI, and digital lending platforms, to optimise customer acquisition and credit risk assessment.

Weaknesses

Dependence on Commercial Vehicle Financing: A significant portion of the Company's loan book is heavily reliant on the cyclical demand for commercial vehicles, rendering it susceptible to economic contractions and downturns.

High Cost of Borrowing: As an NBFC, Shriram Finance faces comparatively higher borrowing costs than traditional banking institutions, which adversely affects its profit margins.

Limited Global Presence: In contrast to some of its competitors, Shriram Finance's operations are largely

confined to the domestic market, constraining its prospects for international expansion.

Opportunities

Financial Inclusion Growth: Broadening access to credit in underpenetrated rural and semi-urban regions holds significant potential for driving business growth and fostering economic upliftment.

Rising Demand for MSME Financing: The rapid expansion of India's MSME sector presents significant opportunities for targeted financial lending and industry-specific solutions.

Digital Transformation: Enhanced fintech collaborations, AI-driven lending models, and mobile-based customer engagement platforms are poised to boost operational efficiency and broaden customer outreach.

Strategic Divestments: The recent divestment of Shriram Housing Finance to Warburg Pincus facilitates the unlocking of capital to fuel core business expansion initiatives.

Expanding Product Portfolio: Introducing innovative financial products like unsecured loans, comprehensive insurance packages, and dynamic working capital solutions will substantially enrich revenue streams and enhance market presence.

Threats

Regulatory Changes: Any potential tightening of NBFC regulations by the Regulator could significantly impact operational dynamics and increase compliance-related expenditures.

Interest Rate Volatility: A rise in interest rates may result in increased borrowing costs, thereby adversely affecting lending profitability and the overall cost structure.

Competition from Banks & Fintechs: Growing competition from traditional banking institutions, digital lenders, and fintech players could potentially undermine market share and pressure margins.

Macroeconomic Slowdowns: A broad economic slowdown, especially in sectors like transportation and MSMEs, could lead to higher NPAs.

Credit Risk & NPA Management: Effectively managing credit risk and addressing the challenges of non-performing assets remain a key factor for sustainability and stability in a turbulent economic climate.

FINANCIAL PERFORMANCE

(Rs. in crores unless otherwise stated)			
Particulars	FY 2024-25*	FY 2023-24	% Change
Total Income (including exceptional items)	43,783.52	34,997.61	25.10%
Net Interest Income	22,835.09	19,686.85	15.99%
Assets Under Management	2,63,190.27	2,24,861.98	17.05%
Securitisation/Direct Assignment done during the year	29,362.74	26,083.70	12.57%
Net Worth	56,708.53	48,803.22	16.20%



(Rs. in crores unless otherwise stated)

Particulars	FY 2024-25*	FY 2023-24	% Change
Profit After Tax	9,761.00	7,190.48	35.75%
Earnings Per Share (Rs.)	51.92	38.33	35.46%
Capital Adequacy Ratio (%)	20.66%	20.30%	1.77%
Return on Total Assets (%)	3.51%	3.13%	12.14%
Debt Equity Ratio (times)	4.16	3.83	8.62%
Net Interest Margin (%)	8.55%	8.84%	(3.28%)
Interest Coverage Ratio (times)	2.25	2.34	(3.85%)
Net Profit Margin (%)	22.29%	20.55%	8.47%
Return on Net Worth (%)	18.58%	15.64%	18.80%
Gross Stage 3 (%)	4.55%	5.45%	(16.51%)
Net Stage 3 (%)	2.64%	2.70%	(2.22%)
Return on Equity (%)	18.58%	15.64%	18.80%

includes exceptional items

As of March 31, 2025, Gross stage 3 assets improved to 4.55%, down from 5.45% a year earlier. Net stage 3 assets (after provisions) also declined slightly to 2.64% from 2.70% as of March 31, 2024, reflecting enhanced asset quality. There were no material changes in key financial ratios during FY 2024-25 compared to the previous year, except for Total income (including exceptional items), Profit after tax, and Earnings per Share. These figures were significantly impacted by an exceptional gain of Rs. 1,656.77 crores (Rs. 1,489.39 crores net of tax) from the disinvestment of SHFL. Return on Net worth improved to 18.58% as of March 31, 2025, compared to 15.64% in the previous year, driven by higher AUM growth, better asset quality and disinvestment of SHFL which together contributed to stronger profitability.

HUMAN RESOURCES

At Shriram Finance, the Company's success is fundamentally driven by its human capital. Understanding that the motivated and skilled workforce is essential for long-term growth, the Company places a strong emphasis on creating a supportive environment that fosters both safety and productivity.

The HR team plays a key role in nurturing a workplace founded on the principles of integrity, transparency, and continuous learning. Through its focus on equality and strict enforcement of zero tolerance towards harassment, Shriram Finance ensures that employees operate in an environment of respect, security, and empowerment. The Company is not just an employer but a provider of long-term career growth, fostering trust and confidence across its workforce.

The Company's HR policies are designed to ensure that employees acquire the necessary skills to succeed in a rapidly changing business environment. A strong, performance-orientated culture reinforces individual achievements, enhancing both employee capabilities and the Company's market position.

As Shriram Finance strives to become an organisation poised for the future, its focus remains firmly on the attraction, development, and retention of high-calibre talent.

Equal opportunity, employee well-being, and fostering a collaborative work environment remain central to the Company's human resources philosophy. The HR processes, designed around a framework of distinct competencies and intrinsic values, aim to cultivate a work culture that is inclusive and enriching. By March 31, 2025, the Company had employed 79,872 individuals, reflecting a net increase of 5,227 employees throughout FY 2024-25, underscoring its expanding operations and resolute commitment to workforce expansion.

RISK MANAGEMENT

At Shriram Finance, risk management is an imperative strategic priority, safeguarding the interests of customers, employees, shareholders, and organization, all while fostering sustainable growth. The Company has crafted a robust risk management framework, harmonised with the best global practices and strengthened by a well-defined structured control mechanism.

The Risk Management Committee plays a key role in monitoring and addressing various risk categories, including credit, market, legal and regulatory, operational, liquidity, interest rate, cybersecurity, information technology, strategic, and economic risks. To counter these multifaceted and evolving threats, Shriram Finance employs a proactive approach, conducting in-depth risk evaluations and executing preventive measures.

A deeply ingrained culture of risk consciousness permeates the organisation, continuously reinforced through a framework of well-defined policies, operational guidelines, and stringent control procedures. The Board and its Committees ensure rigorous oversight, reviewing and approving risk-related policies to guarantee the independent identification, assessment, and management of risks across all operational domains.



Guided by principles of ethical governance and sustainability, Shriram Finance's risk management philosophy is firmly embedded in its business model. Through continuous enhancement of risk controls and governance structures, the Company is positioned to thrive amid challenges, ensuring long-term financial stability and resilience.

Risk Management Framework

- **Risk Identification:** Conducting in-depth analyses to identify the root cause of potential risks and assess their possible ramifications, thereby facilitating the development of precise and robust mitigation strategies.
- **Risk Assessment:** Undertaking a thorough evaluation of risks across various contingencies, ensuring a comprehensive understanding of their scope and potential consequences.
- **Risk Response:** Deploying tailored strategies to either mitigate, accept, transfer, or entirely eliminate risks based on their assessed severity and probability of occurrence.
- **Ongoing Monitoring:** Continuously tracking the risk landscape to identify emerging threats and ensure the prompt application of corrective measures.
- **Process Evaluation & Improvement:** Engaging in continuous review and refinement of risk management methodologies to increase their effectiveness and responsiveness to dynamic conditions.

Key Risks and Mitigation

Risk Type and Definition	Mitigation
Credit Risk Shriram Finance is inherently subject to credit risk, which arises when borrowers or counterparties fail to fulfil their contractual obligations. This form of risk is an intrinsic component of the Company's lending operations.	With an esteemed legacy spanning over four decades, Shriram Finance has developed a robust framework for managing credit risk, underpinned by meticulously crafted policies and rigorous procedures. The Company follows a stringent credit assessment protocol across all operational sectors, systematically scrutinising borrowers' financial health, liquidity profiles, and credit bureau insights. Regular stress testing and scenario analysis are integral to the Company's strategy, enabling early identification of potential risks and the swift execution of corrective measures. In its investment strategy, Shriram Finance utilises credit ratings from esteemed agencies, ensuring that its decisions are informed, strategic, and continually monitored. Counterparty risks are rigorously examined, considering the financial health, industry dynamics, and potential risks specific to each sector. To prevent risk concentration, the Company adopts a diversified approach, spreading its investments across various asset classes, industries, geographic regions, and borrower profiles, maintaining a well-balanced and resilient credit portfolio.
Market Risk Market risk refers to the potential for financial loss arising from adverse movements in market conditions. These fluctuations include variables like interest rates, credit spreads, foreign exchange rates, commodity prices, and other critical factors, each of which can influence both profitability and capital.	Shriram Finance effectively mitigates market risk through a well-structured set of policies and procedures, which undergo regular reviews to ensure strict adherence to industry norms and regulatory frameworks. The Asset Liability Management Committee (ALCO) diligently tracks market trends, policy modifications, and regulatory shifts within the NBFC sector, empowering the Company to proactively refine its strategic response. By maintaining a forward-thinking stance, Shriram Finance consistently monitors market risks and strengthens its loan portfolio with a comprehensive Market Risk Management System. Furthermore, the Company conducts rigorous stress testing across multiple asset categories to assess the potential impacts of market fluctuations and ensure robust preparedness for unexpected disturbances.
Operational Risk Operational risk pertains to the chance of financial losses due to flaws or failures in internal operations, human resources, technological infrastructure, or organisational configurations. It can also arise from deficiencies in both regulatory and internal compliance frameworks, as well as from unpredictable external factors.	The operational risk management framework at Shriram Finance is meticulously crafted to offer a methodical approach to identifying, assessing, managing, and mitigating risks across various departments. Key elements of the framework include exemplary corporate governance, a commitment to ethical standards, and a company-wide risk management strategy. The Company further empowers its workforce by offering specialised skill enhancement programmes and training sessions. Clearly defined operational procedures govern transactions, portfolio assessments, and regulatory compliance, providing solid oversight at every level. Frequent risk-centric audits mitigate enterprise risks, while the periodic stress testing of the Disaster Recovery (DR) and Business Continuity Plans (BCP) evaluates the Company's preparedness against unforeseen disruptions. Moreover, comprehensive contingency protocols are in place to protect data security and ensure quick recovery from force majeure events.

Risk Type and Definition	Mitigation
MSME Finance Risk MSME financing risk pertains to the potential for financial detriment or adverse consequences arising from the provision of financial services to Micro, Small, and Medium Enterprises. This risk is influenced by a myriad of factors, including the creditworthiness of borrowers, market instabilities, operational inefficiencies, regulatory adherence, interest rate volatility, technological advancements, and unforeseen external disturbances.	To proficiently navigate and mitigate risks, Shriram Finance employs an array of strategic measures. The Company conducts comprehensive credit assessments, carefully identifying financial statements, cash flow trends, collateral valuations, and credit histories. Furthermore, risk exposure is minimised through prudent portfolio diversification, strategically allocating loans across diverse sectors, geographical regions, and borrower categories.
Interest Rate Risk The potential for financial loss stemming from adverse shifts in interest rates, impacting both lending and treasury operations. This risk is a fundamental determinant of a company's net interest income and overall financial profitability, significantly influencing its fiscal stability.	Shriram Finance has instituted a comprehensive set of policies and procedures to ensure strict compliance with regulatory mandates governing asset and liability management. The Company conducts an in-depth evaluation of rate-sensitive assets and liabilities, meticulously assessing the alignment between the maturity profiles of its loan book and fluctuations in interest rates. In determining interest spreads, assets and liabilities are categorised into distinct timeframes based on their contractual maturities or anticipated re-pricing schedules. The discrepancy between the maturities of assets and liabilities, or their re-pricing potential at any given juncture, signifies the Company's exposure to potential margin variations on newly originated or re-priced assets and liabilities.
Liquidity Risk This risk arises when Shriram Finance faces obstacles in meeting its financial commitments within the stipulated deadlines or as per the agreed schedules.	Shriram Finance adeptly addresses liquidity risk through a meticulously structured framework of policies and procedures, rigorously endorsed by the Asset Liability Management Committee (ALCO). The Company has instituted robust controls and mechanisms aligned with its Asset Liability Management (ALM) policies, ensuring the effective management of liquidity. To evaluate liquidity risk at distinct maturity intervals, the Company employs analytical techniques such as maturity ladder analysis and cumulative surplus/deficit calculations. In addition, a comprehensive contingency plan is in place to manage liquidity strains during exigent circumstances. By vigilantly monitoring capital adequacy and asset exposures, Shriram Finance systematically assesses its potential funding requirements. The Company maintains a diversified and resilient funding base, drawing capital from an array of sources including banks, financial institutions, capital markets, and public fixed deposits, thereby ensuring ample financial flexibility. Furthermore, periodic training sessions focused on cash flow and asset-liability management are conducted to fortify long-term financial robustness.
Cash Management Risk The risk associated with cash management in loan repayment collections reflects the possible obstacles and unpredictabilities faced by a financial entity in securing prompt and full payments from its borrowers.	With a firm commitment to technological progress, the Company continues to enhance its customer onboarding process through its digital platform. Shriram Finance has created a reliable cash management framework, engaging customers through easy-to-use digital payment systems via the My Shriram Mobile Application. To further improve convenience, multiple payment options, including BBPS (Wallets), have been incorporated to streamline loan repayments. Furthermore, the Company obtains NACH mandates from chosen customers, ensuring that stringent checks and controls are consistently applied across all branches. Regional branch collections are closely monitored with daily reconciliation to maintain operational accuracy and effectiveness.

Risk Type and Definition	Mitigation
Climate Risk The rise of climate change as a pervasive global challenge is reshaping numerous aspects of human life. The financial sector, notably non-banking financial companies (NBFCs), is not immune to its expanding consequences. With the growing visibility and disruption caused by climate-related events, there is a heightened resolve to embed sustainability into the very fabric of business operations.	In its proactive approach to managing climate-related risks, Shriram Finance has implemented a robust ESG framework that underscores its commitment to environmental sustainability. The Company's dedication to sustainability is manifest in rigorous governance and effective oversight at the highest strategic levels. Significant achievements include significant reductions in energy usage, lower emissions, and the successful implementation of tree-planting initiatives. Looking forward, Shriram Finance intends to leverage technological innovations and refine operational strategies to achieve further reductions in energy consumption. With a focus on mitigating climate-related risks, the Company remains dedicated to contributing to a sustainable and ecologically responsible future.
Information Technology Risk This risk arises from systemic failures in IT infrastructure or breaches in data security, which can trigger operational disruptions and incur severe financial repercussions.	Shriram Finance has made substantial investments in state-of-the-art technological infrastructure and advanced platforms to enhance its business information systems. In order to mitigate risks associated with information technology, the Company has implemented a robust IT risk management framework, incorporating rigorous checks, controls, and preventative safeguards. Regular security drills and comprehensive employee training programmes are conducted to reinforce the integrity of the IT infrastructure and shield network systems from both internal and external threats. To ensure heightened resilience, Shriram Finance maintains a 24/7 Security Operations Centre (SoC) that rigorously conducts disaster recovery simulations and exhaustive security testing before the deployment of any applications, thereby strengthening its Recovery Point Objective (RPO) and Recovery Time Objective (RTO). Furthermore, the Company undertakes frequent vulnerability assessments and penetration testing, tapping into both internal expertise and external consultancy. In the event of operational disruptions, Shriram Finance is equipped with meticulously crafted contingency plans to guarantee the uninterrupted continuation of critical business functions, safeguarding customer interests at all times.
Cybersecurity Risk With the mounting reliance on digital ecosystems and internet-based functionalities, the peril of cyberattacks and hacking has substantially increased.	Shriram Finance has established an advanced and comprehensive cybersecurity framework, meticulously designed to proactively address and neutralise a broad spectrum of cyber threats. A round-the-clock Security Operations Centre (SoC) stands at the forefront of safeguarding the Company's most critical assets, supported by substantial investments in state-of-the-art security technologies. To enhance its cyber resilience, the Company relies on a team of expert professionals specializing in the detection and mitigation of sophisticated threats. To ensure the utmost security of its operations, Shriram Finance has implemented a structured information security framework, aligning its policies and protocols with global industry standards. The Company continually invests in employee training and awareness initiatives, equipping its workforce with the necessary tools and knowledge to combat cyber threats such as phishing, ransomware, malware, and spoofing. In recognition of its commitment to information security, Shriram Finance has achieved ISO 27001 certification for its Information Security Management System, extending its robust security practices to encompass all IT functions. An advanced Email Threat Prevention (ETP) system serves as a critical line of defence, preventing malicious emails from reaching employees and ensuring seamless operations. To further strengthen its cybersecurity posture, Shriram Finance conducts frequent penetration testing, proactively seeking and addressing potential vulnerabilities in its IT infrastructure and network. The implementation of stringent fraud prevention mechanisms also ensures the secure validation of risk-based transactions, reinforcing the Company's commitment to comprehensive cybersecurity resilience.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Shriram Finance has established a rigorous organisational framework, supported by well-documented policies and an unequivocal authority matrix, aimed at enhancing operational efficiency, ensuring compliance with both internal policies and regulatory standards, and safeguarding its assets. The Company appreciates that an effective internal control system is indispensable for the seamless execution of day-to-day operations.

To this end, Shriram Finance has implemented an expansive internal control system that blends business processes, financial reporting, fraud prevention, and regulatory compliance with the highest industry standards. Comprehensive controls are woven throughout the organisation to maintain impeccable governance standards and to ensure uniformity and efficiency across all operational functions. The Company ensures that the internal control structure is consistently applied across its operations, protecting assets and assuring the flawless execution of all transactions, in strict accordance with established protocols.

The internal control framework is strengthened further by thorough internal audits, regular management reviews, and a set of standardised policies and procedures designed to uphold the accuracy and reliability of both financial and operational records. Management regularly reviews the system's effectiveness, aligning it with the Internal Control - Integrated Framework (2013), as recommended by the Committee of Sponsoring Organisations of the Treadway Commission (COSO).

Shriram Finance's Audit Committee systematically reviews internal audit reports, ensuring robust financial controls over reporting processes. Internal audits assess the adequacy of the control systems and compliance with organisational policies. Audit areas are determined based on extensive risk assessments, impact analysis, and a comprehensive evaluation of the internal control environment. Regular monitoring and testing ensure that internal controls remain resilient and uphold superior governance standards.

Additionally, Shriram Finance has instituted a risk-based internal audit policy, emphasising its oversight functions. These audits focus on identifying key operational activities, evaluating control effectiveness, and recommending process improvements and risk mitigation strategies. This proactive approach ensures that the Company's internal controls remain robust, adaptable, and aligned with changing business conditions and regulatory frameworks.

FUTURE STRATEGY

The Board has outlined a strategic roadmap for the next 3 to 5 years, centered on driving sustainable growth and achieving operational excellence. The key initiatives include:

- **Periodic Review of Business Strategies:** Conducting regular evaluations to ensure alignment with market dynamics while maintaining efficient liquidity management.
- **Optimising Operations and Expanding the Product Portfolio:** Streamlining workflows and broadening the range of products across all branches to better serve customer needs.
- **Leveraging the SuperApp:** Harnessing the power of Shriram's unified digital platform to integrate the entire ecosystem, delivering seamless experiences to customers.
- **Enhancing Loan Disbursement and Collections:** Utilizing advanced data analytics to strengthen loan processing, improve collection efficiencies, and ensure timely decision-making.
- **Strengthening Market Leadership:** Driving continuous innovation and pursuing strategic advancements to reinforce Shriram Finance's position as an industry leader.
- **Improving Loan Portfolio Quality:** Implementing comprehensive risk assessment and mitigation strategies to enhance asset quality and ensure long-term stability.
- **Deepening Customer Relationships:** Fostering customer loyalty and satisfaction through personalized engagement and relationship-building initiatives.
- **Expanding Customer Acquisition:** Offering seamless digital payment solutions to attract and onboard a wider customer base.
- **Adopting Artificial Intelligence and Machine Learning:** Increasing the integration of AI and ML technologies across operations to deliver superior customer service and operational efficiency.
- **Launching Tailored Financial Solutions:** Introducing customized products that address evolving customer needs, expanding the product suite, and enhancing market competitiveness.
- **Maximizing Customer Lifetime Value:** Deepening customer engagement through effective cross-selling and upselling strategies, providing relevant products and services.
- **Expanding the Agent Network:** Growing the network of agents to enhance the distribution and penetration of retail liability products, supporting the Company's focus on mobilizing low-cost funds.
- **Promoting Diversity and Inclusion:** Fostering a more equitable workplace by increasing the representation of

women across various roles and leadership positions, thereby creating a dynamic and inclusive environment.

CAUTIONARY STATEMENT

Statements made in this Management Discussion and Analysis Report may contain certain 'forward-looking' statements based on various assumptions about the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risk and

uncertainties. These risks and uncertainties include the national and global effects of economic conditions, political conditions, volatility in interest rates, changes in regulations and policies impacting Company's businesses and other related factors. The information contained herein is as referred to. The Company does not undertake any obligation to update these statements. The Company has obtained the data and information referred here from sources believed to be reliable or from its internal estimates, the accuracy or completeness of which cannot be guaranteed.

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their Forty-Sixth Annual Report and the Audited Statements of Accounts for the Financial Year ended March 31, 2025.

FINANCIAL HIGHLIGHTS

	(Rs. in crores)	
Particulars	FY 2024-25	FY 2023-24
Profit Before Depreciation and Taxation	13,251.34	10,252.47
Less: Depreciation, amortisation and impairment	645.32	568.83
Profit Before Tax	12,606.02	9,683.64
Less: Provision for taxation	2,845.02	2,493.16
Profit After Tax	9,761.00	7,190.48
Add: Balance brought forward from previous year	19,065.20	15,623.21
Balance available for appropriation	28,826.20	22,813.69
Appropriations		
General Reserve	(976.10)	(719.05)
Statutory Reserve	(1,952.20)	(1,438.10)
Debenture Redemption Reserve	15.23	284.88
Dividend on equity shares of face value of Rs. 2/- each fully paid up (March 31, 2024: Rs. 10/- each)	(1,861.19)	(1,876.22)
Balance carried to Balance Sheet	24,051.94	19,065.20

CREDIT RATING / ESG RATING

On March 6, 2025, the Company obtained an International Credit Rating “Ba1 long-term corporate family rating (CFR)” with “stable” outlook from Moody’s Investors Service, Singapore.

On March 17, 2025, S&P Global Ratings has upgraded Company’s rating to “BB+/Stable/B” from “BB/Stable/B” in respect of the Company’s Rating and senior secured notes issued by the Company.

On March 26, 2025, ICRA ESG Ratings Limited has assigned an Environmental, Social, and Governance (“ESG”) rating of “ICRA – ESG Impact Rating Score 82 (Outstanding)” to the Company.

The details of credit ratings affirmed/reaffirmed by the rating agencies for the securities/ instruments/ loans, credit facilities and other borrowings of the Company and the details of new ratings obtained by the Company with respect to the ESG and others during the financial year ended March 31, 2025 are given below:

Name of Rating Agency	Securities / Instruments/ Loans, Credit Facilities and other Borrowings	Ratings
CRISIL	Commercial Paper	CRISIL A1+
	Bank Loan Short-Term	CRISIL A1+

Name of Rating Agency	Securities / Instruments/ Loans, Credit Facilities and other Borrowings	Ratings
	Bank Loan Long-Term	CRISIL AA+/Stable
	Non-Convertible Debentures	CRISIL AA+/ Stable
	Subordinated Debt	CRISIL AA+/Stable
	Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA+/Stable
India Ratings & Research Private Limited	Commercial Paper	IND A1+
	Bank Loan Short-Term	IND A1+
	Bank Loan Long-Term	IND AA+/ Stable
	Non-Convertible Debentures	IND AA+/ Stable
	Subordinated Debt	IND AA+ /Stable
	Term Deposits	IND AA+/ Stable
	Principal Protected Market Linked Debentures	IND PP-MLD AA+/Stable
CARE	Commercial Paper	CARE A1+
	Non-Convertible Debentures	CARE AA+/Stable
	Subordinated Debt	CARE AA+/ Stable
ICRA	Fixed Deposit	[ICRA] AA+ (Stable)
	Non-Convertible Debentures	[ICRA] AA+ (Stable)
Standard & Poor's Ratings	Long-Term Issuer Credit Rating	BB+/ Stable
	Short-Term Issuer Credit Rating	B
	Senior Secured Notes	BB+/Stable
Fitch Ratings	Long-Term Issuer Default Rating	BB/ Stable Outlook
	Short-Term Issuer Default Rating	B
	Senior Secured Notes	BB
	Local Currency Long Term Issuer Default Rating	BB/ Stable Outlook
Moody's Ratings	Long-term corporate family rating (CFR)	Ba1 with Stable Outlook
ICRA ESG Ratings	ESG Impact Rating	82/Outstanding

SUB-DIVISION/ SPLIT OF EQUITY SHARES

With a view to facilitate participation of retail investors and potential investors to buy the equity shares of the Company at an affordable market price and enhance liquidity of the Company's equity shares, the Board of Directors of your Company at its meeting held on October 25, 2024 considered, approved and recommended subdivision/ split of 1 (One) fully paid-up equity share of face value of Rs. 10/- (Rupees Ten Only) each held by Members of the Company into 5 (Five) fully paid-up equity shares of face value of Rs. 2/- (Rupees Two Only) each, subject to approval of Members of the Company through Postal Ballot.

Further, the Members vide resolutions passed by way of Postal Ballot on December 20, 2024 approved the said subdivision/

split of face value of Equity share of the Company and consequential alteration of Capital Clause (Clause V) of the Memorandum of Association (MoA) of your Company.

After the requisite approvals of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), new ISIN (INE721A01047) was allotted to the equity share of your Company. The effect of change in face value of the share was reflected on the share price at the Stock Exchanges where your Company is listed (BSE and NSE) effective from January 10, 2025 i.e. Record Date for the purpose of sub-division/ split of equity shares of your Company. The details of Share Capital of the Company pre and post -sub-division/split of equity shares is as under:



Type of Capital	Pre-Sub-Division/Split of Equity Shares-ISIN INE721A01013			Post-Sub-Division/Split of Equity Shares- ISIN INE721A01047 (as on January 10, 2025)		
	No. of shares	Face value (in Rs.)	Total Share Capital (in Rs.)	No. of shares	Face value (in Rs.)	Total Share Capital (in Rs.)
Authorised Share Capital						
Equity Shares	2,975,500,000	10/-	29,755,000,000/-	14,877,500,000	2/-	29,755,000,000/-
Preference Shares	129,000,000	100/-	12,900,000,000/-	129,000,000	100/-	12,900,000,000/-
Total	3,104,500,000		42,655,000,000/-	15,006,500,000		42,655,000,000/-
Issued, Subscribed and Paid-up Share Capital						
Equity Shares	376,009,038	10/-	3,760,090,380/-	1,880,045,190	2/-	3,760,090,380/-
Total	376,009,038	10/-	3,760,090,380/-	1,880,045,190	2/-	3,760,090,380/-

EQUITY SHARE CAPITAL

During the Financial Year under review, the paid-up Equity Share Capital of the Company has been increased on account of issuance and allotment of 265,967 equity shares of face value of Rs. 10/- each fully paid up (pre-split) and 89,995 equity shares of face value of Rs. 2/- each fully paid up (post-split) under Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) on various dates.

The issued, subscribed and paid-up Equity Share Capital of the Company as on March 31, 2025 stood at Rs. 3,760,767,760/- consisting of 1,880,383,880 equity shares of face value of Rs. 2/- each fully paid-up.

No Equity Shares were issued with differential rights as to dividend, voting or otherwise during the year under review.

The Company has not resorted to any buy back of its Equity Shares during the year under review.

None of the Directors of the Company holds instruments convertible into Equity Shares of the Company.

No sweat equity shares were issued to the employees of the Company during the year under review.

DIVIDEND

Your Directors have declared two interim dividends for the Financial Year 2024-25 as under:

The first interim dividend approved prior to split of face value of equity share

The First interim dividend of Rs. 22/- per equity share on 37,60,09,038 equity shares of face value of Rs. 10/- each fully paid-up (pre-split) (220%) was declared by the Board of Directors on October 25, 2024 and the same was paid to eligible Members on November 19, 2024.

The second interim dividend approved post-split of face value of equity share

The second interim dividend of Rs. 2.50 per equity share on 1,880,293,885 equity shares of face value of Rs. 2/- each fully paid-up (post-split) (125%) was declared on January 24, 2025 and the same was paid to eligible Members on February 17, 2025.

The total interim dividend paid during the Financial Year 2024-25 involved a cash outflow of Rs. 1,297.29 crores. The interim dividend was paid to Members, subject to deduction of tax at source as per the applicable rate.

The Board of Directors in its meeting held on April 25, 2025 has recommended a final dividend of Rs. 3/- per equity share of face value of Rs. 2/- each fully paid-up (post-split) i.e. 150%, for the Financial Year 2024-25 subject to declaration by Members at the ensuing 46th Annual General Meeting (46th AGM) of the Company.

The final dividend on equity shares, subject to the approval of the Members at the ensuing 46th AGM to be held on July 18, 2025, will be paid on or before August 16, 2025 after deduction of tax at source ("TDS") to the Members whose names appear in the Register of Members as of the close of business hours on July 11, 2025 (Record Date) and in respect of shares held in dematerialised form, it will be paid to Members whose names are furnished by National Securities Depository Limited/ Central Depository Services (India) Limited ("Depositories"), as beneficial owners as of the close of business hours on that date. Equity Shares that may be allotted on exercise of Fresh Stock Options granted under under Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) before the Record Date for payment of final dividend will rank pari-passu with the existing equity shares and be entitled to receive the said final dividend.

Your Company has maintained track record of consistent growth in dividend distribution in line with Dividend Policy of the Company and applicable law.

As stipulated in Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Dividend Distribution Policy forms part of the Corporate Governance Report and is also available on the website of the Company at <https://cdn.shriramfinance.in/sfl-kalam/files/2025-06/Dividend-Distribution-Policy-24March2025.pdf>.

TRANSFER TO RESERVES

Under Section 45-IC (1) of Reserve Bank of India ("RBI") Act, 1934, non-banking financial companies ("NBFCs") are required to transfer a sum not less than 20% of its net profit every year to reserve fund before declaration of any dividend. Accordingly, your Company has transferred a sum of Rs. 1,952.20 crores to Statutory Reserve.

Further, the amounts proposed to be transferred to General Reserve and to/from Debenture Redemption Reserve are mentioned in the Financial Highlights under the heading 'Appropriations'.

CAPITAL ADEQUACY RATIO

Your Company's total Capital Adequacy Ratio (CAR), as on March 31, 2025 stood at 20.66% of the aggregate risk weighted assets on balance sheet and risk adjusted value of the off-balance sheet items, which is well above the regulatory requirement of minimum 15%.

The Tier 1 ratio and Tier 2 ratio as on March 31, 2025 were 20.03% and 0.63% respectively. Your Company's overall

gearing (Debt/Tangible Net-worth) as on March 31, 2025 increased to 4.68x as against 4.39x as on March 31, 2024.

OPERATIONS AND COMPANY'S PERFORMANCE

The total Assets Under Management stood at Rs. 263,190.27 crores as on March 31, 2025 as compared to Rs. 224,861.98 crores as on March 31, 2024.

The Company had 3,220 Branches and other offices across India as on March 31, 2025.

For the Financial Year ended March 31, 2025, your Company earned Profit Before Tax of Rs. 12,606.02 crores (including exceptional items) as against Rs. 9,683.64 crores in the previous Financial Year ended March 31, 2024. The Profit After Tax for the Financial Year ended March 31, 2025 was Rs. 9,761.00 crores as against Rs. 7,190.48 crores in the previous Financial Year. The total income for the year under consideration was Rs. 43,783.52 crores (including exceptional items of income) and total expenditure was Rs. 31,177.50 crores (including exceptional items of expense). The details of income and expenditure and financial ratios are given in the Management Discussions and Analysis Report forming part of this Annual Report.

Your Company continued to apply prudent liquidity management techniques and adopt strategy of maintaining adequate liquidity buffer throughout the Financial Year 2024-25 making available adequate funds for onward lending for business operations meeting its liabilities on time, thereby further strengthening the trust and confidence reposed on the Company by its customers, lenders, creditors, fixed deposit holders and security holders. During the year under review, the Company has mobilised funds from domestic as well as international market in seamless manner.

Mobilisation of funds during the year under review from following sources/ instruments was as under:

Sr. No.	Particulars	(Rs. in crores)	
		FY 2024-25	FY 2023-24
1	Term Loan/cash credit from Banks	33,788.79	40,110.25
2	Term Loans from Financial Institutions/ Corporates	4,992.98	4,625.00
3	Constituent's Subsidiary General Ledger loan (CSGL loan)	1,222.58	-
4	Fixed Deposits	23,317.82	17,872.77
5	Non-Convertible Debentures – Institutional	14,176.60	10,202.60
6	External Commercial Borrowings (Loans)	19,955.64	7,725.75
7	External Commercial Borrowings (U.S. Dollar Senior Secured Notes)	4,183.50	6,238.50
8	Securitisation	27,664.98	22,944.54
9	Commercial Papers	5,025.00	6,615.00
10	Subordinated Debts	550.00	50.00



Loans from Banks and Institutions

During the Financial Year ended March 31, 2025, the Company mobilised Rs. 33,788.79 crores through term loans and cash credit facilities from a diverse array of banks, including public, private, and foreign institutions. The Company secured Rs. 4,992.98 crores in loans from financial institutions and corporate entities. Additionally, the Company secured Rs. 1,222.58 crores from CSDL loans. These achievements reflect the Company's robust relationships with its lending partners, who continue to provide persistent support.

Fixed Deposits

The fixed deposits mobilisation during the Financial Year ended March 31, 2025 continued to be encouraging on account of popularity of the Company's Fixed Deposit Schemes due to its long track record of offering better return and safety of investment and giving good services to fixed deposit holders.

During the Financial Year ended March 31, 2025, the Company's fund mobilisation from fixed deposits was higher at Rs. 23,317.82 crores as against Rs. 17,872.77 crores in the Financial Year ended March 31, 2024.

In accordance with the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, the Company has created a floating charge on the statutory liquid assets comprising of investment in government securities (face value) to the extent of Rs. 7,840.44 crores in favour of trustees on behalf of the public deposit holders of the Company.

Your Company continues to ensure a smooth and customer-centric investment experience, thereby making it a lucrative option for securing the customers financial future. Your Company periodically sends various intimations via SMS, e-mails, post, courier etc., to its investors as well as sends reminder emails to Depositors whose TDS is likely to be deducted before any pay-out/accrual. Your Company also provides a digital platform - website, Shriram One app, etc for online application/ renewal of deposits, submission of Forms 15G/15H by all eligible Depositors, generation of TDS certificates and seamless investment process for its customers.

As on March 31, 2025, there were 10,445 fixed deposits aggregating to Rs. 143.65 crores that have matured but remained unclaimed. There were no deposits, which were claimed but not paid by the Company. The unclaimed deposits have since reduced to 7,358 deposits amounting to Rs. 72.41

crores. Appropriate steps are being taken continuously to obtain the depositors' instructions so as to ensure renewal/ repayment of the matured deposits in time.

The following initiatives were taken to reduce the unclaimed amounts pertaining to fixed deposits:

- i) Penny drop testing one month prior to maturity of fixed deposits and interest pay out date process is being conducted to reduce payment rejection cases.
- ii) Deposit holders are being reached out through sms/calls/email/physical letters, as applicable including sending communication in vernacular language for quick understanding by the customers.
- iii) In case of death of depositors, claim settlement process is advised to joint depositors/nominee/ legal heir, as the case may be.
- iv) Unclaimed fixed deposits are being validated with the depositor's loan account with the Company, if any.
- v) In case the cheque is undelivered, the Company deposits the amount in the bank account of the customer, after necessary confirmations.

Pursuant to Section 125 of the Companies Act, 2013 (the "Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") as amended from time to time, matured deposits remaining unclaimed for a period of seven years from the date they became due for payment are required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, interest accrued on the deposits which remain unclaimed for a period of seven years from the date of payment are also required to be transferred to the IEPF under Section 125(2)(k) of the Act. During the year, the Company has transferred to the IEPF an amount of Rs. 0.70 crores being the unclaimed amount of matured fixed deposits and Rs. 0.11 crores towards unclaimed/ unpaid interest accrued on the deposits. The concerned depositor can claim the deposit and/or interest from the IEPF by following the procedure laid down in the IEPF Rules. The Company has also hosted the details of unclaimed deposits and unclaimed interest on deposits on its website at <https://www.shriramfinance.in/investors/investor-information>

Non-Convertible Debentures and Subordinated Debts

During the year under review, the Company has raised Rs. 14,176.60 crores through issuance of privately placed

Rated, Listed, Secured, Redeemable, Non-Convertible Debentures. The proceeds of the issue have been utilised for financing of all asset classes, refinancing of existing debt and other general purposes of the Company.

During the year under review, the Company has raised Rs. 550.00 crores through issuance of privately placed Rated, Listed, Unsecured, Redeemable Subordinated Debentures for inclusion as Tier II Capital.

External Commercial Borrowings ('ECB') (Senior Secured Notes & Loans)

Commitment towards socio-economic advancement is at the core of the Company's business. Your Company plays an important role to promote financial inclusion by catering to the financial needs of millions, in particular First Time Borrowers ("FTB"), Driver-Turned-Owners ("DTOs"), Small Road Transport Operators ("SRTOS"), Micro, Small and Medium Enterprises ("MSMEs") by offering affordable finance on pre-owned commercial vehicles, construction equipment, tractor and farm equipment loan which accounted for 74.38% of the Company's lending portfolio as on March 31, 2025.

The Company's Social Finance Framework meets the criteria and guidelines for the allocation of proceeds of the Social Bonds as per International Capital Market Association ("ICMA") Social Bond Principles 2023 ("SBP") and the Loan Market Association ("LMA"), Asia Pacific Loan Market Association ("APLMA") and the Loan Syndication and Trading Association's ("LSTA") Social Loan Principles (2023). More details in this regard are available in the ESG Report forming part of the Annual Report. The updated Social Finance Framework is available on the Company's website at: https://cdn.shriramfinance.in/sfl-kalam/files/2023-12/SFL-Social-Finance-Framework-Dec-2023_0.pdf

In the past, the Company availed loans from various international agencies including Asian Development Bank (ADB), US Development Finance Corporation (DFC), MUFG International Financial Corporation, Proparco, OeEB, etc.

On September 30, 2024, the Company issued USD 500,000,000 6.15% Senior Secured Notes due 2028 ("Social Bonds") under the USD 3,500,000,000 Global Medium Term Note Programme to the Qualified Institutional Buyers (QIBs) under the Rule 144A of the U.S. Securities Act 1933 and to the eligible investors outside United States under Regulation

S of the U.S. Securities Act 1933.

During the year under review, the Company availed ECB Loans of USD 1,750 million, EUR 483 million and AED 275.475 million out of which USD 1,725 million, EUR 483 million and AED 275.475 million were under the Company's Social Finance Framework. The proceeds of Loans and Senior Secured Notes issued have been utilised by the Company to finance investments in Eligible Social Projects in accordance with International Capital Market Association ("ICMA") Social Bond Principles 2023 ("SBP") and the Loan Market Association ("LMA"), Asia Pacific Loan Market Association ("APLMA") and the Loan Syndication and Trading Association's ("LSTA") Social Loan Principles (2023) as permitted by the ECB Guidelines. All External Commercial Borrowings are fully hedged to mitigate risk of exchange rate volatility.

Securitisation

During the Financial Year 2024-25, the Company securitised its assets worth Rs. 27,664.97 crores (accounting for 10.51% of the total Assets Under Management as on March 31, 2025). With securitisation, the Company ensures better borrowing profile, leading to lower interest liability owing to its lending to priority sector. The outstanding direct assigned portfolio stood at Rs. 3,274.36 crores as on March 31, 2025.

EMPLOYEE SHARE BENEFIT SCHEME/PLAN

Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1)

Your Company has Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) ("SFL ESOS 2023 (No.1)") created in lieu of Shriram City Union Finance Limited Employee Stock Option Scheme 2013 (SCUF ESOS 2013) as an integral part of the Composite Scheme of Arrangement and Amalgamation inter-alia, involving amalgamation of Shriram City Union Finance Limited (SCUF) with the Company (Scheme of Arrangement and Amalgamation) and in order to continue the stock option benefits of the eligible employees of erstwhile SCUF.

During the year under review, consequent to sub-division / split of equity shares effective from January 10, 2025 being the Record Date:

- i. the Exercise Price of Rs. 193.55 for per equity share of face value of Rs. 10/- each fully paid-up was adjusted to Rs. 38.71 for per equity share of face value of Rs. 2/- each fully paid-up and



- ii. the total number of Fresh Options Vested but Unexercised were adjusted to 23,34,190 (each Fresh Option to subscribe to one equity share of face value of Rs. 2/- each fully paid-up)

Further, during the year under review, no material changes were made to the SFL ESOS 2023 (No.1). The SFL ESOS 2023 (No.1) is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB & SE Regulations").

A Certificate issued by SPNP & Associates, Secretarial Auditor of the Company for the FY 2024-25, certifying that the SFL ESOS 2023 (No.1) has been implemented in accordance with the SBEB & SE Regulations and the same would be made available for inspection by the Members through electronic mode at the ensuing 46th AGM.

Disclosure pursuant to the provisions of Regulation 14 of the SBEB & SE Regulations as at March 31, 2025 is annexed as **Annexure-I**.

The same is also hosted on the website of the Company at <https://www.shriramfinance.in/investors/financials>

Shriram Finance Limited Employees Phantom Stock Appreciation Rights Plan 2024

Your Company has formulated Shriram Finance Limited Employees Phantom Stock Appreciation Rights Plan 2024 ("PSAR Plan") with an objective to:

- provide means to enable the Company to attract and retain appropriate human talent;
- motivate the employees / directors with incentives and reward opportunities;
- achieve sustained growth of the Company and the creation of shareholders' value by aligning the interests of the employees / directors which will lead to long-term wealth creation;
- create a sense of ownership and participation amongst the employees / directors or otherwise increase their proprietary interest; and
- provide additional deferred rewards to the employees/directors.

Since, it is a pure cash settled Phantom Stock Appreciation Rights Plan and there is no involvement of fresh issuance/purchase of equity shares of the Company, the provisions of SBEB & SE Regulations do not apply to the said PSAR Plan.

Under the PSAR Plan, the Nomination and Remuneration Committee at its meeting held on March 24, 2025, approved the granting of:

- 1,65,000 SAR Units to Whole-Time Directors,
- 1,80,000 SAR Units to Key Managerial Personnel (KMP) other than Whole-Time Directors and
- 9,35,000 SAR Units to Senior Management Personnel (SMP)

DIRECTORS

Appointment of Independent Directors

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee and in terms of Article 21 of the Articles of Association of the Company and Section 161(1) of the Act in its meeting held on June 1, 2024 appointed Mr. Gokul Dixit (DIN 00357170) and Mrs. M. V. Bhanumathi (DIN 10172983) as Additional Directors of the Company, in the category of Non-executive Independent Director, not liable to retirement by rotation, for a term of 5 (five) consecutive years commencing from June 1, 2024 to May 31, 2029, subject to approval of Members of the Company. It is recalled that the Members of the Company in the last Annual General Meeting i.e. 45th AGM held on July 30, 2024 approved the appointment of Mr. Gokul Dixit (DIN 00357170) and Mrs. M. V. Bhanumathi (DIN 10172983) as Independent Directors of the Company by way of passing the special resolutions.

Change in designation of Mr. Parag Sharma, Managing Director & Chief Financial Officer

It is recalled that the Members of the Company in the last Annual General Meeting i.e. 45th AGM held on July 30, 2024 elevated and re-designated Mr. Parag Sharma (DIN 02916744) as Managing Director & CFO of the Company w.e.f. June 01, 2024 on the same remuneration for the remainder tenure of present term of his appointment i.e. up to December 12, 2026.

Re-appointment of Director retiring by rotation

Mr. Ignatius Michael Viljoen (DIN 08452443), Non-Executive Non-Independent Director of the Company will retire by rotation at the ensuing 46th AGM and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors in their respective meetings held on April 24, 2025 and April 25, 2025 considered and recommended to the Members the

re-appointment of Mr. Ignatius Michael Viljoen as Non-Executive Director of the Company. The necessary resolution for his re-appointment as director of the Company retiring by rotation together with requisite disclosure is set out in the Notice of the 46th AGM.

Cessation of Directors upon completion of tenure of directorship

Mr. S. Sridhar (DIN 00004272) and Mrs. Maya S. Sinha (DIN 03056226) Independent Directors had completed their tenure of directorship in the Company on October 19, 2024 and December 3, 2024 respectively pursuant to Section 149(11) of the Act. Consequently, they ceased to be a Director of the Company with effect from October 20, 2024 and December 4, 2024 respectively. The Company and senior management was immensely benefitted from their mature advice and guidance. The Board had expressed its sincere gratitude and placed on record its appreciation of their significant contribution during their tenure as Directors of the Company.

Fit and Proper and Non-Disqualification Declaration by Directors

All the Directors of the Company have confirmed that they satisfy the 'fit and proper' criteria as prescribed under Chapter XI of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, and that they are not disqualified from being appointed/re-appointed/continuing as Director in terms of Section 164(1) and (2) of the Act.

Declaration by Independent Directors

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company. Further, the Independent Directors have also confirmed that they are not debarred from their office of director by order of SEBI or any other authority.

Policies on appointment of Directors and Remuneration

The management of the Company is immensely benefitted from the guidance, support and mature advice from members of the Board of Directors who are also members of various committees. The Board consists of directors possessing diverse skill, rich experience to enhance quality

of its performance. The Company has adopted a Policy on Board Diversity formulated by the Nomination and Remuneration Committee. The Company's Remuneration Policy is framed for remuneration of Directors (Executive and Non-Executive), Key Managerial Personnel and Senior Management Personnel in line with the requirement of the Section 178 of the Act, Regulation 19 read with Part D of Schedule II to the Listing Regulations and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. These Policies are available on the Company's website at <https://www.shriramfinance.in/investors/governance>. The Company has also formulated policy on Succession Planning for Directors and Key Managerial Personnel for continuity and smooth functioning of the Company.

Number of Meetings of the Board

During the Financial Year 2024-25, 9 (Nine) meetings of the Board of Directors were held on April 26, 2024, May 13, 2024, June 01, 2024, July 26, 2024, July 30, 2024, October 25, 2024, November 15, 2024, January 24, 2025 and March 24, 2025. The details of the Board and various Committee meetings including their attendance are given in the Corporate Governance Report.

Performance evaluation at Board and Independent Directors' Meetings

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. A formal performance evaluation was carried out at the meeting of the Board of Directors held on March 24, 2025 where the Board made an annual evaluation of its own performance, the performance of Directors individually as well as the evaluation of the working of its various Committees for the Financial Year 2024-25 on the basis of a structured questionnaire on performance criteria. The Policy on performance evaluation is available on the website of the Company. The Board expressed its satisfaction with the evaluation process. The observations made during the evaluation process were noted and based on the outcome of the evaluation and feedback of the Directors, the Board and the management agreed on various action points to be implemented in subsequent meetings.

The evaluation process endorsed cohesiveness amongst directors, the openness of the management in sharing the information with the Board and placing various proposals for the Board's consideration and approval.



The Independent Directors met on March 24, 2025 without the presence of other directors or members of Management.

All the Independent Directors were present at the meeting. In the meeting, the Independent Directors reviewed performance of Non-Independent Directors, the Board as a whole and Chairman. They assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. The minutes of the Independent Directors' meeting were placed before the Board Meeting held on April 25, 2025 and the same were noted by the Board. The Independent Directors expressed satisfaction over the performance and effectiveness of the Board, individual Non-Independent Directors and the Chairman.

They also expressed satisfaction with regard to the flow of information between the Management of the Company and the Board. The Management took note of various suggestions made in the meeting of Independent Directors.

The Independent Directors played active role in Board as well as Committee meetings in which they are members. The members of the Audit Committee without the presence of members of Management had a separate meeting with the Joint Statutory Auditors which covered Audit issues in general and the framework and the process of Internal Audit in specific. The members of the Audit Committee without the presence of members of Management also had a separate meeting with credit rating agencies.

KEY MANAGERIAL PERSONNEL

During the year under review, there was no change (appointment/resignation) in the Key Managerial Personnel of the Company. The following persons continued as Key Managerial Personnel ("KMP") of the Company pursuant to Sections 2(51) of the Act:

1. Mr. Umesh Revankar, Executive Vice-Chairman
2. Mr. Y. S. Chakravarti, Managing Director & CEO
3. Mr. Parag Sharma, Managing Director & CFO
4. Mr. U Balasundararao, Company Secretary & Compliance Officer
5. Mr. S. Sunder, Joint Managing Director (not being part of the Board)
6. Mr. Hardeep Singh Tur, Chief Risk Officer (not being part of the Board)
7. Mr. R. Chandrasekar, Joint Managing Director & Chief Compliance Officer (not being part of the Board)

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013 the Directors to the best of their knowledge and belief confirm that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed and there are no material departures;
- b) The accounting policies as mentioned in note 1 to note 7 to the Standalone financial statements and note 1 to 8 to the Consolidated financial statements have been selected and applied consistently, and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts for the financial year ended March 31, 2025 have been prepared on a going concern basis;
- e) They have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RBI GUIDELINES

Your Company has generally complied with the various requirements prescribed under the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 for NBFC-UL within the specified timelines including adopting policies for enhanced regulatory framework, Internal Capital Adequacy Assessment Process Policy (ICAAP), complying with large exposure norms, setting limits for sensitive sector exposure, etc. The Company continues to comply with the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and all the applicable laws, regulations, guidelines, etc. prescribed by RBI from time to time.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report ("BRSR") is annexed and forms part of the Annual Report.

The Company has appointed Vinay and Keshava LLP, Chartered Accountants for obtaining reasonable assurance on BRSR core indicators and the Assurance Report issued in this regard forms part of BRSR for the Financial Year 2024-25.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Committee comprises of following directors namely, Mr. Umesh Revankar – Chairman, Mr. Pradeep Kumar Panja and Mr. Y. S. Chakravarti as members. The CSR Report for the Financial Year 2024-25 is annexed to this report as **Annexure-II**. The details of the ongoing and other than ongoing CSR projects/ programs/ activities are included in the CSR Report. The CSR Policy is uploaded on the Company's website at <https://www.shriramfinance.in/investors/governance>.

ANNUAL RETURN

In accordance with the provisions of Section 92(3) of the Act, Annual Return of the Company is hosted on website of the Company at <https://www.shriramfinance.in/investors/financials?section=annual-reports>.

CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is as follows:

- a. Your Company's operations are not energy intensive. Company continues its initiatives for conservation of energy, the details of which are given in Business Responsibility and Sustainability Report.
- b. Technology absorption -

(i) the efforts made towards technology absorption– Digital Initiatives

During the year under review, your Company had taken various Digital Initiatives which included the following:

- launch of Shriram One Super Store (App and Web), a revolutionary all-in-one financial platform enabling users to manage loans, payments, investments, insurance, and credit score and the same was also recognized as

the “Best Product Innovator NBFC” at the INDIA NBFC Summit & Awards 2023.

- launch of a complete paperless process for onboarding, underwriting, and disbursal across Shriram Super Web and Shriram One App, with 30+ digital loan journeys.
- recognized by Industry in Digital Transactions, ranked 40th in UPI transactions, ahead of major players and ranked under 20th in BBPS Transactions, ahead of many other players.
- gained Operational Efficiency in automated digital document management, increased online transaction volume with reduced errors, faster turnaround times with enhanced customer experience, etc.

Digital Adoption & Technological Innovations

34% of total existing customers onboarded digitally, 66% of customers onboarded digitally are New to the Company, 68% of customers onboarded are active on digital platforms and 85% of the total customers onboarded have conducted atleast one transaction digitally.

Automated Credit Deaccessioning and Customer Segmentation

30+ digital journeys available on Shriram One (Super App & Web) for seamless customer onboarding, underwriting, and loan servicing, utilizes big data analytics to offer personalized loan products based on customer profiles and enhanced cross-sell and up-sell strategies, improving customer engagement.

Revolutionizing Digital Credit Management - LOS

Your Company has embraced best-in-class digital credit management practices to enhance efficiency and customer experience. At the core of this transformation is Loan Origination System (LOS), a strategic initiative aimed at streamlining loan processing, reducing turnaround time (TAT), and improving user-friendliness through automation and AI-driven solutions.

Key Features & Innovations

- 45% Reduction in Data Entry Fields: Faster application processing.
- Enhanced UI/UX with Flutter Migration: Improved usability and customer experience.
- Integrated KYC stack: Efficient data validation and retrieval.



- Digital Document Collection & e-Signing: Minimizing physical paperwork and reducing costs.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution –

During the year under review, your Company had seen significant reduction in loan processing time, cost savings, increased productivity for sales executives, higher adoption rates, gained Customer-Centric Benefits such as faster & more efficient loan approvals, enhanced dealer perception, seamless documentation & application process, dynamic pricing & loan eligibility insights, etc.

Commitment to Security & Digital Growth - Ziva 2.0 ensures robust data security while expanding digital capabilities, allowing customers to apply, track, and receive loan updates online. By leveraging technology, the Company has cemented its reputation as a market leader, driving innovation and delivering exceptional service in the financial industry.

Key Pillars of the Company's Digital Strategy

Omni-channel Orchestration, AI-Driven Personalization, Super App to Super Store Transition, Automated Customer Service, SEO-Optimized Digital Assets, Data-Driven Lending & Expansion, etc. This structured plan ensures that the Company remains at the forefront of digital financial services, customer engagement, and business expansion over the next 3-5 years.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Not Applicable

(iv) the expenditure incurred on Research and Development -

Your Company has not incurred any expenditure on Research and Development during the year under review.

- c. The Company earned Foreign Exchange Earnings of Rs. 1.69 crores.
- d. Outgo under Foreign Exchange – Rs. 555.69 crores.

LOANS, GUARANTEE OR INVESTMENTS IN SECURITIES

The loan made, guarantee given or security provided in the ordinary course of business by a Non-Banking Financial

Company registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. As such, the particulars of loans and guarantee have not been disclosed in this Report.

During the year under review, the Company has invested surplus funds in various securities in the ordinary course of business. For details of the investments of the Company, refer to Note 13 of the financial statements.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all related party transactions entered into by the Company were in the ordinary course of the business and at an arm's length basis. Hence, no disclosure in Form AOC-2 is necessary and the same does not form part of this report. For details of the transactions with related party(ies) entered into in the ordinary course of business on an arm's length basis, refer to the Note 51 to the financial statements.

As required under the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and Listing Regulations, the policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is uploaded on the Company's website at <https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Policy-on-Materiality-of-Related-Party-Transactions.pdf>

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. None of the Directors has any pecuniary relationship or transaction vis-à-vis the Company save and except the payment of sitting fees and commission paid to Independent Directors, remuneration to Whole-Time Directors apart from transactions in the ordinary course of business and at an arm's length basis at par with any member of general public. The Company did not advance any loans to any of its Directors. The details of the transactions with Related Parties are provided in the Note 51 to the Financial Statements.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company's Whistle Blower policy provides a mechanism under which an employee/director of the Company may report unethical behaviour, suspected or actual fraud, violation of code of conduct and personnel policies of the Company. The Vigil Mechanism ensures standards of

professionalism, honesty, integrity and ethical behaviour. The Whistle Blower Policy/Vigil Mechanism is uploaded on the Company's website: https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Whistle-Blower-Vigil-Mechanism-Policy-2025_0.pdf.

FINANCIAL SUMMARY/HIGHLIGHTS

Income for the Financial Year 2024-25 increased by 25.10% to Rs. 43,783.52 crores (including exceptional items) as compared to Rs. 34,997.61 crores in the previous Financial Year 2023-24;

Income from operations for the Financial Year 2024-25 was Rs. 41,834.42 crores as compared to Rs. 34,964.41 crores in the previous Financial Year 2023-24, a growth of 19.65%;

Profit before tax for the Financial Year 2024-25 was Rs. 12,606.02 crores as compared to Rs. 9,683.64 crores in the previous Financial Year 2023-24;

Profit after tax for the Financial Year 2024-25 was Rs. 9,761.00 crores as compared to Rs. 7,190.48 crores in the previous Financial Year 2023-24.

Interest income increased by 19.96% from Rs. 33,599.66 crores for the year ended March 31, 2024 to Rs. 40,307.64 crores for the year ended March 31, 2025.

Finance costs increased by 24.67% from Rs. 14,802.60 crores for the year ended March 31, 2024 to Rs. 18,454.58 crores for the year ended March 31, 2025.

Other expenses increased from Rs. 1,776.40 crores for the year ended March 31, 2024 to Rs. 2,275.04 crores for the year ended March 31, 2025.

Our fees and commission expenses for the Financial Year 2024-25 was Rs. 572.46 crores as compared to Rs. 432.21 crores in Financial Year 2023-24.

RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROL SYSTEM

The Company's Risk Management Policy deals with identification, mitigation and management of risks across the organisation. This has been dealt with the Management Discussion and Analysis annexed to the Annual Report.

The Company's well-defined organisational structure, documented policy guidelines, defined authority matrix and internal financial controls ensure operational effectiveness, reliability of financial data and compliance with applicable laws, regulations and Company's policies.

The financial control framework includes internal controls, delegation of authority procedures, segregation of duties, system access controls, and document filing and storage procedures. The Internal Auditor ensures the continued effectiveness of the Company's internal control system. The Audit Committee reviews internal financial control reports prepared by the internal auditor. The Company has framed risk based internal audit policy as part of its oversight function. The objective of risk based internal audit review is to identify the key activities and controls in the business processes, review effectiveness of business processes and controls, assess the operating effectiveness of internal controls and provide recommendations for business process and internal control improvement.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee comprised of the following Independent Directors:

Name of the Member	Status
Mr. S. Sridhar (ceased to be Chairman w.e.f. October 01, 2024)	Chairman
Mr. Pradeep Kumar Panja (w.e.f. October 01, 2024)	Chairman
Mrs. Maya S. Sinha (ceased to be Member w.e.f. December 04, 2024)	Member
Mr. S. Ravindran	Member
Mr. Gokul Dixit (w.e.f. July 01, 2024)	Member
Mrs. M. V. Bhanumathi (w.e.f. July 01, 2024)	Member

During the year under review, all recommendations of the Audit Committee were approved and accepted by the Board. For brief terms of reference, please refer to Report on Corporate Governance.

FRAUD MONITORING AND REPORTING

Pursuant to revised Master Directions - "Reserve Bank of India (Fraud Risk Management in NBFCs) Directions, 2024" on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies) dated July 15, 2024 issued by Reserve Bank of India ("Master Directions"), your Company has constituted Special Committee of the Board for Monitoring and follow-up cases of Frauds (SCBMF) to oversee the effectiveness of fraud risk management and to monitor the cases of frauds, including root cause analysis and mitigating measures and strengthen the internal controls, risk management framework to prevent / minimize the incidence of frauds.



Your Company has prepared Framework for Early Warning Signals (EWS) on Fraud that aims to establish a robust system for the early detection and prevention of fraud. The framework outlines the governance structure, key indicators, and reporting mechanisms to ensure timely identification and mitigation of fraudulent activities. Your Company also has in place Fraud Risk Management & Prevention Policy.

Audit Committee reviews incidents of fraud quarterly. During the year under review, instances of frauds were detected and reported by the Management to the Audit Committee and the Board as per the Master Directions. Among other things, details reported included modus operandi, amount involved, identity of the perpetrators of fraud, action taken against them and remedial actions taken to mitigate the risk. Further, the same was also reported to RBI and Joint Statutory Auditors. The Joint Statutory Auditors, in turn, have also brought these cases to the attention of the Audit Committee pursuant to circular issued by National Financial Reporting Authority ('NFRA') dated June 26, 2023.

During the year under review, the amount involved in above said cases were approximately Rs. 7.82 crores in aggregate out of which around Rs. 0.46 crores has been recovered till date. Pursuant to Section 143(12) of the Act read with the Companies (Audit and Auditors) Rules, 2014, one instance of fraud committed by the employees of the Company was reported by the previous Joint Statutory Auditors to the Audit Committee and the Central Government. The nature of these frauds covered documentation fraud, identity theft and misappropriation of funds.

The Company confirms that none of the above reported frauds had involvement of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

CYBER SECURITY

Your Company adopted ISO 27001- 2022 standards, practices its processes and upgrade its implementation on regular basis to maintain the information security as per the market trend.

Your company has established disaster recovery centres and have in place various security controls to mitigate risks, safeguard the Company against security breaches and technological lapses located in different zones, periodic upgrading of servers and data storage, adopting new technology for data management.

On regular basis different types of system audits are conducted by the external and internal auditors. Board constituted IT Strategy Committee governs the security policies and its implementation as per the Company's Corporate Governance process. To improve cyber security system, the Company continuously invests towards upgrading the technology, IT security related implementation, training and awareness programme. Your Company follows Zero-Trust Security model to strengthen the security of all users devices without sacrificing performance.

During the year, new initiatives were taken in areas of Digital Platforms, API Security, Email Security and Attack Surface Management. Your Company has also adopted a continuous Vulnerability Assessment and Penetration Testing (VAPT) to protect all our digital assets.

OTHERS

- There were no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company and the date of the Directors' report.
- There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future. For other orders, please refer to Note 50 of the financial statement containing details of the contingent liabilities.
- There was no change in the nature of business of the Company.
- The Company has a policy for prevention of Sexual Harassment for Women at Workplace. An Internal Complaints Committee has been constituted in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). On February 25, 2025, the Company had arranged online Training Workshop under the POSH Act at PAN India Level, to make the Internal Complaints Committee members aware of the provisions of the POSH Act. One of the renowned Advocates of Bombay High Court conducted the training. The Company has in place a Module on "PREVENTION OF SEXUAL HARASSMENT IN WORKPLACE" (POSH) in - MyCoach E-Learning Platform, for sensitising the employees with the provisions under the POSH. The following is a summary of Sexual Harassment complaint(s) received and disposed of during the FY

2024-25, pursuant to the POSH Act and Rules framed thereunder:

- a) Number of complaint(s) of Sexual Harassment received during FY 2024-25 – 4 (four)
 - b) Number of complaint(s) disposed off during FY 2024-25 – 4 (four)
 - c) Nature of action taken by the Company - Out of 4 cases reported, one case fell under the purview of POSH Act and the same was upheld. The employee was terminated from the services of the Company.
- Disclosure regarding details relating to deposits covered under Chapter V of the Act is not applicable since the Company is a Non-Banking Financial Company regulated by Reserve Bank of India. The Company accepts deposits as per Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.
 - The Company has obtained a certificate from the statutory auditor certifying that the Company has complied with the requirements of the Regulation 9 of the Master Direction – Foreign Investment in India with regard to downstream investments.
 - The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings, General Meetings and Dividend.
 - There were neither any applications filed by or against the Company nor any proceedings were pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.
 - During the year under review, there was no instance of one-time settlement with Banks or Financial Institutions. Hence, the reasons of difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are not reported as per Rule 8(5)(xii) of Companies (Accounts) Rules, 2014.
 - The Company has not defaulted in repayment of loans from banks and financial institutions. There were no delays or defaults in payment of interest/principal of any of its debt securities.
 - The provision of Section 148 of the Act relating to maintenance of cost records and cost audit are not applicable to the Company.

- The Company has completed all corporate actions within the specified time limits.

The equity shares of the Company were not suspended from trading during the year on account of corporate actions or otherwise.

- The voting rights are exercised directly by the employees in respect of equity shares allotted under the Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1). Thus, the disclosure requirements pursuant to Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable.
- Disclosures pursuant to RBI Master Directions, unless provided in the Directors' Report form part of the notes to the standalone financial statements and Report on Corporate Governance.

SUBSIDIARY AND ASSOCIATE

Acquisition of new Subsidiary – Shriram Overseas Investments Private Limited

The Audit Committee and the Board of Directors at their respective meetings held on April 26, 2024, subject to approval of RBI, approved acquisition of 100% equity stake in Shriram Overseas Investments Private Limited (CIN- U65990TN1995PTC129168) (SOIPL) from Shriram Investments Holdings Private Limited for the purpose of carrying Primary Dealership business.

SOIPL is a Non-Banking Financial Company within the promoter group and engaged in the business of investment in, acquire and hold, underwrite, subscribe for and/or sell or dispose shares, bonds, stocks, securities, debenture stocks issued by any company constituted and carrying on business in India or elsewhere, and also act as underwriters and brokers of stock, shares, debentures, Government Bonds, Units of Unit Trust of India, National Savings Certificate, Fixed Deposits and other savings instruments. Post acquisition by the Company, SOIPL will make necessary application to Reserve Bank of India for undertaking Primary Dealership business. Accordingly, the name of the Company would be changed to "Shriram Gilts Limited" or any other name as may be approved by Registrar of Companies to align the name with the business of Primary Dealership.

The current fixed income activities of the Company can be rolled into Primary Dealership which will get a boost from wider acceptability and balance sheet capabilities. The Company intends to acquire entire share capital of the SOIPL which will commence Primary Dealership business on receipt of necessary approval/license of Primary Dealership from Reserve Bank of India. There exists significant opportunity



to access to fixed income market with guaranteed source of funds through acquiring Primary Dealership license from RBI.

Update from April 1, 2025 and upto the date of this Report

On April 1, 2025, the RBI had conveyed its approval for change in control of SOIPL by way of acquisition of 100% shareholding in SOIPL by the Company and the appointment of Mr. Umesh Revankar, Executive Vice Chairman and Mr. Parag Sharma, Managing Director & CFO of the Company as Directors on the board of SOIPL, subject to compliance with conditions specified therein.

Cessation of Subsidiary - Shriram Housing Finance Limited

During the year under review, the Board of Directors at its meeting held on May 13, 2024 considered and approved the proposal for disinvestment/sale/ transfer of its entire stake of the paid-up equity share capital in Shriram Housing Finance Limited, high value debt-listed non-material subsidiary of the Company ("SHFL") to Mango Crest Investment Ltd (affiliate of Warburg Pincus) for a consideration up to Rs. 3,909 crores along with certain additional amounts based on occurrence of identified events, subject to the receipt of requisite approvals from regulatory authorities and fulfilment of other customary conditions, as per the terms and conditions specified in the Share Purchase Agreement and other ancillary agreements. In this regard, the Share Purchase Agreement was executed on May 13, 2024.

SHFL had received approval from the Competition Commission of India ("CCI") and the Reserve Bank of India ("RBI") on August 20, 2024 and October 21, 2024, respectively.

Accordingly, the Company had transferred 308,111,107 equity shares of SHFL to the Purchaser for a consideration of Rs. 3,929.03 crores on December 11, 2024. Consequently, SHFL ceased to be subsidiary of the Company with effect from December 11, 2024.

Associate - Shriram Automall India Limited

Shriram Automall India Limited (CIN U50100TN2010PLC074572) ("SAMIL"), an associate of the Company engaged in facilitating buying and selling of passenger vehicles, commercial vehicles, construction equipment, farm equipment, two wheelers, three wheelers, gold and properties by providing a professionally managed auction platform to its customers in phygital, physical and online mode. As on March 31, 2025, SAMIL has 126 Automalls including Feeder Yards and Park and Sale point Yards located across the Country. As per the audited financial statements of SAMIL for the year ended March 31, 2025, its total income from operations and Net Profit was Rs. 233.89

crores and Rs. 27.64 crores respectively, on consolidated basis. The said financial statements of SAMIL will be made available to Members on request.

Pursuant to Section 129 of the Act read with Rule 5 to the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statement of subsidiary and associate company in Form AOC-1 forms part of the Annual Report. The consolidated financial statements forming part of this Annual Report are prepared in compliance with the applicable Indian Accounting Standards and Listing Regulations. Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company and its subsidiary (SHFL) are placed on the Company's website at <https://www.shriramfinance.in/investors/financials>.

During the Financial Year 2024-25, SHFL had ceased to be subsidiary of the Company and there was no other entity which became or ceased to be subsidiary, joint venture or associate of the Company.

PARTICULARS OF EMPLOYEES AND REMUNERATION

Disclosures required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, containing, inter-alia, the ratio of remuneration of directors to median remuneration of employees, percentage increase in the median remuneration, are annexed to this Report as **Annexure - III**.

Statement containing the names of the top ten employees in terms of remuneration drawn and the particulars of the employees who were in receipt of remuneration in excess of Rs. 1,02,00,000 during the year or excess of Rs. 8,50,000 per month during any part of the year as prescribed under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of this Report is open for inspection by the Members through electronic mode. In terms of the proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Members excluding the aforesaid annexure. Any Member interested in obtaining a copy of the same may write to the Company Secretary at secretarial@shriramfinance.in.

The Managing Director & CEO of the Company as per the terms of his appointment, did not draw any commission or remuneration from SHFL during the year.

STATUTORY AUDITORS

In compliance with the RBI Guidelines on appointment of statutory auditor(s) by Non-Banking Financial Company

("NBFC") vide Circular RBI/2021-22/25 Ref. No. DoS. CD.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 ("RBI Guidelines") and pursuant to Section 139(8)(i) of the Act, the Members of the Company appointed M/s. G. D. Apte & Co., Chartered Accountants, Mumbai (ICAI Firm Registration No. 100515W) and M/s M M Nissim & Co LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 107122W/W100672) as the Joint Statutory Auditors of the Company at the 45th Annual General Meeting held on Tuesday, July 30, 2024 to hold office from the conclusion of 45th Annual General Meeting of the Company till the conclusion of 48th Annual General Meeting of the Company to conduct the audit of accounts of the Company for a term of three consecutive financial years ending March 31, 2025, March 31, 2026 and March 31, 2027.

Approval of the Members at the ensuing 46th AGM of the Company is being sought for fixation of remuneration of Joint Statutory Auditors of the Company for the Financial Year 2025-26 based on recommendation of the Audit Committee and approval of the Board of Directors pursuant to Section 142 and other applicable provisions of the Act.

The Joint Statutory Auditors holds a valid peer review certificate as prescribed under Listing Regulations.

The Auditors' Report to the Members for the year under review is unmodified, i.e., it does not contain any qualification, reservation or adverse remark or disclaimer.

In terms of the RBI Master Directions – Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016, the Joint Statutory Auditors have also submitted an additional report dated April 25, 2025, for the Financial Year 2024-25 which has been filed with RBI. There were no comments or adverse remarks in the said report as well.

SECRETARIAL AUDIT

SPNP & Associates, Practicing Company Secretaries (Peer Review No: 1913/2022) were appointed as the Secretarial Auditor for conducting the Secretarial Audit of the Company for the Financial Year 2024-25 in accordance with the provisions of Section 204 of the Act read with the Rules framed thereunder. Pursuant to the provisions of Section 204 (1) of the Act, the Secretarial Audit Report for the Financial Year 2024-25 issued by SPNP & Associates, Practicing Company Secretaries is annexed to this report as **Annexure-IV**. The report does not contain any qualification, reservation or adverse remark.

Pursuant to amended Regulation 24A of the Listing Regulations, shareholders' approval is required for

appointment of Secretarial Auditors. Further, such Secretarial Auditor must be a peer reviewed Company Secretary from Institute of Company Secretaries of India (ICSI) and should not be disqualified to act as a Secretarial Auditor and cannot render prohibited services in accordance with the Listing Regulations and as specified by ICSI.

Accordingly, pursuant to Regulation 24A of the Listing Regulations and Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors of the Company in their respective meetings held on April 24, 2025 and April 25, 2025 approved and recommended to the Members of the Company, the passing of necessary resolution at the ensuing 46th AGM of the Company for the appointment of M/s. V Suresh Associates, Practising Company Secretaries (Firm Registration Number: P2016TN053700) (Peer Review No.:6366/2025) ("Firm") as Secretarial Auditor of the Company from the conclusion of 46th Annual General Meeting till the conclusion of 51st Annual General Meeting of the Company to conduct Secretarial Audit for a term of five consecutive financial years ending March 31, 2026, March 31, 2027, March 31, 2028, March 31, 2029 and March 31, 2030.

M/s. V Suresh Associates have informed the Company that they are eligible to be appointed as Secretarial Auditor of the Company and confirmed that their appointment if made, would be within the limit specified by ICSI. They have further confirmed that they did not incur any of the disqualifications as specified under Regulation 24A of the Listing Regulations.

Approval of the Members at the ensuing 46th AGM of the Company is also being sought for fixation of remuneration of Secretarial Auditor of the Company for the Financial Years 2025-30.

CORPORATE GOVERNANCE

Pursuant to Schedule V to the Listing Regulations, the following Reports/ Certificates form part of the Annual Report:

- the Report on Corporate Governance;
- the Certificate duly signed by the Managing Director & CEO and the Managing Director & CFO on the Financial Statements of the Company for the year ended March 31, 2025 as submitted to the Board of Directors at its meeting held on April 25, 2025;
- the declaration by the Managing Director & CEO regarding compliance by the Board members and senior management personnel with the Company's Code of Conduct; and
- the Management Discussion & Analysis Report.



The Certificate from M/s. V Suresh Associates, Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance is annexed to this report as **Annexure-V**.

RECOGNITIONS/AWARDS/ACCOLADES RECEIVED BY YOUR COMPANY DURING THE YEAR

Human Resources

- Certified by Great Place to Work Institute as a 'Great Place to Work in India'
- Best Organizations for Women by ET NOW-2025
- Recognised by India's Best Workplaces in Health & Wellness 2024

Business

- Silver Shield in Category-V – Financial Services Sector (other than Banking and Insurance) at the ICAI Awards for Excellence in Financial Reporting 2023-24.
- IFR Structured Finance Issue of the Year by IFR Asia.
- Winner under the category of Securitisation Deal of the Year at the ASSOCHAM 7th National Summit & Awards - Corporate Bond Market 2024.

Sustainability

- Your Company was declared as the Winner under the category of 'ESG – Issuer' of the Year at the ASSOCHAM 7th National Summit & Awards - Corporate Bond Market 2024.

- Best Social Loan by NBFI India The Asset Triple A Awards

Information Technology

- Best Digital Transformation Initiative (Investment Management) for Super App at the BFSI Technology Excellence Awards 2024
- Best Digital CX strategy for Gen AI based Customer Support System
- Best User Experience for Super App
- Best Digital CX product for Ziva 2.0

ACKNOWLEDGEMENT

The Board of Directors would like to place on record their gratitude for the guidance and cooperation extended by Reserve Bank of India and the other regulatory authorities. The Board takes this opportunity to express its sincere appreciation for the excellent patronage received from the Banks and Financial Institutions and for the continued enthusiasm, total commitment, dedicated efforts of the executives and employees of the Company at all levels. We are also deeply grateful for the continued confidence and faith reposed on us by all the Stakeholders including Shareholders, Depositors, Debenture holders and Debt holders.

For and on behalf of the Board of Directors

Jugal Kishore Mohapatra

Chairman

(DIN 03190289)

Mumbai

April 25, 2025

ANNEXURE – I

Disclosure pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the Financial Year ended March 31, 2025

- A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.**

The disclosures are provided in the Note 52 to the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025.

- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with Indian Accounting Standard (Ind AS) 33 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time.**

Diluted EPS Financial Year ended March 31, 2025 is Rs. 51.85.

- C. Details Related to “Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1)” or “SFL ESOS 2023 (No.1)” during the Financial Year ended March 31, 2025:**

Sr. No	Particulars	Details
(i)	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including:	SFL ESOS 2023 (No.1) was approved by the Board of Directors of the Company in its meeting held on March 15, 2023, on the recommendation of the Nomination and Remuneration Committee, in terms of clause 3.35.17 read with clause 3.35.11 of the composite scheme of arrangement and amalgamation, inter alia, involving amalgamation of Shriram City Union Finance Limited (SCUF/Transferor Company) with the Company sanctioned by the Hon'ble National Company Law Tribunal, Chennai, (NCLT) vide its common order dated November 14, 2022 (Scheme of Arrangement and Amalgamation). SFL ESOS 2023 (No.1) is created for the benefit of certain eligible employees of erstwhile SCUF whom stock options were granted/vested under SCUF ESOS 2013 who became employees of the Company upon dissolution of SCUF without winding up and coming into effect of the Scheme of Arrangement and Amalgamation.
(a)	Date of shareholders' approval	July 4, 2022, the date on which the Scheme of Arrangement and Amalgamation was approved by the shareholders of the Company and the same shall be deemed to be their consent in relation to all matters pertaining to the revised employee stock options scheme created by the Company titled SFL ESOS 2023 (No.1)
(b)	Total number of options approved under SFL ESOS 2023 (No.1)	24,79,508 (pre-split)
(c)	Vesting requirements	Fresh Options granted under SFL ESOS 2023 (No.1) would Vest after completion of a minimum period of 12 (twelve) months but not later than 5 (five) years from the date of grant of such Fresh Options. Where Fresh Options are granted by the Company under the SFL ESOS 2023 (No.1) in lieu of options held by eligible employee of erstwhile SCUF the period during which the options granted by erstwhile SCUF under SCUF ESOS 2013 were held by him/her shall be adjusted against the minimum Vesting Period required under SFL ESOS 2023 (No.1).

Sr. No	Particulars	Details
		Where options granted by erstwhile SCUF/ Transferor Company under SCUF ESOS 2013 have completed the vesting period, such options shall stand cancelled and Fresh Options (as per clause 2.1) shall be granted under SFL ESOS 2023 (No.1) pursuant to SFL ESOS 2023 (No.1) and such Fresh Options shall vest immediately and be available for Exercise. Vesting of Fresh Options would be subject to continued employment of the eligible employee with the Company and subject to satisfaction of performance of Employees or other conditions as may be determined by the Nomination and Remuneration Committee As a pre-requisite for a valid Vesting, an Employee is required to be in employment or service of the Company, on the date of Vesting and must neither be serving his/her notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him/her on the such date of Vesting.
(d)	Exercise price or pricing formula	Pre-split: Exercise Price is Rs.193.55 per Fresh Option under the SFL ESOS 2023 (No.1). The manner of computation of the exercise price is as under: - As per the Scheme of Arrangement and Amalgamation, for every one hundred equity shares held by shareholders in the erstwhile SCUF/Transferor Company, they are entitled for one hundred and fifty-five equity shares in the Transferee Company. Hence, the Employees who were entitled for one hundred Options under the SCUF ESOS 2013 are entitled for one hundred and fifty-five Fresh Options under SFL ESOS 2023 (No.1). - The exercise price under SCUF ESOS 2013 was Rs. 300/- for each option. - Hence, the Exercise price under SCUF ESOS 2013 (No.1) is Rs. 193.55 per Fresh Option (Rs. 300 * 100 options/155 options). Upon payment of this Exercise Price and the applicable taxes, if any, the Employee shall be entitled to one equity share of face value of Rs. 10/- each fully paid up for each Fresh Option exercised by him/her. Post-split: Exercise Price is Rs. 38.71 (Rs. 193.55/5) per Fresh Option under the SFL ESOS 2023 (No.1) adjusted as on January 10, 2025 consequent to sub-division/split of face value of equity share of the Company from Rs. 10/- to Rs. 2/- each fully paid-up.
(e)	Maximum term of options granted	10 years from the date of vesting of Fresh Options vested on April 26, 2023 Where Fresh Options are granted and vested under SFL ESOS 2023 (No.1), the exercise period from date on which the options vested to the Employee by the Transferor Company under SCUF ESOS 2013 shall be adjusted against the exercise period required under SFL ESOS 2023 (No.1). 10 years from the date of vesting of balance Fresh Options.
(f)	Source of shares	Primary
(g)	Variation in terms of options	Nil
(ii)	Method used to account for ESOS - Intrinsic or fair value	Fair value method
(iii)	The difference between the employee compensation cost so computed at (ii) above and the employee compensation cost that shall have been recognised if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company.	Not Applicable, as Fair value method is followed.

Sr. No	Particulars	Details
(iv)	Option movement during the year:	
	Number of options outstanding at the beginning of the period	37,73,305 (7,54,661 adjusted consequent to split)
	Number of options granted during the year	Nil
	Number of options forfeited / lapsed during the year	19,285 (adjusted consequent to split)
	Number of options vested during the year	Nil
	Number of options exercised during the year	14,19,830 (adjusted consequent to split)
	Number of shares arising as a result of exercise of options	14,19,830 (adjusted consequent to split)
	Money realised by exercise of options (Rs.), if scheme is implemented directly by the Company	Rs. 5.50 crores
	Loan repaid by the Trust during the year from exercise price received	Not Applicable
	Number of options outstanding at the end of the year	23,34,190 (post-split)
	Number of options exercisable at the end of the year	23,34,190 (post-split)
(v)	Weighted-average exercise prices and weighted-average fair values of options for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Pre-split: Exercise Price is Rs. 193.55 per Fresh Option under the SFL ESOS 2023 (No.1). Post-split: Exercise Price is Rs. 38.71 per Fresh Option under the SFL ESOS 2023 (No.1).
(vi)	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -	Nil
(a)	Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;	
(b)	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	
(c)	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	
(vii)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	
(a)	The weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	Not Applicable. Since SFL ESOS 2023 (No.1) is created for the benefit of certain eligible employees of erstwhile SCUF whom stock options were granted/vested under SCUF ESOS 2013 who became employees of the Company upon dissolution of SCUF without winding up and coming into effect of the Scheme of Arrangement and Amalgamation.
(b)	The method used and the assumptions made to incorporate the effects of expected early exercise;	
(c)	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	
(d)	Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	

ANNEXURE – II

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FINANCIAL YEAR 2024 – 2025

1. Brief outline on CSR Policy of the Company.

The objective of CSR Policy of the Company is to continue to contribute towards social welfare projects focusing on providing education, vocational training, promoting health care facilities to economically weaker and underprivileged section of the Society and to do such other activities as may be permissible under Section 135 of the Companies Act, 2013('the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014('the Rules').

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Umesh Revankar, Chairman	Executive Vice Chairman	2	2
2	Mr. Pradeep Kumar Panja	Non-Executive Independent Director	2	2
3	Mr. Y. S. Chakravarti	Managing Director & CEO	2	2

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

<https://www.shriramfinance.in/investors/governance>

<https://www.shriramfinance.in/corporate-social-responsibility>

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

The details of the impact assessment reports can be accessed on the Company's website at the link :

<https://www.shriramfinance.in/corporate-social-responsibility>

The Company had engaged three independent agencies to conduct the impact assessment of CSR projects/activities undertaken by the Company in the previous financial years as per the provisions of the Act.

Summary of Impact Assessment Reports :-

• Chennai Mathematical Institute (CMI)

The CSR initiative is focused on "Expanding Research and Teaching in Basic Sciences, specifically Mathematics, Physics, and Computer Sciences" through CMI. CMI is a centre of excellence dedicated for teaching and research in mathematical sciences. The project was undertaken by erstwhile Shriram City Union Finance Limited and the Company aimed to create awareness about opportunities outside academia after pursuing higher studies in the mathematical sciences. It also supports fulfilling of UNESCO's objective of inclusive and equitable quality education with lifelong learning opportunities.

CMI has created impressive impact in terms of contributing faculty to leading academic institutions and abroad. The programme covers conducive environment with regular interaction, participating through seminars, workshops, help in building further knowledge and enhancing the retention of quality human resources in the field of basic sciences.

• The Meritorious Student Scholarship Programme

The CSR initiative is aimed at supporting the undergraduate education of academically bright students from low-income families, especially those dependent on commercial trucking as their primary livelihood. The scholarship programme implemented in partnership with Buddy4Study has extended its reach to over 5,186 students. The programme has effectively supported financially constrained trucking families to avoid taking loans or relying on informal credit.

The scholarship programme had a significant impact with 86.9% of beneficiaries, led to improved household economic conditions, significantly boosting their families' income.

- **Commercial Vehicle Drivers' Upskilling Programme**

The CSR initiative launched a large-scale upskilling programme for commercial vehicle drivers across India. The objective was to address critical gaps in road safety awareness, improve livelihood resilience and to provide certification aligned with government norms. The programme spanned eight States, reaching 16,728 drivers, and included training on road safety, digital and financial literacy, health and hygiene, along with basic health screening and certification support. This programme also showed signs of long-term sustainability.

The impact assessment examines effect of the programme met its objectives effectively, particularly in enhancing road safety awareness, supporting license-linked livelihoods, and providing health insights. This programme has proven to be a relevant, well-executed and sustainable CSR investment with strong beneficiary satisfaction.

5. (a) Average net profit of the company as per section 135(5) :- **Rs. 6,571.81 crores**
- (b) Two percent of average net profit of the company as per sub-section (5) of Section 135:- **Rs. 131.44 crores**
- (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:- **Nil**
- (e) Total CSR obligation for the financial year [(b)+(c)+(d)]:- **Rs. 131.44 crores**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):. **Rs. 1,301,698,644.50**

Sr. No	Type of the Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year 2024-25 for the project (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation-Direct (Yes/ No)	Mode of Implementation -Through Implementing agency	
					State	District						Name	CSR Registration Number
1	Ongoing Project	Scholarship to students for Primary & Secondary Education	Education	Yes	Pan India	Pan India	4 years	33,88,00,000	33,88,07,442.50	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR00001315
2	Ongoing Project	Support to Schools & Students for Education	Education	Yes	Karnataka and Tamil Nadu	Bangalore and Chennai	4 years	3,46,00,000	3,46,39,025	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR00001315
3	Ongoing Project	Primal Foundation for Education Leadership	Education	No	Madhya Pradesh, Rajasthan, Jharkhand, Odisha, Jammu and Kashmir and Ladakh	Bhopal,Dindori,Narmadapuram, Jabalpur,MandlaKargone,Alirajpur,A.nuppur,Chhindwara,Indore, Balaghat,Barwani,Betul,Bhind,Burhanpur,Chhatarpur,Ashoknagar,Damoh,Datia,Dewas,Dhar,East Nimar,Guna,Gwalior,Harda,Jhabua,Katni,Mandsaur,Morena,Narsinghpur,Neemuch,Niwari,Panna,Raisen,Rajgarh,Ratlam,Rewa,Sagar,Satna,Sehore,Seoni,Shahdol,Shajapur,Sheopur,Shivpuri,Sidhi,Singrauli,Tikamgarh,Ujjain,Umaria,Vidisha,Mhow,Ajmer,Alwar,Anup Gath,Balotra,Banswara,Baran,Barmer,Bearwar,Bharatpur,Bhilwara,Bikaner,Bundi,Chittorgarh,Churu,Dausa,Deodwana,Bokaro,Chatra,Deoghar,Dhanbad,Dumka,East Singhbhum,Garhwa,Giridih,Godda,Gumla,Hazari bagh,Jamtara,Khunti,Koderma,Latehar,Lohardaga,Pakur,Palamu,Raigarh,Ranchi,Sahebganj,Saraikela,Kharsawan,Simdega,West Singhbhum,Angul,Balangir,Balasore,Bargarh,Bhadrak,Boudh,Cuttack,Dhenkanal,Gajapati,Ganjam,Jagatsinghpur,Jajpur,Jharsuguda,Kalahandi,Kandhamal,Kendrapara,Kendujhar(Keonjhar),Khordha,Koraput,Maikangiri,Mayurbhanj,Nabarangapur,Nayagarh,Nuapada,Puri,Rayagada,Sambalpur,Sonepur,Sundargarh,Baramulla,Kupwara,Srinagar,Pulwama,Shimshal,Anantnag,Gudgam,Ganderbal, Bandipora,Jammu,Leh and Kargil	1.7 years	11,25,00,000	11,25,00,000	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR00001315



Sr. No	Type of the Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year 2024-25 for the project (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation-Direct (Yes/ No)	Mode of Implementation -Through Implementing agency	
					State	District						Name	CSR Registration Number
4	Ongoing Project	Kaivalya Education Foundation	Education	No	Uttar Pradesh, Assam, Chhattisgarh, Odisha, Madhya Pradesh, Rajasthan, Punjab, Telangana, Andhra Pradesh, Arunachal Pradesh, Sikkim, Tripura, Uttarakhand and Karnataka	Chandauli, Fatehpur, Shravasti, Sonbhadra, Baksa, Darrang, Hailakandi, Udalguri, Bijaipur, Dantewada, Kanaker, Kondagaon, Korba, Mahasamund, Mohla Manpur Chowki (Rajnandgaon), Narayanpur, Sukma, Gajapati, Kandhamal, Malkangiri, Rayagada, Baran, Guna, Rajgarh, Vidisha, Jaisalmer, Sirahi, Firozpur, Moga, Kumuram Bheem Asifabad, Jayashankar Bhupalpally, Alluri Sitaram Raju, Parvathipuram Manyam, Namaisai, Soreng, Dhalai, Haridwar, Udham Singh Nagar and Yadgir	1.7 years	13,75,00,000	13,75,00,000	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
5	Ongoing Project	Promoting Research in Mathematics and Computer Science	Education	Yes	Tamil Nadu	Chennai	3 Years	10,00,00,000	10,00,00,000	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
6	Ongoing Project	Promoting Research in Science and Engineering	Education	No	Karnataka	Bangalore	3 Years	3,15,00,000	3,15,00,000	Not Applicable	Direct	-	-
7	Ongoing Project	Project Gift a Smile	Education	No	Assam, Maharashtra, Odisha, Tripura and West Bengal	Tinsukia, Cachar, Bongaigaon, Sangli, Solapur, Dhenkanal, Ganjam, Khowai, Gomati, North Dhanichara, Durgapur, Sabang and Bagdala	3 Years	50,00,000	50,00,000	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
8	Ongoing Project	Maraimalai Adigal Government Higher Secondary School	Education	Yes	Tamil Nadu	Chennai	3 Years	1,30,000	1,35,140	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
9	Ongoing Project	Upskilling Driver Training Programme	Training & Skill Development	Yes	Gujarat, Chhattisgarh, Tamil Nadu, Madhya Pradesh, Orissa, Maharashtra, Rajasthan, Telangana and Karnataka	Bangalore, Hansapur, Hubli, Indore, Khordha, Korba, Lucknow, Paradeep, Raigarh, Sikar Singawal, Solapur, Talcher, Thanjavur, Vijayavada and Villupuram	3 Years	26,00,00,000	26,02,83,911	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
10	Ongoing Project	Women Driver training Programme	Training & Skill Development	Yes	Madhya Pradesh and Tamil Nadu	Ratlam, Indore, Bhopal, Vellore and Thanjavur	3 Years	69,00,000	69,88,169	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
11	Ongoing Project	Pre licensing Driver Training Programme_ HMV	Training & Skill Development	Yes	Gujarat and Tamil Nadu	Vadnagar, Indore, Banaskantha, Singawal, Namakal and Thanjavur	3 Years	30,00,000	30,95,809	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315



Sr. No	Type of the Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year 2024-25 for the project (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation -Direct (Yes/ No)	Mode of Implementation -Through Implementing agency	
					State	District						Name	CSR Registration Number
12	Ongoing Project	Pratham Foundation - 2 Wheeler Automotive Programme	Training & Skill Development	Yes	Maharashtra, Chattisgarh, Madhya Pradesh, Uttar Pradesh, Bihar and Tamil Nadu	Aurangabad, Bilaspur, Jabalpur, Kanpur, Muzaffarpur and Salem	3 Years	4,00,00,000	4,00,00,000	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
13	Ongoing Project	RamaKrishna Mission	Training & Skill Development	Yes	Tamil Nadu	Chennai	3 Years	1,50,00,000	1,50,00,000	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
14	Ongoing Project	Mobile Medical Unit & Health Clinic	Preventive Health Care	Yes	Rajasthan, Maharashtra, Andhra Pradesh, Gujarat, Jharkhand, Assam, West Bengal, Bihar, Odisha, Tamil Nadu, Karnataka and Telengana	Jaipur, Nagpur, Vishakhapatnam, Vapi, Ranchi, Silchar, Guwahati, Kolkata, Hooghly, Patna, Bhubaneswar, Chennai and Bangalore	3 Years	6,76,00,000	6,76,50,694	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
15	Ongoing Project	Preservation & Promotion of Arts & Culture - South India Club	Preservation of Art, Culture and Heritage	Yes	Pan India	Pan India	4 years	4,80,00,000	4,82,35,102	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
16	Ongoing Project	Sri Shanmukhananda Nadaswara Fellowship in Music	Preservation of Art, Culture and Heritage	No	Maharashtra	Mumbai	3 Years	50,00,000	50,00,000	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
		Total (i)						1,20,55,30,000.00	1,20,63,35,292.50				

ii) Details of CSR amount spent against other than ongoing projects for the Financial Year 2024-25

Sr. No	Type of the Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount allocated for the project (in Rs.)	Amount spent in the current financial year 2024-25 for the project (in Rs.)	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) (in Rs.)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation -Through Implementing agency	
					State	District					Name	CSR Registration Number
1	Other Project	The Association of People with Disability	Education	No	Karnataka	Bangalore	40,00,000.00	40,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
2	Other Project	Shraddha Manu Foundation	Education	Yes	Tamil Nadu	Chennai	50,00,000.00	50,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
3	Other Project	Siksha Vikas Parishad Dakshin Assam	Education	No	Assam	Cachar	5,00,000.00	5,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
4	Other Project	Kumararani Meena Muthiah College of Arts & Science	Education	Yes	Tamil Nadu	Chennai	55,000.00	55,300.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
5	Other Project	School Development And Management Committee D.K.Z.P.H.P. School Puchamogaru	Education	No	Karnataka	Mangalore	45,000.00	42,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
6	Other Project	SRM Institute of Science	Education	No	Karnataka	Bangalore	1,70,000.00	1,75,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
7	Other Project	Other Skilling -Ramana Sunritya Aalaya Trust	Training & Skill Development	Yes	Tamil Nadu	Chennai	50,00,000.00	50,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
8	Other Project	Give Life Trust	Training & Skill Development	Yes	Tamil Nadu	Chennai	30,00,000.00	30,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
9	Other Project	Cancer Care	Preventive Health Care	Yes	Tamil Nadu	Chennai	50,00,000.00	50,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
10	Other Project	The Indian Redcross Society & Health Education Foundation	Preventive Health Care	No	Maharashtra and Gujarat	Mumbai and Porbandar	11,00,000.00	11,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
11	Other Project	The Child Trust	Preventive Health Care	Yes	Tamil Nadu	Chennai	50,00,000.00	50,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
12	Other Project	Humana Animal Care	Preventive Health Care	No	New Delhi	Delhi	2,00,000.00	2,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
13	Other Project	G.S.B. Sabha Dahisar-Borivali	Preventive Health Care	No	Maharashtra	Mumbai	1,50,000.00	1,50,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
14	Other Project	Shree Bharathi College	Preventive Health Care	No	Karnataka	Mangalore	50,000.00	27,167.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
15	Other Project	Shri Shammukhananda Fine Arts and Sangeetha Sabha	Preventive Health Care	No	Maharashtra	Mumbai	5,00,000.00	5,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315



Sr. No	Type of the Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount allocated for the project (in Rs.)	Amount spent in the current financial year 2024-25 for the project (in Rs.)	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) (in Rs.)	Mode of Implementation -Direct (Yes/ No)	Mode of Implementation -Through Implementing agency	
					State	District					Name	CSR Registration Number
16	Other Project	Promotion of Fine Arts & Music Festival	Preservation of Art,Culture and Heritage	Yes	Tamil Nadu	Chennai	41,00,000.00	41,95,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
17	Other Project	Shri Shammukhananda Fine Arts and Sangeetha Sabha (Wounded Warrior)	Measures for The Benefit of Armed Forces Veterans, War Widows and their Dependents.	No	Maharashtra	Mumbai	30,00,000.00	30,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
18	Other Project	Training to Promote Sport	Promotion of Olympic /National Sports	No	Karnataka	Bangalore	1,00,00,000.00	1,00,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
19	Other Project	Annai Charitable Trust	Skill Development	Yes	Tamil Nadu	Chennai	80,00,000.00	80,93,885.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
20	Other Project	Disaster Management/Flood/ CM Relief Fund	Disaster Management	No	Andhra Pradesh, Kerala and Telengana	Hyderabad, Thiruvananthapuram and Amravati	3,00,00,000.00	3,00,00,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
21		Miscellaneous Expense	Total (ii)				2,40,00,000.00	1,03,25,000.00				
			Total (i + ii)				10,88,70,000.00	9,53,63,352.00				
							1,31,44,00,000.00	1,30,16,98,644.50				

- (b) Amount spent in Administrative Overheads: **Rs. 1,13,52,292.73**
- (c) Amount spent on Impact Assessment, if applicable: **15,97,728.00**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)] : **Rs. 1,31,46,48,665.23**
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Sub-section (6) Section 135 of the Act.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135 of the Act.		
	Amount (in Rs.)	Date of transfer	Name of the Fund	Amount (in Rs.)	Date of transfer
Rs. 131.46 crores	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

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

Sl. No.	Particular	Amount (in Rs.)
i)	Two percent of average net profit of the company as per Sub-Section (5) of Section 135	131.44 crores
ii)	Total amount spent for the Financial Year	131.46 crores
iii)	Excess amount spent for the financial year [(ii)-(i)]	0.02 crores
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.02 crores

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

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance amount in unspent CSR account under subsection (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in Rs.)	Deficiency if any
					Amount (in Rs.)	Date of transfer		
1.	FY 2023-24	Nil	Nil	Nil	Nil	Not Applicable	Nil	Nil
2.	FY 2022-23	Nil	Nil	Nil	Nil	Not Applicable	Nil	Nil
3.	FY 2021-22	Nil	Nil	Nil	Nil	Not Applicable	Nil	Nil

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

If Yes, enter the number of Capital assets created/ acquired : **Not Applicable**



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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in Rs.)	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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.

Not Applicable since the Company has spent Rs. 131.46 crores during the financial year 2024-25 as against the prescribed CSR obligation of Rs. 131.44 crores.

For and on behalf of the Board of Directors

Umesh Revankar

Executive Vice Chairman
(Chairman, CSR Committee)
(DIN :00141189)

Y. S. Chakravarti

Managing Director & CEO
(DIN: 00052308)

Place : Mumbai

Date : April 25, 2025

Sr. No.	Name of the Project	Duration of the Project	Impact Assessment Agency	Key Objectives	Impact	Web-links where complete report is available
1	Chennai Mathematical Institute (CMI)	April 2018 – March 2021 April 2020 – March 2023	Equality Empowerment Foundation	- Building skilled manpower - Advancement of knowledge in Basic science - Motivating youngsters to take up careers in basic science	As regards employment opportunity CMI has already creating impressive impact in terms of contributing faculty to leading academic institutions and abroad. Research scholars, Post Doctoral Fellows, faculty and adjunct faculties have provided - Academic Programmes reaching 569 Students (203 under-graduate, 317 graduates and 49 Completed the PhD and moved to further career building actions. - Student produced 251 publications, 182 journal papers , 69 conference papers and 266 research publications (Mathematics-121, Physics-71, and Computer Science-74) - Specialised Projects; Research & Publication, Workshop Seminars, International networking, & Collaboration in Governance - STEMS & TESSELATE; OLYMPIAD (Informatics); Madhava Camp (Mathematics) CMI-NSAI - SWAYAM-NAPTEL (National Programme on Technology Enhanced Learning)	https://cdn.shriramfinance.in/sfl-kalam/files/2025-06/Impact-Assessment-Report-STFL_CSR_CMI_PDF https://cdn.shriramfinance.in/sfl-kalam/files/2025-05/Impact%20Assessment%20Report-CHENNAI%20MATHEMATICAL%20INSTITUTE%20-SCUF.pdf
2	Buddy4study	August 2019-December 2023	Give Grants	- Assess the relevance and efficiency of the intervention - Understand the effectiveness of the intervention - Find the areas of improvement across all the factors from programme design to implementation - Understand the major success factors and challenges in the intervention. - Provide an assessment framework to be able to capture impacts in a manner that is an effective recommendation.	- The scholarship programme effectively supports financially constrained trucking families—86.6% of whom earn less than Rs. 3 Lakhs annually and helped 66.8% of families to avoid taking loans or relying on informal credit. - The programme ensures timely and sustained support, with 75.3% of scholarships disbursed within six months and 39.1% of students qualifying for continued assistance based on merit. - The scholarship programme has had a significant impact, with 86.9% of beneficiaries completing college without any dropouts, of whom 33.4% secured employment and 49.1% enrolled in higher education - The programme has led to improved household economic conditions, with 43.8% of employed beneficiaries now earning over Rs. 3 Lakhs annually, significantly boosting their families' income.	https://cdn.shriramfinance.in/sfl-kalam/files/2025-05/Impact%20Assessment%20Report-ScholarshipProgram.pdf

Sr. No.	Name of the Project	Duration of the Project	Impact Assessment Agency	Key Objectives	Impact	Web-links where complete report is available
3	Commercial Vehicle Drivers' Upskilling Programme	July 2019 – March 2022	Sattva Consulting	The objective was to address critical gaps in road safety awareness, improve livelihood resilience and provide certification aligned with government norms. The programme spanned eight states, reaching 16,728 drivers, and included training on road safety, digital and financial literacy, health and hygiene, along with basic health screening and certification support	The programme led to meaningful improvements in knowledge and confidence: 97% of respondents said the training increased their awareness about road signals, safety, and driving norms 78% found the overall programme useful, with many expressing interest in future training 59% shared that they experienced increased awareness about digital and financial literacy - The Skill India certification, issued post-training, supported license renewal under MoRTH guidelines While income enhancement was not a primary programme focus, 74 respondents said their earnings increased, attributing this to improved credibility and certification. In qualitative responses, some drivers reported progressing from driver roles to vehicle ownership.	https://cdn.shriramfinance.in/sfl-kalam/files/2025-05/Impact%20Assessment%20Report-Commercial%20Vehicle%20Drivers%20Upskilling%20Program%20%281%29.pdf

ANNEXURE – III

Remuneration details under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended for the financial year ended March 31, 2025

Sr. No	Name of Director/ Key Managerial Personnel	Category	Ratio of remuneration of each Director to median remuneration of employees	% Increase in remuneration in FY 2024-25
1	Mr. Jugal Kishore Mohapatra	Chairman, Independent Director	6.02	0
2	Mr. Umesh Revankar	Executive Vice Chairman	67.04	55.99
3	Mr. Y. S. Chakravarti	Managing Director & CEO	36.75	38.83
4	Mr. Parag Sharma	Managing Director & CFO	41.23	56.49
5	Mr. S. Sridhar	Independent Director	3.61	0
6	Mr. Pradeep Kumar Panja	Independent Director	6.02	0
7	Mr. S. Ravindran	Independent Director	6.02	0
8	Mrs. Maya S. Sinha	Independent Director	4.52	0
9	Mrs. M. V. Bhanumathi	Independent Director	5.12	0
10	Mr. Gokul Dixit	Independent Director	5.12	0
11	Mr. D.V. Ravi	Non-Executive and Non-Independent Director	-	NA
12	Mr. Ignatius Michael Viljoen	Non-Executive and Non-Independent Director	-	NA
13	Mr. U Balasundararao	Company Secretary & Compliance Officer	NA	33.72

Notes for Sr. No.:

9 & 10 Mrs. M. V. Bhanumathi and Mr. Gokul Dixit were appointed as Independent Directors of the Company w.e.f. June 01, 2024.

5 Mr. S. Sridhar ceased to be an Independent Director of the Company w.e.f. October 20, 2024.

8 Mrs. Maya S. Sinha ceased to be an Independent Director of the Company w.e.f. December 04, 2024.

Remuneration to Independent Directors does not include sitting fee paid to them for attending Board and/or Committee meetings. The commission to Independent Directors is paid as per the statutory provisions and within the limit approved by the Shareholders. The Non-Executive, Non-Independent Directors did not receive any remuneration from the Company.

I In the Financial Year 2024-25, there was an increase of 5.07% in the median remuneration of the employees.

II There were 79,872 permanent employees on the role of Company as on March 31, 2025.

III For employees other than Managerial Personnel who were in employment for whole of the Financial Year 2023-24 and Financial Year 2024-25, the average increase in the remuneration was 12.46%. The average increase in remuneration for Managerial Personnel in Financial Year 2024-25 was 7.23%.

IV Key parameters for any variable component of remuneration received by the Directors:

Executive Directors: Nomination and Remuneration Committee and the Board of Directors determine the variable component of remuneration based on achievement of their individual performance parameters and the Company's performance.

Independent Directors: Commission is paid on the basis of performance evaluation carried out of the Board of Directors on an annual basis.

While deciding the commission, various factors such as Director's participation in the Board and Committee meetings during the year, other responsibilities undertaken, such as Membership or Chairpersonship of Committees and such other factors as the Nomination and Remuneration Committee deemed fit were taken into consideration.

Non-Executive and Non-Independent Directors: Not applicable.

V It is hereby affirmed that the remuneration paid to the Directors, Key Managerial Personnel and employees is as per the Remuneration policy of the Company.



ANNEXURE - IV

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FINANCIAL YEAR ENDED MARCH 31, 2025

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

To

The Members,

SHRIRAM FINANCE LIMITED

CIN: L65191TN1979PLC007874,

Sri Towers, Plot No. 14A, South Phase,

Industrial Estate, Guindy,

Chennai – 600032.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHRIRAM FINANCE LIMITED** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of Company’s books, papers, minute books, forms, statutory registers and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- f. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- g. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- 6) Reserve Bank of India Act, 1934;
- 7) Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
- 8) Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.
- 9) Master Direction - External Commercial Borrowings, Trade Credit, Borrowing and Lending in Foreign Currency by Authorised Dealers and Persons other than Authorised Dealers as amended.
- 10) Master Direction - Information Technology Framework for the NBFC Sector.
- 11) Master Directions - Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies), 2024.
- 12) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016.

I 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 Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors 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 and Committee Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions were carried out with unanimous approval of the Board and there was no instance of dissent voting by any member during the period under review.

I have examined the systems and processes of the Company in place to ensure the compliance with general laws like Labour Laws, Employees Provident Funds Act, Employees State Insurance Act, considering and relying upon representations made by the Company and its Officers for systems and mechanisms formed by the Company for compliance under these laws and other applicable sector specific Acts, Laws, Rules and Regulations applicable to the Company and its observance by them.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws on the operation of the Company and the rules made thereunder.

I further report that during the audit period apart from the instances mentioned hereunder, there were no specific events / actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

- i. During the period under review, the Board of Directors of the Company in its meeting held on April 26, 2024 had approved acquisition of 100% equity stake in Shriram Overseas Investments Private Limited ('SOIPL') from Shriram Investments Holdings Private Limited, subject to approval of Reserve Bank of India (RBI). The RBI has conveyed its approval vide its letter dated April 01, 2025 for change of control by way of such acquisition subject to compliance with conditions specified therein. SOIPL will become a Wholly-Owned Subsidiary of the Company post-acquisition of the shares.



- ii. During the period under review, the Board, in its meeting held on May 13, 2024 approved the disinvestment of the Company's entire stake in Shriram Housing Finance Limited (SHFL), a high value debt listed non-material subsidiary to M/s. Mango Crest Investment Limited, an affiliate of M/s. Warburg Pincus (Purchaser). SHFL ceased to be subsidiary of the Company consequent upon disinvestment of the shares on December 11, 2024.
- iii. During the period under review, the Company has received a Show Cause Notice from RBI dated June 05, 2024 for non-compliance of certain RBI directions observed during the statutory inspections with reference to financial position of the Company as on March 31, 2023. The Company has submitted its response to the said Show Cause Notice on June 26, 2024. In this regard, RBI had levied a penalty of Rs. 5.80 Lakhs on the Company which was paid by the Company on February 25, 2025. This penalty has no material impact on financial, operations or other activities of the Company.
- iv. During the period under review, the Members of the Company approved the resolutions contained in the Postal Ballot Notice dated November 15, 2024 with requisite majority on December 20, 2024 through remote e-voting on the following matters: -
 - i) Renewal of Limit to issue debentures on private placement basis
 - ii) Sub-division/split of equity shares of the Company
 - iii) Alteration of Capital Clause (Clause V) of the Memorandum of Association of the Company
- v. During the period under review, the Company appointed Joint Statutory Auditors M/s. G D Apte & Co and M/s M M Nissim & Co LLP from the conclusion of 45th Annual General Meeting till the conclusion of 48th Annual General Meeting for a term of three consecutive financial years ending March 31, 2025 to March 31, 2027 in place of retiring Joint Statutory Auditors whose tenure expired at the conclusion of the 45th Annual General Meeting.

FOR SPNP & ASSOCIATES

P. SRIRAM

FCS No. 4862/C P No: 3310

FRN: FR/CHENNAI CENTRAL/102/2020

PEER REVIEW NO: 1913/2022

UDIN: F004862G000197076

Date: April 25, 2025

Place: Chennai

Annexure A

**To
The Members,
Shriram Finance Limited,**

My report of even date is to be read along with this supplementary testimony.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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. I believe that the processes and practices, the Company had followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR SPNP & ASSOCIATES

P. SRIRAM

FCS No. 4862/C P No: 3310

FRN: FR/CHENNAI CENTRAL/102/2020

PEER REVIEW NO: 1913/2022

UDIN: F004862G000197076

Place: Chennai

Date: April 25, 2025



ANNEXURE - V

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIREMENTS UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

To the Members of

Shriram Finance Limited

1. We have examined the compliance of Corporate Governance by Shriram Finance Limited ('the Company') for the year ended March 31, 2025, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
2. The compliance of conditions of Corporate Governance with respect to Regulations 17 to 27 of Listing Regulations is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance with respect to the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. We have carried out an examination of the relevant records of the Company in accordance with the certification of Corporate Governance as per the Listing Regulations.

Opinion

4. Based on our examination of the relevant records and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2025.
5. We further state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by it.
6. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V Suresh Associates
 Practising Company Secretaries

V Suresh
 Senior Partner
 FCS No. 2969
 C. P. No. 6032

Peer Review Cert. No.: 6366/2025
 UDIN: F002969G000202498

Place: Chennai
 Date: April 25, 2025

REPORT ON CORPORATE GOVERNANCE

The Report for the Financial Year ended March 31, 2025 on compliance by the Company with the Corporate Governance provisions as prescribed under Regulation 34 read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended is given below.

The Company's philosophy on Corporate Governance is aimed at (a) enhancing long term shareholder value through assisting the top management in taking sound business decisions and prudent financial management; (b) achieving transparency and professionalism in all decisions and activities of the Company; (c) achieving excellence in Corporate Governance by conforming to the prevalent guidelines on Corporate Governance, and excelling in, wherever possible and reviewing periodically the existing systems and controls for further improvements.

BOARD OF DIRECTORS

The Company has put in place an internal governance structure. The Board of Directors of the Company is broad-based consisting of experienced professionals, bureaucrats from varied/diverse disciplines/fields including banking, finance, regulatory etc. The day-to-day management of the affairs of the Company is entrusted with the leadership team of senior management personnel who receive guidance from the Executive Vice Chairman and the Managing Director & CEO, Managing Director & Chief Financial Officer and other Key Managerial Personnel. They function under the overall supervision, direction and control of the Board of Directors ("the Board") of the Company. The Board meets regularly to discuss, review, decide and approve critical business/ financial matters, review of policies and formulation of new policies, setting up of goals, appraisal of performances with the goals, overseeing risk-management control functions, etc. In order to facilitate the day-to-day business affairs of the Company, the Board has constituted various Committees of the Board and has delegated necessary powers to the Committees and Key Managerial Personnel. The Board thus exercises control over the overall functioning of the Company with a view to enhance the stakeholder's value.

The Independent Directors on the Board of the Company have submitted their respective declarations confirming that they meet the criteria of independence and disclosures confirming that there is no material, financial and/or commercial transactions between Independent Directors and the Company which could have potential conflict of interest with the Company at large.

BOARD MEETING AND PROCEDURES

The notes on Agenda setting out the business to be transacted at the Board Meeting were sent to each Director seven days before the date of the Board Meeting except for the meetings which were convened at a shorter notice. The financial results were tabled at the Board meeting. The Board reviews and approves quarterly/ half-yearly unaudited financial results and the audited annual financial results, financial statements (both standalone and consolidated), business plans and annual budgets. The management submits to the Board the Action Taken Report on the status of implementation of important matters reviewed at the previous Board Meeting. The calendar of the quarterly Board meetings was finalised in advance. During the year under review, nine meetings of the Board of Directors were held on April 26, 2024, May 13, 2024, June 01, 2024, July 26, 2024, July 30, 2024, October 25, 2024, November 15, 2024, January 24, 2025 and March 24, 2025.

The maximum gap between any two meetings was not more than one hundred and twenty days. As mandated by proviso under Regulation 17A (1) of the Listing Regulations as of March 31, 2025, none of the Independent Directors of the Company served as an Independent Director in more than seven listed entities and as per Regulation 26 of Listing Regulations, none of Directors is a member of more than ten Committees or acting as Chairperson of more than five Committees across all the Indian public limited companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of Directors, their attendance at Board Meetings held during the Financial Year and at the last Annual General Meeting (AGM), number of Memberships/ Chairmanships of Directors in other Boards and Committees of Board, Category of directorship and names of listed entities where person is a director are as follows:



COMPOSITION OF BOARD

The Company's policy is to maintain an optimum combination of Executive and Non-Executive/Independent Directors. The composition of Board of Directors is given in the table below and is in conformity with Regulation 17(1) of the Listing Regulations and other applicable regulatory requirements.

Name of the Director and Category of Directorship	No. of Board Meetings attended during the FY 2024-25	Whether attended the last AGM held on July 30, 2024	Total no. of Directorships	Memberships in Audit / Stakeholders Relationship Committee	Chairmanship in Audit / Stakeholders Relationship Committee	Category of directorship and Names of other listed entities where person is a director.
Mr. Jugal Kishore Mohapatra Chairman Non-Executive Independent Director (DIN: 03190289)	9	Yes	1	1	0	Nil
Mr. Umesh Revankar (@)Executive Vice Chairman (DIN: 00141189)	9	Yes	3	1	0	Nil
Mr. Yalamati Srinivasa Chakravarti Managing Director & CEO (DIN: 00052308)	9	Yes	0	0	0	Nil
Mr. Srinivasan Sridhar (*)Non-Executive Independent Director (upto October 19,2024) (DIN: 00004272)	5	Yes	5	1	0	Non-Executive Independent Director 1. Go Fashion (India) Limited Non-Executive Director 1. IIFL Home Finance Limited (^)
Mr. Pradeep Kumar Panja Non-Executive Independent Director (DIN: 03614568)	9	Yes	2	2	0	Non-Executive Independent Director 1. Brigade Enterprises Limited 2. The Karnataka Bank Limited
Ms. Maya Swaminathan Sinha (#)Non-Executive Independent Director (upto December 03,2024) (DIN: 03056226)	7	Yes	5	4	1	Non-Executive Independent Director 1. Vishnu Surya Projects and Infra Limited 2. Ceinsys Tech Limited 3. Swan Defence and Heavy Industries Limited
Mr. Ravindran Shunmugakani Non-Executive Independent Director (DIN: 09778966)	9	Yes	3	0	3	Nil
Mr. Gokul Subramanian Dixit (\$)Non-Executive Independent Director (DIN: 00357170)	7	Yes	1	1	1	Non-Executive Independent Director 1. Loyal Textile Mills Limited
Ms. Bhanumathi Viswanathan Melattur (%)Non-Executive Independent Director (DIN: 10172983)	7	Yes	4	2	2	Non-Executive Independent Director 1. Adani Ports and Special Economic Zone Limited 2. UPL Limited
Mr. Ravi Devaki Venkataraman Non-Executive Non Independent Director (DIN: 00171603)	8	Yes	0	0	0	Nil
Mr. Ignatius Michael Viljoen Non-Executive Non-Independent Director (Nominee Director) (DIN: 08452443)	9	Yes	0	0	0	Nil
Mr. Parag Sharma (!)Managing Director and Chief Financial Officer (DIN : 02916744)	9	Yes	0	0	0	Nil

^ High Valued Debt Listed Entity

Notes:

1. In the above table, the total number of Directorships of a Director excludes his/her Directorship in the Company, Section 8 companies, private limited companies and foreign companies
2. The Memberships and Chairmanships of Directors in Committees do not include their Memberships and Chairmanships in the Company
3. None of the above Directors are related inter- se
4. Mr. Ravi Devaki Venkataraman, Non-Executive Non-Independent Director of the Company holds 100 shares in the Company
5. (@) Mr. Umesh Revankar was re-appointed as Managing Director and CEO of the Company at the 40th Annual General Meeting (AGM) held on June 27, 2019 for a period of 5 (five) years with effect from October 26, 2019 upto October 25, 2024. Further, he was re-appointed as Whole Time Director designated as Executive Vice Chairman of the Company for a period of 5 (five) years with effect from October 26, 2024 to October 25, 2029 vide Ordinary Resolution passed by the Shareholders at its 45th Annual General Meeting held on July 30, 2024.
6. (*) Mr. Srinivasan Sridhar, who was inducted as an Independent Director on the Board of the Company with effect from October 20, 2014 has completed his second term as an Independent Director on October 19, 2024 and consequently, he ceased to be a Director of the Company with effect from October 20, 2024.
7. (#) Ms. Maya Swaminathan Sinha served as an Independent Director of the erstwhile Shriram City Union Finance Limited for about 8 years and was appointed as an Independent Director of the Company for a period of 2 years, with effect from December 4, 2022. She has completed her tenure as an Independent Director on December 3, 2024 and consequently, she ceased to be a Director of the Company with effect from December 4, 2024.
8. (\$) Mr. Gokul Subramanian Dixit was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from June 1, 2024 to May 31, 2029 vide Special Resolution passed by the Shareholders at its 45th Annual General Meeting held on July 30, 2024.
9. (%) Ms. Bhanumathi Viswanathan Melattur was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from June 1, 2024 to May 31, 2029 vide Special Resolution passed by the Shareholders at its 45th Annual General Meeting held on July 30, 2024.
10. (!) Mr. Parag Sharma, Joint Managing Director & Chief Financial Officer of the Company, was elevated and re-designated as Managing Director & Chief Financial Officer with effect from June 1, 2024 for the remainder term of his tenure i.e. up to December 12, 2026 vide Ordinary Resolution passed by the Shareholders at its 45th Annual General Meeting held on July 30, 2024.

The Directors take an active part at the Board and Committee Meetings and provide valuable guidance to the senior management on various aspects of business and governance. The Directors possess necessary experience, skills/expertise/competence and ability relevant to the Company's business and affairs which enhances the quality of policy decisions. The following table gives details of the skills/ expertise/competence identified by the Board of Directors pursuant to Regulation 34(3) read with Schedule V Part (C) (2)(h)(ii) of Listing Regulations and currently available with the Board.

Name of Director	Skills / Expertise / Competence of Directors						
	Leadership knowledge of Financial Service and Banking Industry	Strategic & Business Planning	Governance, Ethics & Regulatory Oversight	Audit & Risk Management	Sustainability	Human Resource	Information Technology knowledge
Mr. Jugal Kishore Mohapatra Chairman, Independent Director	✓	-	✓	-	✓	✓	-
Mr. Umesh Revankar Executive Vice Chairman	✓	✓	✓	✓	✓	✓	✓

Name of Director	Skills / Expertise / Competence of Directors						
	Leadership knowledge of Financial Service and Banking Industry	Strategic & Business Planning	Governance, Ethics & Regulatory Oversight	Audit & Risk Management	Sustainability	Human Resource	Information Technology knowledge
Mr. Yalamati Srinivasa Chakravarti Managing Director & CEO	✓	✓	✓	✓	✓	✓	✓
Mr. Srinivasan Sridhar Independent Director (upto October 19, 2024)	✓	✓	✓	✓	✓	✓	✓
Mr. Pradeep Kumar Panja Independent Director	✓	✓	✓	✓	-	✓	✓
Ms. Maya Swaminathan Sinha Independent Director (upto December 03, 2024)	✓	✓	✓	✓	✓	✓	-
Mr. Ravindran Shunmugakani Independent Director	✓	-	✓	✓	-	✓	-
Mr. Gokul Subramanian Dixit Independent Director	✓	✓	✓	✓	✓	✓	✓
Ms. Bhanumathi Viswanathan Melattur Independent Director	✓	-	✓	✓	✓	✓	✓
Mr. Ravi Devaki Venkataraman Non-Executive and Non- Independent Director	✓	✓	✓	✓	✓	✓	✓
Mr. Ignatius Michael Viljoen Non-Executive and Non-Independent Director	✓	✓	-	✓	✓	-	-
Mr. Parag Sharma Managing Director and Chief Financial Officer	✓	✓	✓	✓	✓	✓	✓

The brief profiles of Directors are also available on the website of the Company <https://www.shriramfinance.in/investors/governance?section=board-of-directors>

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board the Independent Directors fulfil the conditions as specified in the Listing Regulations and are independent of the management.

No Independent Director of the Company had resigned during the financial year before expiry of their tenure.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on March 24, 2025 without the presence of Non-Independent directors and members of senior management. In its meeting held on March 24, 2025 the Independent Directors reviewed performance of non-Independent Directors, performance of Board as a whole, performance of Chairman. They evaluated functioning of the Board, frequency of meetings of the Board and Committees of directors, level of participation of directors at the Board and Committee meetings, independence of judgments, performance of duties and obligations by directors, implementation of good corporate governance. The independent directors assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board. The Independent Directors were satisfied with the overall functioning of the Board, its various Committees, Non-Independent Directors and the Chairman.

FAMILIARISATION PROGRAMME

Pursuant to Regulation 25(7) of the Listing Regulations, the Company has put in place a system to familiarise its Independent Directors about the Company, its financial products, industry updates, business model of the Company, etc. The familiarisation commences from the stage of induction of Independent Director. The letter of appointment issued and other documents and information shared with the new Independent Director include the details about their role, rights, responsibilities, duties and liabilities under the Companies Act, 2013, Listing Regulations, RBI directions, etc.

During the Financial Year 2024-25, the independent directors were updated from time to time/on continuous basis on the significant changes in the regulations including those pertaining to RBI circular on Key Facts Statements (KFS) for Loans & Advances, Fair Practices Code for Lenders – Charging of Interest, Fraud Risk Management, Treatment of Wilful Defaulters and Large Defaulters, amendments by SEBI in relation to provisions of Related Party Transactions, Prohibition of Insider Trading Code, disclosure under Listing Regulations, Business Responsibility and Sustainability Report (BRSR), etc.

The external experts were invited to give presentation and updates on 1. Sustainability Reporting 2. Climate related financial risks and opportunities 3. Fraud Risk Management and 4. Related Party Transactions.

The Independent Directors interact with senior management during the Board and Committee meetings

and familiarisation programs. The Independent Directors get familiarised with workings of the Company during the deliberations and discussions on policies of the Company. They also participate in the discussions and deliberations in the Board meeting on challenges and opportunities while approving the annual budget.

The Company conducted 10 programs/meetings during the financial year 2024-2025 and the time spent by Independent Directors was in the range of 09 hours 30 minutes. The cumulative programs/meetings conducted till date were 90 and the time spent by Independent Directors was in the range of 81-85 hours. Pursuant to Regulation 46 of Listing Regulations the details of Familiarisation Programme is uploaded on the Company's website at the web link: https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/SFL_Familiarisation-Programme-2025.pdf

POLICY FOR PROHIBITION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations 2015, as amended, the Company has adopted Prohibition of Insider Trading Code and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Code also provides for preclearance of transactions by designated persons. Pursuant to provisions of Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations), the Company has a Structured Digital Database (SDD) in place and is maintained as stipulated by the PIT Regulations.

COMMITTEES OF DIRECTORS

The constitution and terms of reference of Committees of the Board are mentioned below. The terms of reference of the Committee are reviewed and updated from time to time depending upon business needs. The Board of Directors reviewed the terms of reference of various Committees and in line with requirement of applicable laws and to facilitate ease of doing business amended the terms of reference of the Committees during the financial year. The minutes of the Committee meetings were placed before the Board meeting.

AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act 2013 ('the Act') and Regulation 18 read with Part C of the Schedule II of the Listing Regulations. All the members of the Committee have wide experience in fields of Banking & Finance, Accounts, Regulatory and Financial service industry.



Terms of reference

The terms of reference of the Audit Committee, inter alia includes:

1. Overseeing the financial reporting process
2. To ensure proper disclosure in the Quarterly, Half yearly and Annual Financial Statements. To recommend appointment, re-appointment of auditors, fixing of their remuneration and approval of payment to auditors for any other services rendered by them.
3. Reviewing, with the management, the financial statements before submission to the Board
4. Reviewing the adequacy of internal audit function
5. Reviewing the findings of any internal examinations 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
6. Discussing 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
7. To discuss with the management, the senior internal audit executives and the auditor/s the Company's major risk exposures, guidelines and policies
8. To review the functioning of the Whistle Blower Mechanism
9. Approval of appointment of CFO (i.e., the Whole Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate
10. Review and monitor the Auditor's independence, performance and effectiveness of audit process
11. Approval or any subsequent modification of transactions of the Company with related parties and granting omnibus approval to related party transactions which are in the ordinary course of business and on an arm's length basis and reviewing and approving such transactions
12. Scrutiny of inter-corporate loans and investments
13. Valuations of undertakings or assets of the Company, wherever it is necessary
14. To review the Financial Statements, in particular, the investments made by the Unlisted Subsidiary Company
15. To carry out any other function as is mentioned in the terms of reference of the Audit Committee

The Company has an Internal Audit Department which is headed by a qualified Chartered Accountant, who is responsible for conducting independent Internal Audit. The Internal Auditor reports directly to the Audit Committee of the Board.

During the year under review, nine meetings were held on April 25, 2024, April 26, 2024, July 25, 2024, July 26, 2024, October 24, 2024, October 25, 2024, January 23, 2025, January 24, 2025 and March 24, 2025. The maximum gap between any two meetings was not more than one hundred and twenty days. The necessary quorum was present for all the meetings.

Composition of Audit Committee:

Name of the Member	Status	No. of Meetings Attended
Mr. Srinivasan Sridhar (ceased to be Chairman w.e.f. October 01, 2024)	Chairman	4
Mr. Pradeep Kumar Panja (w.e.f. October 01, 2024)	Chairman	9
Ms. Maya Swaminathan Sinha (ceased to be Member w.e.f. December 04, 2024)	Member	6
Mr. Ravindran Shunmugakani	Member	9
Mr. Gokul Subramanian Dixit (w.e.f. July 01, 2024)	Member	7
Ms. Bhanumathi Viswanathan Melattur (w.e.f. July 01, 2024)	Member	7

The Company Secretary acts as the Secretary for the Audit Committee. The Joint Statutory Auditors, Internal Auditor, the Executive Vice Chairman, Managing Director & CEO, Heads of Finance and Accounts Department, Chief Compliance Officer and other persons attend the meeting on invitation.

On March 17, 2025, the Committee held a separate meeting with the Joint Statutory Auditors without the presence of management representatives.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) has been constituted by the Board as per the requirements of the provisions of Section 178 of the Act and Regulation 19 read with Part D of the Schedule II of the Listing Regulations.

Terms of reference

The terms of reference of the NRC, inter alia includes:

1. To oversee the framing, review and implementation of Remuneration/Compensation policy of the Company, approved by the Board
2. Formulation of the criteria for determining qualifications, positive attributes, and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Committee shall ensure that –

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel of the quality required to run the Company successfully;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) remuneration to directors, Key Managerial Personnel and Senior Management Personnel involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
 - d) the Committee may revisit the principles basis industry and regulatory context, company context and emerging best practices from time to time
3. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee, recommend to the Board their appointment and removal
 4. The Committee shall formulate the criteria and specify the manner for effective evaluation of performance of Board, its committees and individual directors (Independent & Non-Independent Directors) to be carried out either by the Board or by the Nomination and Remuneration Committee and review its implementation and compliance
 5. To determine whether to extend or continue the term of appointment of the Independent Director on the basis of the report of their performance evaluation. The tenure of extension or continuity of Independent Director shall be computed as per the provisions of sub-section (10) and (11) of Section 149 of the Companies Act, 2013 read with Explanation there to and Regulation 16(1)(b) of the Listing Regulations.
 6. To recommend to the Board, all remuneration, in whatever form, payable to Senior Management Personnel
 7. Devising a policy on Board diversity
 8. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.

9. Formulation of Succession policy and Succession plan for Executive Vice Chairman, Managing Director and CEO, Key Managerial personnel and Senior Management Personnel
10. To work in close co-ordination with Risk Management Committee of the Company to achieve effective alignment between compensation and risks to ensure that the compensation outcomes are symmetric with risk outcomes
11. To ensure that compensation levels are supported by the need to retain earnings of the Company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP)
12. To ensure 'fit and proper' status of proposed directors and that there is no conflict of interest in appointment of directors on Board of the Company, Key Managerial Personnel and Senior Management Personnel

During the year, the Committee met five times on April 25, 2024, June 01, 2024, July 25, 2024, January 23, 2025 and March 24, 2025.

The necessary quorum was present for all the meetings.

Composition of Nomination and Remuneration Committee:

Name of the Member	Status	No. of Meetings Attended
Mr. Pradeep Kumar Panja (ceased to be Chairman w.e.f. October 01, 2024)	Chairman	3
Mr. Ravindran Shunmugakani (w.e.f. October 01, 2024)	Chairman	2
Mr. Jugal Kishore Mohapatra	Member	5
Ms. Maya Swaminathan Sinha (ceased to be Member w.e.f. December 04, 2024)	Member	3
Mr. Ravi Devaki Venkataraman	Member	4
Ms. Bhanumathi Viswanathan Melattur (w.e.f. July 01, 2024)	Member	3

CRITERIA FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The criteria and manner for evaluation of performance of Independent Directors provide certain parameters like quality, commitment to the Company's vision, level of participation at Board/Committee Meetings, level of engagement and contribution, Independence of judgment, understanding duties, responsibilities, qualifications, disqualifications and liabilities as an Independent Director, up-to-date knowledge/information pertaining to business of the Company which the Company is engaged in, implementation of good corporate governance practices, enhancing long term shareholders' value, professional approach, openness to ideas, providing



guidance and counsel to senior management in strategic matters and rendering independent and unbiased opinion at the meetings etc., monitoring the Company's internal controls & review compliance Reports on applicable laws, regulations and guidelines.

The Board completed the performance evaluation of directors as per requirement of law and made a few observations. The Independent Directors fulfilled the requirement of independence as laid down in the Act and Listing Regulations and are independent of management.

REMUNERATION OF DIRECTORS

Independent Directors of the Company were paid sitting fees Rs. 1,00,000/- for every meeting of Board, Rs. 75,000/- for Audit Committee meeting, Rs. 35,000/- for every Committee meeting and Rs. 35,000/- for every meeting of Independent Directors attended by them.

The Company is being benefited from the expertise, advice and inputs provided by the Independent Directors. The Independent Directors devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time.

The commission is being paid to all Independent Directors as decided by the Board of Directors. The shareholders of the Company in their 43rd Annual General Meeting held on June 23, 2022 have approved payment of commission to all Independent Directors of the Company for an aggregate amount not exceeding Rs. 200 Lakhs for every financial year over the period for three financial years ending March 31, 2025 subject to the statutory limits. The Board on April 25, 2025, had approved the commission to be paid to each Independent Director for the financial year ended March 31, 2025 as given in the below table.

The remuneration of Whole Time Directors is recommended by the NRC to the Board, within the overall limits approved by the shareholders of the Company.

Remuneration of Whole Time Directors comprises of Fixed Pay that includes salary, perquisites, allowances and other benefits and Performance-linked Variable Pay consists of cash and share-linked instrument(s).

The NRC, while deciding the basis for determining the remuneration of the Whole Time Directors, takes into consideration the Company's performance and the individual performance based on the pre-defined key performance indicators. The performance is evaluated on an annual basis in the last month of the financial year.

THE DETAILS OF SITTING FEES/REMUNERATION PAID TO THE DIRECTORS DURING THE FINANCIAL YEAR 2024 -25 ARE AS UNDER:

Sr. No.	Name of the Director	Sitting Fees for attending Meetings (Rs.)	Salary, Perquisites (Rs.)	Commission (to be paid) (Rs.)	Perquisite u/s 17(1) of Income Tax Act, 1961	Total (Rs.)
1	Mr. Jugal Kishore Mohapatra (Chairman)	1,355,000	-	2,000,000	-	3,355,000
2	Mr. Umesh Revankar (Executive Vice Chairman)	-	23,846,397	-	-	23,846,397
3	Mr. Yalamati Srinivasa Chakravarti (Managing Director & CEO)	-	11,970,308	-	1,096,646	13,066,954
4	Mr. Srinivasan Sridhar (Independent Director) (ceased to be Director w.e.f. October 20, 2024)	975,000	-	1,200,000	-	2,175,000
5	Mr. Pradeep Kumar Panja (Independent Director)	2,030,000	-	2,000,000	-	4,030,000
6	Ms. Maya Swaminathan Sinha (Independent Director) (ceased to be Director w.e.f. December 04, 2024)	1,325,000	-	1,500,000	-	2,825,000
7	Mr. Ravindran Shunmugakani (Independent Director)	1,960,000	-	2,000,000	-	3,960,000
8	Mr. Gokul Subramanian Dixit (Independent Director (w.e.f. June 01, 2024)	1,540,000	-	1,700,000	-	3,240,000
9	Ms. Bhanumathi Viswanathan Melattur (Independent Director (w.e.f. June 01, 2024)	1,470,000	-	1,700,000	-	3,170,000

Sr. No.	Name of the Director	Sitting Fees for attending Meetings (Rs.)	Salary, Perquisites (Rs.)	Commission (to be paid) (Rs.)	Perquisite u/s 17(1) of Income Tax Act, 1961	Total (Rs.)
10	Mr. Ravi Devaki Venkataraman (Non-executive and Non-Independent Director)	-	-	-	-	-
11	Mr. Ignatius Michael Viljoen (Non-executive and Non-Independent Director)	-	-	-	-	-
12	Mr. Parag Sharma (Managing Director and Chief Financial Officer)	-	14,545,486	-	10,800	14,556,286
GST on sitting fees paid to the Directors		958,950				958,950

Notes:

1. Mr. Umesh Revankar, Executive – Vice Chairman of the Company, his remuneration includes Salary of Rs.20,787,311/-, contribution to Provident Fund of Rs.1,584,000/-, NPS of Rs. 1,320,000/- and benefit under PSAR Plan of Rs.155,086/-.
2. Mr. Yalamati Srinivasa Chakravarti, Managing Director & CEO of the Company, his remuneration includes Salary of Rs.11,013,256/-, contribution to Provident Fund of Rs.864,000/- and benefit under PSAR Plan of Rs.93,052/-.
3. Mr. Parag Sharma, Managing Director and Chief Financial Officer of the Company, his remuneration includes Salary of Rs.12,580,434/-, contribution to Provident Fund of Rs.864,000/-, NPS of Rs.1,008,000/- and benefit under PSAR Plan of Rs.93,052/-.
4. The appointment of Whole-Time directors may be terminated by giving three months' notice in writing or salary in lieu thereof. There is no separate provision for the payment of severance fees.
5. As per Remuneration Policy, no remuneration, sitting fees and commission was paid to Non-Executive Non-Independent Directors.

Refer Remuneration Policy uploaded on the Company's website <https://cdn.shriramfinance.in/sfl-kalam/files/2024-06/Remuneration-Policy-2024.pdf?VersionId=ajNXMI9isO0.DB.6TJdQ9JpeH8Ydh6Ua>

For further details kindly, refer paragraph titled 'Composition of Board' forming part of this report.

No Directors of the Company have been granted options/shares pursuant to Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1).

The Nomination and Remuneration Committee and the Board of Directors of the Company approved the grant of 12,80,000 Phantom Stock Appreciation Rights units on March 24, 2025 under the Shriram Finance Limited Employees Phantom Stock Appreciation Rights Plan 2024 ("PSAR Plan") to the Whole-time Directors, Key Managerial Personnel and Senior Management Personnel of the Company in line with the Remuneration Policy. For further details, please refer to the section on "Directors Report"

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is constituted in line with the provisions of Section 178 (5) of the Companies Act, 2013, Regulation 20 of Listing Regulations and Para B of Part D of Schedule II.

Terms of reference

The Committee is responsible for assisting the Board of Directors in the Board's overall responsibilities relating to attending and redressal of the grievances of the security holders of the Company.

The Committee in particular looks into:

1. To oversee and review redressal of shareholder and investor grievances, on matters relating to transfer / transmission of securities, non-receipt of annual report, non-receipt of declared dividends/interests
2. To issue duplicate share/debenture certificate(s) reported lost, defaced or destroyed as per the laid down

procedure and to resolve the grievances of security holders of the Company

3. Attending to complaints of security holders routed by SEBI (SCORES)/Stock Exchanges/RBI or any other Regulatory Authorities
4. Taking decision on waiver of requirement of obtaining the Succession Certificate/Probate of Will on case to case basis within the parameters set out by the Board of Directors
5. To monitor transfer of the amounts/shares transferable to Investor Education and Protection Fund
6. To list the securities of the Company on Stock Exchanges
7. Review of measures taken for effective exercise of voting rights by shareholders
8. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent



9. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholder of the Company
10. Any other matters that can facilitate better investor services and relations
11. To review summary / report on Customer Grievances Redressal pertaining to grievances / complaints received from the Company's customers is placed before the Committee

During the year, the Committee met four times on April 25, 2024, July 25, 2024, October 24, 2024 and January 23, 2025. The necessary quorum was present for the meetings.

Composition of Stakeholders Relationship Committee:

Name of the Member	Status	No. of Meetings Attended
Mr. Jugal Kishore Mohapatra	Chairman	4
Mr. Pradeep Kumar Panja	Member	4
Mr. Ravindran Shunmugakani	Member	4
Mr. Umesh Revankar	Member	4
Mr. Yalamati Srinivasa Chakravarti	Member	4

Mr. U Balasundararao, Company Secretary also acts as the Compliance Officer and Nodal Officer of the Company.

The status of security holders grievances is monitored by the Committee periodically and the minutes of the Committee are made available to the Board.

Security Holders Complaints:

Particulars	No. of Complaints	
	Equity Shares	Non-Convertible Debentures
Complaints pending as on April 01, 2024	1	Nil
Complaints received during the period April 01, 2024 to March 31, 2025.	18	3
Complaints identified and reported under Regulation 13(3) of Listing Regulations.	18	3
Complaints disposed of during the year ended March 31, 2025.	19	2
Complaints unresolved as of March 31, 2025.	Nil	1*

All these complaints were attended to and resolved within the stipulated period (21 days) of receipt of the complaint.

* One complaint was received by the Company on March 17, 2025 from the debentureholder regarding non-receipt

of redemption amount. The Company vide letter dated March 18, 2025 has clarified to the debentureholder that all redemption payment with interest was duly paid on the respective payout date. The said complaint was subsequently closed on April 04, 2025 at SEBI SCORES portal.

Monitoring of Investor Grievances

The Company and its RTA regularly monitor investor complaints reported on the BSE Listing portal, NSE Electronic Application Processing System (NEAPS) portal, SEBI Complaints Redress System (SCORES) portal and Online Dispute Resolution (ODR) portal and take steps to track and redress the investor complaints and disputes in a speedy manner.

An Investor shall first approach the Company/RTA for their grievances. If the investor is not satisfied with the response of the Company/RTA or if the Company/RTA is not able to resolve the grievance within the stipulated period, the Investor may file their grievance with SEBI through SCORES. SEBI Complaints Redress System (SCORES) administers a centralised web-based complaints redress system. The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES within the stipulated period of receipt of the complaint.

All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status. During the year, the Company received 12 complaints reported under the SCORES portal and the same were resolved within the stipulated timeline.

SEBI had also put in place an Online Dispute Resolution Portal ("ODR Portal") vide Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/ CIR/2023/195 dated July 31, 2023 as amended which is streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market. The investor can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>. During the year, the Company received 5 complaints reported under the ODR portal and the same were resolved.

In compliance with SEBI Circular, the Company has sent email communication to the shareholders intimating them the mechanism to facilitate online resolution of all kinds of disputes arising in the Indian securities market. The said Circular can be accessed by the members from the Company's website at <https://www.shriramfinance.in/investors/investor-information>.

The Company has vide SEBI Circular dated November 18, 2024 initiated penny drop facility to verify investor bank account details before payment of principal and/or interest to debenture holders due to which rejection cases were significantly reduced.

CUSTOMER COMPLAINTS

The Internal Ombudsman conducted review meetings with the Grievances Redressal Team of the Company and analysed the nature of the various complaints/grievances received during the year ended March 31, 2025. The Internal Ombudsman confirmed that all investors complaints/grievances were handled in a satisfactory manner. Pursuant to the Master Direction- Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023, the Board had appointed as Internal Ombudsman.

Internal Ombudsman appointed by the Company presents a detailed half-yearly Internal Ombudsman Report on grievances/complaints received through Regulatory and other means. The Internal Ombudsman suggested certain improvements to reduce the customer complaints/ grievances through various initiatives undertaken by the Company.

The RBI has issued a notification dated January 17, 2025, emphasising the benefits of Nomination facility for fixed deposit holders. The nomination facility aims to ease the settlement of claims for deceased depositor(s) families.

The Company has initiated the awareness campaign and encourage customers to use the nomination facility. The Company will review the status of nomination coverage regularly and the progress in this regard will be reported on a quarterly basis through DAKSH Portal effective March 31, 2025.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been constituted in line with the provisions of Section 135 of the Act and the Rules made thereunder as amended.

Terms of reference

The terms of reference of the CSR Committee broadly comprise of:

- 1) Formulating and recommending to the Board of Directors the CSR Policy and monitoring the same from time to time
- 2) The Committee will review and evaluate the sustainability agenda, suggest modifications, discuss and recommend action plan to take the CSR activities forward
- 3) The Committee will monitor the amount spend on CSR activities by the Company as well as ensure that the Company spends at least the minimum sum as may be prescribed from time to time pursuant to the Act and

Companies (Corporate Social Responsibility Policy) Rules, 2014 or such higher sum as may be decided by the Board of Directors of the Company.

During the year under review, the Committee met two times on April 25, 2024 and October 24, 2024. The necessary quorum was present for all the meetings.

Composition of Corporate Social Responsibility Committee:

Name of the Member	Status	No. of Meetings Attended
Mr. Umesh Revankar	Chairman	2
Mr. Pradeep Kumar Panja	Member	2
Mr. Yalamati Srinivasa Chakravarti	Member	2

RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted in line with the Regulation 21 read with Para C of Part D of Schedule II of Listing Regulations as amended.

Terms of reference

The terms of reference of the Risk Management Committee are as follows:

- 1) To formulate a detailed Risk Management Policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the Company, in particular including - financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business Continuity Plan.
- 2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- 3) To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems.
- 4) To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- 5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- 6) To review the appointment, removal and terms of remuneration of the Chief Risk Officer.
- 7) To co-ordinate 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.



- 8) To seek information from any employee, obtain external legal or professional counsel, and ensure the presence of external experts with relevant knowledge, if deemed necessary.
- 9) To review the inspection reports of the RBI or any other regulator, approve corrective action plans to be taken and monitor compliance thereof.
- 10) To evaluate and review effectiveness of Outsourcing Policy and material outsourcing arrangement.
- 11) Such other matters as may be prescribed, from time to time.

During the year under review, the Committee met three times on June 01, 2024, September 27, 2024 and December 23, 2024. The necessary quorum was present for all the meetings.

COMPOSITION OF RISK MANAGEMENT COMMITTEE:

Name of the Member	Status	No. of Meetings Attended
Mr. Umesh Revankar	Chairman	3
Mr. Srinivasan Sridhar (ceased to be a member w.e.f October 20, 2024)	Member	2
Mr. Yalamati Srinivasa Chakravarti	Member	3
Mr. S. Sunder, Joint Managing Director (not a member of the Board)	Member	3
Mr. Hardeep Singh, Chief Risk Officer	Member	3
Mr. Gokul Subramanian Dixit (w.e.f. July 01, 2024)	Member	2

Pursuant to Reserve Bank of India Circular No. DNBR(PD) CC.No.099/03.10.001/2018-19 dated May 16, 2019 the Company had appointed Mr. Hardeep Singh as Chief Risk Officer (CRO) to carry out all functions and discharge all responsibilities as per the terms of the aforesaid RBI circular.

ASSET LIABILITY MANAGEMENT COMMITTEE

The Asset Liability Management (ALM) Committee is responsible for assisting the Board of Directors in Balance Sheet planning from risk- return perspective including the strategic management of interest and liquidity risk.

Terms of reference

The terms of reference of ALM Committee include:

1. Liquidity risk management
2. Management of market risks
3. Funding and capital planning
4. Profit planning and growth projection
5. Forecasting and analysing future business, environment and preparation of contingency plans

During the year under review, the Committee met four times April 26, 2024, July 26, 2024, October 25, 2024 and January 24, 2025. The necessary quorum was present for all the meetings.

Composition of Asset Liability Management Committee:

Name of the Member	Status	No. of Meetings Attended
Mr. Yalamati Srinivasa Chakravarti	Chairman	4
Mr. Pradeep Kumar Panja (w.e.f. October 01, 2024)	Member	2
Mr. Srinivasan Sridhar (ceased to be Member w.e.f. October 01, 2024)	Member	2
Mr. Umesh Revankar	Member	4
Mr. Parag Sharma	Member	4
Mr. Hardeep Singh, Chief Risk Officer	Member	4
Mr. Gokul Subramanian Dixit (upto July 26, 2024)	Member	1

BANKING AND FINANCE COMMITTEE

The Banking and Finance Committee has been formed to monitor resource mobilisation and to ensure efficient and timely decisions on the matters relating to Banking and Finance activities of our Company.

Terms of reference

The terms of reference of the Banking and Finance Committee comprises of:

1. Opening, operating and closing of Bank Accounts;
2. Opening, operating and closing of Demat and Trading Accounts with various Depository Participants;
3. Change in authorised signatories for the existing Bank accounts, Demat and Trading accounts;
4. Issuance of Non-Convertible Debentures/Subordinated Debentures on Private Placement basis;
5. Issuance of Commercial Paper or any other instrument(s);
6. Borrowing of money from Bank, Financial Institutions and Corporates etc. and providing Bank Guarantee; within the permissible limit either by way of short term loan or long term loan by whatever name called i.e. term loan, working capital loan, cash credit. Working capital demand loan, over draft, commercial papers, External Commercial Borrowings (ECB) securities and assignment or;
7. Securitisation of any assets of the Company to any bank or institution within permissible limits and to do activities thereof with respect to such borrowings including creation of security on assets, registration of charges and execution of any agreements or deeds with banks, financial institution and corporates etc.

8. Securitisation of receivables by way of sell down through PTC/ Direct Assignment;
9. Availing and giving Inter Corporate Deposit;
10. Availing Foreign Currency Term Loan, FCNR (B);
11. Investment of Surplus funds in Fixed Deposit for Short Term/ Mutual Funds etc., Invest, deposit or otherwise the funds of the Company in any form with banks/ mutual funds, any funds, any institutions, Companies or any bodies, and transfer/ change/ modify/ encash/ liquidate any or all of these.
12. Monitoring asset coverage of the loan and issuance of NOC and release of security;
13. Giving confirmation to Bank in respect of loans availed by signing Acknowledgement of Debt;
14. Applying for any license/affiliation for business purpose
15. Entering into Service Provider Agreement for Electronic Toll collection program;
16. Authorising official of the Company to appear on behalf of the Company before various regulatory and law enforcing authorities/government department/local administration or authority/market intermediaries under applicable laws, rules and regulations and submitting documents undertaking, affidavits, papers etc. ;
17. Authorising officials of the Company to sign various agreements in connection with purchase/sale/ registration of property etc;
18. Fixing Record Date for payment of monthly, quarterly, half yearly and annual Interest and redemption of Debentures/ Bonds/ Notes/Commercial Paper/ any other instrument(s);
19. Revision in Terms and Conditions including interest rates of Fixed Deposit / Recurring Deposit Scheme.
20. Availing 'Corporate Internet Banking', Payment & Collection Services, online viewing facility, E-commerce –payment gateway Merchant Account from Banks;
21. Authorising to procurement of Digital Signature Certificates from licensed Certifying Authority (CA);
22. Authorising to creation of the Login ID with CERSAI (Central Registry of Securitisation Asset Reconstruction and Security Interest of India);
23. To approve affixation of the Common seal on any document required to be executed by the Company for management of its day to day affairs
24. To give approval/authorisation for the matters required for day to day management of the affairs of the Company.
25. To borrow for the purpose of the business of Company from time to time on such terms and conditions as the Committee may deem fit
26. To take all steps and exercise power to issue the notes / bonds and to implement the same.
27. To approve the buy-back of Non-Convertible Debentures, Commercial Paper or any other instrument(s);
28. Enter into derivative transactions & execute the required documents thereof.
29. To issue, allot, finalise and decide all matters with respect to External Commercial Borrowings, Global Medium Term Note ("GMTN") Programme, issuance of the Notes including but not limited to appointment of various agencies related thereto including, lead manager(s), paying agent(s), Trustee(s), fiscal agent(s), printer(s), auditor(s), registrar(s), transfer agent(s), calculation agent(s), listing agent(s), process agent(s), advertisement agent(s), legal counsel(s)/adviser(s) various aspects of the Notes and structure thereof including currency, price, tenor, duration, maturity creation, modification, registration and satisfaction as well as perfection of charges or security/ collateral, applying to/ filing with and obtaining necessary approvals from various authorities in India or outside India seek ratings from ratings agencies, the Final Offering Circular, supplemental/ addendum Offering Circular, and related documentation.
30. Appointment of valuers under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 and others, if any.

The Committee meets regularly to discharge its functions. During the year under review, the Committee met 120 times. The necessary quorum was present for all the meetings.

Composition of Banking and Finance Committee:

Name of the Member	Status	No. of Meetings Attended
Mr. Yalamati Srinivasa Chakravarti	Chairman	119
Mr. Umesh Revankar	Member	107
Mr. Parag Sharma	Member	111
Mr. S. Sunder, Joint Managing Director (not a member of the Board)	Member	114

IT STRATEGY COMMITTEE

Terms of reference

The terms of reference of the IT Strategy Committee include:

1. Implement a robust and effective IT strategic planning process is in place, aligned with the overall business strategy of the Company.
2. Establish and maintain a comprehensive IT governance framework that promotes accountability, efficiency and transparency and to oversee the development and implementation of an effective Information Security Governance structure.
3. Lead the development, review and approval of the Company's IT strategy, ensuring it supports business objectives and incorporates emerging technologies.



4. Ensure compliance with relevant regulatory requirements, review and approve key IT policies, standards and procedures, including those related to data privacy, cybersecurity, and risk management including those mandated by the RBI.
5. Oversee the development and implementation of processes for assessing and managing IT and cybersecurity risks, including emerging threats and vulnerabilities and to ensure that appropriate risk mitigation strategies are in place.
6. Review and approve the annual IT budget, ensuring that it is aligned with the IT strategy and allocations for IT, cybersecurity and digital initiatives are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards.
7. Ensure that budgetary allocations for IT, cybersecurity and digital initiatives are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards.
8. Review and approve the Company's Business Continuity Plan (BCP) and Disaster Recovery (DR) strategy, ensuring their adequacy and effectiveness.
9. Promote a culture of innovation and encourage the adoption of new technologies that can enhance the Company's competitive advantage and to monitor emerging technology trends and assess their potential impact on the Company's business.
10. Approve the constitution of the Information Security Committee, including the appointment of the Chief Information Security Officer and other relevant members and to provide regular reports to the Board of Directors on the activities of the IT Strategy Committee and the status of key IT initiatives.
11. Ensure that the Company's IT infrastructure is secure, reliable, and efficient and review the assessment of IT capacity requirements and outsourcing activities, taking appropriate measures to address any issues.
12. Any other role and responsibility as may be assigned by Board of Directors or prescribed under any of directions, guidelines or circulars of RBI issued from time to time.

During the year under review, the Committee met four times on June 01, 2024, September 27, 2024, December 23, 2024 and March 31, 2025. The necessary quorum was present for the meeting.

Composition of IT Strategy Committee:

Name of the Member	Status	No. of Meetings Attended
Mr. Srinivasan Sridhar (ceased to be Chairman w.e.f. October 01, 2024)	Chairman	1

Name of the Member	Status	No. of Meetings Attended
Mr. Gokul Subramanian Dixit (w.e.f. October 01, 2024)	Chairman	3
Mr. Umesh Revankar	Member	4
Mr. Yalamati Srinivasa Chakravarti	Member	4
Mr. Gayadhar Behera, Chief Technology Officer	Member	4
Mr. Prashant N Deshpande, Chief Information Security Officer	Member	4
Mr. S. Varadachary, Chief Information Officer	Member	3

ENVIRONMENTAL AND SOCIAL GOVERNANCE COMMITTEE (ESG)

Terms of reference

The terms of Reference of the ESG Committee comprise of:

1. Recommending to the Board the Company's overall general strategy with respect to ESG Matters
2. Overseeing the Company's policies, practices and performance with respect to ESG matters and Social Finance Framework
3. Overseeing the Company's reporting standards in relation to ESG matters and Social Finance Framework
4. Approval of ESG Report
5. Delegating authority to the Managing Director and or Chief Financial Officer or other authorised officers to do any acts, deeds, matters and things as may be necessary

During the year under review, the Committee met two times on April 25, 2024 and October 24, 2024.

The necessary quorum was present for the meeting.

Composition of Environmental and Social Governance Committee:

Name of the Member	Status	No. of Meetings Attended
Mr. Jugal Kishore Mohapatra	Chairman	2
Mr. Ravindran Shunmugakani	Member	2
Ms. Bhanumathi Viswanathan Melattur (w.e.f. July 01, 2024)	Member	1
Ms. Maya Swaminathan Sinha (ceased to be Member w.e.f. December 04, 2024)	Member	2
Mr. Umesh Revankar	Member	2

Name of the Member	Status	No. of Meetings Attended
Mr. Yalamati Srinivasa Chakravarti	Member	2
Mr. Parag Sharma	Member	2
Mr. S. Sunder, Joint Managing Director (not a member of the Board)	Member	2

SPECIAL COMMITTEE OF THE BOARD FOR MONITORING AND FOLLOW-UP CASES OF FRAUDS (SCBMF)

In terms of revised Master Directions - Reserve Bank of India (Fraud Risk Management in NBFCs) Directions, 2024 issued by Reserve Bank of India on July 15, 2024, the Board constituted the Special Committee of the Board for Monitoring and Follow-up Cases of Frauds (SCBMF) on July 26, 2024 and was reconstituted on October 25, 2024.

Terms of reference

The terms of Reference of the SCBMF includes the following:

1. To oversee the effectiveness of the fraud risk management in the Company.
2. To review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds.

GENERAL BODY MEETING

(i) Annual General Meeting (AGM):

The last three Annual General Meetings (AGMs) were conducted through video conferencing (VC) and other audio-visual means (OAVM) pursuant to applicable circulars/notifications/ clarifications issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI). The said details and the Special Resolution(s), if any, passed in the said AGMs are given below:

Year	AGM	Location	Date & Time	Details of Special Resolutions passed
FY 2021-22	43 rd AGM	The Company conducted the AGM through video conferencing (VC)/ other audio visual means (OAVM) pursuant to the MCA circular.	June 23, 2022 at 2.00 P.M	No Special Resolution was passed
FY 2022-23	44 th AGM	The Company conducted the AGM through video conferencing (VC) / other audio visual means (OAVM) pursuant to the MCA circular	June 23, 2023 at 2.00 P.M.	(i) To consider and approve insertion of Article 24.d. after the existing Article 24.c. of Articles of Association of the Company to comply with the requirement of Regulation 23(6) of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended. (ii) To consider and approve deletion and substitution of Article 3 of Articles of Association of the Company.

During the year under review, the Committee met once on January 23, 2025. The necessary quorum was present for the meeting.

Composition of Special Committee of the Board for Monitoring and follow-up Cases of Frauds (SCBMF):

Name of the Member	Status	No. of Meetings Attended
Ms. Bhanumathi Viswanathan Melattur (w.e.f. July 26, 2024)	Chairperson	1
Mr. Gokul Subramanian Dixit (w.e.f. July 26, 2024)	Member	1
Mr. Yalamati Srinivasa Chakravarti (w.e.f. July 26, 2024)	Member	1
Mr. Umesh Revankar w.e.f. (October 25, 2024)	Member	1
Mr. Parag Sharma (w.e.f. October 25, 2024)	Member	1
Mr. S. Sunder, Joint Managing Director (not being Member of the Board)	Member	1

Year	AGM	Location	Date & Time	Details of Special Resolutions passed
FY 2023-24	45 th AGM	The Company conducted the AGM through video conferencing (VC)/ other audio visual means (OAVM) pursuant to the MCA circular	July 30, 2024 at 2.00 P.M.	(i) Appointment of Mr. Gokul Dixit (DIN 00357170) as an Independent Director of the Company. (ii) Appointment of Ms. M.V. Bhanumathi (DIN 10172983) as an Independent Director of the Company. (iii) Enhancement of limits of borrowing by the Board. (iv) Enhancement of limits of creation of security by the Board in connection with borrowing. (v) Enhancement of limit to sell/ assign/ securitise receivables by the Board

(ii) Extraordinary General Meeting:

No Extraordinary General Meeting of the Members was held during the Financial Year 2024-25.

(iii) Postal Ballot

Pursuant to the special resolution passed by shareholders with requisite majority on December 20, 2024 through Postal Ballot notice dated November 15, 2024 for Renewal of limit to issue Debentures on private placement basis by the Board

The Board of Directors on October 25, 2024 had appointed Mr. P. Sriram (Membership No. FCS 4862) Practicing Company Secretary (CP No. 3310) of SPNP & Associates, Chennai as the Scrutiniser to Scrutinise the remote e-voting/Postal ballot process in a fair and transparent manner for conducting process of remote e-voting in accordance with the provisions of the Act read with Rules and the MCA Circulars.

The details of voting pattern of the Special Resolution passed through Postal Ballot is as follows-

Renewal of limit to issue Debentures on private placement basis by the Board.

Particulars	Total No. of valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through Electronic Mode	324,819,696	321,537,733	98.99	3,281,963	1.01
Votes cast through Physical Mode	0	0	0	0	0
Total	324,819,696	321,537,733	98.99	3,281,963	1.01

The Special Resolution was passed with requisite majority.

The procedure for Postal Ballot /electronic voting (e-voting) for aforesaid special resolution was mentioned in the said Postal Ballot Notice.

No Special Resolution is proposed to be passed through Postal Ballot.

SHARE CAPITAL

Pursuant to approval of Shareholders of the Company on December 20, 2024 vide Postal Ballot Notice dated November 15, 2024, each equity share of face value of Rs.10/- fully paid-up was Sub-divided/Split into 5 equity shares of face value of Rs.2/-, each fully paid-up on January 10, 2025 ("Record Date"). Consequently, the change has been effected in the Memorandum of Association of the Company. The Authorised Capital of the Company now consists of 14,877,500,000 equity shares of face value of Rs.2/- each and 129,000,000 preference shares of face value of Rs.100 each. (For details refer Directors' Report)

SHRIRAM FINANCE LIMITED EMPLOYEE STOCK OPTION SCHEME 2023 (NO.1)

The Company has created Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) ("SFL ESOS 2023 (No.1)") in lieu of employee stock options held by the

employees of erstwhile Shriram City Union Finance Limited Employee Stock Options Scheme 2013 (SCUF ESOS 2013) as provided in the terms of the Scheme of Arrangement and Amalgamation inter-alia, involving amalgamation of Shriram City Union Finance Limited (SCUF) with the Company, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") sanctioned by the Hon'ble National Company Law Tribunal, Special Bench – II, Chennai vide its Common Order dated November 14, 2022 read with corrigendum dated November 17, 2022 to the Common Order.

Consequent to Sub-division/Split of face value of Equity Shares of the Company, all the options granted under the SFL ESOS 2023 (No.1) had been adjusted for Sub-division/ Split.

The ESOP Allotment Committee at its various meetings held during the Financial Year has allotted 355,962 Equity Shares to the eligible employees (For details refer Note 52 of Standalone Financial Statements).

RECONCILIATION OF SHARE CAPITAL AUDIT

The Share Capital Audit as required under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, read with SEBI Circular No. CIR/MRD/DP/30/2010 dated September 06, 2010, a Qualified Practicing Company Secretary carries out Capital Audit to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity capital. This audit is carried out every quarter and the reconciliation of share capital audit report thereon is submitted to the Stock Exchanges and to the Board of Directors.

CERTIFICATION BY MANAGING DIRECTOR & CEO AND MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER

In terms of Listing Regulations, the certification by the Managing Director & CEO and the Managing Director & Chief Financial Officer is annexed to this Annual Report.

MEANS OF COMMUNICATION

The Company regularly interacts through multiple channels of communications to keep its shareholders and stakeholders informed of the financial performance, events and updates. The Board recognises the importance of two-way communication with shareholders and giving a report of results and progress and responding to questions and issues raised in a timely and consistent manner. The Company follows a robust process of communicating with its investors, the Audited financial results, the quarterly results and half yearly results of the Company are published in English (Business Standard) and Tamil newspaper (Makkal Kural) and are also available on the Company's website; (<https://www.shriramfinance.in/investors/governance?section=board-meeting>) BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com). In addition to this, all quarterly results are emailed to shareholders, fixed deposit holders and debenture holders whose email addresses are registered with the Company/RTA requesting Members to update their KYC details with the Company/RTA and ascertain the position of unpaid/unclaimed dividend from website of the Company www.shriramfinance.in -Investor Section by visiting the website from time to time and claim the unpaid/unclaimed dividends, if any from the Company/ RTA. Press release is also given in the leading newspapers upto date financial results, news releases, quarterly investor updates/ presentations made to institutional investors, investors/ earning conference calls or to the analysts, official news releases and other general information about the Company are also available on the Company's website` [https:// www.shriramfinance.in/investors/investor-information](https://www.shriramfinance.in/investors/investor-information)

The aforesaid financial results are disseminated to the Stock Exchanges within thirty minutes from the conclusion

of the meeting of Board of Directors at which these are considered and approved. Shareholders have been provided with an opportunity to provide their email id for receiving correspondence and annual report in electronic form. The annual report and quarterly financial results have been sent in electronic form to shareholders and debenture holders who have registered their email ids. Our Company does online filing with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) through web based application: NEAPS (NSE Electronic Application Processing System), Digital Exchange and BSE Listing Centre. The Company has also intimated its investors about deduction of TDS from the Interest on Non- Convertible Debentures (NCDs).

The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the Listing Regulations including material information having a bearing on the performance / operations of the Company or other price sensitive information.

The Company sends several reminders to its shareholders to claim their unclaimed dividend and also to update their Permanent Account Number (PAN), Bank account details, signatures, nomination or other important details that may affect their shareholdings. Shareholders can claim back their shares and unclaimed dividends transferred to the Investor Education Protection Fund (IEPF) by following the prescribed procedure under the IEPF Rules. The shareholder/claimant must make an online application to the IEPF Authority in e-Form No. IEPF-5 (available at www.mca.gov.in) and submit the necessary documents to the Company/RTA.

Pursuant to the Listing Regulations and various Circulars issued by SEBI, the Company has taken various initiatives to help shareholders convert their shares held in physical form into demat mode. The Company has taken various initiatives such as calls, emails, SMS and physical visit to help shareholders convert their physical shares into demat mode. Further, the Company had also reached out to the Shareholders by visiting at the address registered with the Company/RTA with the help of various branches of the Company.

With the initiatives undertaken, the Company was successful in reducing the number of physical Shareholders from 4,704 as of end of previous financial year to 4,048 as on March 31, 2025.

The Board of Directors has approved a policy for determining materiality of events and a team comprising of Senior Managerial Personnel for the purpose of determining materiality of an event or information and making disclosures to Stock Exchanges. For details, please refer the link: <https://cdn.shriramfinance.in/sfl-kalam/files/2023-12/SFL-Policy-on-Disclosure-of-Material-Events%20%281%29.pdf>



GENERAL SHAREHOLDER INFORMATION

46th Annual General Meeting (46th AGM)

Particulars	As on March 31, 2025
a. Day and Date	Friday, July 18, 2025
b. Time	02:00 P.M.
c. Venue	The Company is conducting meeting through video conferencing (VC)/other audio visual means (OAVM) pursuant to the MCA circular. For details please refer to the Notice of 46 th AGM.
d. Financial Year	FY 2024-25
e. Dividend Payment Date	i) The Board of Directors had declared Interim dividend for FY 2024- 25 of Rs.22/- per equity share of Rs.10/- each (pre-split) fully paid-up (220%) at its meeting held on October 25, 2024. The same is already paid to the eligible Members on November 19, 2024 after deducting tax at source at applicable rate(s). ii) The Board of Directors had declared second Interim dividend for FY 2024- 25 of Rs.2.5 per equity share of Rs.2/- each (post-split) fully paid-up (125%) at its meeting held on January 24, 2025. The same is already paid to the eligible Members on February 17, 2025 after deducting tax at source at applicable rate(s). iii) The Board of Directors have recommended a Final dividend of Rs.3/- per equity share of face value of Rs.2/- each fully paid up (i.e. 150%) for the Financial Year ended March 31, 2025. Subject to shareholders approval at the ensuing 46th AGM the said Final dividend will be paid on or before Saturday, August 16, 2025, subject to deduction of tax at source, as per the applicable rate(s) to the eligible shareholders. iv) Book Closure: The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 12, 2025 to Friday, July 18, 2025 (both days inclusive) for taking record of the Members of the Company for the purpose of 46th AGM and payment of Final dividend.
f. The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	BSE Limited P J Towers, Dalal Street, Mumbai – 400 001. National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051 The Company has paid the annual listing and custodian fees for FY 2024-25 to the Stock Exchanges and Depositories.
g. Stock Code	
BSE Limited	511218
National Stock Exchange of India Limited	SHRIRAMFIN
Singapore Exchange Securities Trading Limited NSE IFSC Limited India International Exchange (IFSC) Limited (India INX)	Social Bonds US825547AE20 (Rule 144A), USY7758EEH00 (Regulation S)
India International Exchange (IFSC) Limited (India INX)	Social Bonds XS2606114457 (Regulation S) US824556FAA03 (Rule 144A) USY775M1BG76 (Regulation S) US82556FAB85 (Rule 144A) USY775M1CJ07 (Regulation S)
Demat ISIN in NSDL & CDSL	INE721A01047*

*Please refer Note below on Sub-division/Split of equity share

The Company's Non-Convertible Debentures (NCD 8) offered for subscription to public under the Shelf Prospectus dated June 22, 2018 in tranches vide Tranche I Prospectus dated June 25, 2018, Tranche II Prospectus dated October 08, 2018 Tranche III Prospectus dated December 27, 2018 and (NCD 9) Shelf Prospectus dated July 09, 2019 vide Tranche I Prospectus dated July 12, 2019 and Tranche II Prospectus dated December 26, 2019 are listed on National Stock Exchange of India Limited and BSE Limited. The ISIN details of these NCDs are as under:

Security Description	ISIN	Codes in Stock Exchanges	Coupon (%) p.a.	Coupon Duration and Interest Payable	Date of Allotment	Maturity Dates
NCD 8 - Tranche 1 (June 2018)						
Secured NCDs (Series II)	INE721A07NU1	BSE - 936230 NSE – YI	(*) (@) 9.03% p. a.	Monthly	July 12, 2018	July 12, 2028
Secured NCDs (Series V)	INE721A07NX5	BSE - 936236 NSE – YL	(*) (@) 9.40% p. a.	Annual	July 12, 2018	July 12, 2028
NCD 8 - Tranche 2 (October 2018)						
Secured NCDs (Series II)	INE721A07OC7	BSE - 936326 NSE – YP	(*) 9.30% p. a	Monthly	November 02, 2018	November 02, 2028
Secured NCDs (Series V)	INE721A07OF0	BSE - 936332 NSE – YS	(*) 9.70% p. a	Annual	November 02, 2018	November 02, 2028
NCD 8 - Tranche 3 (December 2018)						
Secured NCDs (Series II)	INE721A07ON4	BSE - 936454 NSE – YW	(*) 9.30% p.a.	Monthly	February 06, 2019	February 06, 2029
Secured NCDs (Series V)	INE721A07OQ7	BSE - 936460 NSE – YZ	(*) 9.70% p. a.	Annual	February 06, 2019	February 06, 2029
NCD 9 - Tranche 1 (July 2019)						
Secured NCDs (Series III)	INE721A07PA8	BSE – 936784 NSE – Z5	(*) 9.31% p.a.	Monthly	August 22, 2019	August 22, 2026
Secured NCDs (Series VII)	INE721A07PE0	BSE – 936792 NSE – Z9	(*) 9.70% p.a.	Annual	August 22, 2019	August 22, 2026
Secured NCDs (Series X)	INE721A07PH3	BSE – 936798 NSE – ZC	NA Cumulative	(#)(\$)	August 22, 2019	August 22, 2026
NCD 9 - Tranche 2 (December 2019)						
Secured NCDs (Series III)	INE721A07PK7	BSE – 937065 NSE – ZF	(*) 8.75% p.a.	Monthly	January 28, 2020	January 28, 2027
Secured NCDs (Series VI)	INE721A07PN1	BSE – 937071 NSE – ZI	(*) 9.10% p.a.	Annual	January 28, 2020	January 28, 2027

Note:

- (*) - Senior Citizens (only First Allottee) shall be entitled to an additional yield at the rate of 0.25 % per annum
- (@) - Additional incentive of 0.10% available to Category III and IV investors provided the NCDs issued under the Tranche -1 Issue are continued to be held by such investors under Category III and Category IV on the relevant Record Date applicable for payment of coupon
- (#) - The amount payable on redemption for NCDs under Series X is Rs. 1,912.80 per NCD on the relevant Record Date for the relevant Redemption Payment date for Series X
- (\$) - The amount payable on redemption to such Senior Citizens for NCDs under Series X is Rs. 1,943.55 per NCD provided the NCDs issued under the NCD 9 Tranche 1 Issue are continued to be held by such investors under Category III and Category IV on the relevant Record Date for the relevant Redemption Date for Series X
- The Company hereby confirms that all the NCDs issued under public issue of NCDs by the erstwhile Shriram City Union Finance Limited under the public issue of NCDs vide Tranche 1 Prospectus dated March 27, 2019 and Tranche 2 Prospectus dated August 16, 2019 were redeemed on April 30, 2024 and September 25, 2024 respectively.
- The Company has adopted the policy and procedures notified by Securities and Exchange Board of India vide its circular SEBI/ HO/DDHS/DDHS-RAC-1/P/CIR/2023/176 dated November 08, 2023 with regard to standardising process regarding unclaimed amounts associated with Non-Convertible Debentures ("NCDs") and manner of claiming such amounts by the NCD holders. The said policy on claiming of unclaimed amounts by NCD holders is available on the website of the Company at <https://cdn.shriramfinance.in/sfl-kalam/files/2024-03/Unclaimed-Escrow-Account-Policy.pdf>



Wherever redemption payment due date falls on a non-working day, then the Company will make the payment on the previous working day and wherever NCDs interest payment due date falls on a non-working day, then the Company will make the payment on the next working day.

RIGHTS EQUITY SHARES

As on March 31, 2025, there were 6 Eligible shareholders holding 4,570 Rights Shares allotted on August 06, 2020 who did not furnish the demat account details to the Registrars to the Issue / the Company. Hence, the said rights shares are lying in separate demat account "STFC Rights Allotment Demat Suspense Account" of the Company.

DIVIDEND DISTRIBUTION POLICY

The dividend distribution policy of the Company is appended to this Report and the same is also available on the website. For details click on the link for <https://cdn.shriramfinance.in/sfl-kalam/files/2025-06/Dividend-Distribution-Policy-24March2025.pdf>

h. No securities were suspended from trading during FY 2024-25 on account of corporate action or otherwise.

i. Registrar to an issue and Share Transfer Agents

The Registrar and Share Transfer Agents of the Company are:

Integrated Registry Management Services Private Limited

2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T Nagar, Chennai - 600 017 Ph: 044 - 2814 0801 - 03 Fax no: 044 - 28142479

Email: einward@integratedindia.in Website: <https://www.integratedregistry.in/>

j. Trustees for Senior Secured Notes

(a) Note Trustee: The Hongkong and Shanghai Banking Corporation Limited, Level 30, 1 Queen's Road Central, Hong Kong and

(b) Security Trustee: Axis Trustee Services Limited, the Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai - 400028

k. Securities Transfer System:

The Securities Transfer Committee meets as and when required to, inter alia consider the transmission/transposition of shares, sub-division/consolidation of folios, issue of duplicate share certificates/Letter of Confirmation in lieu of original share certificates reported as lost/stolen/misplaced by the shareholders of the Company.

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialised form. Pursuant to SEBI Master Circular dated May 07, 2024, the listed companies shall issue the securities in dematerialised form only, for processing any service requests from shareholders viz., endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerialising those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Shriram Finance Limited - Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Shriram Finance Limited - Suspense Escrow Demat account on submission of necessary documentation.

The Committee generally meets on a periodic basis to ensure that all security holders service requests are considered and actioned within the prescribed timelines.

l. Distribution of shareholding as on March 31, 2025*

Sr. No	No. of Equity Shares	No of Shareholders	% of Shareholders	No of Shares Held	% of Shareholding
1	1 - 500	210515	88.50	17034365	0.91
2	501 - 1000	10638	4.47	7931372	0.42
3	1001 - 2000	6429	2.70	9229548	0.49
4	2001 - 3000	3321	1.40	8256925	0.44
5	3001 - 4000	1658	0.70	5796302	0.31
6	4001 - 5000	1051	0.44	4847357	0.26
7	5001 - 10000	1718	0.72	12020669	0.64
8	10001 and above	2528	1.06	1815267342	96.54
	Total	237858	100.00	1880383880	100.00

m. Categories of shareholders as on March 31, 2025*

Sr. No.	Category	Total	
		No. of Shares held	% of shareholding
1	Promoters/Promoter Group	477581380	25.40
2	Foreign Portfolio Investor (Category I & II)	1006932679	53.55
3	Insurance Company	59534612	3.17
4	Mutual Fund	187633137	9.98
5	Resident Indian	84506842	4.49
6	Investor Education and Protection Fund	6782460	0.36
7	Bank	1297471	0.07
8	Bodies Corporate	6959738	0.37
9	Alternative Investment Fund	8479909	0.45
10	Corporate Body-Central Govt.	13928	0.00
11	Non- Resident Indian	4152143	0.22
12	Clearing Member	166058	0.01
13	Trusts	1499273	0.08
14	HUF	1455458	0.08
15	FI-Others	31340222	1.67
16	Suspense Escrow Demat Account	8310	0.00
17	Unclaimed Securities Suspense Account	699540	0.04
18	F I I	566220	0.03
19	Limited Liability Partnership	748008	0.04
20	Foreign National	2500	0.00
21	NBFCs	17252	0.00
22	Foreign Portfolio Investor (Category III)	2170	0.00
23	Rights Allotment Demat Suspense Account	4570	0.00
	Total	1880383880	100.00

*Note on Sub-division/Split of equity share:

The Members of the Company through Postal Ballot Notice dated November 15, 2024, approved the Sub-division/ Split of 1 (One) equity share of face value of Rs.10/- each fully paid-up, into 5 (Five) equity shares of face value of Rs.2/- each fully paid-up and the relevant ISIN- INE721A01013 had also been changed to ISIN - INE721A01047. Post Sub- division/Split the face value of each equity share of the Company is changed from Rs.10/- to Rs.2/-each fully paid-up w.e.f. January 10, 2025 (Record Date).

n. Dematerialisation of shares and liquidity

The Company's scrip forms part of the compulsory Demat segment for all investors effective from July 24, 2000. To facilitate the investors in having an easy access to the demat system, the Company has signed up with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The connectivity has been established through Integrated Registry Management Services Private Limited. As on March 31, 2025, the total of 187,36,45,395 equity shares constituting 99.64 % of the paid up capital, have been dematerialised.

- o.** The Company has not issued any outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.
- p.** 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 through issue of senior secured notes / bonds in the offshore market under GMTN Programme and Loans through various derivatives/hedging products.

q. Locations

List of branches are mentioned in the "Pan-India Footprint" Section on page no. 13 in the Annual Report.

r. Address for correspondence & Registered Office:

Registered Office: Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu. Phone: 91- 44- 48524666 Fax: +91 44 4852 5666.

Corporate Office: Wockhardt Towers, Level-3, West Wing, C-2, G-Block, Bandra- Kurla Complex, Bandra - (East), Mumbai - 400051. Phone: 91-22 - 40959595, Fax: 91-22 - 40959597, Website: www.shriramfinance.in



Email ID for Investor Grievance:

The following email ID has been designated for communicating investors' grievances.

- For Equity Shares related queries/complaints: secretarial@shriramfinance.in and equity.service@shriramfinance.in
- For Public Issue of Non-Convertible Debentures 2018 Shelf and Tranche 1 Prospectus- related queries/complaints: sflncd8t1comp@shriramfinance.in
- For Public Issue of Non-Convertible Debentures 2018 Tranche II Prospectus - related queries/complaints: sflncd8t2comp@shriramfinance.in
- For Public Issue of Non-Convertible Debentures 2018 Tranche III Prospectus- related queries/complaints: sflncd8t3comp@shriramfinance.in
- For Public Issue of Non-Convertible Debentures 2019 Tranche I Prospectus- related queries/complaints: sflncd9t1comp@shriramfinance.in
- For Public Issue of Non-Convertible Debentures 2019 Tranche II Prospectus- related queries/complaints: sflncd9t2comp@shriramfinance.in
- For erstwhile Shriram City Union Finance Limited Public Issue of Non-Convertible Debentures 2019 Tranche I & II Prospectus- related queries/complaints: scufncd9@shriramfinance.in

The aforesaid email ids have been displayed on the Company's website

- s. The list of all credit ratings along with affirmations/revisions during FY 2024-25 for all debt instruments, fixed deposit, U.S. Dollar senior secured notes, for details refer Directors' Report and Note 104 to the financial statements.
- t. There is no change in the senior management of the Company.
- u. There is no information which is required to be disclosed under Clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

v. Other Disclosures

- A. There are no materially significant Related Party Transactions (RPTs) entered into by the Company which may have potential conflict with the interests of the Company at large. Disclosures on transactions with related parties, as required under the Indian Accounting Standard 24, have been incorporated in the Notes to the Accounts. The statement of RPTs is placed before the Audit Committee and the Board on quarterly basis. Omnibus approval was obtained for the transactions of repetitive nature. The Policy on Materiality of RPTs and dealing with RPTs as approved by the Board is uploaded on the Company's website at the web link: https://cdn.shriramfinance.in/sfl-kalam/files/2023-08/8.Policy%20on%20Materiality%20of%20Related%20Party%20Transactions_0.pdf.
- B. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company save and except the payment of sitting fees and commission to Independent Directors, remuneration to Directors apart from transactions in the ordinary course of business and on arm's length basis at par with any member of general public. The Company did not advance any loans to any of its Directors.
- C. There were no instances of breach of covenants with respect to loan availed or debt securities issued.
- D. There was no instance of non-compliance by the Company for which any penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI, or any statutory authority on any matter related to capital markets during the last three years. Please refer to Secretarial Audit /Compliance Report forming part of this Annual Report with regard to fine, penalty imposed on the Company during the Financial Year 2024-25 for other matters.
- E. The Company has adopted the Whistle Blower Policy and has established the necessary mechanism in line with the Stock Exchanges, for employees to report concerns about unethical behaviour. No person has been denied access to the Audit Committee. The Vigil Mechanism as per Regulation 22 of Listing Regulations ensures standards of professionalism, honesty, integrity and ethical behaviour. The Whistle Blower Policy/Vigil Mechanism is uploaded on the Company's website at the web link of <https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Whistle-Blower-Vigil-Mechanism-Policy-2025.pdf>
- F. Details of compliance with Mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements of the Listing Regulations for FY 2024-25 and details of discretionary requirements under Part E of Schedule II of the Listing Regulations are mentioned below:

a) Maintenance of Chairman's office:

The Company does not maintain a separate office for the Non-executive Chairman

b) Shareholders' Rights:

The quarterly/half/yearly financial results are published in the newspapers of wide circulation and sent to individual shareholders through email to those shareholders registered their email ids with the Company, Financial Results are also available on the website of the Company <https://www.shriramfinance.in/investors/financials>, BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com)

c) Modified Opinion in Auditors' Report:

The Auditors' Report on the financial statements of the Company for the FY 2024-25 does not contain any modified audit opinion.

d) The Chairman of the Board is Non-Executive Director and not related to the Managing Director & CEO of the Company:

A clear distinction exists between the roles and duties of the Chairman and those of the Managing Director & CEO.

e) Reporting of Internal Auditor:

The Internal Auditor functionally reports to the Audit Committee and makes detailed presentation at quarterly Audit Committee meetings.

G. The Company does not have any material listed/ unlisted subsidiary companies as defined in Regulation 24 (1) of Listing Regulations. However, the Company had Shriram Housing Finance Limited, a debt listed non material subsidiary which ceased to be a subsidiary effective from December 11, 2024. The Company has framed the Policy on Material Subsidiaries and the same is uploaded on the Company's website at the web link: https://cdn.shriramfinance.in/sfl-kalam/files/2023-08/7.Policy-on-Material-Subsidiaries_0.pdf

H. The policy on dealing with related party disclosures is uploaded on the Company's website at the web link of https://cdn.shriramfinance.in/sfl-kalam/files/2023-08/8.Policy%20on%20Materiality%20of%20Related%20Party%20Transactions_0.pdf

I. The disclosure of commodity price risks and commodity hedging activities: Not applicable.

J. Pursuant to Schedule V Para C clause (10) (i) of the Listing Regulations, the Company has obtained certificate from SPNP & Associates, Practicing Company Secretaries confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed to this report as Annexure - A.

K. In FY 2024-25 the Board has accepted all recommendations of its Committees.

L. The Company has paid the following fees on a consolidated basis for all services rendered by:

The details of total fees for all services paid by the Company to the Joint Statutory Auditors and all entities in the network firm/ network entity of which the Auditors are a part, are as follows :

Particulars	Amount (Rs. in crores)
Statutory Audit Fees	1.75*
Fees for other services	0.64#
Total	2.39

*Includes Statutory Audit Fees of Rs. 0.35 crores of previous Joint Statutory Auditors (M/s. Sundaram & Srinivasan and KKC & Associates LLP) upto the 45th AGM of the Company, i.e., July 30, 2024.

#Includes Fees for other services of Rs. 0.01 crores of previous Joint Statutory Auditor - M/s. KKC & Associates LLP.

The details of total fees for all services paid by Shriram Housing Finance Limited, Subsidiary of the Company (upto December 11, 2024) to its Statutory Auditor (M/s. M.M. Chitale & Co., Chartered Accountants) and all entities in the network firm/ network entity of which the Auditors are a part, is as follows:

Particulars	Amount (Rs.in crores)
Statutory Audit Fees	0.38
Fees for other services	0.05
Total	0.43

- M. The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, for details refer Directors' Report.
- N. The Company has complied with all the requirements of Corporate Governance report as contained in Clause C (2) to(10) of Schedule V read with Regulation 34(3) of Listing Regulations.
- O. The Company has adopted Code of Conduct ('Code') for the Board of Directors and Senior Management Personnel as required under Regulation 17(5) of the Listing Regulations. The Board of Directors and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director and CEO. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also uploaded on the Company's website at the <https://cdn.shriramfinance.in/sfl-kalam/files/2024-05/Code-of-Conduct-for-Board-of-Directors-and-Senior-Management-Personnel.pdf?VersionId=2ABENRnbZZ29CJaAf1l9nf4WCQ5p6Cef>
- P. Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which Directors are interested:
- During the financial year ended March 31, 2025, there were no loans or advances provided by the Company or its subsidiaries to firms/companies in which Directors are interested.
- Q. Utilisation of funds raised through preferential allotment/qualified institutional placement:
- The Company has not raised funds by issue of equity shares either on preferential basis or through qualified institutional placement during FY 2024-25. Therefore, there are no details to be disclosed as per Regulation 32(7A) of Listing Regulations.

w. Equity Shares in the Suspense Account

As required under Schedule V of Listing Regulations, the Company has opened "STFC- Unclaimed Securities Suspense Account" with the Depository Participants for the purpose of transferring unclaimed equity shares held in physical form. The Company transfers the shares lying unclaimed to the eligible shareholders as and when the request for the same has been received after proper verification. As on March 31, 2025, there were 699,540 unclaimed equity shares in the Unclaimed Suspense Account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Securities Suspense Account as on April 01, 2024.	660	1,60,564
Number of Shareholders / legal heirs who approached the Company for transfer of shares from the Unclaimed Securities Suspense Account, for the period from April 01, 2024 to March 31, 2025.	44*	19,142*
Number of Shareholders / legal heirs to whom the shares were transferred from the Unclaimed Securities Suspense Account upon receipt and verification of necessary documents, for the period from April 01, 2024 to March 31, 2025.	44*	19,142*
Number of Shareholders / legal heirs of whose shares were transferred from the Unclaimed Securities Suspense Account to Investor Education and Protection Fund Authority pursuant to the Government of India Gazette notification No. REGD. NO. D. L.-33004/99 dated February 28, 2017 issued by Ministry of Corporate Affairs (MCA), April 01, 2024 to March 31, 2025.	22	4,602
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Securities Suspense Account as on March 31, 2025.	594	699,540*

*40 Shareholders Prior to sub-division/split representing 15,282 shares of face value of Rs.10/- each and 4 shareholders Post sub-division/split representing 3,860 shares of face value of Rs.2/- each approached the Company for transfer of shares from Unclaimed Securities Suspense Account to the eligible shareholders of the Company.

The Company had complied with all the disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 of Listing Regulations (relating to disclosure on the website of the Company).

The key policies of the Company are also available on the website at <https://www.shriramfinance.in/investors/governance>.

DIVIDEND DISTRIBUTION POLICY

Preamble

Dividend is the payment made by a Company to its shareholders in the form of distribution of its profits. The profits earned by the Company can either be retained in business and used for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This Dividend Distribution Policy ('Policy') aims to reconcile between all these needs in accordance with the applicable laws.

The objective of this Policy is to ensure a regular dividend income for the shareholders and long term capital appreciation for all shareholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and the amount of profits retained in the business for various purposes. The Board of Directors (Board) will refer to the Policy while declaring interim dividend(s)/ recommending final dividend. Through this Policy, the Company would endeavour fairness, consistency and sustainability while distributing profits to the shareholders.

This Policy also stipulates the process for recommendation/ declaration of dividend(s) and its pay-out by the Company in accordance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), guidelines issued by Reserve Bank of India ('RBI') and other rules, regulations etc. as applicable to the Company.

Class of Shares

The Company has issued only Equity Shares and no Preference shares issued by the Company are outstanding.

Category of Dividends

The Act provides for two forms of Dividend- Final and Interim. The Board shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit. Normally, the Board will endeavour to declare an interim dividend after finalisation of quarterly financial accounts. The Board may declare interim dividend based on profits of the Company, one or more times in a financial year as and when considered appropriate, in line with this policy.

After the audited financial statements are approved, the Board may recommend final dividend to the shareholders for their approval in the Annual General Meeting of the Company. In the event the Board declares more than one interim dividend in a financial year, the Board may recommend to the shareholder to treat the last interim dividend as a final Dividend.

Recommendation / Declaration of Dividend

Subject to the provisions of the Act, the Board shall recommend/declare/ pay the Dividend only out of-

- i) Current financial year's profit:
 - a) after providing for depreciation in accordance with law and setting off carried over previous losses and depreciation not provided in previous year(s), if any,
 - b) after transferring to reserves such amount as may be prescribed under the Act or applicable law, regulations, norms or as may be otherwise considered appropriate by the Board at its discretion.
- ii) The profits for any previous financial year(s):
 - a) after providing for depreciation in accordance with law;
 - b) remaining undistributed; or
- iii) out of i) & ii) both.
- iv) out of free reserves in the manner permissible under the Act.

Factors to be considered while declaring Dividend

The decision regarding dividend is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Board will endeavour to take a decision with an objective to enhance shareholders wealth and market value of the shares. However, the decision regarding dividend is subject to several factors and hence any optimal policy in this regard may be far from obvious. The Board considers a stable dividend to constitute an important element of the Company's investment attractiveness and shareholder return. The Company is classified as Investment and Credit Company by RBI, operates in rapidly developing, yet a volatile market. The Company's primary need is to maintain sufficient resources and financial flexibility to meet financial and operational requirements. The Company continually seeks ways to create shareholder value through both commercial and financial strategies, which may include both organic and inorganic development as well as the Company's capital management practices.

The shareholders of the Company may not expect dividend for a financial year(s) in the circumstances of challenging/ sluggish market conditions, tough liquidity position, losses or inadequate profits.



The Company will ensure that the eligibility criteria prescribed by the regulatory authorities under the applicable law are met including the following minimum prudential requirement for declaration of dividend prescribed by RBI:

Sl. No.	Parameter	Requirement
1.	Capital Adequacy	The Company should have met the following regulatory capital requirement for each of the last three financial years including the financial year for which the dividend is proposed: - Minimum capital ratio consisting of Tier I and Tier II capital of not less than 15% of aggregate risk weighted assets on- balance sheet and of risk adjusted value of off- balance sheet items. - The Tier I capital at any point of time, shall not be less 10 percent.
2.	Net NPA	The net NPA ratio shall be less than 6 per cent in each of the last three financial years, including as at the close of the financial year for which dividend is proposed to be declared.
3.	Other criteria	The Company shall comply with the provisions of Section 45 IC of the Reserve Bank of India Act, 1934. The Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every financial year as disclosed in the profit and loss account and before any dividend is declared. No appropriation of any sum from the reserve fund shall be made by the Company except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within prescribed period i.e. twenty-one days from the date of such withdrawal or any extension given by RBI in the regard. The Company shall be compliant with the prevailing regulations/ guidelines issued by RBI. The RBI shall not have placed any explicit restrictions on declaration of dividend.

The Board, while considering the proposals for dividend, will also take into account the supervisory findings, if any, of the RBI on divergence in classification and provisioning for Non-Performing Assets (NPAs) and qualifications, if any, in the Auditors' Report to the financial statements of the Company or emphasis of matter by the statutory auditor that indicates an overstatement of net profit. In case the net profit for the relevant period includes any exceptional and/or extra-ordinary profits/ income, the net profit shall be suitably adjusted to exclude such extra-ordinary items for computing dividend pay-out ratio.

The decision regarding recommendation/declaration of dividend will depend upon various external and internal factors including the following:

External Factors:-

State of Economy- in case of uncertain or recessionary economic and business conditions, the Board will endeavour to retain larger part of profits to build up reserves to absorb future shocks.

Capital Markets- when the markets are favourable, dividend pay-out can be liberal. However, in case of unfavourable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

Statutory and Contractual Restrictions- The Board needs to keep in mind the restrictions imposed under the Companies Act and any other laws, the regulatory developments with regard to declaration of dividend, the Company's contractual obligations under the loan agreements / debenture trust deed

and other agreements, documents, writings limiting / putting restrictions on dividend pay-out.

Internal Factors:-

Apart from the various external factors aforementioned, the Board will take into account various internal factors while recommending / declaring Dividend, which inter alia will include-

(B) Other factors

- Profits earned during the year;
- Present and future capital requirements of the existing businesses; / capital expenditures and the Company's debt position;
- Business Acquisitions opportunities;
- Expansion/ Modernisation of existing businesses; / growth opportunities available to the Company;
- Long term growth plans of the Company;
- Additional investments in subsidiaries/associates of the Company;
- Fresh investments into external businesses;
- Cash flow from operations;
- Cost of raising funds;
- Providing for unforeseen events and contingencies with financial implication;
- Quality of assets and NPA;
- Asset-Liability Management Position;

- xiii) Carried forward balance in P & L account and accumulated reserves; and
- xiv) Any other factor as deemed fit by the Board.

Process for approval of Payment of Interim and Final Dividend

- ✓ The Company will give prior intimation of atleast 2 working days in advance to Stock Exchanges (excluding the date of intimation and the date of the Board meeting) of date of Board Meeting in which the declaration / recommendation of dividend will be considered.
- ✓ The Company will inform about the decision taken by Board regarding dividend to Stock Exchange within 30 minutes of the closure of the Board Meeting.
- ✓ The Company will fix Record date for the purpose of determination for list of shareholders eligible to receive dividend.
- ✓ The Company shall recommend or declare dividend at least 5 working days (excluding the date of intimation and the record date) before the record date is fixed for the purpose.
- ✓ The intimation for fixing Record date shall be given to exchange at least seven working days in advance (excluding the date of intimation and the record date).

In the event of any amendment in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable law with respect to the process of recommendation/approval/payment of dividend, the same shall prevail and shall be deemed to form part of this policy.

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in business with the shareholders' funds in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors the Board may consider maintaining a Dividend Pay-out ratio in the range of 20-25% of the profits after tax (PAT), subject to applicable regulations. However, the Board may amend the pay-out range, whenever considered appropriate by it, keeping in mind the aforesaid factors having a bearing on the dividend pay-out decision, subject to maximum dividend payout ratio of 50%. However, if the Company does not meet the applicable prudential requirement prescribed above for each of the last three financial years, may be eligible to declare dividend, subject to a cap of 10% on the dividend payout ratio, provided the Company complies with the following conditions :

- (a) meets the applicable minimum capital adequacy requirement in the financial year for which it proposes to pay dividend; and

- (b) has net NPA of less than 4 per cent as at the close of the financial year.

The Dividend Payout Ratio is the ratio between the amount of the dividend payable in a year and the net profit as per the audited financial statements for the financial year for which the dividend is proposed.

Manner of Payment of dividend

The Company shall use any of the electronic mode of payment facility approved by the Reserve Bank for the payment of the dividends. Where it is not possible to use electronic mode of payment, 'payable-at-par' warrants or Demand drafts will be issued to the eligible shareholders.

Transfer of Unpaid / Unclaimed Dividend and Equity Shares to Investor Education and Protection Fund (IEPF)

As per section 124(5) of the Companies Act, the dividend which remains unpaid / unclaimed for a period of seven (7) consecutive years or more from the date of transfer to unpaid dividend account shall be transferred by the Company to IEPF.

Utilisation of Retained Earnings

The Retained earnings strengthen the Company's net owned funds. It will further help in maintaining Capital Adequacy Ratio (CAR) for Non-Banking Financial Companies (NBFCs) in the growth phase. The Board from time to time will decide utilisation of the retained earnings depending upon various factors including organic / inorganic growth strategies of the Company, market competition, creating long term shareholder value etc. The Board will ensure judicious balancing of these factors in the interest of the Company and its stakeholders.

Reporting Requirements

The Company shall report details of dividend declared during the financial year as per the prescribed format in Annex IX of the Master Direction – Reserve Bank of India (Non- Banking Financial Company – Scale Based Regulation) Directions, 2023 issued by RBI on October 19, 2023, as updated from time to time within a fortnight after declaration of dividend to the Regional Office of the Department of Supervision of the Reserve Bank, under whose jurisdiction the Company is registered.

Review

This policy is in accordance with the Act, Listing Regulations and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 on October 19, 2023, as updated from time to time issued by RBI. The same will be reviewed by the Board periodically for additions, deletions, changes or alterations in the parameters, process of recommendation/declaration/ pay-out of dividend considered in the policy and in line with changes in regulations as applicable to the Company.

Last reviewed on March 24, 2025.



ANNEXURE - A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of,
Shriram Finance Limited,
Sri Towers, Plot No.14A, South Phase,
Industrial Estate, Guindy,
Chennai – 600 032, Tamil Nadu.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shriram Finance Limited** having CIN L65191TN1979PLC007874 and having registered office at Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai – 600032 (hereinafter referred to as ‘the Company’), produced before us by the Company in electronic mode, for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Designation	Original Date of appointment in Company	Date of appointment in the current Designation
1	Mr. Jugal Kishore Mohapatra	03190289	Non-Executive Independent Director and Chairman	04/12/2022	21/02/2023
2	Mr. Umesh Govind Revankar (@)	00141189	Executive Vice Chairman	25/10/2016	26/10/2024
3	Mr. Srinivasa Chakravarti Yalamati	00052308	Managing Director and Chief Executive Officer	13/12/2021	05/12/2022
4	Mr. Panja Pradeep Kumar	03614568	Non-Executive Independent Director	25/10/2018	25/10/2023
5	Mr. Ravindran Shunmugakani	09778966	Non-Executive - Independent Director	31/08/2023	05/10/2023
6	Mr. Gokul Subramanian Dixit (\$)	00357170	Non-Executive - Independent Director	01/06/2024	30/07/2024
7	Ms. Bhanumathi Viswanathan Melattur (\$)	10172983	Non-Executive - Independent Director	01/06/2024	30/07/2024
8	Mr. Ravi Devaki Venkataraman	00171603	Non-Executive Non-Independent Director	18/06/2015	31/07/2015
9	Mr. Ignatius Michael Viljoen	08452443	Non-Executive Non-Independent Director	14/05/2019	27/06/2019
10	Mr. Parag Sharma (#)	02916744	Managing Director & Chief Financial officer	13/12/2021	01/06/2024

(\$) Mr. Gokul Subramanian Dixit and Ms. Bhanumathi Viswanathan Melattur were appointed as Non – Executive Independent Directors for a term of 5 (five) consecutive years commencing from June 1, 2024 to May 31, 2029 vide Special Resolution passed by the Shareholders at its 45th Annual General Meeting held on July 30, 2024.

(@) Mr. Umesh Govind Revankar was re-appointed as Managing Director and CEO of the Company at the 40th Annual General Meeting (AGM) held on June 27, 2019 for a period of 5 (five) years with effect from October 26, 2019 upto October 25, 2024. Further, he was re-appointed as Whole Time Director designated as Executive Vice Chairman of the Company for a period of 5 (five) years with effect from October 26, 2024 to October 25, 2029 vide Ordinary Resolution passed by the Shareholders of the Company at its 45th AGM held on July 30, 2024.

(#) Mr. Parag Sharma Joint Managing Director and Chief Financial Officer of the Company, was elevated and re-designated as Managing Director and Chief Financial Officer of the Company with effect from June 1, 2024 for the remainder term of his tenure i.e. up to December 12, 2026 vide Ordinary Resolution passed by the Shareholders of the Company at its 45th AGM held on July 30, 2024.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

FOR SPNP & ASSOCIATES

P. SRIRAM

FCS No. 4862/C P No: 3310

FRN: FR/CHENNAI CENTRAL/102/2020

PEER REVIEW NO: 1913/2022

UDIN: F004862G000197098

Place: Chennai

Date: April 25, 2025

CEO/CFO CERTIFICATION

To,

The Board of Directors of Shriram Finance Limited

We, 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 March 31, 2025 and that to the best of our knowledge and belief;
- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. 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;
- 1) there were no significant changes in internal controls over financial reporting during the year;
 - 2) there are no significant changes in accounting policies during the year, and
 - 3) there were no instances of significant fraud of which we are become 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.

YALAMATI SRINIVASA CHAKRAVARTI

Managing Director & CEO

Place : Mumbai

Date : April 25, 2025

PARAG SHARMA

Managing Director & CFO

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

The Board of Directors of Company at its Meeting held on January 29, 2005 adopted Code of Conduct as amended from time to time to be followed by all Members of the Board and Senior Management Personnel of the Company respectively in compliance with the Regulation 17(5) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 with the Stock Exchanges where the shares of the Company are listed.

As per Regulation 17(5) and Regulation 26(3) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 executed with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed Compliance with the Code of Conduct for the year ended March 31, 2025.

Place: Mumbai

Date: April 25, 2025

YALAMATI SRINIVASA CHAKRAVARTI

Managing Director & CEO

SECRETARIAL COMPLIANCE REPORT OF SHRIRAM FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2025

I, P. Sriram, Partner of SPNP & Associates have examined:

- (a) All the documents and records made available to us and explanation provided by **SHRIRAM FINANCE LIMITED** ("the listed entity"),
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended March 31, 2025 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended ("**Listing Regulations**")
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018,
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (*Not Applicable to the Company during the review period*)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; as amended
- (h) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

and circulars guidelines issued thereunder; and based on the above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except as mentioned in **Annexure - 1**
- (b) The listed entity has taken the following actions to comply with the observations made in previous report:

Sr. No.	Observations/ Remarks of the Practicing Company Secretary in the Previous reports	Observations made in the secretarial compliance report for the year ended	Compliance Requirement (Regulations/ circulars/ guidelines including Specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
1.	It is observed that the Company has paid on December 07, 2023 the fine amount for the delayed disclosures.	For the financial year ended March 31, 2024	As per Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity shall give advance notice	There was one day delay in intimation of Record Date for the purpose of payment of principal amount with interest for privately placed NCDs.	The Company has in place proper systems for timely compliance of the Listing Regulations and the delay was completely inadvertent and un-intentional	Nil

Sr. No.	Observations/ Remarks Of the Practicing Company Secretary in the Previous reports	Observations made in the secretarial compliance report for the year ended	Compliance Requirement (Regulations/ circulars/ guidelines including Specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
			of record date at least seven working days (excluding the date of intimation and the record date) to the Recognised Stock Exchange(s)	The Company in this regard has paid fine amount of Rs.21,600/ (net off TDS) on December 07, 2023		

(c) I hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
1.	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	Nil
2.	<u>Adoption and timely updation of the Policies:</u> - All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. - All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI	Yes	Nil
3.	<u>Maintenance and disclosures on Website:</u> - The Listed entity is maintaining a functional website - Timely dissemination of the documents/ information under a separate section on the website - Web-links provided in annual corporate governance reports under Regulation 27(2) of Listing Regulations are accurate and specific which re-directs to the relevant document(s)/ section of the website	Yes	Nil
4.	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	Nil

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
5.	<u>Details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	Yes	The Company has no material subsidiary. During the period under review, 1. The Board, in its meeting held on May 13, 2024, approved the disinvestment of the Company's entire stake in Shriram Housing Finance Limited (SHFL), a high value debt listed non-material subsidiary to M/s. Mango Crest Investment Limited, an affiliate of M/s. Warburg Pincus (Purchaser). SHFL ceased to be subsidiary of the Company consequent upon disinvestment of the shares on December 11, 2024. 2. The Board, in its meeting held on April 26, 2024 had approved acquisition of 100% equity stake in Shriram Overseas Investments Private Limited ('SOIPL') from Shriram Investments Holdings Private Limited, subject to approval of Reserve Bank of India (RBI). The RBI has conveyed its approval vide its letter dated April 01, 2025 for change of control by way of such acquisition subject to compliance with conditions specified therein. SOIPL will become a Wholly-owned Subsidiary of the Company post-acquisition of the shares
6.	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	Nil
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	Nil



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
8.	<u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit committee.	Yes	Since all the related party transactions were entered into the Company only with prior approval of Audit Committee, hence point (b) is not applicable.
9.	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III, SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10.	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	Nil
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/its promoters/ directors/subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder or The actions taken against the listed entity/its promoters/ Directors/Subsidiaries either by SEBI or by Stock Exchanges are specified in the last column	Yes	Please refer Annexure - 1
12.	<u>Resignation of statutory auditors from the listed entity or its material subsidiaries</u> In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity or its material subsidiary(ies) has complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	The Company appointed Joint Statutory Auditors M/s. G D Apte & Co and M/s M M Nissim & Co LLP from the conclusion of 45th Annual General Meeting till the conclusion of 48th Annual General Meeting for a term of three consecutive financial years ending March 31, 2025 to March 31, 2027 in place of retiring Joint Statutory Auditors whose tenure expired at the conclusion of the 45th Annual General Meeting.
13.	<u>No additional non-compliances observed:</u> No additional non-compliance observed for any of the SEBI regulation/ circular/ guidance note etc. except as reported above	NA	There are no additional non-compliances observed during the financial year ended March 31, 2025.

ANNEXURE - 1

Sr. No.	Compliance Requirement (Regulations/ Circulars/ Guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remark
1	The listed entity shall give advance notice of at least seven working days (excluding the date of intimation and the record date) to the recognised stock exchange(s)	Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	There was a delay in intimation of Record Date for the purpose of payment of principal amount with interest on certain privately placed non-convertible debentures of erstwhile Shriram City Union Finance Limited (amalgamated with the Company in 2022)	BSE Limited where the NCDs are listed	Fine	There was a delay in intimation of Record Date for the purpose of payment of principal amount with interest on certain privately placed non-convertible debentures of erstwhile Shriram City Union Finance Limited (amalgamated with the Company in 2022)	Rs.21,600/- (net off TDS)	It is observed that the Company has paid the fine amount on August 30, 2024 for the delayed disclosure pertaining to the month of August, 2021.	The Company has in place proper systems for timely compliance of the Listing Regulations and the delay was completely inadvertent and un-intentional	Nil
2.	The listed entity shall submit a certificate to the stock exchange regarding status of payment of interest or dividend or repayment or redemption of principal of non-convertible securities, within one working day of it becoming due, in the manner and format as specified by the Board from time to time.	Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	There was one day delay in intimation of payment of interest on privately placed non-convertible debentures of erstwhile Shriram City Union Finance Limited (amalgamated with the Company in 2022)	BSE Limited where the NCDs are listed	Fine	There was one day delay in intimation of payment of interest on privately placed non-convertible debentures of erstwhile Shriram City Union Finance Limited (amalgamated with the Company in 2022)	Rs.2160/- (net off TDS)	It is observed that the Company has paid the fine amount on August 30, 2024, for the delayed disclosure pertaining to quarter ended June 2022.	The Company has in place proper systems for timely compliance of the Listing Regulations and the delay was completely inadvertent and un-intentional	Nil

We further, report that the listed entity is in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations.

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity

FOR SPNP & ASSOCIATES

P. SRIRAM

FCS No. 4862/C P No: 3310

FRN: FR/CHENNAI CENTRAL/102/2020

PEER REVIEW NO: 1913/2022

UDIN: F004862G00019708

Date : April 25, 2025

Place : Chennai

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	FY 2024-2025
1	Corporate Identity Number (CIN) of the Listed Entity	L65191TN1979PLC007874
2	Name of the Listed Entity	Shriram Finance Limited (SFL)
3	Year of incorporation	30-06-1979
4	Registered office address	Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu- 600 032
5	Corporate address	Wockhardt Towers, Level-3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400 051
6	E-mail	secretarial@shriramfinance.in
7	Telephone	022 4095 9595
8	Website	www.shriramfinance.in
9	Financial year for which reporting is being done	2024-25
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital	Rs. 376,07,67,760
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. U. Balasundararao Company Secretary and Compliance Officer Contact: 022 4095 9595 Email: balasundar@shriramfinance.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone Basis
14	Name of assurance provider	Vinay and Keshava LLP
15	Type of assurance obtained	Reasonable Assurance on BRSR Core Indicators

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial Services	The Company focuses on providing financial support across a wide range of sectors, including commercial and passenger vehicles, construction and farm equipment, as well as loans for micro, small, and medium enterprises. It also offers financing options for two-wheelers, gold loans, and personal loans.	93.29%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1	Financial Services	64920*	93.29%

* Other Credit Granting



III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	3,220	3,220
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	31*
International (No. of Countries)	0

*(25 States + 6 Union Territories)

b. What is the contribution of exports as a percentage of the total turnover of the entity?	NA*

*The Company does not export any products or services.

c. A brief on types of customers	As one of the country's leading financial institutions, the Company takes pride in supporting the financial needs of the most vulnerable and underserved communities. Its core mission is to provide dependable and affordable financial solutions to Small Road Transport Operators (SRTOs) and First-Time Buyers (FTBs) of commercial vehicles, many of whom come from economically weaker backgrounds. Beyond vehicle financing, the Company also offer loans for equipment and business expansion, helping individuals and small businesses grow. The Company's services extend further to include financial support for small and medium enterprises, as well as a wide range of loans, from two-wheelers and three-wheelers to gold and personal loans.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	79,872	69,258	86.71%	10,614	13.29%
2	Other than Permanent (E)*	0	0	0%	0	0%
3	Total employees (D + E)	79,872	69,258	86.71%	10,614	13.29%
WORKERS**						
4	Permanent (F)	0	0	0%	0	0%
5	Other than Permanent (G)	0	0	0%	0	0%
6	Total workers (F + G)	0	0	0%	0	0%

*The Company does not have any employees in the 'Other than permanent' category.

** The Company does not have any staff in the 'Workers' category.

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	60	50	83.33%	10	16.67%
2	Other than Permanent (E)*	0	0	0%	0	0%
3	Total differently abled employees (D + E)	60	50	83.33%	10	16.67%
DIFFERENTLY ABLED WORKERS**						
4	Permanent (F)	0	0	0%	0	0%
5	Other than Permanent (E)	0	0	0%	0	0%
6	Total differently abled workers (F + G)	0	0	0%	0	0%

*The Company does not have any differently abled employees in the 'Other than permanent' category.

** The Company does not have any staff in the 'Workers' category.

21. Participation/Inclusion/Representation of women

Particular	Total	No. and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors (BoD)*	10	1	10%
Key Management Personnel (KMP)*	7	0	0%

*3 KMP (Mr. Umesh Revankar, Executive Vice Chairman; Mr. Y. S. Chakravarti, Managing Director and CEO; Mr. Parag Sharma, Managing Director and CFO) are covered under BoD and KMP both.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Particular	FY 2024-25			FY 2023-24*			FY 2022-23*		
	(Turnover rate in current FY)			(Turnover rate in previous FY)			(Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	30.35%	34.33%	30.86%	29.71%	33.07%	30.09%	30.23%	35.26%	30.74%
Permanent Workers**	0%	0%	0%	0%	0%	0%	0%	0%	0%

*During FY 2023-24 and FY 2022-23, the high turnover was on account of employees leaving the Company in less than one year from their date of joining. Calculation methodology is as per BRSR guidelines.

** The Company does not have any staff in the 'Workers' category.

*/** As per the Company's internal guidelines, the Turnover rate is as follows:

22.1 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Particular	FY 2024-25			FY 2023-24			FY 2022-23		
	(Turnover rate in current FY)			(Turnover rate in previous FY)			(Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.81%	24.16%	22.99%	21.77%	22.40%	21.85%	21.81%	23.52%	21.99%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

Turnover rate as per Company's internal guidelines = (Total number of relieved employees during the FY/ (Opening count of employees for the FY + Total count of employees added during FY)) *100.



V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
1	Shriram Automall India Limited	Associate	44.56%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
a. Turnover (in Rs.)	418,594,699,973.24
b. Net worth (in Rs.)	567,085,274,474.56

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) **	FY 2024-25			FY 2023-24		
		Current Financial Year			Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)*	Yes	3	1	The pending complaint was duly resolved as on the date of the report.	3	0	NA
Shareholders	Yes	18	0	NA	11	1	The pending complaint was duly resolved as on the date of the report.
Employees and workers	Yes	44	0	NA	6	0	NA
Customers	Yes	51,271	92	One complaint was pending as on date of the report.	16,553	462	The pending complaints were duly resolved as on the date of the report.
Value Chain Partners	Yes	0	0	NA	0	0	NA
Other (please specify)	NA	0	0	NA	0	0	NA

*Here 'Investors (other than shareholders)' refer to debenture holders of the Company.

**** Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)**

Stakeholder group from whom complaint is received	Web Link for Grievance Policy
Communities	https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Business-Responsibility-Policy.pdf
Investors (other than shareholders)	
Shareholders	
Employees and workers	https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Whistle-Blower-Vigil-Mechanism-Policy-2025_0.pdf
Customers	
Value Chain Partners	
Other (please specify)	

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG Emissions	Risk	The Company uses electricity in its offices and fuel for employee commutes and business travel, both of which contribute to direct and indirect greenhouse gas (GHG) emissions, such as carbon dioxide and methane. If not properly managed, these emissions and other pollutants from operations and related activities can pose significant legal and environmental risks for the Company.	The Company places a strong emphasis on sustainability and recognizes the importance of cutting down greenhouse gas emissions. The Company is committed to adopting eco-friendly policies, enhancing energy efficiency, and engaging in carbon offset programs as part of its ongoing sustainability efforts. These efforts are aimed at reducing its environmental footprint and contribute to building a more sustainable future.	Negative
2	Climate Change	Risk	Climate change poses various risks to business operations, ranging from physical threats like floods and wildfires to transitional challenges such as shifts in renewable energy policies and the introduction of carbon taxes. However, these challenges offer an opportunity to assess its vulnerabilities and take proactive steps to reduce potential risks.	To address the risks posed by climate change, the Company has developed a strategy focused on reducing its environmental footprint, supporting renewable energy investments, encouraging energy-saving practices, and promoting sustainable finance to strengthen climate resilience.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				As a part of this approach, the Company has also updated its lending policy to avoid financing older vehicles that are more likely to contribute to carbon emissions. This year, the Company has taken meaningful steps toward these goals, including: 1. Measuring and reporting the Scope 3 emissions, and 2. Introducing a Vendor Code of Conduct that includes key ESG (Environmental, Social, and Governance) criteria.	
3	Customer Support and Satisfaction	Risk	In the Non-Banking Financial Company (NBFC) sector, customer satisfaction plays a vital role. While a poor customer experience can put business continuity at risk, a positive experience can boost profitability and enhance the Company's brand image.	To minimise customer dissatisfaction, the Company focuses on clear communication, personalised services, prompt issue resolution, and continuous feedback collection. It also invests in robust complaint management systems, regular staff training, and strict compliance with regulatory standards, all to ensure customer satisfaction and maintain their trust.	Negative
4	Financial Inclusion	Opportunity	Financial inclusion is a key priority for the Company, as it plays a vital role in reducing economic inequality, improving quality of life, and increasing access to credit, ultimately driving economic growth. By focusing on financial inclusion, the Company is able to reach new customer segments, grow its client base, and promote financial literacy and stability within communities.		Positive
5	Responsible Financing	Opportunity	Responsible financing is a core value for the Company, as it ensures financial stability, protects borrower rights, and strengthens the Company's reputation. It also helps build trust in the financial system, reduces the risk of loan defaults, and supports long-term growth for the NBFC. In addition, ethical lending practices can attract more investment and contribute to the country's overall economic development.	The Company's approach to responsible financing involves thoroughly assessing borrowers and their collateral, strictly following regulatory guidelines, and maintaining strong internal governance. It also includes using effective risk assessment frameworks, promoting financial literacy, and fostering transparency and accountability in all financial transactions.	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Data Security and Privacy	Risk	The Company recognises the critical importance of data security and privacy, especially in the NBFC sector where large volumes of sensitive information are handled. Protecting customer data remains one of the highest priorities.	To protect against data security and privacy threats, the Company has put robust measures in place, including strict access controls, encryption of sensitive information, regular security assessments, and employee training programs focused on responsible data handling practices.	Negative
7	Employee Wellbeing	Risk	Prioritising employee well-being boosts morale and has a positive impact on overall performance. It also helps reduce recruitment-related costs by improving retention and job satisfaction.	The Company is dedicated to supporting employee well-being and enhancing productivity. The Company conducts regular health check-ups, promote a healthy work-life balance, provide access to mental health resources, offer stress management training, and ensure a secure and welcoming work environment for all.	Negative
8	Diversity and Inclusion	Opportunity	A strong culture of diversity and inclusion reflects a workplace where employees feel valued, respected, and a true sense of belonging. By actively supporting underrepresented groups, the Company not only fosters equity but also builds a positive, community-focused brand image.		Positive
9	Corporate Governance	Risk	Companies are assessed based on how they manage key governance issues like ownership structure, executive compensation, financial transparency, ethical behavior, and tax disclosure. These factors reflect the Company's overall governance standards and their impact on shareholders and the wider investment community.	To address corporate governance challenges, the Company puts strong internal policies in place, conducts regular audits, ensures strict compliance with legal standards, and fosters a culture of transparency and accountability. It also prioritizes effective risk management to safeguard stakeholder interests.	Negative
10	Business Ethics	Risk	Upholding business ethics involves effectively managing and addressing issues such as fraud, executive misconduct, corruption, money laundering, and violations of competition laws. Failing to maintain ethical standards can lead to legal action, hefty fines, settlement costs, and serious damage to the Company's reputation.	The Company maintains high ethical standards through a comprehensive risk mitigation strategy. This includes regular training to promote ethical behavior among employees, strict regulatory compliance, strong internal governance, and thorough client due diligence. These efforts are essential to preserving the Company's integrity and building stakeholder trust.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Regulatory Compliance	Risk	Regulatory compliance is crucial for companies to ensure their operations align with legal requirements and industry standards. Failing to comply can result in serious consequences, including financial penalties, legal action, and damage to the Company's reputation and consumer trust.	The Company ensures compliance with applicable legal and regulatory standards by maintaining accurate records, conducting regular internal audits, providing ongoing employee training, and engaging with regulatory authorities to stay updated on evolving requirements.	Negative
12	Fraud Risk Management	Risk	As a NBFC, managing fraud risk is a top priority. Fraudulent activities can lead to significant financial losses and damage the Company's reputation, ultimately undermining customer trust and confidence.	The Company takes a comprehensive approach to minimising fraud risks. This includes regular internal audits, strengthening governance practices, leveraging anti-fraud technologies, promoting a culture of integrity, and providing ongoing training to employees, all aimed at protecting stakeholders and maintaining trust.	Negative
13	Innovation	Opportunity	For a NBFC, embracing digital and business innovation is essential. It enhances operational efficiency, reduces costs, improves customer service, and expands market reach. Adopting digital solutions is also crucial to staying competitive and meeting the evolving expectations of consumers in today's fast-paced, technology-driven financial landscape.		Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1. a	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
c	Web Link of the Policies, if available	P1 to P9: https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Business-Responsibility-Policy.pdf P1: 1. https://cdn.shriramfinance.in/sfl-kalam/files/2024-05/Code-of-Conduct-for-Board-of-Directors-and-Senior-Management-Personnel.pdf?VersionId=2ABENRnbZZ29CJaAf1l9nf4WCQ5p6Cef 2. https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Whistle-Blower-Vigil-Mechanism-Policy-2025.pdf 3. https://cdn.shriramfinance.in/sfl-kalam/files/2023-08/10.Policy%20on%20Board%20Diversity%20_0.pdf P3: 1. https://cdn.shriramfinance.in/sfl-kalam/files/2023-08/Equal-Opportunity-Policy_0.pdf 2. https://cdn.shriramfinance.in/sfl-kalam/files/2024-06/Remuneratio-Policy-2024.pdf?VersionId=ajNXMI9isO0.DB.6TJdQ9JpeH8Ydh6Ua P4 to P8: https://cdn.shriramfinance.in/sfl-kalam/files/2023-08/4.Corporate%20Social%20Responsibility%20Policy%20_0.pdf								
2	Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	-	-	-	-	-	-	-	ISO/IEC 27001: 2022
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	As part of its ongoing sustainability journey, the Company has placed a strong emphasis on enhancing its ESG performance year after year. The Company is committed to strengthening its ESG reporting by focusing on key areas such as carbon neutrality, sustainable finance, financial inclusion, digital innovation, diversity and inclusion, and robust governance practices. The Company is actively working on the development of a robust Decarbonization and Net Zero Roadmap to reduce Scope 1 and Scope 2 emissions, supporting our long-term sustainability objectives and commitment to climate action.								

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company has made significant progress in its sustainability efforts during the current financial year. The Company has expanded the scope of its greenhouse gas (GHG) emissions tracking to cover five categories of Scope 3 emissions across all 3,220 branches and offices. These include: Category 1: Purchased Goods and Services Category 2: Capital Goods Category 3: Fuel and Energy-related Activities Category 5: Waste Generated in Operations Category 6: Business Travel Category 7: Employee Commute Additionally, the Company has taken steps to bring its value chain partners under its ESG framework. This year, it introduced a Value Chain Code of Conduct that outlines the ESG-related roles and responsibilities of these partners, fostering greater transparency and accountability across operations. To further strengthen its ESG reporting, the Company has enhanced its internal systems for collecting and monitoring BRSR (Business Responsibility and Sustainability Reporting) data. These improvements aim to reduce errors and improve the transparency, accuracy, and traceability of the information reported.								
Governance, leadership and oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure). Dear Stakeholders, I am pleased to present the BRSR for Shriram Finance Limited (SFL), a leading retail NBFC committed to driving positive change in our society and environment. Our range of credit solutions includes commercial vehicles, two-wheeler loans, car loans, gold loans, personal loans, and small business loans. We recognise that we have the dual responsibility of ensuring sustainable finance and protect the environment in our day-to- day activities. To that end, as a corporate entity, we are committed to extend financial assistance for vehicles that are run on alternate fuels and have also implemented stringent policies that discourage financing older vehicles with higher emissions. Additionally, we have transitioned to digital processes to reduce paper wastage and embraced energy-efficient lighting fixtures and gadgets to conserve energy. Water-saving measures such as sensor-based taps and water harvesting have also been adopted to minimise water wastage. At SFL, we understand the significance of social responsibility and the impact of communities on our shared future. To this end, we have undertaken initiatives to support education, healthcare, and skill development for underprivileged sections of society. We are proud to announce that we have provided scholarships to more than 3,80,000 underprivileged children from various regions in the country. Furthermore, our preventive healthcare program for truckers has established mobile medical units across 15 locations in 11 states, benefiting over 14,00,000 trucking community at large. In addition, we have trained and upskilled more than 1,00,000 truck drivers and also 5,512 youth from disadvantage background were trained in the field of Automotive Two Wheeler repair & services. Our Corporate governance is of utmost importance to us, and we are dedicated to achieving transparency and governance goals. We adhere to established policies and frameworks that guide ethical decision-making in all our engagements. Our commitment to employee welfare is unwavering, as we provide comprehensive benefits including life, health, and accidental insurance. We also conduct skill development workshops to encourage the professional growth of our employees.									

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Looking ahead, SFL is steadfast in its dedication to promote Environmental, Social and Governance (ESG) practices. By incorporating ESG principles into our operations, we firmly believe that we can create a sustainable future for all. Thank you for your continued support and partnership. Sincerely, Mr. Y. S. Chakravarti Managing Director and CEO Shriram Finance Limited									
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). Mr. Y. S. Chakravarti, Managing Director & CEO is responsible for the implementation and oversight of the Business Responsibility policy. Mr. S. Sunder, Joint Managing Director is Business Responsibility Head of the Company.									
	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No).									Yes
	If Yes please provide details									
9	The primary role of Environmental, Social and Governance Committee (“ESG Committee”) is to assist the Board in fulfilling its oversight role regarding ESG matters crucial to the Company’s operations. This involves identifying key ESG matters, aiding the Board on the relevant ESG issues, as well as exercising oversight in shaping the Company’s Sustainability and ESG strategy. Following is the composition of the ESG Committee:									
	Name of the Committee member		DIN		Designation of the Committee member					
	Mr. Jugal Kishore Mohapatra		03190289		Chairman, Independent Director					
	Mr. S. Ravindran		09778966		Member, Independent Director					
	Ms. M. V. Bhanumathi		10172983		Member, Independent Director					
	Mr. Umesh G. Revankar		00141189		Member, Executive Vice Chairman					
	Mr. Y. S. Chakravarti		00052308		Member, Managing Director & CEO					
	Mr. Parag Sharma		02916744		Member, Managing Director & CFO					
	Mr. S. Sunder				Member, Joint Managing Director					

10 Details of Review of NGRBCs by the Company:

Subject for Review		Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
a.	Performance against above policies and follow up action	ESG Committee								
b.	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Managing Director and CEO								
Subject for Review		Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
a.	Performance against above policies and follow up action	Annually								
b.	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Quarterly								
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No).	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	If yes, provide name of the agency.	Vinod Kothari Consultants Private Limited								

12	If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:	P1	P2	P3	P4	P5	P6	P7	P8	P9
	The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	The entity does not have the financial or/ human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practices and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	10	- Detailed presentation which includes micro and macroeconomic factors impacting the industry in general - Discussion on Global economy, foreign bankers view on Indian economy, banking industry, financial environment, anticipation of future borrowing/lending rates. - Significant changes in regulatory environment. - Functioning of various Committees of the Board and business and operations of the Company, risk management, IT strategies, internal control system etc. - Redressal of customers and investors complaints, risk management framework, quarterly and financial results through the Board/Committee meetings - Updates on BRSR Reporting - Matters related to ESG and Sustainability Report - Discussion on various Employee benefit plans, operational procedures, regulatory requirements and impact on the Company's financials	100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Key Managerial Personnel (KMP)	12	- Detailed presentation which includes micro and macroeconomic factors impacting the industry in general - Discussion on Global economy, foreign bankers view on Indian economy, banking industry, financial environment, anticipation of future borrowing/lending rates. - Significant changes in regulatory environment. - Functioning of various Committees of the Board and business and operations of the Company, risk management, IT strategies and internal control system etc. - Redressal of customers and investors complaints, risk management framework, quarterly and financial results through the Board/Committee meetings - Updates on BRSR Reporting - Matters related to ESG and Sustainability Report - Discussion on various Employee benefit plans, operational procedures, regulatory requirements and impact on the Company's financials - Discussion on Social Finance Framework - Training on compliances under the Company's Prohibition of Insider Trading Code - Discussion on new avenues for raising funds - Updates on CSR Reporting	100%
Employees other than BOD and KMPs	3,078	- Induction Training Programme for Employees - Branch Managers Training - Branch Team Leaders Training - Leadership Training program - Gold Appraiser Training - Digital Application Training - SME Training Institutional - Refresher or Product Training - MyCoach Online Training	100%
Workers	NA	NA	NA

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in Rs.) (For Monetary Cases only)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	P1	RBI	5,80,000	During the period under review, the Company has received a Show Cause Notice from RBI dated June 05, 2024 for non- compliance of certain RBI directions observed during the statutory	No

Monetary					
Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in Rs.) (For Monetary Cases only)	Brief of the Case	Has an appeal been preferred? (Yes/No)
				inspections with reference to financial position of the Company as on March 31, 2023. The Company has submitted its response to the said Show Cause Notice on June 26, 2024. In this regard, RBI had levied a penalty of Rs. 5.80 lakhs on the Company which was paid by the Company on February 25, 2025. This penalty has no material impact on financial, operations or other activities of the Company.	
Settlement	NA	NA	NA	NA	NA
Compounding fee	NA	NA	NA	NA	NA

Non-Monetary					
Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment					
Punishment					
			NA		

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA*	NA*

*There were no cases where appeal/revision was preferred in the reporting period.

4. Does the entity have anti-corruption or anti-bribery policy? (Yes/ No)

Yes.

If Yes, provide details in brief

The Company is committed to upholding the highest standards of integrity and fairness in all its business dealings. The Company strictly prohibits any form of abusive, corrupt, or anti-competitive practices, ensuring the operations promote a healthy, ethical, and competitive business environment. This commitment is integral to its corporate values and is enforced through the Business Responsibility Policy.

The Company places immense emphasis on Integrity and Ethical conduct in all its business affairs and conduct of its employees across all the levels. Accordingly, employees are expected to strictly comply with and adhere to the Company's Code of Conduct Policy. The Company is committed to comply with all relevant anticorruption legislations such as Prevention of Corruption Act, 1988 and Prevention of Money Laundering Act, 2002, as amended from time to time.

If Yes, Provide a web link to the policy, if available -Web link anti-corruption or anti bribery policy is place

<https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Whistle-Blower-Vigil-Mechanism-Policy-2025.pdf>

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particular	FY 2024-25	FY 2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

Case Details	FY 2024-25		FY 2023-24	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.	NA*

*There were no such cases in the reporting period.

8. Number of days of accounts payables in the following format:

Particular	FY 2024-25*	FY 2023-24*
Number of days of accounts payables	35	32

*For the purpose of this calculation:

- Accounts Payable includes trade payables (Note no. 21(I)) and Other payables (Note no. 21(II) from Audited Standalone Financial Statement (FS) for the financial year ended March 31, 2025).
- Cost of Goods/Services procured includes other expenses (Note no. 42 from FS), Fees and commission expenses (Note no. 38 from FS) and gross capex additions (Note no. 17 and 18(III) from FS), while excluding derecognition of goodwill.
- The methodology for calculating accounts payable has been revised in FY 2025 due to updated guidelines for calculating “Purchases” as per the Industry Standards.

Link to the Industry Standards: <https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Industry%20Standards%20Note%20on%20BRSR%20with%20Annexure.pdf>

#The Company has revised its calculation methodology to better align with best practices, including the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core, resulting in an updated figure for the previous financial year.

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24 [#]
Concentration of Purchases*	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0	0



Parameter	Metrics	FY 2024-25	FY 2023-24*
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0	0
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0	0
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	26.44%	30.44%
	b. Sales (Sales to related parties / Total Sales)	0.71%	1.15%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d. Investments (Investments in related parties / Total Investments made)	0.15%	14.77%

*Due to the nature of the Company's business, there are no purchases from trading houses.

#The Company has revised its calculation methodology to better align with best practices, including the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core, resulting in an updated figure for the previous financial year.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	- Create value in a responsible manner - Ethical practices for procurement - Environment and Social Governance - Green energy - Community engagement	10%

2.	Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)	Yes
	If Yes, provide details of the same.	
	The Company obtains an annual declaration from its Directors and Senior Management Personnel, affirming their compliance with the Code of Conduct applicable to both the Board and senior leadership. In addition, the Company conducts regular internal audits to ensure continued adherence to the Code and to reinforce a culture of accountability and integrity.	

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

(This principle highlights the importance of sustainable and safe production practices. Companies should strive to minimise the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

Essential Indicator

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Sr. No.	Particular	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
1	R&D	0	0	NA*
2	Capex	0	0	NA*

*The Company has not invested in R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts.

2.	a.	Does the entity have procedures in place for sustainable sourcing? (Yes/No)	No
	b.	If yes, what percentage of inputs were sourced sustainably?	0%
3.	Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for		
	(a)	Plastics (including packaging)	NA*
	(b)	E-waste	NA*
	(c)	Hazardous waste	NA*
	(d)	other waste	NA*

* This is not applicable to SFL as the Company is primarily engaged in the business of financing and does not manufacture any physical products.

4.	a.	Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No)	No*
	b.	If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?	NA*
	c.	If not, provide steps taken to address the same	NA*

* This is not applicable to SFL as the Company is primarily engaged in the business of financing and does not manufacture any physical products.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?

NA*

If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	If yes, provide the web-link.

*Life Cycle Perspective / Assessments (LCA) does not apply to the Company's operations, as it is a financial services entity and not a manufacturing business.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Sr. No.	Name of Product/Service	Description of the risk/concern	Action Taken

NA*

*This is not applicable to the Company as it is primarily engaged in the business of financing and does not manufacture any physical products.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Sr. No.	Indicate input material	Recycled or re-used input material to total material (In % to Total Material considering the Value)	
		FY 2024-25	FY 2023-24

NA*

*This is not applicable to the Company as it is primarily engaged in the business of financing and does not manufacture any physical products.



4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Sr. No.	Particular	FY 2024-2025			FY 2023-2024		
		Re-Used (In MT)	Recycled (In MT)	Safely Disposed (In MT)	Re-Used (In MT)	Recycled (In MT)	Safely Disposed (In MT)
1	Plastics (including packaging)	NA*	NA*	NA*	NA*	NA*	NA*
2	E waste	NA*	NA*	NA*	NA*	NA*	NA*
3	Hazardous waste	NA*	NA*	NA*	NA*	NA*	NA*
4	Other waste	NA*	NA*	NA*	NA*	NA*	NA*

*Not applicable as the Company is a financial services entity and the same is not significant.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Sr. No.	Indicate product category	Reclaimed products and their packaging materials (as % of total products sold in respective category)
		NA*

*The Company is a Non-Banking Financial company and does not manufacture or sell physical products or packaging materials that require reclamation.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

(This principle emphasises the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

Essential Indicators

1 a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	69,258	69,258	100%	69,258	100%	0	0%	0	0%	0	0%
Female	10,614	10,614	100%	10,614	100%	10,614	100%	0	0%	0	0%
Total	79,872	79,872	100%	79,872	100%	10,614*	100%	0	0%	0	0%
Other than permanent employees**											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

*Maternity leave benefit has been extended to all female employees of the Company.

**There are no employees in the 'other than permanent' category

1. b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers *											
Male	NA										
Female											
Total											
Other than permanent workers *											
Male	NA										
Female											
Total											

* The Company does not have any staff in the 'Workers' category.

1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2024-25*	FY 2023-24
Cost incurred on well- being measures as a % of total revenue of the Company	0.22%	0.20%

*The methodology for calculating cost on well-being measures has been revised in FY 2024-25 due to updated guidelines as per the Industry Standards.

Link to the Industry Standards: <https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Industry%20Standards%20Note%20on%20BRSR%20with%20Annexure.pdf>

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers**	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers**	Deducted and deposited with the authority (Y/N/NA)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI*	57%	NA	Yes	62%	NA	Yes
Others – please specify	0	0	0	0	0	0

*ESI is given to 100% of eligible personnel.

**The Company does not have any staff in the 'Workers' category.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. The Company is fully committed to supporting its differently abled employees. The Company ensures that all its premises and offices are accessible and inclusive, providing a supportive environment wherever such employees are engaged.

If not, whether any steps are being taken by the entity in this regard : NA



4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

Yes

If so, provide a web-link to the policy.

<https://cdn.shriramfinance.in/uploads/investor/pdf/Equal-Opportunity-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers*	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	0%	0%	NA	NA
Female	92.79%	75.00%	NA	NA
Total	92.79%	75.00%	NA	NA

*The Company does not have any staff in the 'Workers' category.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	NA*	
Other than Permanent Workers	NA*	
Permanent Employees	Yes	The Human Resources Management System (HRMS) Portal is accessible to all employees for submitting their concerns or grievances. It is monitored by the Company's HR Head, who ensures strict confidentiality in handling each case. The HR Head remains committed to addressing and resolving all issues in a timely and effective manner.
Other than Permanent Employees	NA**	

* The Company does not have any staff in the 'Workers' category.

** The Company has no staff in the 'Other than Permanent Employees'.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent employees	79,872	0	0%	74,645	0	0%
Male	69,258	0	0%	65,560	0	0%
Female	10,614	0	0%	9,085	0	0%
Total Permanent Workers*						
Male						
Female						

NA

*The Company does not have any staff in the 'Workers' category.

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	69,258	67,158	96.97%	67,158	96.97%	65,560	62,193	94.86%	62,193	94.86%
Female	10,614	10,340	97.42%	10,340	97.42%	9,085	8,425	92.74%	8,425	92.74%
Total	79,872	77,498	97.03%	77,498	97.03%	74,645	70,618	94.61%	70,618	94.61%
Workers*										
Male	NA									
Female										
Total										

*The Company does not have any staff in the 'Workers' category.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (D)	No. (E)	% (E/D)
Employees						
Male	69,258	58,142	83.95%	65,560	52,593	80.22%
Female	10,614	8,402	79.16%	9,085	6,669	73.41%
Total	79,872	66,544	83.31%	74,645	59,262	79.39%
Workers*						
Male	NA					
Female						
Total						

*The Company does not have any staff in the 'Workers' category.

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No)	Yes
If Yes, the Coverage such systems?	
The Company acknowledges that its business operations are not associated with occupational health and safety hazards. Nevertheless, the well-being of its employees remains a top priority. To support this, first aid kits are made available at all offices. Additionally, the Company promotes road safety by encouraging the use of helmets through regular awareness and training programs.	
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	
The Company has instituted a structured employee review process to identify and address any workforce concerns, including work-related hazards. Any identified risks are promptly communicated to the management, and appropriate corrective actions are taken. Furthermore, all Company business locations are equipped with fire extinguishers, and regular fire drills are conducted to ensure preparedness and safety.	
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/ No)	NA*
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes

*The Company does not have any staff in the 'Workers' category.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	NA**	NA**
Total recordable work-related injuries	Employees	0	0
	Workers	NA**	NA**
No. of fatalities	Employees	0	0
	Workers	NA**	NA**
High-consequence work-related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	NA**	NA**

*Including in the contract workforce.

**The Company does not have any staff in the 'Workers' category.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company places high importance on the health and safety of its employees and their family members. SFL provides comprehensive health insurance (including coverage for family members), term life insurance, and personal accident insurance to all employees.

Field staff are regularly reminded to prioritise road safety through periodic SMS and email communications. Additionally, all branches and offices are equipped with fire extinguishers, and fire safety drills are conducted at regular intervals to ensure preparedness.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	1	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessment for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)*
Health and safety practices	100%
Working Conditions	100%

*Each branch is regularly visited by senior officials and internal auditors of the Company. As part of the visit, the working conditions and health and safety practices are observed and checked.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

NA*

*There were no incidents during the reporting period.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N)	Yes
(B) Workers (Y/N)	NA*

*The Company does not have any staff in the 'Workers' category.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company diligently ensures that all statutory payment challans from the previous month are attached to the current month's invoices for regular vendors. This practice reflects the Company's commitment to transparent, accountable, and compliant financial transactions.

3. Provide the number of employees/workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been/ are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particular	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	0	0
Workers*	NA	NA	NA	NA

*The Company does not have any staff in the 'Workers' category.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed*
Health and safety practices	0%
Working Conditions	0%

*The Company is in the process of developing a due diligence process for its value chain partners, which will help in checking and ensuring compliances on health & safety practices and working conditions. As a part of its existing compliance efforts, it is mandatory for all the suppliers to sign the suppliers code of conduct stating that their business is in compliance with all human rights aspects including working conditions.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

NA*

*No significant risks or concerns were identified during the reporting period with respect to the health and safety practices or working conditions of value chain partners; hence, no corrective actions were required.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company views stakeholder identification as a key component of its operational success. This process begins with a thorough analysis of the Company's activities to accurately identify primary stakeholders, including employees, customers, investors, shareholders, suppliers, vendors, government bodies, and regulatory authorities. Additionally, SFL acknowledges the importance of the local communities in which it operates, considering them essential stakeholders in its engagement efforts. By understanding the expectations and concerns of these diverse groups, the Company proactively addresses risks, fosters trust, and builds long-term, sustainable relationships. SFL's commitment to ongoing stakeholder engagement ensures it remains informed, agile, and responsive to evolving needs.



2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, SMS, Newspaper, Website	Quarterly	To share updates of the Company and to call for meetings
Investors	No	Email, Newspaper, Website, Investor meetings and presentations	Monthly	To share updates of the Company like business strategy and performance, market outlook, etc.
Vulnerable Customers	Yes	Email, SMS, Newspaper, Website, Whatsapp, Shriram One Super App	As required	To share new offerings, intimate about interest rate changes, redressal of complaints and CSR activities.
Other Customers	No	Email, SMS, Newspaper, Website, Whatsapp, Shriram One Super App	As required	To share new offerings, intimate about interest rate changes and redressal of complaints
Employees	No	Email, Website and engagement events	As required	To share updates of the Company, health and safety related-information, learning and development, employee benefits and work-related updates
Government and Regulators	No	Email, Documents	As required	To update on various compliances, financial performance and to seek approvals
Value Chain Partners	No	Email	As required	To further strengthen the business relationship and update about the Company
CSR Community	Yes	In-person, Community meetings	During and after the project implementation	To gather feedback and understand needs and engage them in the projects

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company is committed to fostering transparent communication by keeping stakeholders informed about decisions that impact them, while also protecting sensitive business information and strategic data. At SFL, stakeholder engagement is a continuous process, actively driven by the senior management team. The ESG Committee is kept regularly informed on the outcomes of these engagements, enabling it to provide guidance and feedback on relevant matters.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). Yes.

If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Continuous stakeholder engagement is essential for aligning with their expectations and strengthening the Company's ability to serve them effectively. Regular interaction ensures responsiveness to stakeholder needs and enables the Company to address concerns in a timely and constructive manner.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

Through its Corporate Social Responsibility (CSR) policy, the Company has initiated various programs to support marginalised, vulnerable, and underprivileged communities. A key initiative includes an upskilling program for truck drivers, aimed at enhancing their professional capabilities and improving their earning potential. Upon completion, participants undertake an online assessment and are awarded a Level 4 certificate by the Logistics Sector Skill Council (LSC), accredited by Skill India.

Additionally, the Company has conducted comprehensive CSR impact assessments for its major programs, including the Commercial Vehicle Drivers' Upskilling Program, the STFC India Meritorious Scholarship Program, and research and teaching initiatives at the Chennai Mathematical Institute (CMI) focused on mathematics, physics, computer sciences, and basic sciences (erstwhile SCUF).

A) Commercial Vehicle Drivers' Upskilling Program

Impact: The program trained over 16,700 commercial truck drivers across 8 states, addressing crucial areas such as road safety, digital and financial literacy, health awareness, and certification. Significant improvements were observed in knowledge (97% increase in road safety awareness, 59% in digital/financial literacy) and income (22% of participants reported income increases). Health camps reached 64% of drivers, with 91% finding them useful.

Sustainability: The program's sustainability is evident from the continued support provided to 74 participants post-training, ensuring long-term benefits in terms of skill retention and livelihoods. The certification facilitated license renewal, despite delays. Majority of participants did not require further job assistance, showcasing the program's effectiveness in empowering drivers for the long term.

B) Meritorious Scholarship Program

Impact : The Meritorious Student Scholarship Program by the Company is aimed at supporting the undergraduate education of academically bright students from low-income families, especially those dependent on commercial trucking as their primary livelihood. The scholarship program has had a significant impact, with 86.9% of beneficiaries completing college without any dropouts, of whom 33.4% secured employment and 49.1% enrolled in higher education.

Sustainability : The program has led to improved household economic conditions, with 43.8% of employed beneficiaries now earning over Rs. 3 lakhs annually, significantly boosting their families' income.

C) Chennai Mathematical Institute (CMI)

Impact : As regards employment opportunity CMI has already creating impressive impact in terms of contributing faculty to leading academic institutions and abroad. Research scholars, Post-Doctoral Fellows, faculty and adjunct faculties have provided.

Sustainability: Conducive environment with regular interaction, participating in seminars, workshops, help in building further knowledge and enhancing the retention of quality human resources in the field of basic science. The portal takes the best teaching learning resources to all, including the most disadvantaged.

PRINCIPLE 5: Businesses should respect and promote human rights.

(This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.)

Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Benefits	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	79,872	77,498	97.03%	74,645	70,618	94.60%
Other than permanent	0	0	0	0	0	0%
Total Employees	79,872	77,498	97.03%	74,645	70,618	94.60%
Workers*						
Permanent	NA					
Other than permanent						
Total Workers						

* The Company does not have any staff in the 'Workers' category.

- Details of minimum wages paid to employees and workers

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (BA)	No. (C)	% (C / A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	69,258	4,085	5.90%	65,173	94.10%	65,560	3,218	4.91%	62,342	95.09%
Female	10,614	1,806	17.02%	8,808	82.98%	9,085	1,243	13.68%	7,842	86.32%
Total	79,872	5,891	7.38%	73,981	92.62%	74,645	4,461	5.98%	70,184	94.02%
Other than Permanent*										
Male	NA									
Female										
Total										
Workers**										
Permanent										
Male	NA									
Female										
Total										
Other than Permanent										
Male	NA									
Female										
Total										

*The Company does not have any employees in the 'Other than permanent' category.

**The Company does not have any staff in the 'Workers' category.

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Particular	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Rs.)	Number	Median remuneration/ salary/ wages of respective category (Rs.)
Board of Directors (BOD)*	10	36,57,500	2	29,97,500
Key Managerial Personnel**	4	1,24,36,425	0	0
Employees other than BOD and KMP	69,251	3,08,487	10,614	2,29,790
Workers***	NA	NA	NA	NA

Note:

- *The remuneration of Board of Directors includes the remuneration paid to Executive Directors. For Independent Directors, it includes the sitting fees paid and the commission to be paid for attending Board and Committee meetings.
- **Includes data pertaining to two Independent Directors of the Company who ceased to be on the Board, namely Mr. Srinivasan Sridhar (ceased w.e.f. October 20, 2024) and Mrs. Maya Swaminathan Sinha (ceased w.e.f. December 04, 2024).
- **Excluding 3 KMPs already covered under Board of Directors.
- ***The Company does not have any staff in the 'Workers' category.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2024-25*	FY 2023-24#
Gross wages paid to females as % of total wages	9.48%	8.11%

*The disclosed percentage represents the proportion of gross wages paid to female employees against total wages, based on employee-wise cost allocation and gender data from the HR master.

#The Company has revised its calculation methodology to better align with best practices, including the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core, resulting in an updated figure for the previous financial year.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company has constituted state-wise Internal Complaints Committees (ICC) in compliance with Section 4(1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Each ICC includes a presiding officer, three internal members, and one external member. Employees can submit complaints via email to the presiding officer. The ICC is dedicated to ensuring timely and appropriate redressal, with all grievances resolved within 30 days of receipt.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	4	0	NA	6	2	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA



Particulars	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Forced Labour / Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	4	6
Complaints on POSH as a % of female employees / workers	0.04%	0.07%
Complaints on POSH upheld	1	1

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company has set up state-specific Internal Complaints Committees (ICCs) to address matters under the Prevention of Sexual Harassment (POSH) Act. All other employee grievances are managed through the dedicated employee portal, which is overseen by the Company's Head of HR. Confidentiality of the complainant's identity is strictly maintained throughout the resolution process.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

Name of the Assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	0%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

NA*

*There were no such cases.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

Though the number of human rights complaints is not significant to the total employee base, the Company has prioritised POSH (Prevention of Sexual Harassment) training. It has made POSH awareness a mandatory component of all employee training programs to prevent recurrence of such incidents. Ensuring the safety and well-being of all staff members remains a top priority for the Company.

2. Details of the scope and coverage of any Human rights due diligence conducted.

The Company has a mechanism to track human rights related queries and grievances raised by the employees via Human Resources Management System (HRMS) Portal which is accessible to all employees. This system facilitates the submission of grievances, ensuring that all complaints are recorded, monitored, and addressed promptly for effective resolution.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

The Company are committed to fully adhering to the Persons with Disabilities Act, 2016 by continuously upgrading its facilities to ensure they are accessible to everyone, including individuals with disabilities.

4. Details on assessment of value chain partners:

Name of the Assessment	% of value chain partners (by value of business done with such partners) that were assessed*
Sexual harassment	0%
Discrimination at workplace	0%
Child Labour	0%
Forced Labour/Involuntary Labour	0%
Wages	0%
Others – please specify	0%

*The Company is in the process of developing a due diligence process for its value chain partners, which will help in checking and ensuring compliances on aspects of human rights and regulations. As a part of its existing compliance efforts, it is mandatory for all the suppliers to sign the suppliers code of conduct stating that their business is in compliance with all human rights and other laws mandated by legal body.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

The Company did not identify any significant risks or concerns in the areas mentioned above during the year under review; therefore, no corrective actions were required.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

(This principle emphasises the importance of environmental stewardship. Companies should minimise their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

Essential Indicators**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024-25 (in Giga Joules)	FY 2023-24 (in Giga Joules)
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	1,22,127.84	1,01,662.56
Total fuel consumption (E)	61,735.77	64,202.49
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	1,83,863.61	1,65,865.05
Total energy consumed (A+B+C+D+E+F)*	1,83,863.61	1,65,865.05



Parameter	FY 2024-25 (in Giga Joules)	FY 2023-24 (in Giga Joules)
Energy intensity per rupee of turnover [Total energy consumed (in GJ) / Revenue from operations (in rupees)]	0.0000004392	0.0000004739
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** [Total energy consumed (in GJ)/ Revenue from operations in rupees adjusted for PPP]	0.0000090747	0.0000097915
Energy intensity in terms of physical output [Total energy consumed (in GJ) / Full Time Equivalent] ***	2.3019782903	2.2220517114
Energy intensity (optional metrics)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes

If yes, name of the external agency. Vinay and Keshava LLP

*Energy consumption has been calculated using spend-based method for locations where electricity units were not monitored.

**The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor of 20.66, as published by the International Monetary Fund (IMF) for India for the financial years 2024–25 and 2023–24.

***As per the Industry Standards Forum, Full-Time Equivalent (FTE) has been considered as the input measure for physical output.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No) NA*

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

*The PAT Scheme is not applicable to the Company considering the nature of its business operations.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25*	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	11,21,402.88	8,62,426.21
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	11,21,402.88	8,62,426.21
Total volume of water consumption (in kilolitres)	11,21,402.88	8,62,426.21
Water intensity per rupee of turnover [Total water consumption (in KL) / Revenue from operations (in rupees)]	0.0000026790	0.0000024642
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total water consumption (in KL) / Revenue from operations in rupees adjusted for PPP]**	0.0000553475	0.0000509113
Water intensity in terms of physical output [Total water consumption (in KL) / Full Time Equivalent]***	14.0400000000	11.5537036640
Water intensity (optional metrics)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes
(Yes/No)

If yes, name of the external agency. Vinay and Keshava LLP

*As per CGWA guidelines, the estimated water consumption for all offices is based on an assumption of 45 litres per person, per day (312 days) and is included in third party water.

**The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor of 20.66, as published by the International Monetary Fund (IMF) for India for the financial years 2024–25 and 2023–24.

***As per the Industry Standards Forum, Full-Time Equivalent (FTE) has been considered as the input measure for physical output.

4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
No treatment	11,21,402.88	8,62,426.21
With treatment – please specify level of treatment	0	0
(v) Others	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)*	11,21,402.88	8,62,426.21

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes
(Y/N)

If yes, name of the external agency.

Vinay and Keshava LLP

*The total value for water consumed reported in Question 3 above has been taken as water discharged, assuming 100% water consumed as water discharged.

5. Has the entity implemented a mechanism for Zero Liquid Discharge?

No

If yes, provide details of its coverage and implementation.

NA*

*Zero Liquid Discharge is not applicable to the Company given the nature of its operations as a Non-Banking Financial Company, where water usage is limited primarily to domestic and office purposes. However, the Company ensures responsible water usage across its facilities.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	NA*	0	0
SOx		0	0
Particulate matter (PM)		0	0
Persistent organic pollutants (POP)		0	0
Volatile organic compounds (VOC)		0	0
Hazardous air pollutants (HAP)		0	0
Others – please specify		0	0



Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)	NA*
If yes, name of the external agency.	NA*

*The nature of the Company's business activities is such that there are no air emissions.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter*	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)**	Metric tonnes of CO ₂ equivalent	4,236.19	3,963.44
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	24,663.04	20,219.56
Total Scope 1 and Scope 2 emissions per rupee of turnover	Total Scope 1 and Scope 2 GHG emissions (in MTCO ₂ e)/Revenue from operations (in rupees)	0.0000000690	0.0000000691
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)***	Total Scope 1 and Scope 2 GHG emissions (in MTCO ₂ e)/Revenue from operations in rupees adjusted for PPP	0.0000014263	0.0000014276
Total Scope 1 and Scope 2 emission intensity in terms of physical output****	Total Scope 1 and Scope 2 emissions/ Full Time Equivalent (FTE)	0.3618192859	0.3239734744
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity per employee		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)	Yes
If yes, name of the external agency.	Vinay & Keshava LLP

*Source of emission factors used - EPA's GHG Emission Factors Hub, CEA's CDM - CO₂ Baseline Database User Guide Version 20 has been used for the purpose of GHG Emissions calculations.

**Refill gas consumption in air conditioners are excluded from Scope 1 calculations due to active Annual Maintenance Contracts (AMC) with vendors.

***The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor of 20.66, as published by the International Monetary Fund (IMF) for India for the financial years 2024-25 and 2023-24.

****As per the Industry Standards Forum, Full-Time Equivalent (FTE) has been considered as the input measure for physical output.

8. Does the entity have any project related to reducing Green House Gas emission?

Yes

If Yes, then provide details.

The Company has undertaken multiple initiatives to implement meaningful and system-driven changes aimed at reducing Green House Gas (GHG) emission intensity. The key steps include:

1. The Company is actively transitioning to a paperless environment by implementing digital workflows, electronic documentation, and e-signature solutions to reduce paper consumption across all departments.

2. The Company has improved energy efficiency by replacing conventional tube lights with LED lighting systems throughout its premises.
3. The Company has increased the use of digital agreements and contracts, significantly reducing dependence on physical documentation and contributing to environmental conservation.
4. The Company is using eco-friendly, biodegradable flex banners for branding and promotional activities, thereby reducing waste and promoting sustainable communication practices.
5. The Company has installed high-efficiency air conditioning systems to lower energy consumption and reduce the carbon footprint of its office operations.
6. The Company has adopted inverter-based power backup systems in place of traditional diesel generators, providing a cleaner and more energy-efficient alternatives.
7. The Company has launched a new business vertical named Shriram Green Finance, which is dedicated to supporting sustainable development by providing financial solutions for electric vehicles (EVs), EV charging stations, renewable energy technologies, and energy-efficient machinery.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.42	0.67
E-waste (B)*	255	18.78
Bio-medical waste (C)	0	0.00
Construction and demolition waste (D)	0	0.00
Battery waste (E)	28.63	48.04
Radioactive waste (F)	0	0.00
Other Hazardous waste. Please specify, if any. (G)	0	0.00
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	330.06	434.78
(H.1) Paper**	311.79	340.65
(H.2) Cardboard	17.54	92.65
(H.3) Metal	0.73	1.48
Total (A+B + C + D + E + F + G + H)***	614.11	502.27
Waste intensity per rupee of turnover [Total waste generated (in MT) / Revenue from operations (in rupees)]	0.0000000015	0.0000000014
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)**** Total waste generated (in MT) / Revenue from operations in rupees adjusted for PPP	0.0000000303	0.0000000297
Waste intensity in terms of physical output***** Total waste generated (in MT) / Full Time Equivalent	0.0076886769	0.0067287829
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2024-25	FY 2023-24
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	614.11	502.27
Total	614.11	502.27



For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2024-25	FY 2023-24
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes
(Y/N)

If yes, name of the external agency. Vinay & Keshava LLP

*The scrapping of outdated desktop and server operating systems has resulted in an increase in E-waste for the current financial year.

**The paper shredding activity is undertaken based on the availability of the old records for disposal based on the Company's policy. The Company undertakes shredding if the records or scrap is available for disposal.

***Apart from e-waste and battery waste, the reported waste here includes scrap generated from 10 doc cells and the data specifically accounts for the waste produced by these doc cells alone.

****The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor of 20.66, as published by the International Monetary Fund (IMF) for India for the financial years 2024-25 and 2023-24.

*****As per the Industry Standards Forum, Full-Time Equivalent (FTE) has been considered as the input measure for physical output.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Given the nature of the Company's business operations, it does not generate any hazardous or toxic substances. The Company's processes are designed to be environmentally responsible, ensuring that no harmful materials are produced that could pose risks to human health or the environment.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.

NA*

*The Company has no operations/offices in/around ecologically sensitive areas.

12. Details of Environmental Impact Assessments (EIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link

NA*

*The Company has not conducted EIA during the reporting period.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

Yes

If not, provide details of all such non-compliances, in the following format:

Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any

The Company is in compliance with all applicable laws.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the Area

NA*

- (ii) Nature of Operations

NA*

- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment		NA*
With treatment – please specify level of treatment		
(ii) To Groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater		
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		NA*



Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

If yes, name of the external agency.

*The offices are generally not situated in any water stress regions, and hence, the question is Not Applicable.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25*	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	TCO ₂ e	3,11,499.57	66,430.81
Total Scope 3 emissions per rupee of turnover	Total Scope 3 emissions (in MTCO ₂ e)/ Revenue from operations (in rupees)	0.0000007442	0.0000001898
Total Scope 3 emission intensity (optional)		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) No

If yes, name of the external agency. NA

*The Company has expanded its coverage across the categories for FY 2024-25 and has reported emissions for categories 1, 2, 3, 5, 6 and 7 this year, with category 3 being reported for the first time. Hence, figures of FY 2023-24 are not comparable with FY 2024-25.

*Employee commute emission includes emission calculation of 79,872 employees. The Company collected daily employee data for 35,612 employees on an actual basis and extrapolated for the entire workforce.

*EPA's GHG Emission Factors Hub, DEFRA conversion factors, CEA's CDM - CO₂ Baseline Database User Guide Version 20 has been used for the purpose of GHG Emissions calculations.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA*

*The Company does not have any operations in ecologically sensitive areas and hence has not identified any significant direct or indirect impact on biodiversity. Accordingly, no specific prevention or remediation activities have been undertaken in this regard.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any

The Company has adopted several environmentally responsible practices and initiatives aimed at creating a positive impact on the environment. For further details, please refer to response provided at Principle 6, Q.8 of the "Essential Indicators" as above.

5. Does the entity have a business continuity and disaster management plan? (Yes/No)

Yes

Give details in 100 words/ web link.

The Company has established a comprehensive Business Continuity Plan (BCP) to ensure the uninterrupted delivery of critical services. During the reporting year, there were no instances of service disruption. The Company remains fully prepared to activate the BCP whenever potential disruptive events are identified, taking into account their likelihood and possible impact on operations.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant adverse environmental impacts have been identified from the Company's value chain during the reporting period. The Company encourages its value chain partners to comply with applicable environmental regulations and adopt sustainable practices wherever possible.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company does not formally assess the environmental impacts of its value chain partners. However, it encourages its partners to adopt environmentally responsible practices and aims to explore opportunities for integrating sustainability considerations into its value chain engagement in the future.

8. How many Green Credits have been generated or procured:

a. By the listed entity

NA*

*There were no Green Credits generated or procured during the year.

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners

NA

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

10

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National/ International)
1	Finance Industry Development Council (FIDC)	National
2	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3	Federation of Indian Hire Purchase Associations (FIHPA)	National
4	Confederation of Indian Industry (CII)	National
5	Indian Chamber of Commerce (ICC)	National
6	Indian Construction Equipment Manufacturers' Association (ICEMA)	National
7	Society of Indian Automobile Manufacturers (SIAM)	National
8	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
9	All India Transporters Welfare Association (AITWA)	National
10	All India Motor Transport Congress (AIMTC)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NA*		

*There were no cases of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half Yearly/ Quarterly/ Others- Please specify)	Web Link, if available
NA*					

*The Company has not undertaken any direct public policy advocacy during the reporting period. However, it remains engaged with relevant industry forums and regulatory bodies through standard channels as required, and continues to monitor developments in the policy and regulatory landscape relevant to its operations.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

(This principle emphasises the importance of promoting inclusive and equitable economic development. Companies should create economic opportunities for all, including disadvantaged and marginalised groups. They should also contribute to the development of local communities and support social and economic empowerment.)

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Expanding Research and Teaching in Mathematics, Physics, Computer Sciences	NA	NA	Yes	Yes	https://www.shriramfinance.in/corporate-social-responsibility
Research and Teaching in Basic Sciences	NA	NA	Yes	Yes	https://www.shriramfinance.in/corporate-social-responsibility
Commercial Vehicle Drivers' Upskilling Program	NA	NA	Yes	Yes	https://www.shriramfinance.in/corporate-social-responsibility
STFC India Meritorious Scholarship Program	NA	NA	Yes	Yes	https://www.shriramfinance.in/corporate-social-responsibility

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In Rs.)
NA*						

*No such projects were undertaken by the Company.

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has a two-step approach to address CSR grievances from the community.

Step 1: Implementing partners attend to beneficiaries' grievances at their operational level as a primary course of action.

Step 2: If grievances remain unresolved, beneficiaries are advised to escalate the matter to the Corporate Social Responsibility (CSR) department within the organisation, or to visit the nearest branch of the Company.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particular	FY 2024-25	FY 2023-24 [#]
Directly sourced from MSMEs/ small producers*	4.72%	5.53%
Directly from within India	82.37%	94.10%

*The Company has taken into consideration MSME vendors of IT, Non-IT, Administration, Infrastructure, Central Procurement, as well as Pre-printed Stationery.

[#]The Company has revised its calculation methodology to better align with best practices, including the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core, resulting in an updated figure for the previous financial year.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Particular	FY 2024-25*	FY 2023-24**
Rural	8.63%	8.46%
Semi-urban	38.52%	39.35%
Urban	40.34%	40.96%
Metropolitan	12.52%	11.23%

*The Company has categorised the places based on RBI's classification system - rural/semi-urban/urban/metropolitan.

[#]The Company has revised its calculation methodology to better align with best practices, including the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core, resulting in an updated figure for the previous financial year.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
The Company primarily provides financial services. Social Impact Assessments are conducted for CSR initiatives, which have shown positive outcomes. No negative social impacts were identified requiring corrective action.	



2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In Rs.)
1	Chhattisgarh	Korba	2,34,40,766
2	Jharkhand	Ranchi	45,71,956

3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No

b) From which marginalised /vulnerable groups do you procure?

NA

c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share

NA*

*There were no such intellectual properties owned or acquired during the year.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken

No corrective actions pertaining to above mentioned parameters were necessitated by the Company during the year under review.

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Mobile Medical Unit (MMU)	2,07,790	60.21%
2	Shriram Matriculation School	574	100%
3	Shriram High School	416	100%
4	P.S. Hr. Sec. School	7	0%
5	Project Gift a Smile	3,470	100%
6	Primary & Secondary Education Scholarship	81,706	100%
7	Upskilling Driver Training Program	41,153	75.72%
8	Women's LMV Driver Training Program	662	85.04%
9	HMV Driver Training Program	321	84.73%
10	2Wheeler Mechanic Training Program	1,472	90.42%
11	Preservation of Arts & Culture	50	0%
12	Promotion of Olympic Sports	132	0%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

Essential Indicators**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.****General nature of complaints:****Complaints/requests from customers are generally in the nature of:**

1) Non –Receipt of Deposit/Debenture Certificate 2) Interest amount not credited in Bank account 3) Investor name not properly printed in the Certificate 4) Change of address not incorporated in the Certificate 5) Dividend amount not received 6) Maturity amount not received 7) Statement of Account not received, 8) NOC not received 9) Complaints of any other nature.

Complaints received from customers with regard to their grievances/concerns against the agents/intermediaries appointed by the Company for outsourcing of its financial services, shall also be addressed under the Grievances Redressal Mechanism as enumerated below. The Company shall have an oversight on the services provided by the Direct Selling Agent (DSA) / Revenue Sharing Party /(RSP) relating to redressal of customer grievances.

Customer Service Management System (CSMS)

CSMS addresses the complaints and requests raised by the customers through various channels. The Call centre/Branch/Head Office/Website/Shriram SuperApp captures all the issues raised by the customers in CSMS for further action.

The complaints can be raised through the following modes:

1. Customers can raise complaints/requests by calling to the Call Centre/Branch/Head office/ Registered Office
2. Customers can raise complaints/requests by sending e-mail to the designated Customer Care/ Grievance mail IDs
3. Customers can raise complaints/requests through the Company's official website/Super App.

Process review:

All the issues/requests raised by customers through various modes such as Call centre/Branch/Company's website/emails/ letters etc., are first entered into CSMS and addressed and resolved by the respective regions and consequently closed in the CSMS. In case of delay in redressal of complaint by the region, the following escalation matrix shall be followed:

Escalation Matrix:

Level of Escalation	Escalation to
Level 1	Regional Team Leader
Level 2	Zonal Team Leader
Level 3	Head Geographical Units - Commercial

The contact details of the Grievance Redressal Officer (GRO) of the Company are given below: -

The Grievance Redressal Officer
Shriram Finance Limited
12, Ramasamy Street, T Nagar,
Chennai 600 017
Tamil Nadu, India
Contact no. 044-24642733
Email: grievance@shriramfinance.in

The Company shall be responding to the customer within a maximum period of 30 days from the date of receipt of the complaint. If the customer has not received any response within 30 days or if the customer is not satisfied with the response,



then he/she may raise a complaint with the Reserve Bank of India either through RBI CMS Portal or RBI Contact Centre as given below:-

RBI CMS Portal: <https://cms.rbi.org.in>

RBI Contact Centre Contact no.:14448

RBI Postal Address: Reserve Bank of India

Centralised Receipt and Processing Centre,

4th Floor, Sector 17,

Chandigarh – 160017

The complaints received from RBI and other authorities are sent to the Nodal Officers for resolution and providing response to RBI. The Principal Nodal Officer shall submit the report on the status of the complaints on quarterly basis to the Board of Directors.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

Particular	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA*
Safe and responsible usage	NA*
Recycling and/or safe disposal	NA*

*This is not relevant to SFL's operations as the Company is primarily engaged in the business of financing and does not manufacture any products.

3. Number of consumer complaints in respect of the following:

Particular	FY 2024-25		Remark	FY 2023-24		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	51,271	92	One complaint was pending as on date of the report.	16,553	462	The pending complaints were duly resolved as on the date of the report.

4. Details of instances of product recalls on account of safety issues:

Particular	Number	Reason for recall
Voluntary recalls	0	NA*
Forced recalls	0	NA*

*This is not relevant to SFL operations as the Company is primarily engaged in the business of financing and does not manufacture any products.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)

Yes

If available, provide a web link of the policy

<https://www.shriramfinance.in/privacy-policy>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

NA*

*There were no corrective actions required to be taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products/ services.

7. Provide the following information relating to data breaches

a. Number of instances of data breaches along-with impact	0
b. Percentage of data breaches involving personally identifiable information of customers	0
c. Impact, if any, of the data breaches	NA*

*There were no cases of data breaches.

Leadership Indicator

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

<https://www.shriramfinance.in/fixed-deposit>

<https://www.shriramfinance.in/fixed-investment-plan>

<https://www.shriramfinance.in/commercial-vehicle-loan>

<https://www.shriramfinance.in/two-wheeler-loan>

<https://www.shriramfinance.in/gold-loan>

<https://www.shriramfinance.in/personal-loan>

<https://www.shriramfinance.in/working-capital-loan>

<https://www.shriramfinance.in/business-loan>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services

All product-related information is readily available on the Company's website. Customers can make enquiries through call centres/email to customersupport@shriramfinance.in. Additionally, they have the convenience of investing in fixed deposits and making loan repayments online. The Company's Fair Practice Code, duly approved by the Board, is published on the website and prominently displayed at all branches. Furthermore, SFL offers multiple digital channels—such as social media platforms and web portals—to facilitate customer communication and grievance redressal.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Yes, the Company has established communication mechanisms to inform customers about any potential service disruptions through SMS, Email, WhatsApp, and phone calls, ensuring timely updates and minimal inconvenience.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/NA)

Yes

- a. If yes, provide details in brief.

The Company displays its services information over and above what is mandated as per local laws. Product related information is displayed/available at all the branches as well as on the website. The Customers can also access loan-related information via "Shriram One" (the Super App) software.

- b. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the Company conducts periodic customer satisfaction surveys to assess service quality and enhance customer experience.

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN SHRIRAM FINANCE LIMITED'S BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025.

To the Board of Directors of Shriram Finance Limited,

1. We have undertaken to perform Reasonable Assurance engagement, for Shriram Finance Limited (the "Company" or "SFL") vide our engagement letter dated March 17, 2025 in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information" or "BRSR Core indicators") in accordance with the Criteria stated in paragraph 3 below. This Sustainability Information is included in the Business Responsibility and Sustainability Report ("BRSR") of the Company for the financial year ended March 31, 2025. This engagement was conducted by our multidisciplinary team including assurance practitioners, environmental engineers and specialists.

2. Identified Sustainability Information

Our scope of Reasonable Assurance consists of the BRSR Core indicators listed in the Appendix I to our report. The reporting boundary of the BRSR is as disclosed in Question 13 of Section A: General Disclosures of the BRSR with exceptions disclosed by way of note under respective questions of the BRSR, where applicable.

Our Reasonable Assurance engagement was with respect to the year ended March 31, 2025 information only and we have not performed any procedures with respect to earlier periods, and any elements thereto, and, therefore, do not express any opinion thereon.

3. Criteria

The Criteria used by the Company to prepare the Identified Sustainability Information is as under:

The criteria used is the "BRSR Core", which is a subset of the BRSR, consisting of a set of Key Performance Indicators ("KPIs")/ metrics under nine Environmental, Social and Governance ("ESG") attributes, as per the format of BRSR Core specified in Annexure 17A, read with the format of BRSR and the Guidance Note given in Annexure 16 and 17, respectively, of the SEBI Master Circular for 'compliance with the provisions of the SEBI LODR Regulations, 2025 by Listed Entities' dated November 11, 2024, and the SEBI Circular on the 'Industry Standards on Reporting of BRSR Core' dated December 20, 2024 (collectively referred to as the "SEBI Circulars").

4. Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information including the reporting boundary of the BRSR, disclosing environmental information basis operational control approach, taking into account applicable laws and regulations including the SEBI circulars, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

The Management and the Board of Directors of the Company are also responsible for overseeing the Company's compliance with the requirements of LODR Regulations and the SEBI Circular in relation to the BRSR Core.

5. Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non- financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between companies.

Measurement of certain amounts and BRSR Core metrics, some of which are estimates, is subject to inherent measurement uncertainty, for example, GHG emissions, water footprint, energy footprint and waste. Obtaining sufficient appropriate evidence to support our opinion does not reduce the uncertainty in the amounts and metrics.

6. Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") and the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/ CIR/2023/122 dated July 12, 2023, and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

We apply Standard on Quality Control (the “SQC”) 1, “Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements”, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

7. Our Responsibility

Our responsibility is to express a Reasonable Assurance opinion on the Identified Sustainability Information listed in Appendix I based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, “Assurance Engagements on Sustainability Information”, and Standard on Assurance Engagements (SAE) 3410 “Assurance Engagements on Greenhouse Gas Statements” (together the “Standards”), both issued by the Sustainability Reporting Standards Board (the “SRSB”) of the ICAI.

These Standards require that we plan and perform our engagement to obtain Reasonable Assurance about whether the Identified Sustainability Information listed in Appendix I and included in the Report are prepared, in all material respects, in accordance with the Criteria.

As part of Reasonable Assurance engagement in accordance with the Standards, we exercise professional judgment and maintain professional skepticism throughout the engagement.

8. Reasonable Assurance

A Reasonable Assurance engagement involves identifying and assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information.
- Made inquiries of Company’s management, including secretarial team, finance team, human resource team amongst others and those with the responsibility for preparation of the BRSR.
- Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for recording, processing and reporting on the Identified Sustainability Information at the corporate office and at other locations/offices on a sample basis under the reporting boundary. This included evaluating the design of those controls relevant to the engagement and determining whether they have been implemented by performing procedures in addition to inquiry of the personnel responsible for the Identified Sustainability Information.
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures.
- Where applicable, for the Identified Sustainability Information in the BRSR, we have relied on the information in the audited standalone financial statements of the Company for the year ended March 31, 2025 and the underlying trial balance.
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the management in the preparation of the Identified Sustainability Information.
- Tested the Company’s process for collating the sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records on a sample basis.
- Tested the consolidation working of the corporate office and other locations/offices on a sample basis under the reporting boundary for ensuring the completeness of data being reported; and
- Obtained representations from the Company’s management.



We also performed such other procedures as we considered necessary in the circumstances.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

9. Exclusions

Our assurance scope excludes the following and therefore we do not express an opinion on:

- Operations of the Company other than the Identified Sustainability Information in Appendix I;
- Aspects of the BRSR and the data/information (qualitative or quantitative) included in the BRSR other than the Identified Sustainability Information; and Data and information outside the defined reporting period i.e., April 1, 2024 – March 31, 2025;
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

10. Other information

The Company's management is responsible for the other information. The other information comprises the information included within the BRSR other than Identified Sustainability Information and our independent assurance report dated June 23, 2025 thereon.

Our opinion on the Identified Sustainability Information does not cover the other information and we do not express any form of assurance thereon.

In connection with our assurance engagement of the Identified Sustainability Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Identified Sustainability Information or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

11. Reasonable Assurance Opinion

Based on the procedures we have performed and the evidence we have obtained, the Company's Identified Sustainability Information listed in Appendix I for the year ended March 31, 2025 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria (as stated under "Criteria").

12. Restriction on use

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities.

Accordingly, we accept no liability to anyone, other than the Company. Our Reasonable Assurance report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For Vinay and Keshava LLP

Chartered Accountants,

Firm Reg No.: 005586S/S-200008

CA Prasanna K S

Partner

Membership No: 232959

UDIN: 25232959BMNTCD1516

Place: Bengaluru

Date: June 23, 2025

Encl: Appendix I

Appendix I

Identified Sustainability Information subject to Reasonable Assurance

Sr. No.	Principle / Indicator Reference	Attribute	Parameters (KPIs) Assured
Section C: Principle [P] Wise Performance Disclosures- Essential Indicators [E]			
1	Principle 6 – E7	Green-house gas (GHG) footprint	1. Total Scope 1 emissions (Break-up of the GHG into CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, if available) 2. Total Scope 2 emissions (Break-up of the GHG (CO₂e) into CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, if available) 3. GHG Emission Intensity (Scope 1 +2) a) Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for Purchasing Power Parity (PPP) b) Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services
2	Principle 6 – E3 Principle 6 – E4	Water footprint	1. Total water consumption 2. Water consumption intensity a) Water Intensity per rupee of turnover adjusted for PPP b) Water Intensity in terms of physical output 3. Water Discharge by destination and levels of treatment
3	Principle 6 – E1	Energy Footprint	1. Total Energy Consumed 2. % of energy consumed from renewable sources 3. Energy intensity a) Energy Intensity per rupee of turnover adjusted for PPP b) Energy Intensity in terms of physical output
4	Principle 6 – E9	Embracing circularity details related to waste management by the entity	1. Plastic waste (A) 2. E-waste (B) 3. Bio-medical waste (C) 4. Construction and demolition waste (D) 5. Battery waste (E) 6. Radioactive waste (F) 7. Other Hazardous waste (G) 8. Other Non-hazardous waste generated (H) 9. Total waste generated ((A+B + C + D + E + F + G + H) 10. Waste intensity a) Waste Intensity per rupee of turnover adjusted for PPP b) Waste Intensity in terms of physical output 11. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations 12. For each category of waste generated, total waste disposed by nature of disposal method
5	Principle 3 – E1 (c) Principle 3 – E11	Enhancing employee wellbeing and Safety	1. Spending on measures towards well-being of employees and workers- cost incurred as a % of total revenue of the Company. 2. Details of safety related incidents for employees and workers (including contract-workforce) a) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) b) No. of fatalities
6	Principle 5 – E3 (b) Principle 5 – E7	Enabling Gender Diversity in Business	1. Gross wages paid to females as a % of wages paid 2. Complaints on POSH a) Total Complaints on Sexual Harassment (POSH) reported. b) Complaints on POSH as a % of female employees / workers c) Complaints on POSH upheld

Sr. No.	Principle / Indicator Reference	Attribute	Parameters (KPIs) Assured
Section C: Principle [P] Wise Performance Disclosures- Essential Indicators [E]			
7	Principle 8 – E4 Principle 8 – E5	Enabling Inclusive Development	1. Input material sourced from following sources as % of total purchases –Directly sourced from MSMEs/ small producers and from within India. 2. Job creation in smaller towns- wages paid to people employed in smaller towns (permanent or non-permanent/on contract) as % of total wage cost
8	Principle 9 – E7 Principle 1 – E8	Fairness in Engaging with Customers and Suppliers	1. Instances involving loss/ breach of data of customers as a percentage of total data breaches or cyber security events. 2. Number of days of accounts payable
9	Principle 1 – E9	Open-ness of Business	1. Concentration of purchases & sales done with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties a) Purchases from trading houses as % of total purchases b) Number of trading houses where purchases are made from c) Purchases from top 10 trading houses as % of total purchases from trading houses d) Sales to dealers / distributors as % of total sales e) Number of dealers / distributors to whom sales are made f) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors 2. Share of RPTs (as respective %age) in a) Purchases b) Sales c) Loans & advances d) Investments

The image features a solid yellow background. Two white squares are positioned in the lower-left quadrant. The squares are of different sizes and are offset from each other, with the larger square partially behind the smaller one. The text 'FINANCIAL STATEMENTS' is centered within the smaller, front square.

FINANCIAL STATEMENTS

To the Members of Shriram Finance Limited
REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS
Opinion

1. We have audited the accompanying Standalone Financial Statements of Shriram Finance Limited (the "Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, the Standalone Statement of Profit And Loss (including Other Comprehensive Income/Loss), the Standalone Statement of Cash Flow and the Standalone Statement of changes in equity for the year ended, and notes to the Standalone Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, the relevant circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time ("RBI Guidelines") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the matter was addressed in our audit						
Impairment Loss Allowance of loans and advances (Reference to Note 12 & 39 read with Material Accounting Policies Note 6.1(VI). (in INR crores) <table> <tr> <td>Gross Advances</td><td>2,59,915.91</td></tr> <tr> <td>Provisions</td><td>14,523.12</td></tr> <tr> <td>Net Advances</td><td>2,45,392.79</td></tr> </table> Significant estimates and judgments involved in Key Audit Matter Reserve Bank of India has issued Master circular and other clarifications on Income Recognition and Asset Classification and Provisioning pertaining to Advances ("IRAC"). These guidelines prescribe the prudential norms for identification and classification of advances as Stage 3/ NPAs. The Company has applied significant judgement to determine the identification and classification of such assets as Stage 3/ NPAs by applying quantitative as well as qualitative factors. The risk of identification of such assets as Stage 3/ NPAs is affected by factors like stress and liquidity concerns of such assets. Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Company has significant credit risk exposure considering the large loan portfolio across a wide geographical range. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the asset quality and provision of the Company. The Company's model to calculate Expected Credit Loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward-looking information. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.	Gross Advances	2,59,915.91	Provisions	14,523.12	Net Advances	2,45,392.79	Audit Procedures included but were not limited to the following: We started our audit procedures with understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company. We also assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company which is based on and in compliance with Ind AS 109 "Financial Instruments". Accordingly, we assessed the approach of the Company regarding definition of Default, Probability of Default (PD), Loss Given Default (LGD) and incorporation of forward - looking information for the calculation of ECL. For loans and advances which are assessed for impairment on a portfolio basis, we performed particularly the following procedures: - We read the Company's policies for identification, classification and assessing compliance for Stage 3/NPAs customers in line with the IRAC norms; - We understood the design, reliability and operating effectiveness of key data inputs and related management controls; - We performed substantial audit procedure relating to identification and classification of Stage 3/NPAs by the Company. - We tested the identification/ grouping of the loan accounts mapped with the customer code as identified by the management; - We performed analytical procedures to identify possible cases of evergreening of loans and tested these on sample basis. - We checked the stage classification as at the balance sheet date as per the definition of Default of the Company and Reserve Bank of India circulars issued from time to time; - We validated the ECL Model and its calculation by involving our Information Technology Expert; - We have checked on sample basis that the stage classification for the borrowers has been given in accordance with the Resolution Framework issued by Reserve Bank of India (the "RBI") and the Board approved policy for ECL provisioning and stage classification with respect to such accounts; - We have verified whether the ECL provision is made in accordance with the Board Approved Policy in this regard; - We have also calculated the ECL provision manually for selected samples; - We have assessed the assumptions made by the Company in making accelerated provision considering forward looking information. For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regard along with its compliance on sample basis.
Gross Advances	2,59,915.91						
Provisions	14,523.12						
Net Advances	2,45,392.79						

Information other than the Standalone Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report, (including annexures thereto), and Management Discussion and Analysis ("MD&A") (collectively referred to as "Other Information"), but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work



we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying Standalone Financial Statements have been approved by the Company's Management and Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act, RBI Guidelines and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the Standalone Financial Statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that

an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on the internal financial controls system with reference to the Standalone Financial Statements and the operating effectiveness of such controls based on our audit;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
 - Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the Standalone Financial Statements of the Company to express an opinion on the Standalone Financial Statements.
12. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2025 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

15. The Standalone Financial Statements of the Company for the year ended March 31, 2024 were audited by the predecessor joint auditors, who have expressed an unmodified opinion as relevant on those Standalone Financial Statements vide their audit report dated April 26, 2024. Accordingly, we do not express any opinion on the figures reported in the standalone financial statements for the year ended as at March 31, 2024.

Report on Other Legal and Regulatory Requirements

16. As required by Section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order,

2020 (the "Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure I, as required by Section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying Standalone Financial Statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) the Standalone Financial Statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid Standalone Financial Statements comply with Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;
 - f) with respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company as on March 31, 2025 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
 - g) 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, as detailed in Note 50 to the Standalone Financial Statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2025;
 - ii. The Company has made provision as at March 31, 2025, as required under the applicable



law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. As mentioned in Note 26 to the Standalone Financial Statements, there has been no delay in transferring amounts 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 Note 60 to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities (the "intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (the "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 Note 60 to the Standalone Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (the "Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party

("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. In our opinion and according to the information and explanations given to us, the dividends declared and/or paid during the year by the Company is in compliance with Section 123 of the Act, to the extent it applies to payment of dividend. As stated in Note 30 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting;

vi. Based on our examination which included test checks, the Company has used various accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software. Based on our procedures performed, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **M M Nissim & Co LLP**
Chartered Accountants
Firm Registration No: 107122W/W100672

Manish Singhania
Partner
Membership No. 155411
UDIN: 25155411BMKXPN3648

Mumbai
April 25, 2025

For **G. D. Apte & Co**
Chartered Accountants
Firm Registration No: 100515W

Umesh S. Abhyankar
Partner
Membership No. 113053
UDIN: 25113053BMONJA2976

Mumbai
April 25, 2025

ANNEXURE I

TO THE INDEPENDENT AUDITOR'S REPORT

STANDALONE ACCOUNTS

Annexure I referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Shriram Finance Limited on the Standalone Financial Statements for the year ended March 31, 2025

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 report that:

- i. a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets including quantitative details and situation of these assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain property, plant and equipment were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone Financial Statements are held in the name of the Company. Consequent to effect of scheme of amalgamation (w.e.f. April 1, 2022) involving amalgamation of Shriram Capital Limited (after de-merger of few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited with the Company and change in the name of the company from Shriram Transport Finance Company Limited to Shriram Finance Limited, the Company is in process of applying for the name change in respect of its immovable properties. Following are such properties not held in the name of the Company:

Description of property	Gross carrying value (in ₹)	Held in name of	Whether promoter, director or relative or employee	Period held (in years)	Reason for not being held in name of Company
Building- Akash Deep Plaza, Golmuri, Jamshedpur, Jharkhand	11,36,000	Shriram City Union Finance Ltd.	No	3.00	These assets were acquired on merger.
Land At Levinjipuram Village (Panagudi), Tamil Nadu	14,957			3.00	
Land At Levinjipuram Village (Panagudi), Tamil Nadu	15,941			3.00	
Land at Vadakkankulam, Radhapuram Taluka, Tamil Nadu-	8,750			3.00	



Description of property	Gross carrying value (in ₹)	Held in name of	Whether promoter, director or relative or employee	Period held (in years)	Reason for not being held in name of Company
Land At Levinjipuram Village (Panagudi), Tamil Nadu	14,957	Shriram City Union Finance Ltd.	No	3.00	These assets were acquired on merger
Building at Vanijya Bhavan, Raipur, Chhattisgarh	23,40,000	Erstwhile Shriram Transport finance company limited	No	3.00	The process of change in name is in progress
Building at Trichy Doc cell Thiruvellarai, Tamil Nadu	77,55,770			3.00	
Flat 308, 309 Sakar III, Ahemdabad, Gujarat	39,85,155			3.00	
Office 431/432, Vyapar Bhavan, Mumbai, Maharashtra	37,31,500			3.00	
Flat at Thiruvanmiyur Village, Saidapet Taluka, Chennai	5,39,473			3.00	
Land at Trichy Doc cell Thiruvellarai, Tamil Nadu	49,38,636			3.00	
Land at Thiruvanmiyur Village, Saidapet Taluka, Chennai	3,90,527			3.00	
Land In Tanukarkulam Village-Survey No.179(1D), Chennai	12,240			3.00	
Land In Tanukarkulam Village-Survey No.179, Chennai	12,240			3.00	
Land In Tanukarkulam Village-Survey No.179(1E1), Chennai	9,240			3.00	

ANNEXURE I

TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

STANDALONE ACCOUNTS

Description of property	Gross carrying value (in ₹)	Held in name of	Whether promoter, director or relative or employee	Period held (in years)	Reason for not being held in name of Company
Land In Tanukarkulam Village-Survey No.179(1F), Chennai	12,240	Erstwile Shriram Transport finance company limited	No	3.00	The process of change in name is in progress
Land In Tanukarkulam Village -Survey No.179(1E), Chennai	12,240			3.00	
Land at Radhapuram, Tirunelveli, Chennai	37,672			3.00	
Land at Radhapuram, Tirunelveli, Chennai	37,671			3.00	
Land at Radhapuram, Tirunelveli, Chennai	37,671			3.00	
Land at Radhapuram, Tirunelveli, Chennai	37,672			3.00	
Land at Radhapuram, Tirunelveli, Chennai	37,672			3.00	
Land at Radhapuram, Tirunelveli, Chennai	37,672			3.00	
Land at Radhapuram, Tirunelveli, Chennai	37,671			3.00	
Land at Radhapuram, Tirunelveli, Chennai	37,671			3.00	
Land at Radhapuram, Tirunelveli, Chennai	37,671			3.00	



Description of property	Gross carrying value (in ₹)	Held in name of	Whether promoter, director or relative or employee	Period held (in years)	Reason for not being held in name of Company
Land at Radhapuram, Tirunelveli, Chennai	36,010	Erstwhile Shriram Transport finance company limited	No	3.00	The process of change in name is in progress
Land at Radhapuram, Tirunelveli, Chennai	39,760			3.00	
Land at Vedakulum Taluka, Tangarkulam village, Tirunelveli, Chennai	51,426			3.00	

- d. In our opinion and according to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
- e. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. a. The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- b. The Company has a working capital limit in excess of ₹ 5 crores sanctioned by banks and financial institutions based on the security of loans (assets). The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and financial institutions and as per the information and explanations given to us and as verified by us, such returns/statements are materially in agreement with the books of account of the Company for the respective periods, which were not subject to audit.
- iii. a. The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
- b. The investments made and terms and conditions of the grant of all loans are, prima facie, not prejudicial to the Company's interest. The Company has not granted advances in the nature of loans and has not provided any guarantee and also not given security to any party.
- 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 6.1 (VI) to the Standalone 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, 2025, aggregating ₹ 11,838.79 crores were categorised as credit impaired ("Stage 3") and ₹ 17,915.58 crores were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 12 to the Standalone Financial Statements. Out of loans and advances in the nature of loans with balances as at March 31, 2025, aggregating

₹ 2,30,161.54 crores, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), delinquencies between 1 to 30 days in the repayment of principal and payment of interest aggregating ₹ 994.02 crores were also identified. In all other cases, the repayment of principal and interest is regular as at March 31, 2025. Having regard to the nature of company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- d. The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the end of the year is ₹ 2,868.73 crores. Reasonable steps are being taken by the Company for recovery of the principal and interest.
 - e. The Company is a Non-Banking Finance Company, and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.
 - f. Based on our audit procedure and according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties as defined in section 2(76) of the Act, which are either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loan or provided any guarantee or security in connection with any loan taken by party covered under Section 185 of the Act. Further, the Company has complied with the provisions of Section 186 of the Act in respect of the loans or investments made, or guarantees or security provided by it, to the extent applicable.
 - v. In our Opinion, the Company had complied with the directive issued by the Reserve Bank of India (the "RBI") with regards to the deposits accepted and amounts deemed to be deposits during the year. According to the information and explanation given to us, the provisions of sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being an non-banking financial company registered with the RBI. We are informed by the management that no order has been passed by the Company Law Tribunal or RBI or any Court or any other Tribunal against the Company in this regard.
 - vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
 - vii. a. In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have been regularly deposited with the appropriate authorities by the Company. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of the Dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is Pending
Income Tax Act, 1961	Income Tax Demands	37.32	AY 2016-17	Madras High Court
Finance Act, 1994 (Service tax)	Service Tax Demands	2,155.54	FY 2005-06 to FY 2016-17 and upto June 30, 2017	Bombay High Court
Finance Act, 1994 (Service tax)	Service Tax Demands	250.13	FY 2008-09 to 2014-15	Supreme Court of India
Finance Act, 1994 (Service tax)	Service Tax Demands	333.38	April 1, 2003 to March 31, 2010	Supreme Court of India
Finance Act, 1994 (Service tax)	Service Tax Demands	84.41	April 1, 2009 to September 30, 2014	CESTAT, Chennai



Name of the Statute	Nature of the Dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is Pending
Finance Act, 1994 (Service tax)	Service Tax Demands	71.45	October 1, 2012 to June 30, 2017	CESTAT, Chennai
Andhra Pradesh Value Added Tax	Value added Tax	0.00*	FY 2010-11 to 2012-13	High court of Telangana - Hyderabad
Andhra Pradesh Value Added Tax	Value added Tax	0.00*	FY 2009-10 to 2010-11 and April 1, 2011 to August 31, 2012	High court of Telangana - Hyderabad
Andhra Pradesh Value Added Tax	Value added Tax	5.96	FY 2005-06 to 2008-09	High court of Andhra Pradesh - Amaravati
Orissa Value Added Tax	Value added Tax	0.09	FY 2008-09 to 2012-13	Orissa Sales Tax Tribunal-Cuttack
Telangana Value Added Tax	Value added Tax	0.00*	FY 2013-14 to 2016-17 and April 1, 2017 to June 30, 2017	High court of Telangana - Hyderabad
Tamil Nadu Value Added Tax	Value added Tax	0.02	FY 2014-15 to 2016-17 and April 1, 2017 to June 30, 2017	The Company is in the process of filing an appeal with Madras High Court.
Tamil Nadu Value Added Tax	Value added Tax	0.00\$	FY 2006-07 to FY 2013-14	Supreme Court of India
Tamil Nadu Value Added Tax	Value added Tax	0.01	FY 2014-15 to 2016-17 and April 1, 2017 to June 30, 2017	Tamil Nadu Sales Tax Appellate Tribunal, Chennai
Tamil Nadu Value Added Tax	Value added Tax	0.00\$	FY 2007-08 to FY 2013-14	Supreme Court of India
Goods and Service Tax	GST Demands	23.12	FY 2017-18 to FY 2021-22	Appellate Authority upto Commissioner's level
Goods and Service Tax	GST Demands	0.11	FY 2017-18 to FY 2019-20	Appellate Authority upto Commissioner's level
Goods and Service Tax	GST Demands	0.01	FY 2019-20	Authority upto Commissioner's level
Goods and Service Tax	GST Demands	13.04 #	FY 2020-21 to FY 2022-23	Authority upto Commissioner's level
Indian Stamp Act	Stamp duty	6.69	FY 2023-24	Principal Revenue Controlling Officer and Registrar, Chennai

The company is in the process of filing an appeal with appellate authorities.

\$ Amounts where the entire Disputed Tax amount is deposited are presented as ₹0.00 crore

* Cases which are entered into Amnesty Scheme and awaiting for closure Orders are presented as ₹0.00 crore as the entire Disputed Tax dues is settled.

- viii. In our opinion, and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. a. According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

- b. According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.
- c. In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- d. In our opinion and according to the information and explanations given to us, and on an overall examination of the Standalone Financial Statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- e. The Company did not have any joint venture during the year. Further, according to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary and associate.
- f. The Company did not have any joint venture during the year. Further, according to the information and explanations given to us and as verified by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary and associate.
- x. a. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures. Accordingly, Clause 3(x)(b) of the Order is not applicable to the Company.
- xi. a. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and according to the information and explanations given by the management, we report that no fraud by the Company and no material fraud on the Company except for misappropriation of assets of the Company by its employees or by the customers of the Company identified by the management during the year, involving amounts aggregating to ₹ 7.82 crores as mentioned in Note 115 of the accompanying Standalone Financial Statements has been noticed or reported during the year.
- b. Report under sub-section (12) of section 143 of the Act has been filed during the year by the predecessor joint auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanations given to us including the representation made to us by the management of the Company, no whistle blower complaints were received by the Company during the year.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the Standalone Financial Statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

- xiv. a. In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of our audit report.
- xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, 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 such registration has been obtained by the Company.
- b. During the year, the Company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) as per the Reserve Bank of India Act, 1934. Further, Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
- c. According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- d. Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has two CICs which are not registered with the Reserve Bank of India.
- xvii. The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is 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) 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. According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub-section (5) of Section 135 of the Act pursuant to any ongoing projects.

ANNEXURE I

TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

STANDALONE ACCOUNTS

xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of Standalone Financial Statements of the Company.
Accordingly, no comment has been included in respect of said clause under this report.

For **M M Nissim & Co LLP**

Chartered Accountants

Firm Registration No: 107122W/W100672

Manish Singhania

Partner

Membership No. 155411

UDIN: 25155411BMKXPN3648

Mumbai

April 25, 2025

For **G. D. Apte & Co**

Chartered Accountants

Firm Registration No: 100515W

Umesh S. Abhyankar

Partner

Membership No. 113053

UDIN: 25113053BMONJA2976

Mumbai

April 25, 2025



Annexure II to the Independent Auditor's Report of even date to the members of Shriram Finance Limited on the Standalone Financial Statements for the year ended March 31, 2025

Independent Auditor's Report on the internal financial controls with reference to the Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

(Referred to in paragraph 18(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In conjunction with our audit of the Standalone Financial Statements of Shriram Finance Limited (the "Company") as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Standalone Financial Statements of the Company as at that date.

Management's Responsibilities for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls

with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements includes obtaining an understanding of such internal financial controls with reference to these Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A Company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the Company are being made only in accordance with 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone

For **M M Nissim & Co LLP**

Chartered Accountants

Firm Registration No: 107122W/W100672

Manish Singhania

Partner

Membership No. 155411

UDIN: 25155411BMKXPN3648

Mumbai

April 25, 2025

Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such controls were operating effectively as at March 31, 2025, based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **G. D. Apte & Co**

Chartered Accountants

Firm Registration No: 100515W

Umesh S. Abhyankar

Partner

Membership No. 113053

UDIN: 25113053BMONJA2976

Mumbai

April 25, 2025

(Rs. in crores)			
Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	8	10,681.40	6,013.37
(b) Bank balance other than (a) above	9	10,684.34	1,597.82
(c) Derivative financial instruments	10	250.09	330.48
(d) Receivables			
(I) Trade receivables	11(I)	50.82	51.63
(II) Other receivables	11(II)	202.87	332.96
(e) Loans	12	245,392.79	207,929.41
(f) Investments	13	15,598.71	10,656.64
(g) Other financial assets	14	3,307.96	3,269.69
Total financial assets		286,168.98	230,182.00
(2) Non-financial assets			
(a) Current tax assets (net)	15	432.07	572.51
(b) Deferred tax assets (net)	44	3,694.86	2,884.03
(c) Investment property	16	-	0.98
(d) Property, plant and equipment	17	1,025.68	845.77
(e) Intangible assets under development	18(I)	-	-
(f) Goodwill	18(II)	1,189.45	1,406.73
(g) Other intangible assets	18(III)	698.95	1,033.93
(h) Other non-financial assets	19	321.95	350.43
Total non-financial assets		7,362.96	7,094.38
(3) Non-current assets held for sale/ disposal	20	0.97	-
Total assets		293,532.91	237,276.38
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables			
(I) Trade payables	21(I)		
(i) total outstanding dues of micro enterprises and small enterprises		1.02	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		297.83	211.73
(II) Other payables	21(II)		
(i) total outstanding dues of micro enterprises and small enterprises		0.23	2.25
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.37	3.16
(b) Debt securities	22	54,148.86	44,948.61
(c) Borrowings (other than debt securities)	23	121,448.42	92,148.80
(d) Deposits	24	56,085.99	44,443.66
(e) Subordinated liabilities	25	2,513.98	4,300.07
(f) Other financial liabilities	26	2,090.42	1,848.39
Total financial liabilities		236,588.12	187,906.69
(2) Non-financial liabilities			
(a) Current tax liabilities (net)	27	38.98	237.79
(b) Provisions	28	344.38	296.21
(c) Other non-financial liabilities	29	280.86	267.30
Total non-financial liabilities		664.22	801.30
Total liabilities		237,252.34	188,707.99
(3) Equity			
(a) Equity share capital	30	376.08	375.79
(b) Other equity	31	55,904.49	48,192.60
Total equity		56,280.57	48,568.39
Total liabilities and equity		293,532.91	237,276.38

See accompanying notes forming an integral part of the standalone financial statements.

As per our report of even date

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 107122W/W100672

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 25, 2025

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

Umesh S. Abhyankar

Partner

Membership No.: 113053

Mumbai

April 25, 2025

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

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 25, 2025

Parag Sharma

Managing Director and CFO

DIN: 02916744

Mumbai

April 25, 2025

Y. S. Chakravarti

Managing Director and CEO

DIN: 00052308

Mumbai

April 25, 2025

U Balasundararao

Company Secretary

Mumbai

April 25, 2025



STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

STANDALONE ACCOUNTS

(Rs. in crores)			
Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations			
(i) Interest income	32	40,307.64	33,599.66
(ii) Dividend income		1.69	1.45
(iii) Rental income		-	0.13
(iv) Fees and commission income	33	681.93	457.38
(v) Net gain on fair value changes	34	200.94	95.65
(vi) Net gain on derecognition of financial instruments under amortised cost category		132.64	324.65
(vii) Other operating income	35	509.58	485.49
(I) Total revenue from operations		41,834.42	34,964.41
(II) Other income	36	25.05	33.20
(III) Total income (I + II)		41,859.47	34,997.61
Expenses			
(i) Finance costs	37	18,454.58	14,802.60
(ii) Fees and commission expenses	38	572.46	432.21
(iii) Impairment on financial instruments	39	5,311.66	4,518.34
(iv) Employee benefits expenses	40	3,651.16	3,215.59
(v) Depreciation, amortisation and impairment (Refer note 16, 17 and 18)	41	645.32	568.83
(vi) Other expenses	42	2,275.04	1,776.40
(IV) Total expenses		30,910.22	25,313.97
(V) Profit before exceptional items and tax (III - IV)		10,949.25	9,683.64
(VI) Exceptional items (net)	43	1,656.77	-
(VII) Profit before tax (V + VI)		12,606.02	9,683.64
(VIII) Tax expense:	44		
(i) Current tax		3,590.88	3,400.06
(ii) Deferred tax		(745.86)	(906.90)
(IX) Profit for the year from continuing operations (VII - VIII)		9,761.00	7,190.48
(X) Profit for the year		9,761.00	7,190.48
(XI) Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/ (loss) on defined benefit plan		(12.40)	(78.09)
Gain/ (loss) on fair valuation of quoted investments in equity shares		30.97	16.49
(ii) Income tax relating to items that will not be reclassified to profit or loss		(4.67)	15.50
Subtotal (A)		13.90	(46.10)
B (i) Items that will be reclassified to profit or loss			
Cash flow hedge reserve			
Gain/ (loss) on effective portion of hedging instruments in a cash flow hedge		(276.66)	(56.12)
(ii) Income tax relating to items that will be reclassified to profit or loss		69.63	14.12
Subtotal (B)		(207.03)	(42.00)
Other comprehensive income for the year (A + B)		(193.13)	(88.10)
(XII) Total comprehensive income for the year (X + XI)		9,567.87	7,102.38
(XIII) Earnings per equity share (face value Rs. 2/- per equity share) [Refer note 30(I)]	45		
(i) Basic (Rs.)		51.92	38.33
(ii) Diluted (Rs.)		51.85	38.20

See accompanying notes forming an integral part of the standalone financial statements.

As per our report of even date

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 107122W/W100672

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 25, 2025

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

Umesh S. Abhyankar

Partner

Membership No.: 113053

Mumbai

April 25, 2025

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

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 25, 2025

Parag Sharma

Managing Director and CFO

DIN: 02916744

Mumbai

April 25, 2025

Y. S. Chakravarti

Managing Director and CEO

DIN: 00052308

Mumbai

April 25, 2025

U Balasundararao

Company Secretary

Mumbai

April 25, 2025



(A) Equity share capital

1) Current reporting period

(Rs. in crores)			
Balance at the beginning of the current reporting period	Changes in equity share capital during the current reporting period	Restated balance at the beginning of the current reporting period	Balance at the end of the current reporting period
As at April 01, 2024			
375.79	0.29	375.79	376.08

2) Previous reporting period

(Rs. in crores)			
Balance at the beginning of the previous reporting period	Changes in equity share capital during the previous reporting period	Restated balance at the beginning of the previous reporting period	Balance at the end of the previous reporting period
As at April 01, 2023			
374.43	1.36	374.43	375.79

(B) Other equity

1) Current reporting period

Particulars	Share application money pending allotment	Reserves and surplus								Retained earnings	Other comprehensive income		Total	
		Capital reserve	Securities premium	Other Reserves					Share option outstanding		Analgamation adjustment account	Gain/ (loss) on fair valuation of quoted investments in equity shares		Effective portion of cash flow hedges
				Statutory reserve (Pursuant to Section 45-IC of the RBI Act, 1934)	Debtenture redemption reserve (Refer note 31)	Capital redemption reserve	General reserve	Remeasurement gain/ (loss) on defined benefit plan						
Balance at the beginning of the current reporting period (As at April 01, 2024)	-	104.57	17,510.65	7,341.95	134.25	53.88	4,251.10	(76.52)	70.40	-	19,065.20	3.51	(266.39)	48,192.60
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	104.57	17,510.65	7,341.95	134.25	53.88	4,251.10	(76.52)	70.40	-	19,065.20	3.51	(266.39)	48,192.60
Profit for the year	-	-	-	-	-	-	-	-	-	-	9,761.00	-	-	9,761.00
Other comprehensive income for the year	-	-	-	-	-	-	-	(9.28)	-	-	-	23.18	(207.03)	(193.13)
Total comprehensive income for the year	-	-	-	-	-	-	-	(9.28)	-	-	9,761.00	23.18	(207.03)	9,567.87
Dividends (Interim) during the financial year 2024-25	-	-	-	-	-	-	-	-	-	-	(1,297.29)	-	-	(1,297.29)
Dividends (Final) for the year ended March 31, 2024)	-	-	-	-	-	-	-	-	-	-	(563.90)	-	-	(563.90)
Transferred to/ (from) (Refer note 31)	-	-	-	1,952.20	(15.23)	-	976.10	-	-	-	(2,913.07)	-	-	-

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

STANDALONE ACCOUNTS

Particulars	Share application money pending allotment	Reserves and surplus							Retained earnings	Other comprehensive income		Total
		Capital reserve	Securities premium	Other Reserves						Gain/ (loss) on fair valuation of quoted investments in equity shares	Effective portion of cash flow hedges	
				Statutory reserve (Pursuant to Section 45-1C of the RBI Act, 1934)	Debtenture redemption reserve (Refer note 31)	Capital redemption reserve	General reserve	Remeasurement gain/ (loss) on defined benefit plan				
Any other change:												
Securities premium proceeds received on issue of equity shares (Refer note 30 and 31)	-	-	32.36	-	-	-	-	-	-	-	-	32.36
Expenses on employee stock option plan	-	-	-	-	-	-	-	-	-	-	-	-
Exercise of employee stock option plan	-	-	-	-	-	-	-	-	(27.15)	-	-	(27.15)
Transferred to/ (from) (Refer note 31) on account of share forfeiture	-	-	-	-	-	-	0.33	-	(0.33)	-	-	-
Balance at the end of the current reporting period (As at March 31, 2025)	-	104.57	17,543.01	9,294.15	119.02	53.88	5,227.53	(85.80)	42.92	-	26.69	55,904.49

2)

Previous reporting period

Particulars	Share application money pending allotment	Reserves and surplus								Retained earnings	Other comprehensive income		Total
		Capital reserve	Securities premium	Other Reserves					Gain/ (loss) on fair valuation of quoted investments in equity shares		Effective portion of cash flow hedges		
				Statutory reserve (Pursuant to Section 45-1C of the RBI Act, 1934)	Debtenture redemption reserve (Refer note 31)	Capital redemption reserve	General reserve	Remeasurement gain/ (loss) on defined benefit plan				Share option outstanding	
Balance at the beginning of the previous reporting period (As at April 01, 2023)	-	104.57	17,351.98	7,610.66	419.13	53.88	3,532.05	(18.08)	194.84	(1,706.81)	(8.83)	(224.39)	42,932.21
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	104.57	17,351.98	7,610.66	419.13	53.88	3,532.05	(18.08)	194.84	(1,706.81)	(8.83)	(224.39)	42,932.21
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	7,190.48
Other comprehensive income for the year	-	-	-	-	-	-	-	(58.44)	-	-	12.34	(42.00)	(88.10)
Total comprehensive income for the year	-	-	-	-	-	-	-	(58.44)	-	-	12.34	(42.00)	7,102.38
Dividends (Interim) during the financial year 2023-24	-	-	-	-	-	-	-	-	-	-	-	-	(1,126.55)
Dividends (Final for the year ended March 31, 2023)	-	-	-	-	-	-	-	-	-	-	-	-	(749.67)
Transferred to/ (from) (Refer note 31)	-	-	-	(268.71)	(284.88)	-	719.05	-	-	1,706.81	-	-	-



Particulars	Share application money pending allotment	Reserves and surplus								Retained earnings	Other comprehensive income		Total
		Other Reserves									Gain/ (loss) on fair valuation of quoted investments in equity shares	Effective portion of cash flow hedges	
		Capital reserve	Securities premium	Statutory reserve (Pursuant to Section 45-1C of the RBI Act, 1934)	Debenture redemption reserve (Refer note 31)	Capital redemption reserve	General reserve	Remeasurement gain/ (loss) on defined benefit plan	Share option outstanding				
Any other change:													
Securities premium proceeds received on issue of equity shares (Refer note 30 and 31)	-	-	158.67	-	-	-	-	-	-	-	-	-	158.67
Expenses on employee stock option plan	-	-	-	-	-	-	-	-	9.17	-	-	-	9.17
Exercise of employee stock option plan	-	-	-	-	-	-	-	-	(133.61)	-	-	-	(133.61)
Transferred to/ (from) (Refer note 31) on account of share forfeiture	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the previous reporting period (As at March 31, 2024)	-	104.57	17,510.65	7,341.95	134.25	53.88	4,251.10	(76.52)	70.40	-	19,065.20	3.51	48,192.60

See accompanying notes forming an integral part of the standalone financial statements.

As per our report of even date

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 107122W/W100672

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 25, 2025

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

Umesh S. Abhyankar

Partner

Membership No.: 113053

Mumbai

April 25, 2025

For and on behalf of the Board of Directors of

Shriram Finance Limited

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 25, 2025

Y. S. Chakravarti

Managing Director and

CEO

DIN: 00052308

Mumbai

April 25, 2025

U Balasundararao

Company Secretary

Mumbai

April 25, 2025

Parag Sharma

Managing Director and CFO

DIN: 02916744

Mumbai

April 25, 2025



STANDALONE STATEMENT OF **CASH FLOWS**
FOR THE YEAR ENDED MARCH 31, 2025

STANDALONE ACCOUNTS

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	12,606.02	9,683.64
Adjustments for:		
Depreciation, amortisation and impairment	645.32	568.83
Interest on income tax refund	(0.88)	(8.22)
Exceptional items (net) (Refer note 43)	(1,656.77)	-
Share-based payments to employees	0.26	9.17
Interest income on loans	(38,669.51)	(32,502.25)
Interest income from investments	(826.00)	(553.79)
Interest income on deposits	(679.68)	(416.16)
Interest others	(0.16)	(0.12)
Finance costs on borrowings	18,333.88	14,749.30
Interest on lease liabilities	59.60	53.30
Loss/ (profit) on sale of property, plant and equipment (net)	7.91	(1.26)
Fair value adjustments to investments	(0.20)	0.78
Dividend income	(1.69)	(1.45)
Impairment on loans	5,279.00	4,484.74
Impairment on investments	26.13	35.67
Impairment on undrawn loan commitment	4.83	(5.13)
Impairment on other assets	1.70	3.06
Non-cash components of lease liabilities	(12.28)	(13.37)
Net (gain)/ loss on fair value changes on investment	(277.00)	(144.76)
Net (gain)/ loss on fair value changes on direct assignment	76.06	49.11
Net gain on derecognition of financial instruments under amortised cost category	(132.64)	(324.65)
Cash inflow from interest on loans	38,739.78	31,974.19
Cash inflow from interest and dividend on investments	683.66	491.24
Cash inflow from bank deposits	568.94	423.91
Cash outflow towards finance costs	(15,560.26)	(12,992.23)
Operating profit before working capital changes	19,216.02	15,563.55
Movements in working capital:		
Decrease/ (increase) in loans	(42,812.65)	(39,901.51)
Decrease/ (increase) in investments	(6,570.98)	(1,902.78)
Decrease/ (increase) in receivables	189.53	168.04
Decrease/ (increase) in bank deposits	(9,041.95)	1,444.35
Decrease/ (increase) in other financial assets	26.12	62.26
Decrease/ (increase) in other non-financial assets	32.18	72.84
Increase/ (decrease) in payables	87.10	(81.49)
Increase/ (decrease) in other financial liabilities excluding lease liabilities	146.74	199.51
Increase/ (decrease) in non-financial liabilities	13.56	67.55
Increase/ (decrease) in other provision	30.68	11.77
Cash used in operations	(38,683.65)	(24,295.91)
Direct taxes paid (net of refunds)	(3,591.16)	(3,374.06)
Net cash flows from/ (used in) operating activities (A)	(42,274.81)	(27,669.97)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(223.59)	(165.94)
Proceeds from sale of property, plant and equipment	3.70	2.55
Purchase of other intangible assets	(31.00)	(79.66)
Proceeds from sale of investment property	-	4.72
Proceeds from sale of investment in a subsidiary	3,929.03	-
Net cash generated from/ (used in) investing activities (B)	3,678.14	(238.33)



Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital and share application pending allotment (including share premium)	5.50	26.42
Proceeds/ (repayment) on settlement of derivative contracts	80.39	338.33
Increase/ (decrease) in deposits (net)	10,897.29	7,747.81
Amount received from debt securities	23,385.10	23,056.10
Repayment of debt securities	(15,095.16)	(22,168.43)
Proceeds/ (repayment) of subordinated debts	(1,832.53)	(261.67)
Amount received from borrowings other than debt securities	87,624.97	75,405.54
Repayment of borrowings other than debt securities	(59,731.06)	(57,657.68)
Payment of lease liabilities	(210.50)	(194.98)
Dividend paid	(1,859.30)	(1,875.07)
Net cash generated from/ (used in) financing activities (C)	43,264.70	24,416.37
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	4,668.03	(3,491.93)
Cash and cash equivalents at the beginning of the year	6,013.37	9,505.30
Cash and cash equivalents at the end of the year	10,681.40	6,013.37

Components of cash and cash equivalents	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents at the end of the year		
i) Cash on hand	191.75	182.95
ii) Cheques on hand	29.53	2.45
iii) Balances with banks (of the nature of cash and cash equivalents)	3,500.51	2,860.19
iv) Bank deposits with original maturity upto three months or less	6,960.15	2,967.78
Gross	10,681.94	6,013.37
Less : Impairment loss allowance	0.54	-
Cash and cash equivalent as per balance sheet	10,681.40	6,013.37

See accompanying notes forming an integral part of the standalone financial statements.

Notes:

- The above Statement of Cash Flows has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows as specified in the Companies (Indian Accounting Standard), 2015.
- Income tax paid is treated as arising from operating activities and are not bifurcated between investing and financing activities.
- During the year, the Company has paid an amount of Rs. 131.46 crores (March 31, 2024: Rs. 90.88 crores) towards corporate social responsibility (CSR).

As per our report of even date

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 107122W/W100672

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 25, 2025

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

Umesh S. Abhyankar

Partner

Membership No.: 113053

Mumbai

April 25, 2025

For and on behalf of the Board of Directors of

Shriram Finance Limited

Jugal Kishore Mohapatra

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Parag Sharma

Managing Director and CFO

DIN: 02916744

Mumbai

April 25, 2025

Y. S. Chakravarti

Managing Director and CEO

DIN: 00052308

Mumbai

April 25, 2025

U Balasundararao

Company Secretary

Mumbai

April 25, 2025



1. CORPORATE INFORMATION

Shriram Finance Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares and non-convertible debentures are listed on BSE Limited and National Stock Exchange of India Limited.

The Company is registered with the Reserve Bank of India (RBI), Ministry of Corporate Affairs (MCA), Insurance Regulatory and Development Authority of India (IRDA) and Association of Mutual Funds in India (AMFI). The registration details are as follows:

RBI	: 07-00459
Corporate Identity Number (CIN)	: L65191TN1979PLC007874
IRDA	: CA0197
AMFI	: 269340

Shriram Capital Private Limited and Shriram Ownership Trust are the Promoters of the Company. The Company is a Deposit Accepting Non-Banking Finance Company (NBFC), NBFC- Investment and Credit Company (NBFC-ICC) holding a Certificate of Registration from the RBI dated April 17, 2007 which was endorsed in the new name on January 31, 2023. The RBI, under Scale Based Regulations (SBR) had categorised the Company in Upper Layer (NBFC-UL) vide its circular dated September 30, 2022 and affirmed the same vide its Press release dated January 16, 2025.

The registered office of the Company is Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu- 600 032. The principal place of business is Wockhardt Towers, West Wing, Level-3, C-2, G-Block, Bandra - Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400 051.

The Company is primarily engaged in the business of financing commercial vehicles, passenger vehicles, construction equipment, farm equipment, micro, small and medium enterprises (MSME), two-wheelers, gold and personal loans.

The standalone financial statements of the Company for the year ended March 31, 2025 were approved for issue in accordance with the resolution of the Board of Directors on April 25, 2025.

2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, notified under the Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards, except for the assets and liabilities acquired under business combination are measured at fair value. The financial statements have been prepared as per the guidelines issued by the RBI as applicable to a NBFCs and other accounting principles generally accepted in India. Any applicable guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The regulatory disclosures as required by Master Direction - Reserve Bank of India (Non-Banking Financial Company- Scale based regulation) Directions, 2023, as amended, issued by RBI are prepared as per the Ind AS financial statements.

The financial statements have been prepared on going concern basis in accordance with the Ind AS 1. The Management is of the view that the Company shall be able to continue its business for the near future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in note 7 - Significant accounting judgements, estimates and assumptions.



The financial statements are presented in Indian Rupees in crores (INR crores or Rs. in crores) which is also the functional currency of the Company and all values are rounded to the nearest crore, except when otherwise indicated. Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

3. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the MCA. The Statement of Cash Flows is presented as per the requirements of Ind AS 7 - Statement of Cash Flows. The Company classifies its assets and liabilities as financial and non-financial and presents them in the order of liquidity. An analysis regarding expected recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in notes to the financial statements. Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

Derivative assets and liabilities with master netting arrangements (for example, International Swaps and Derivative Association Arrangements) are presented net if all the above criteria are met.

4. STATEMENT OF COMPLIANCE

These standalone or separate financial statements of the Company have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act. The Company has consistently applied accounting policies to all the periods.

5. RECENT ACCOUNTING DEVELOPMENTS

The MCA has announced amendments to the Companies (Indian Accounting Standards) Rules, 2015 through its various notifications issued during the financial year 2024-25.

The notification dated August 12, 2024 has notified the new accounting standard, Ind AS 117 - Insurance Contracts, applicable from April 01, 2024.

Subsequently, through its notification dated September 28, 2024, MCA allowed insurers to use Ind AS 104 - Insurance Contracts for preparing consolidated financial statements until Ind AS 117 is notified by the IRDA and inserted a Schedule on Ind AS 104 which outlines the financial reporting requirements for insurance contracts. This notification was made applicable with immediate effect.

MCA also amended Ind AS 116 - Leases, by inserting new provisions relating to sale and leaseback transactions, through its notification dated September 09, 2024, applicable with immediate effect.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements.

6. MATERIAL ACCOUNTING POLICIES

The material accounting policies related to preparation of the standalone financial statements are given below:

6.1 Financial instruments

Initial recognition

I) Classification of financial instruments

The classification depends on the contractual terms of the cash flows of the financial assets and the Company's business model for managing financial assets which are explained below:

a) Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.
- At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassesses its business models each reporting period to determine whether the business models have changed since the preceding period.

For the current and prior reporting periods, the Company has not identified a change in its business model.

b) The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

Principal for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at Fair Value Through Profit or Loss (FVTPL).

The Company classifies its financial instruments into the following measurement categories:

(1) Financial assets measured at amortised cost

These financial assets comprise bank balances, loans, trade receivables, other receivables, investments and other financial assets.

Debt instruments

Debt instruments are measured at amortised cost where they have:

- i) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- ii) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. However, trade receivables that do not contain a significant financing component are initially measured at transaction price.

(2) Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Debt instruments

Investments in debt instruments are measured at FVTOCI where they have:

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

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in Other Comprehensive Income (OCI) within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in the statement of profit and loss. Upon disposal, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss. As at the reporting date, the Company does not have any debt instruments measured at FVTOCI.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 - Business Combination applies, are measured at FVTOCI, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 - Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis. Amounts presented in OCI are not subsequently transferred to the statement of profit and loss. Dividends on such investments are recognised in the statement of profit and loss.

(3) Financial assets measured at FVTPL

Financial instruments held at FVTPL are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Items measured at FVTPL comprise:

i) **Investments (including equity shares) held for trading:**

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

Trading securities are classified as held for trading and recognised at FVTPL.

Equity Investments

Investment in Associate is carried at cost in the separate financial statements as permitted under Ind AS 27 - Separate Financial Statements. The Company has accounted for its investment in subsidiary at fair value at the time of acquisition due to business combination. The investment is subsequently measured at cost. All other equity investments except those measured at FVTOCI are measured at FVTPL.

ii) **Items specifically designated as FVTPL on initial recognition**

Financial liability designated at FVTPL

A financial liability may be designated at FVTPL if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

iii) **Debt instruments with contractual terms that do not represent solely payments of principal and interest.**

(4) **Financial liabilities measured at FVTPL**

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss or is required to measure liabilities at FVTPL such as derivative liabilities.

Where a financial liability is designated at FVTPL, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in OCI. As at the reporting date, the Company has not designated any financial liability as measured at FVTPL.

(II) **Derivatives**

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

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

The Company enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet liabilities.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

Hedge accounting

The Company has adopted hedge accounting. The Company makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria. The Company has formally designated and documented the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect the statement of 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 as cash flow hedge reserve. The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of

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

(III) Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

(IV) Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities during the year ended March 31, 2025, though there may be regrouping of financial assets or liabilities.

(V) Recognition and derecognition of financial assets and liabilities

a) Recognition

- (1) Loans and advances are initially recognised when the funds are transferred to the customer's account or delivery of assets by the dealer, whichever is earlier.
- (2) Investments are initially recognised on the settlement date.
- (3) Debt securities, deposits and borrowings are initially recognised when funds reach the Company.

Other financial assets and liabilities are initially recognised on the trade date, i.e. the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

b) Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

c) Derecognition of financial assets other than due to substantial modification

(1) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or
- ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the original asset), but assumes a contractual obligation to pay those cash flows to one or more entities (the eventual recipients), when all of the following three conditions are met:

- i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

- ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- i. The Company has transferred substantially all the risks and rewards of the asset, or
- ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Interest income on such assets is recognised as per policy as explained in note 6.2(I).

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain or loss on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109 – Financial Instruments. Also, the Company recognises servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset. As per the guidelines of RBI, the Company is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement (MRR). Therefore, it continues to recognise the portion retained by it as MRR.

(2) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss. As at the reporting date, the Company does not have any financial liabilities which have been derecognised.

(VI) Impairment of financial assets

a) Overview of the ECL principles

The Company records allowance for expected credit losses for all loans and other financial assets not held at FVTPL in this section all referred to as financial instruments. Equity instruments are not subject to impairment under Ind AS 109 - Financial Instruments.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-months expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-months ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into commercial vehicles, construction equipment, farm equipment, passenger vehicles, gold loan, personal loans, MSME secured, MSME unsecured, two wheeler and loans to NBFC.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest Days Past Due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2

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

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the EIR to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for example, any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

As required by Master Direction - Reserve Bank of India (Non-Banking Financial Company-Scale based regulation) Directions, 2023 RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 as amended, where impairment allowance under Ind AS 109 is lower than the provisioning required as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/ beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc., the Company shall appropriate the difference from their net profit or loss after tax to a separate impairment reserve.

Borrower accounts shall be flagged as overdue as part of the day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as Non-Performing Asset (NPA)/ Stage 3 shall be done as part of day-end process for the relevant date i.e. 90 Days Past Due and NPA/ Stage 3 classification date shall be the calendar date for which the day end process is run. In other words, the date of NPA/ Stage 3 shall reflect the asset classification status of an account at the day end of that calendar date.

Upgradation of accounts classified as Stage 3/ NPA - The Company upgrades loan accounts classified as Stage 3/ NPA to standard asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the Company in this regard. With regard to upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

(1) Credit impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVTOCI are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- Repossession of security or
- The disappearance of an active market for a security because of financial difficulties.

(2) ECL on investment in Government Securities

The Company has invested in Government of India loans. Investment in Government securities are classified under stage 1. No ECL has been applied on these investments as there is no history of delay in servicing of interest/ repayments. The Company does not expect any delay in interest/redemption servicing in future.

(3) ECL on Pass Through Certificates (PTC)

The Company recognises the ECL on PTC on a collective basis by taking into account comprehensive credit risk information and is computed in similar manner as loans measured at amortised cost.

(4) ECL on loans secured by the Company's fixed deposit

No ECL has been applied on loans given against the Company's fixed deposit as they are fully secured by the Company's fixed deposits.

(5) ECL on Fixed Deposits with Banks

No ECL has been applied on fixed deposits held with banks as there is no history of default. However, in case of any downgrade in the credit rating of the banks where fixed deposit is held, the Company would provide for ECL computed in an appropriate methodology. From March 2025, ECL on fixed deposits with banks is determined using rates from established sources.

(6) Simplified approach for trade/ other receivables and contract assets

The Company follows simplified approach for recognition of impairment loss allowance on trade/ other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

(7) ECL on debt instruments measured at FVTOCI

The ECLs for debt instruments measured at FVTOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to the statement of profit and loss. The accumulated loss recognised in OCI is recycled to the statement of profit and loss upon derecognition of the assets. As at the reporting date, the Company does not have any debt instruments measured at FVTOCI.

(8) ECL on Undrawn loan commitments

When estimating ECL for undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown. The Company discloses ECL allowance on undrawn loan commitments under the head Provisions under non-financial liabilities.

b) The mechanics of ECL

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

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

(1) Probability of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in note 56.02.02.02.

(2) Exposure at Default (EAD)

The Exposure at Default is an estimate of the exposure at a future default date. The concept of EAD is further explained in note 56.02.02.03.

(3) Loss Given Default (LGD)

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is explained in note 56.02.02.04.

(4) Forward looking information

While estimating the expected credit losses, the Company identifies the key macro-economic factors (independent variables) basis the R-square and the economic relationship between the independent variable and the default rates and the most relevant macro-economic factor affecting the particular loan product is factored in while arriving at the PD of that product.

On a periodic basis, the Company monitors the situation and economic factors affecting the operations of the Company and assesses the requirement of any modification to ECL model.

(5) Stress testing

The Company formulated three different macro-economic stress scenarios under the premise of mild stress, medium stress and severe stress condition. The medium stress scenario largely reflected the current economic conditions, and accordingly was used for ECL purpose.

(6) Collateral repossessed

In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/ obligors. The Company generally does not use the assets repossessed for the internal operations. The underlying loans in respect of which collaterals have been repossessed and not sold for more than 6 months are considered as Stage 3 assets and fully provided for net of estimated realisable value or written off. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards and consequently the Company also does not derecognise the underlying financial asset immediately on repossession.

(7) Restructured loans

The Company is permitted to restructure customer accounts. Restructuring would normally involve modification of terms of the advances/ securities, which would generally include, among others, alteration of payment period, payable amount, the amount of instalments, rate of interest, sanction of additional credit facility or release of additional funds for a customer account. The Company considers the modification of the loan only before the loans gets credit impaired. In case of restructuring, the accounts classified as standard shall be immediately downgraded as NPA/ Stage 3 unless and other wise explicitly stated in the circulars and directions issued by RBI from time to time. Once an asset has been classified as restructured, it will remain restructured for a period of one year from the date on which it has been restructured until the customer account demonstrates satisfactory performance during the specified period.

For upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

Loan accounts which have been restructured or modified in accordance with RBI Notifications - RBI/2020-21/16 DOR. No.BPBC/3/21.04.048/2020-21 dated August 06, 2020- Resolution Framework for COVID-19 related Stress and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021- Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses and RBI/2020-21/17 DOR. No.BPBC/4/21.04.048/2020-21- dated August 06, 2020 - Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances and RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021 Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) have been classified as Stage 2 due to significant increase in credit risk.

(VII) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. 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 subjected to write-offs. Any subsequent recoveries against such loans are accounted under bad debt recovery disclosed under other operating income. Write off in case of standard accounts is done by way of waiver of last one or two instalments in case the borrower pays all the EMIs as per the due dates mentioned in the agreement.

(VIII) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments [as explained in note 6.1(I)(1) to 6.1(I)(3)] at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques as summarised below:

Level 1 - Those financial instruments where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 - Those financial instruments where the inputs that are used for valuation are significant and are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 - Those financial instruments that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

Difference between transaction price and fair value at initial recognition

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Company recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in the statement of profit and loss when the inputs become observable, or when the instrument is derecognised.

6.2 Revenue from operations

(I) Interest income

Interest income is recognised by applying the EIR to the gross carrying amount of financial assets measured at amortised cost other than credit impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed

- As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees received between parties to the contract that are an integral part of the EIR, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the EIR to the net amortised cost (net of ECL provision) of the financial asset.

Interest on delayed payments by customers are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.

Interest spread under par structure of direct assignment of loan receivables is recognised upfront. On derecognition of the loan receivables in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised upfront in the statement of profit and loss.

(II) Dividend income

Dividend income is recognised when the right to receive the payment is established.

(III) Rental income

Rental income arising from leases is recognised on a straight line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

(IV) Fees and commission income

Fees and commissions are recognised when the Company satisfies the performance obligation, at the amount of transaction price (net of variable consideration) allocated to that performance obligation based on a five-step model as set out below, unless included in the effective interest calculation:

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.

(V) Net gain/ (loss) on fair value changes

Any differences between the fair values of financial assets classified at FVTPL (refer note 34), held by the Company on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in net gain on fair value changes under revenue from operations and if there is a net loss the same is disclosed under expenses in the statement of profit and loss .

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt or equity instruments measured at FVTOCI is recognised in net gain/ loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVTOCI.

(VI) Recoveries of financial assets written off

The Company recognises income on recoveries of financial assets written off on realisation basis.

(VII) Net gain/ loss on derecognition of financial instruments under amortised cost category

In case where transfer of a part of financial assets qualifies for derecognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on derecognition of such financial asset previously carried under amortisation cost category is presented separately under the respective head in the statement of profit and loss. The resulting interest only strip initially is recognised at FVTPL under interest income.

(VIII) Other incomes

All other incomes are recognised in the period they occur.

6.3 Expenses

(I) Finance costs

Finance costs represents interest expense recognised by applying the EIR to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees paid between parties to the contract that are an integral part of the EIR, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the financial liability.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc., provided these are incremental costs that are directly related to the issue of a financial liability.

(II) Retirement and other employee benefits

a) Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ ex-gratia are recognised in the period in which the employee renders the related service.

b) Post-employment employee benefits

(1) Defined contribution schemes

All the employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(2) Defined benefit schemes

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under the Payment of Gratuity Act, 1972. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each balance sheet date, using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on government securities as at the balance sheet date.

Net interest recognised in the statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through OCI. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

The Company fully contributes all ascertained liabilities to the Trustees - Shriram Finance Limited Employees Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved insurance companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. They are not reclassified to the statement of profit and loss in subsequent periods.

(i) Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the balance sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the statement of profit and loss.

The Company presents the provision for compensated absences under provisions in the balance sheet.

(ii) Employee share-based payment

a) Employee Stock Options

Eligible employees in terms of the Employees Stock Options Scheme of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share option outstanding reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense/ vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expenses. No expense is recognised for awards that do not ultimately vest.

b) Share appreciation rights (SAR) (cash-settled)

The cost of cash-settled scheme (stock appreciation rights) is measured initially using fair value method at the grant date taking into account the terms and conditions upon which the instruments were granted. This fair value is amortised on a straight-line basis over the vesting period with recognition of corresponding liability. This liability is re-measured at each Balance Sheet date up to and including the settlement date with changes in fair value recognised in the Statement of Profit and Loss in 'Share-based payment to employees' under the head Employee Benefit Expense.

(III) Leases

a) The Company as a lessee

The Company has adopted Ind AS 116 - Leases with the date of initial application being April 01, 2019 (transition date). The determination of whether an arrangement is a lease or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. For arrangements entered into prior to April 01, 2019, the Company has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate at the transition date in case of leases existing as on the date of transition date and in case of leases entered after transition date, incremental borrowing rate as on the date of lease commencement date. In case of existing leases, the said date would be the date of transition. It is remeasured when there is a change in future lease payments arising from a change in a rate, if the Company changes its assessment of whether it will exercise an extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term. The Company's lease asset class consist of leases for office premises .

In case of a sub-lease, the Company accounts for its head lease and sub-lease separately.

b) The Company as a lessor

Rental income arising from leases is recognised on a straight line basis in the statement of profit and loss over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

(IV) Other expenses

All other expenses are accounted in the period they are incurred.

(V) Impairment of non-financial assets, wherever applicable

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

(VI) Taxes

a) Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised either in OCI or equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

c) Goods and Services Tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the GST paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from or payable to the taxation authority is included as part of receivables or payables in the balance sheet.

(VII) Dividends on ordinary shares

The Company recognises a liability to make cash distributions to equity shareholders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, the final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Company. A corresponding amount is recognised directly in equity.

6.4 Foreign currency translation

(I) Functional and presentational currency

The standalone financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(II) Transactions and balances

a) Initial recognition

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

b) Conversion

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

6.5 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, cheques on hand, balances with banks (of the nature of cash and cash equivalents), CBLO and short-term deposits, as defined above.

6.6 Property, plant and equipment

Property, Plant and Equipment (PPE) are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. 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.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, if it is probable that future economic benefit will flow to the Company from that expenditure and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

(I) Depreciation

Depreciation is calculated using the straight-line method to write down the cost of PPE to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 except for leasehold improvements which are amortised on a straight line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 60 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits. Land is not depreciated.



The estimated useful lives are as follows:

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Company
Building	60 years	60 years
Plant and machinery	15 years	15 years
Electrical equipment	10 years	10 years
Generator	10 years	10 years
Furniture and fixture	10 years	10 years
Air conditioner	5 years	5 years
Electronic equipment	5 years	5 years
Office equipment	5 years	5 years
Refrigerator	5 years	5 years
Motor car	8 years	8 years
Vehicles	10 years	10 years
Server and networking	6 years	6 years
Computer	3 years	3 years

Exceptions to useful lives specified in Schedule II to the Companies Act, 2013:

The vehicles provided to employees as part of Cost-To-Company (CTC) scheme are depreciated using estimated useful life of 8 years without residual value.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/ expense in the statement of profit and loss in the year the asset is derecognised.

Depreciation on assets acquired/ sold during the year is recognised on a pro-rata basis to the statement of profit and loss from/ upto the date of acquisition/ sale or disposal.

The date of disposal of an item of PPE is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115 - Revenue from Contracts with Customers.

6.7 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets

acquired/ sold during the year is recognised on a pro-rata basis to the statement of profit and loss from/ upto the date of acquisition/ sale.

The Company's intangible assets consist of computer software and distribution network with finite life and goodwill with indefinite life.

Amortisation is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight line basis over a period of 3 years, unless it has a shorter useful life.

Goodwill is not subject to amortisation and is tested annually for impairment. Goodwill is carried at cost less accumulated impairment losses. The Company has determined the useful life of distribution network acquired through the scheme of amalgamation and started amortising the same over its useful life of 5 years.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

6.8 Intangible assets under development

Intangible assets not ready for the intended use on the date of balance sheet are disclosed as Intangible assets under development. These are carried at cost, comprising direct cost and related incidental expenses.

6.9 Investment property

A property held to earn rentals and/ or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each balance sheet date to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each balance sheet date and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the statement of profit and loss in the same period.

6.10 Ind AS 101 - First-time adoption of Indian Accounting Standards

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment, intangible assets and investment property as at March 31, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, intangible assets and investment property as on April 01, 2017.

6.11 Provisions

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.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision



is presented in the statement of profit and loss net of any reimbursement. As at reporting date, the Company does not have any such provisions where the effect of time value of money is material.

6.12 Contingent liabilities

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements. Contingent liabilities are reviewed at each balance sheet date.

6.13 Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised nor disclosed in the financial statements. They are disclosed only when an inflow of economic benefits is probable. Contingent assets are reviewed at each balance sheet date.

6.14 Earnings per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 - Earnings per Share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

6.15 Statement of Cash Flows

Cash flows are reported under the indirect method as set out in Ind AS 7 - Statement of Cash Flows, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Company.

6.16 Business combination

The Company applies the acquisition method of accounting for business combinations where common control does not exist. The consideration transferred by the Company for the acquisition of business comprises of fair value of the assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. the date on which it obtains the control of the acquiree. The acquisition related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the acquisition date.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date. Subsequent to initial recognition, intangible assets as well as goodwill acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, respectively.

Goodwill is initially measured at cost, being the excess of the consideration transferred over the fair value of the net identifiable assets acquired. After initial recognition, goodwill is tested annually for impairment and any impairment loss for goodwill is recognised in the statement of profit and loss.

Distribution network is the value of the transferor Company's branch network. Valuation of Distribution Network is as per With and Without Method. If the consideration transferred is less than the fair value of net identifiable assets acquired, the difference is recognised as capital reserve in other equity.

6.17 Non-current assets held for sale

Non-current assets and disposable groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal Company) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification except in some circumstances this period can be extended if it is beyond the control of management and there are sufficient evidence that the entity remains committed to its plan to sell the asset. Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

6.18 Exceptional items

Exceptional items are those items of income or expense from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure in the financial statements is considered necessary to explain the performance of the Company.

7. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

7.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or FVTOCI that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was

held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

7.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

7.3 Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

7.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The policy on impairment loss on loans and advances is disclosed in detail in note 6.1(VI).

7.5 Contingent liabilities and provisions other than impairment on loan portfolio

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed at each balance sheet date and revised to take account of changing facts and circumstances.

7.6 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 product life cycle (including prepayments and penalty interest and charges).

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.

7.7 Estimating the incremental borrowing rate

The Company uses its Incremental Borrowing Rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to for its incremental borrowings.

7.8 Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc. The Company has determined the useful life of the intangible asset in the nature of branch network acquired through the scheme of amalgamation and started amortising the same over its useful life by making a suitable change in the accounting estimate.

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
8	CASH AND CASH EQUIVALENTS		
	Cash on hand	191.75	182.95
	Balances with banks (of the nature of cash and cash equivalents)	3,500.51	2,860.19
	Cheques on hand	29.53	2.45
	<u>Others</u>		
	Bank deposits with original maturity upto three months or less	6,960.15	2,967.78
	Total Gross	10,681.94	6,013.37
	Less: Impairment loss allowance	0.54	-
	Total Net	10,681.40	6,013.37

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. The Company has not taken bank overdraft, therefore the cash and cash equivalents for Statement of Cash Flows is same as cash and for cash equivalents given above.

There is no restriction with regard to cash and cash equivalents as at the end of the financial years March 31, 2025 and March 31, 2024.

Reconciliation of impairment loss allowance is given below:

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
	Opening balance	-	-
	Add: Addition during the year	0.54	-
	(Less): Reduction during the year	-	-
	Closing balance	0.54	-

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
9	BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
	Earmarked balances with banks for		
	Unclaimed dividend accounts	12.49	10.60
	Bank deposits with original maturity for more than three months	9,031.23	0.35
	Balances with banks to the extent held as credit enhancement or security against the borrowings, guarantees, other commitments* #	1,641.10	1,586.87
	Total Gross	10,684.82	1,597.82
	Less: Impairment loss allowance	0.48	-
	Total Net	10,684.34	1,597.82

*Includes deposits Rs. 1,123.23 crores (March 31, 2024: Rs. 1,084.43 crores) pledged with banks as margin for credit enhancement, Rs. 17.66 crores (March 31, 2024: Rs. 1.51 crores) as margin for guarantees and Rs. 500.21 crores (March 31, 2024: Rs. 500.93 crores) pledged as lien against borrowings.

#Regrouped first loss and second loss fixed deposits amounting to Rs. 3,201.45 crores as on March 31, 2024 which were in the name of trustees to "Receivable from trusts on account of securitisation" under note 14.

Bank deposits and other balances with banks earns interest at fixed rate.

9 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS (Contd.)

Reconciliation of impairment loss allowance is given below:

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Opening balance	-	-
Add: Addition during the year	0.48	-
(Less): Reduction during the year	-	-
Closing balance	0.48	-

10 DERIVATIVE FINANCIAL INSTRUMENTS

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 Company had adopted hedge accounting.

The table below 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.

Particulars	As at March 31, 2025				As at March 31, 2024			
	Notional amounts	Fair value - assets	Notional amounts	Fair value - liabilities	Notional amounts	Fair value - assets	Notional amounts	Fair value - liabilities
Part I								
(i) Currency derivatives:								
Spots and forwards	48,059.84	(622.65)	-	-	19,162.15	(413.73)	-	-
Currency swaps	7,163.54	334.21	-	-	6,514.26	162.27	-	-
Cross currency interest rate swaps	2,304.44	67.27	-	-	981.02	269.89	-	-
Sub-total (i)	57,527.82	(221.17)	-	-	26,657.43	18.43	-	-
(ii) Interest rate derivatives:								
Interest rate swaps	49,277.93	460.76	-	-	24,867.11	286.78	-	-
Interest rate caps	700.00	10.50	-	-	700.00	25.27	-	-
Sub-total (ii)	49,977.93	471.26	-	-	25,567.11	312.05	-	-
Total derivative financial instruments (i) + (ii)	107,505.75	250.09	-	-	52,224.54	330.48	-	-
Part II								
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
(i) Cash flow hedging:								
Currency derivatives	57,527.82	(221.17)	-	-	26,657.43	18.43	-	-
Interest rate derivatives	49,977.93	471.26	-	-	25,567.11	312.05	-	-
Total derivative financial instruments	107,505.75	250.09	-	-	52,224.54	330.48	-	-

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in note 56.

Derivatives designated as hedging instruments

The Company designates its derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates. At inception of designated

10 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other. There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the hedging instruments is identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

Derivatives not designated as hedging instruments

There are no undesignated derivatives.

Notes:

- 1) The interest rate risk and exchange rate risk on the borrowings of the Company are managed using various derivative instruments which are entered into from time to time. The risk management strategy and the use of derivatives are explained in note 56 and 96.
- 2) The Company has designated the interest rate derivatives which were entered to mitigate interest rate risks on its external commercial bond, external commercial borrowings, term loan from banks and institutions and non-convertible debentures as hedging instruments.

The impact of the hedging instrument on the balance sheet is as follows:

Hedged instrument	As at March 31, 2025				As at March 31, 2024			
	Notional amount	Carrying amount	Line item in the balance sheet	Change in fair value used for measuring ineffectiveness for the year	Notional amount	Carrying amount	Line item in the balance sheet	Change in fair value used for measuring ineffectiveness for the year
Currency derivatives/ interest rate derivatives	107,505.75	250.09	Derivative financial instruments	(276.66)	52,224.54	330.48	Derivative financial instruments	(56.12)

The impact of hedged items on the balance sheet is as follows:

Hedged items	As at March 31, 2025		As at March 31, 2024	
	Change in value used for measuring ineffectiveness	Cash flow hedge reserve	Change in value used for measuring ineffectiveness	Cash flow hedge reserve
External commercial bond, external commercial borrowings, term loan from banks and institutions and non-convertible debentures	(276.66)	(473.42)	(56.12)	(266.39)



10 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
Hedged items	External commercial bond, external commercial borrowings, term loan from banks and institutions and non-convertible debentures	External commercial bond, external commercial borrowings, term loan from banks and non-convertible debentures
Total hedging gain/ (loss) recognised in OCI	(276.66)	(56.12)
Ineffectiveness recognised in the statement of profit and loss	-	-
Line item in the statement of profit and loss that include the hedge ineffectiveness	NA	NA
Amount reclassified from cash flow hedge reserve to the statement of profit and loss	-	-
Line item in the statement of profit and loss that includes the reclassification adjustment	NA	NA

11 RECEIVABLES

(I) Trade receivables

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured*	50.82	51.63
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Gross carrying amount	50.82	51.63
Less: Allowances for impairment loss on trade receivables considered good - unsecured	0.00	-
Net carrying amount	50.82	51.63

*Includes Rs. 44.00 crores (March 31, 2024 Rs. 37.74 crores) receivable from related parties.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

Trade receivables are non-interest bearing.

The Company's impairment assessment and measurement approach for trade receivables is mentioned at note 6.1(VI) of material accounting policies.

There are no dues from Directors or other officers of the Company or any firm or private company in which any Director is a partner, a Director or a member.

11 RECEIVABLES (Contd.)

Trade receivables ageing

(Rs. in crores)

Particulars	Unbilled	Not due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025								
Undisputed trade receivables								
Considered good	0.83	0.40	49.59	-	-	-	-	50.82
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	0.83	0.40	49.59	-	-	-	-	50.82
As at March 31, 2024								
Undisputed trade receivables								
Considered good	-	-	51.63	-	-	-	-	51.63
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	-	51.63	-	-	-	-	51.63

Reconciliation of impairment loss allowance is given below:

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Impairment allowance measured as per simplified approach		
Opening balance	-	-
Add: Addition during the year	0.00	-
(Less): Reduction during the year	-	-
Closing balance	0.00	-



11 RECEIVABLES (Contd.)

(II) Other receivables

		(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024	
Other receivables considered good - secured	-	-	
Other receivables considered good - unsecured*	177.88	294.35	
Other receivables which have significant increase in credit risk	20.63	37.56	
Other receivables - credit impaired	25.96	24.71	
Gross carrying amount	224.47	356.62	
Less: Allowances for impairment loss on other receivables considered good - unsecured	6.14	9.98	
Less: Allowances for impairment loss on other receivables which have significant increase in credit risk	1.67	2.97	
Less: Allowances for impairment loss on credit impaired other receivables	13.79	10.71	
Net carrying amount	202.87	332.96	

*Includes Rs. Nil (March 31, 2024 Rs. Nil) receivable from related parties.

The Company's impairment assessment and measurement approach for other receivables is mentioned in note 6.1(VI) of material accounting policies.

There are no dues from Directors or other officers of the Company or any firm or private company in which any Director is a partner, a Director or a member.

Other receivables ageing

		(Rs. in crores)						
Particulars	Unbilled	Not due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025								
Undisputed other receivables								
Considered good	-	177.59	0.29	-	-	-	-	177.88
Which have significant increase in credit risk	-	20.63	-	-	-	-	-	20.63
Credit impaired	-	19.33	2.27	1.20	1.79	0.42	0.95	25.96
Disputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	217.55	2.56	1.20	1.79	0.42	0.95	224.47
As at March 31, 2024								
Undisputed other receivables								
Considered good	-	294.02	0.33	-	-	-	-	294.35
Which have significant increase in credit risk	-	37.56	-	-	-	-	-	37.56
Credit impaired	-	21.99	0.29	0.41	0.28	0.07	1.67	24.71
Disputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	353.57	0.62	0.41	0.28	0.07	1.67	356.62

11 RECEIVABLES (Contd.)

Reconciliation of impairment loss allowance is given below:

	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Impairment allowance measured as per simplified approach		
Opening balance	23.66	24.48
Add: Addition during the year	3.91	2.75
(Less): Reduction during the year	(5.97)	(3.57)
Closing balance	21.60	23.66

	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
12 LOANS		
Loans (at amortised cost)		
(A)		
i) Term loans	235,164.64	204,033.67
ii) Others @	24,751.27	17,633.99
Total Gross - (A)	259,915.91	221,667.66
Less : Impairment loss allowance	14,523.12	13,738.25
Total Net - (A)	245,392.79	207,929.41
(B)		
i) Secured by tangible assets	235,105.74	203,987.68
ii) Secured by deposits	58.90	45.99
iii) Unsecured	24,751.27	17,633.99
Total Gross - (B)	259,915.91	221,667.66
Less : Impairment loss allowance	14,523.12	13,738.25
Total Net - (B)	245,392.79	207,929.41
(C)		
Loans outside India	-	-
Loans in India		
i) Public sector	-	-
ii) Others		
Retail	256,429.01	219,462.04
Corporates	3,486.90	2,205.62
Total Gross - (C)	259,915.91	221,667.66
Less : Impairment loss allowance	14,523.12	13,738.25
Total Net - (C)	245,392.79	207,929.41

There are no loans measured at FVTOCI or FVTPL or designated at FVTPL.

@Includes unsecured working capital loans, loans to employees, trade advances, personal loans, loans to MSME and part disbursement to customers.

12 LOANS (Contd.)

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in note 56.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 56.02.02.07.

(Rs. in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total
Internal rating grade								
Performing								
High grade	185,994.28	-	-	185,994.28	151,330.90	-	-	151,330.90
Standard grade	44,167.26	-	-	44,167.26	43,248.93	-	-	43,248.93
Sub-standard grade	-	13,085.83	-	13,085.83	-	11,585.15	-	11,585.15
Past due but not impaired	-	4,829.75	-	4,829.75	-	3,421.53	-	3,421.53
Non- performing	-	-	11,838.79	11,838.79	-	-	12,081.15	12,081.15
Total	230,161.54	17,915.58	11,838.79	259,915.91	194,579.83	15,006.68	12,081.15	221,667.66

An analysis of changes in the gross carrying amount as follows:

(Rs. in crores)

Particulars	Year ended March 31, 2025				Year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - Opening balance	194,579.83	15,006.68	12,081.15	221,667.66	155,619.94	16,336.30	11,382.18	183,338.42
New assets originated or purchased	155,584.66	6,566.24	1,327.07	163,477.97	133,587.24	6,761.67	1,835.41	142,184.32
Assets derecognised or repaid (excluding write-offs and includes interest accruals adjusted)	(106,463.17)	(9,628.70)	(4,325.51)	(120,417.38)	(85,561.58)	(10,427.52)	(4,926.45)	(100,915.55)
Transfers to stage 1	10,583.34	(8,721.49)	(1,861.85)	-	12,938.72	(10,426.63)	(2,512.09)	-
Transfers to stage 2	(16,979.20)	17,431.42	(452.22)	-	(14,815.58)	15,296.85	(481.27)	-
Transfers to stage 3	(6,796.23)	(2,641.17)	9,437.40	-	(6,167.48)	(2,324.64)	8,492.12	-
Amounts written off	(347.69)	(97.40)	(4,367.25)	(4,812.34)	(1,021.43)	(209.35)	(1,708.75)	(2,939.53)
Gross carrying amount - Closing balance	230,161.54	17,915.58	11,838.79	259,915.91	194,579.83	15,006.68	12,081.15	221,667.66

12 LOANS (Contd.)

Reconciliation of ECL balance is given below:

(Rs. in crores)

Particulars	Year ended March 31, 2025				Year ended March 31, 2024			
	General approach				General approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - Opening balance	6,374.03	1,107.51	6,256.71	13,738.25	4,541.30	1,105.27	5,707.27	11,353.84
New assets originated or purchased	5,680.02	608.28	499.26	6,787.56	4,237.94	524.62	624.39	5,386.95
Transfers to stage 1	1,443.58	(729.76)	(713.82)	-	1,999.19	(934.51)	(1,064.68)	-
Transfers to stage 2	(756.19)	931.56	(175.37)	-	(494.81)	695.92	(201.11)	-
Transfers to stage 3	(387.68)	(245.85)	633.53	-	(208.69)	(205.93)	414.62	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(3,931.41)	(137.12)	3,217.30	(851.23)	(3,337.12)	11.87	2,613.93	(711.32)
Provision no longer required	(452.21)	(105.97)	(4,593.28)	(5,151.46)	(363.78)	(89.73)	(1,837.71)	(2,291.22)
ECL allowance - Closing balance	7,970.14	1,428.65	5,124.33	14,523.12	6,374.03	1,107.51	6,256.71	13,738.25

The contractual amount outstanding on loans that have been written off during the financial year, but were still subject to enforcement activity was Rs. 3,683.88 crores (March 31, 2024 Rs. 1,485.28 crores).

13 INVESTMENTS

(Rs. in crores)

Particulars	As at March 31, 2025					As at March 31, 2024				
	Amortised cost	Fair value through OCI	Fair value through profit or loss	Others (at cost)	Total	Amortised cost	Fair value through OCI	Fair value through profit or loss	Others (at cost)	Total
Quoted										
i) Investments in mutual funds *	-	-	10.01	-	10.01	-	-	300.38	-	300.38
ii) Investments in government securities (Refer note 84)	7,822.90	-	484.94	-	8,307.84	6,468.36	-	-	-	6,468.36
iii) Investments in equity instruments #	-	110.81	-	-	110.81	-	79.84	-	-	79.84
Unquoted										
i) Investments in equity instruments	-	-	27.67	-	27.67	-	-	25.82	-	25.82
ii) Investment in subsidiary (Refer note 43 and 46)	-	-	-	-	-	-	-	-	1,562.24	1,562.24

13 INVESTMENTS (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2025					As at March 31, 2024				
	Amortised cost	Fair value through OCI	Fair value through profit or loss	Others (at cost)	Total	Amortised cost	Fair value through OCI	Fair value through profit or loss	Others (at cost)	Total
iii) Investments in associate (Refer note 46)	-	-	-	13.37	13.37	-	-	-	13.37	13.37
iv) Investments in pass through certificates	3,191.98	-	-	-	3,191.98	2,281.56	-	-	-	2,281.56
v) Investments in certificate of deposits	-	-	4,038.09	-	4,038.09	-	-	-	-	-
vi) Others										
Venture capital fund	-	-	1.52	-	1.52	-	-	1.52	-	1.52
Total Gross - (A)	11,014.88	110.81	4,562.23	13.37	15,701.29	8,749.92	79.84	327.72	1,575.61	10,733.09
i) Investments outside India	-	110.81	-	-	110.81	-	79.84	-	-	79.84
ii) Investments in India	11,014.88	-	4,562.23	13.37	15,590.48	8,749.92	-	327.72	1,575.61	10,653.25
Total Gross - (B)	11,014.88	110.81	4,562.23	13.37	15,701.29	8,749.92	79.84	327.72	1,575.61	10,733.09
Less : Allowance for impairment loss (C)	102.58	-	-	-	102.58	76.45	-	-	-	76.45
Total Net - (D) = (A-C)	10,912.30	110.81	4,562.23	13.37	15,598.71	8,673.47	79.84	327.72	1,575.61	10,656.64

*Includes Rs. 10.01 crores (March 31, 2024 Rs. 10.01 crores) mutual funds from related parties.

#The dividends of Rs. 1.69 crores (March 31, 2024: Rs. 1.45 crores) received from investments in shares are recorded as dividend income.

More information regarding the valuation methodologies can be found in note 55.09.

There are no investments designated at FVTPL.

Investments carried at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system for investments carried at amortised cost are explained in note 56.02.

(Rs. in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	11,014.88	-	-	11,014.88	8,749.92	-	-	8,749.92
Total	11,014.88	-	-	11,014.88	8,749.92	-	-	8,749.92

13 INVESTMENTS (Contd.)

An analysis of changes in the gross carrying amount of investments carried at amortised cost as follows:

(Rs. in crores)

Particulars	Year ended March 31, 2025				Year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - Opening balance	8,749.92	-	-	8,749.92	6,427.63	-	-	6,427.63
New assets originated or purchased	4,074.66	-	-	4,074.66	3,739.21	-	-	3,739.21
Assets derecognised or matured (excluding write-offs)	(1,809.70)	-	-	(1,809.70)	(1,416.92)	-	-	(1,416.92)
Gross carrying amount - Closing balance	11,014.88	-	-	11,014.88	8,749.92	-	-	8,749.92

Reconciliation of impairment loss allowance on investments carried at amortised cost is given below:

(Rs. in crores)

Particulars	Year ended March 31, 2025				Year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	76.45	-	-	76.45	40.77	-	-	40.77
New assets originated or purchased	54.33	-	-	54.33	53.51	-	-	53.51
Changes to models and inputs used for ECL calculations	(28.20)	-	-	(28.20)	(17.83)	-	-	(17.83)
Closing balance	102.58	-	-	102.58	76.45	-	-	76.45

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
14 OTHER FINANCIAL ASSETS		
At amortised cost		
Security deposits*	71.76	73.37
Receivable from trusts on account of securitisation (Refer note 9) **	3,240.93	3,201.45
Other financial assets	0.19	-
Total Gross	3,312.88	3,274.82
Less: Impairment loss allowance #	4.92	5.13
Total Net	3,307.96	3,269.69

*Includes security deposits of Rs. 0.11 crores (March 31, 2024 Rs. 0.56 crores) receivable from related parties.

**Pledged as margin for credit enhancement.

#Includes impairment loss allowance on security deposits of Rs. 4.92 crores (March 31, 2024 Rs. 5.13 crores) and on other financial assets Rs. 0.00 crores (March 31, 2024 Rs. Nil).

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

14 OTHER FINANCIAL ASSETS (Contd.)

Reconciliation of impairment loss allowance is given below:

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Opening balance	5.13	4.08
Add: Addition during the year	0.57	1.29
(Less): Reduction during the year	(0.78)	(0.24)
Closing balance	4.92	5.13

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Current tax assets (net)	432.07	572.51
Total	432.07	572.51

Particulars	(Rs. in crores)		
	Freehold land	Building	Total
16 INVESTMENT PROPERTY			
Gross block*			
As at April 01, 2023	0.70	2.22	2.92
Additions	-	-	-
Disposals	0.70	1.20	1.90
As at March 31, 2024	-	1.02	1.02
Additions	-	-	-
Reclassification to non-current asset held for sale (Refer note 20)	-	(1.02)	(1.02)
Disposals	-	-	-
As at March 31, 2025	-	-	-
Accumulated depreciation and impairment losses			
As at April 01, 2023	-	0.30	0.30
Charge for the year	-	0.04	0.04
Disposals	-	0.30	0.30
As at March 31, 2024	-	0.04	0.04
Charge for the year	-	0.01	0.01
Reclassification to non-current asset held for sale (Refer note 20)	-	(0.05)	(0.05)
Disposals	-	-	-
As at March 31, 2025	-	-	-
Net carrying amount as at March 31, 2024	-	0.98	0.98
Net carrying amount as at March 31, 2025	-	-	-

*Refer note 6.10 of material accounting policies for exemption applied during first-time adoption of Ind AS.

The Company has not revalued any of its investment property during the financial years ended March 31, 2025 and March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is Rs. Nil.

16 INVESTMENT PROPERTY (Contd.)

(i) **Amounts recognised in statement of profit and loss for investment property**

(Rs. in crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental income from investment property	-	0.13
Less: Direct operating expenses arising from investment property that generated rental income during the year	-	0.02
Less: Direct operating expenses arising from investment property that did not generate rental income during the year	0.00	0.03
Profit from investment property before depreciation	(0.00)	0.08
Less: Depreciation charge for the year	0.01	0.04
Profit from investment property after depreciation	(0.01)	0.04

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

(ii) **Contractual obligations**

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) **Fair value**

Since the investment property has been reclassified to non-current assets held for sale/ disposal, there is no investment property as on March 31, 2025. Hence, fair value of investment property as on March 31, 2025 is not applicable (March 31, 2024 is Rs. 4.11 crores).

(iv) **Pledged details**

Carrying value of investment property pledged as collateral for liabilities as at March 31, 2025 is Rs. Nil (March 31, 2024 is Rs. Nil).

(v) **Estimation of fair value**

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) **Leasing arrangements**

Investment properties were leased out to tenants. Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreement was for a period of 108 months.

17 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Building	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Right-of-use asset (Lease premises)	Total
Gross block*										
As at April 01, 2023	0.61	1.75	43.69	163.10	78.34	77.24	0.88	283.96	1,024.15	1,673.72
Additions	-	-	3.05	57.61	18.89	18.80	1.03	71.76	247.87	419.01
Transferred to other intangible assets	-	-	3.42	(4.52)	0.01	-	-	-	-	(1.09)
Disposals	-	0.27	4.23	15.84	7.91	5.21	0.04	10.73	29.21	73.44
As at March 31, 2024	0.61	1.48	45.93	200.35	89.33	90.83	1.87	344.99	1,242.81	2,018.20
Additions	-	-	3.91	91.24	23.05	13.61	11.90	72.37	277.97	494.05
Transferred to/ (from)	-	-	0.04	(0.04)	-	-	-	-	-	-
Disposals	0.02	-	11.17	62.76	19.90	11.41	0.04	44.73	23.22	173.25
As at March 31, 2025	0.59	1.48	38.71	228.79	92.48	93.03	13.73	372.63	1,497.56	2,339.00
Accumulated depreciation and impairment losses										
As at April 01, 2023	-	0.06	24.07	98.69	56.98	35.19	0.01	225.08	533.94	974.02
Charge for the year	-	0.03	3.46	30.71	8.10	7.21	0.17	29.96	159.63	239.27
Transferred to other intangible assets	-	-	3.15	(4.20)	0.01	-	-	-	-	(1.04)
Disposals	-	0.04	3.55	14.14	7.50	3.94	0.04	10.61	-	39.82
As at March 31, 2024	-	0.05	27.13	111.06	57.59	38.46	0.14	244.43	693.57	1,172.43
Charge for the year	-	0.04	3.19	46.89	10.03	8.02	1.25	38.72	171.71	279.85
Transferred to/ (from)	-	-	0.01	(0.01)	-	-	-	-	-	-
Disposals	-	-	9.09	59.13	18.43	9.39	0.05	42.87	-	138.96
As at March 31, 2025	-	0.09	21.24	98.81	49.19	37.09	1.34	240.28	865.28	1,313.32
Net carrying amount as at March 31, 2024	0.61	1.43	18.80	89.29	31.74	52.37	1.73	100.56	549.24	845.77
Net carrying amount as at March 31, 2025	0.59	1.39	17.47	129.98	43.29	55.94	12.39	132.35	632.28	1,025.68

*Refer note 6.10 of material accounting policies for exemption applied during first-time adoption of Ind AS.

Carrying value of property, plant and equipment pledged as collateral for liabilities as at March 31, 2025 is Rs. 0.15 crores (March 31, 2024 is Rs. 0.17 crores).

The Company has not revalued any of its property, plant and equipment during the financial years ended March 31, 2025 and March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is Rs. Nil.

18 INTANGIBLE ASSETS UNDER DEVELOPMENT, GOODWILL AND OTHER INTANGIBLE ASSETS

(I) Intangible assets under development

		(Rs. in crores)
Particulars		Amount
Gross block		
As at April 01, 2023		66.08
Additions		-
Transferred to other intangible assets		(66.08)
Disposals		-
As at March 31, 2024		-
Additions		-
Disposals		-
As at March 31, 2025		-
Accumulated amortisation and impairment losses		
As at April 01, 2023		-
Charge for the year		-
Disposals		-
As at March 31, 2024		-
Charge for the year		-
Disposals		-
As at March 31, 2025		-
Net carrying amount as at March 31, 2024		-
Net carrying amount as at March 31, 2025		-

The Company does not have any projects which are in progress or temporarily suspended as at March 31, 2025 and March 31, 2024.

(II) Goodwill

		(Rs. in crores)
Particulars		Amount
Gross block		
As at April 01, 2023		1,406.73
Additions		-
Disposals		-
As at March 31, 2024		1,406.73
Additions		-
Disposals (Refer note 43)		217.28
As at March 31, 2025		1,189.45
Accumulated amortisation and impairment losses		
As at April 01, 2023		-
Charge for the year		-
Disposals		-

18 INTANGIBLE ASSETS UNDER DEVELOPMENT, GOODWILL AND OTHER INTANGIBLE ASSETS (Contd.)

		(Rs. in crores)
Particulars		Amount
As at March 31, 2024		-
Charge for the year		-
Disposals		-
As at March 31, 2025		-
Net carrying amount as at March 31, 2024		1,406.73
Net carrying amount as at March 31, 2025		1,189.45

(III) Other intangible assets #

				(Rs. in crores)
Particulars	Computer software	Distribution network	Total	
	(A)	(B)	(C) = (A)+(B)	
Gross block*				
As at April 01, 2023	56.33	1,512.90	1,569.23	
Additions	79.66	-	79.66	
Transfer from property, plant and equipment	1.10	-	1.10	
Transfer from intangible assets under development	66.08	-	66.08	
Disposals	1.09	-	1.09	
As at March 31, 2024	202.08	1,512.90	1,714.98	
Additions	31.00	-	31.00	
Disposals	44.23	-	44.23	
As at March 31, 2025	188.85	1,512.90	1,701.75	
Accumulated amortisation and impairment losses				
As at April 01, 2023	49.00	302.58	351.58	
Charge for the year	26.94	302.58	329.52	
Transfer from property, plant and equipment	1.04	-	1.04	
Disposals	1.09	-	1.09	
As at March 31, 2024	75.89	605.16	681.05	
Charge for the year	62.88	302.58	365.46	
Disposals	43.71	-	43.71	
As at March 31, 2025	95.06	907.74	1,002.80	
Net carrying amount as at March 31, 2024	126.19	907.74	1,033.93	
Net carrying amount as at March 31, 2025	93.79	605.16	698.95	

Other than internally generated

*Refer note 6.10 of material accounting policies for exemption applied during first-time adoption of Ind AS.

The Company has not revalued any of its intangible assets during the financial years ended March 31, 2025 and March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is Rs. Nil.

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
19	OTHER NON-FINANCIAL ASSETS		
	Goods and services tax credit (input) receivable	211.24	237.92
	Prepaid expenses	32.49	18.11
	Capital advances	11.10	7.40
	Duties paid under protest	32.79	49.81
	Other non-financial assets*	34.33	37.19
	Total	321.95	350.43

*Other non-financial assets include advances to employees, vendors, advance paid for professional fees and loan processing charges and towards rent.

20 NON-CURRENT ASSETS HELD FOR SALE/ DISPOSAL

The Company intends to sell its investment property located at Nariman Point, Mumbai and has reclassified the same from investment property to non-current assets held for sale/ disposal. The management is committed to a plan to sell the property and has located a buyer for the property. However, the title and possession of the property is yet to be transferred.

No impairment loss was recognised on reclassification of the assets held for sale or as at the reporting date, as the fair value less cost to sell was higher than the carrying value of this property.

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
	Investment property		
	- Building (Refer note 16)	0.97	-
	Total	0.97	-

The fair value of the non-current assets held for sale/ disposal as at March 31, 2025 is Rs. 19.00 crores (March 31, 2024 is not applicable).

21 PAYABLES

(I) Trade payables (Rs. in crores)

Particulars		As at March 31, 2025	As at March 31, 2024
(i)	Total outstanding dues of micro enterprises and small enterprises (Refer note 83)	1.02	0.02
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises*	297.83	211.73
	Total	298.85	211.75

*Includes payable to associates Rs. 3.79 crores (March 31, 2024: Rs. 3.23 crores).

*Includes payable to other related parties Rs. 122.10 crores (March 31, 2024: Rs. 51.15 crores).

Trade payables ageing

		(Rs. in crores)					
Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) MSME	-	-	1.02	-	-	-	1.02
(ii) Others	127.30	10.57	157.51	1.93	0.41	0.11	297.83



21 PAYABLES (Contd.)

(Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	127.30	10.57	158.53	1.93	0.41	0.11	298.85
As at March 31, 2024							
(i) MSME	-	-	0.02	-	-	-	0.02
(ii) Others	44.37	28.02	136.98	0.61	0.69	1.06	211.73
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	44.37	28.02	137.00	0.61	0.69	1.06	211.75

(II) Other payables

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 83)	0.23	2.25
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1.37	3.16
Total	1.60	5.41

Other payables ageing

(Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) MSME	-	-	0.23	-	-	-	0.23
(ii) Others	-	-	1.37	-	-	-	1.37
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	1.60	-	-	-	1.60
As at March 31, 2024							
(i) MSME	1.83	0.40	0.02	-	-	-	2.25
(ii) Others	2.50	0.45	0.12	0.02	0.05	0.02	3.16
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	4.33	0.85	0.14	0.02	0.05	0.02	5.41

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
22	DEBT SECURITIES		
At amortised cost			
Secured			
Redeemable non-convertible debentures			
- Public issue [¥]		732.92	1,128.46
- Privately placed ^{¥¥}		37,563.97	30,411.55
External commercial bond		15,851.97	10,948.31
Unsecured			
Redeemable non-convertible debentures			
- Privately placed		-	90.42
Commercial papers		-	2,369.87
Total		54,148.86	44,948.61
Debt securities in India		38,296.89	34,000.30
Debt securities outside India		15,851.97	10,948.31
Total		54,148.86	44,948.61

There are no debt securities measured at FVTPL or designated at FVTPL.

[¥]Includes Rs. 33.83 crores (March 31, 2024 Rs. 76.56 crores) issued to related parties.

^{¥¥}Includes Rs. 558.84 crores (March 31, 2024 Rs. 511.02 crores) issued to related parties.

Terms of repayment, nature of security, etc.

A) Redeemable Non-Convertible Debenture (NCD) - Secured

1) Public issue of redeemable NCD of face value of Rs. 1,000/- each

Terms of repayment

(Rs. in crores)												
Sr. No.	Particulars	Rate of interest	Amount utilised	Redeemable at par/ premium (from the date of the balance sheet)						Total*	Date of redemption	Amount redeemed
				Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
As at March 31, 2025												
i.	(IPO 2018 - 1)	9.19% to 9.60%	3,648.52	-	-	-	500.85	-	-	500.85	July 12, 2023	780.85
											July 12, 2021	2,285.45
											December 26, 2019	107.40
ii.	(IPO 2018 - 2)	9.52% to 9.92%	606.79	-	-	-	72.31	-	-	72.31	November 02, 2022	251.08
											November 02, 2021	284.39
iii.	(IPO 2018 - 3)	9.51% to 9.91%	537.31	-	-	-	60.52	-	-	60.52	February 06, 2024	229.75
											February 06, 2022	247.04



22 DEBT SECURITIES (Contd.)

(Rs. in crores)

Sr. No.	Particulars	Rate of interest	Amount utilised	Redeemable at par/ premium (from the date of the balance sheet)						Total*	Date of redemption	Amount redeemed
				Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
iv.	(IPO 2019 - 2)	9.22% to 9.57%	193.67	-	26.82	-	-	-	-	26.82	January 28, 2025	66.16
											January 28, 2023	100.65
v.	(IPO 2019 - 1)	9.75% to 10.10%	339.94	-	72.42	-	-	-	-	72.42	August 22, 2024	99.12
											February 22, 2023	126.25
											February 22, 2022	53.11
vi.	(IPO 2019 - April)	10.09% to 10.43%	252.51	-	-	-	-	-	-	-	April 30, 2024	122.15
											April 30, 2022	130.36
vii.	(IPO 2019 - September)	9.88% to 10.94%	106.26	-	-	-	-	-	-	-	September 25, 2024	68.97
											September 25, 2022	37.29
Total				-	99.24	-	633.68	-	-	732.92		

As at March 31, 2024

i.	(IPO 2018 - 1)	9.17% to 9.58%	3,648.52	-	-	-	-	499.93	-	499.93	July 12, 2023	780.85
											July 12, 2021	2,285.45
											December 26, 2019	107.40
ii.	(IPO 2018 - 2)	9.50% to 9.90%	606.79	-	-	-	-	72.16	-	72.16	November 02, 2022	251.08
											November 02, 2021	284.39
iii.	(IPO 2018 - 3)	9.49% to 9.89%	537.31	-	-	-	-	60.40	-	60.40	February 06, 2024	229.75
											February 06, 2022	247.04
iv.	(IPO 2019 - 2)	9.20% to 9.64%	193.67	72.98	-	26.70	-	-	-	99.68	January 28, 2023	100.65
v.	(IPO 2019 - 1)	9.69% to 10.14%	339.94	111.02	-	70.03	-	-	-	181.05	February 22, 2023	126.25
											February 22, 2022	53.11
vi.	(IPO 2019 - April)	10.09% to 10.43%	252.51	140.32	-	-	-	-	-	140.32	April 30, 2022	130.36
vii.	(IPO 2019 - September)	9.88% to 10.94%	106.26	74.92	-	-	-	-	-	74.92	September 25, 2022	37.29
Total				399.24	-	96.73	-	632.49	-	1,128.46		

*Including Ind AS impact

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

22 DEBT SECURITIES (Contd.)

2) Privately placed redeemable NCD of face value of Rs. 1,000,000/- each

Terms of repayment

As at March 31, 2025

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year ^ \$	1-2 years \$	2-3 years \$	3-4 years	4-5 years	Over 5 years	
Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each	7.46% to 10.25%	1,445.00	339.28	106.93	-	61.71	11,865.45	13,818.37

^ NCD amounting to Rs. 80.00 crores issued at zero coupon rates and redeemable at premium are included in above on the basis of Internal Rate of Return (IRR).

\$ Loans are classified in respective time buckets based on option date.

\$ Out of above NCD having put/ call option are as under

Sr. No.	Put/ call option date	Rate of interest	Principal amount (Rs. in crores)
1	November 21, 2025	8.86%	50.00
2	April 23, 2027	8.25%	100.00
Total			150.00

As at March 31, 2024

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year ^ \$	1-2 years ^	2-3 years ^ \$	3-4 years	4-5 years	Over 5 years	
Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each	7.44% to 11.84%	6,100.75	1,435.21	445.87	-	-	11,928.95	19,910.78

^NCD amounting to Rs. 2,027.70 crores issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

\$ Loans are classified in respective time buckets based on option date.

\$ Out of above NCD having put/ call option are as under

Sr. No.	Put/ call option date	Rate of interest	Principal amount (Rs. in crores)
1	November 21, 2025	8.86%	50.00
2	April 23, 2027	8.25%	100.00
Total			150.00

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

22 DEBT SECURITIES (Contd.)

3) Privately placed redeemable NCD of face value of Rs. 100,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year [§]	1-2 years [§]	2-3 years [§]	3-4 years [§]	4-5 years	Over 5 years [§]	
As at March 31, 2025	8.40% to 11.04%	3,967.11	11,720.74	2,275.66	2,586.65	1,722.88	1,472.56	23,745.60

[¶]Includes NCD of Rs. 250.00 crores partly paid to the extent of Rs. 12.50 crores.

[¶]Includes NCD of Rs. 200.00 crores partly paid to the extent of Rs. 60 crores.

[§]Loans are classified in respective time buckets based on option date

\$ Out of above NCD having put/ call option are as under

Sr. No.	Put/ call option date	Rate of interest		Principal amount (Rs. in crores)	
1	October 03, 2025	8.75%		190.00	
2	October 03, 2025	8.75%		300.00	
3	October 03, 2025	8.75%		345.00	
4	November 22, 2026	8.90%		325.00	
5	March 02, 2026	8.86%		650.00	
6	June 28, 2026	9.15%		3,595.00	
Total				5,405.00	

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year [§]	1-2 years [§]	2-3 years [§]	3-4 years	4-5 years [¶]	Over 5 years [¶]	
As at March 31, 2024	8.55% to 11.03%	1,369.04	2,054.10	4,150.98	154.65	2,413.95	358.05	10,500.77

[¶]Includes NCD of Rs. 250.00 crores partly paid to the extent of Rs. 12.50 crores.

[§]Loans are classified in respective time buckets based on option date

\$ Out of above NCD having put/ call option are as under

Sr. No.	Put/ call option date	Rate of interest		Principal amount (Rs. in crores)	
1	June 12, 2024	9.06%		200.00	
2	October 03, 2025	8.75%		190.00	
3	October 03, 2025	8.75%		300.00	
4	October 03, 2025	8.75%		345.00	
5	November 22, 2026	8.90%		325.00	
Total				1,360.00	

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/ or regulatory requirements, upon the terms and conditions as may be decided by the Company.

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Public issue (1)	732.92	1,128.46
Privately placed (2+3)	37,563.97	30,411.55
Total non-convertible debentures - secured	38,296.89	31,540.01

22 DEBT SECURITIES (Contd.)

B) External Commercial Bond (ED) - Secured

Redeemable ED of face value of Rs. 100,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total	Date of redemption	Amount redeemed
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
As at March 31, 2025	8.66% to 9.73%	3,517.33	1,277.37	6,660.02	4,397.25	-	-	15,851.97	March 13, 2024	1,630.35
									March 13, 2024	3,672.50
									October 24, 2022	3,991.97
									February 28, 2022	2,849.90
									July 16, 2023	1,758.28
Total		3,517.33	1,277.37	6,660.02	4,397.25	-	-	15,851.97		13,903.00
As at March 31, 2024	8.66% to 9.94%	-	3,391.22	1,239.85	6,317.24	-	-	10,948.31	March 13, 2024	1,630.35
									March 13, 2024	3,672.50
									October 24, 2022	3,991.97
									February 28, 2022	2,849.90
									July 16, 2023	1,758.28
Total		-	3,391.22	1,239.85	6,317.24	-	-	10,948.31		13,903.00

Issue details of ED outstanding as at March 31, 2025 and March 31, 2024

(Rs. in crores)

Date of issue	Product	Rate of interest	Issue amount		Programme	Listed on	Due dates	Amount outstanding*	
			USD	Rs. in crores				As at March 31, 2025	As at March 31, 2024
September 30, 2024	Senior secured notes (social bonds)	6.150%	500,000,000	4,183.46	USD 3,500,000,000 Global Medium Term Note (GMTN) Programme	Indian International Exchange ("INX") September 30, 2024	April 03, 2028	4,397.25	-
January 22, 2024	Senior secured notes	6.625%	750,000,000	6,238.50		Indian International Exchange ("INX") January 24, 2024	April 22, 2027	6,660.02	6,317.24
March 29, 2023	Senior secured floating rate notes	6.370%	150,000,000	1,233.00		Indian International Exchange ("INX") March 29, 2023	September 29, 2026	1,277.37	1,239.85
January 18, 2022	Senior secured notes (social bonds)	4.150%	475,000,000	3,512.86		Singapore Stock Exchange (SGX-ST) on January 19, 2022	July 18, 2025	3,517.33	3,391.22
	Total							15,851.97	10,948.31

*Includes Ind AS impact

The proceeds of the issue of the notes have been utilised in accordance with the Company's Social Finance Framework and as may be permitted by the RBI ECB guidelines for onward lending and other activities.

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Company.



22 DEBT SECURITIES (Contd.)

C) Redeemable NCD - Unsecured

Privately placed redeemable NCD of face value of Rs. 1,000,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	-	-	-	-	-	-	-	-
As at March 31, 2024	13.34%	90.42	-	-	-	-	-	90.42

D) Commercial Papers (CP) - Unsecured

CP of face value of Rs. 500,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Maturity (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	-	-	-	-	-	-	-	-
As at March 31, 2024	8.60% to 8.70%	2,369.87	-	-	-	-	-	2,369.87

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
23 BORROWINGS (OTHER THAN DEBT SECURITIES)		
At amortised cost		
Secured		
Term loan from banks - INR	35,347.15	35,232.49
Term loan from banks - FCNR	2,702.01	-
Term loan from financial institutions/ corporates - INR	9,864.34	10,405.19
Term loan from financial institutions/ corporates - FCNR	1,425.00	-
Constituent's Subsidiary General Ledger loan (CSGL loan)	402.97	-
External commercial borrowing	33,653.95	14,467.05
Loans repayable on demand from banks (Cash credit from banks)	0.92	2,905.91
Other loans - Securitisation liabilities - INR	38,052.08	29,138.16
Total	121,448.42	92,148.80
Borrowings in India	87,794.47	77,681.75
Borrowings outside India	33,653.95	14,467.05
Total	121,448.42	92,148.80

There are no borrowings measured at FVTPL or designated at FVTPL.

The borrowings have not been guaranteed by directors or others. The Company has not defaulted in repayment of principal and interest to its lenders.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/ statements are in agreement with the books of accounts.

23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

Terms of repayment, nature of security, etc.

A) Term loans from banks - Secured (INR)

Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	8 to 20 installments of quarterly, half-yearly, specific frequency	8.75% to 10.17%	-	-	-	-	10,847.86	-	10,847.86
	15 to 60 installments of monthly, quarterly frequency	7.77% to 10.71%	-	-	-	10,713.33	-	-	10,713.33
	1 to 60 installments of bullet, monthly, quarterly, specific frequency	7.72% to 11.17%	-	-	5,967.48	-	-	-	5,967.48
	1 to 60 installments of bullet, monthly, quarterly, specific frequency	8.30% to 12.23%	-	4,494.12	-	-	-	-	4,494.12
	1 to 60 installments of bullet, monthly, quarterly, specific frequency	7.52% to 12.70%	3,324.36	-	-	-	-	-	3,324.36
Total			3,324.36	4,494.12	5,967.48	10,713.33	10,847.86	-	35,347.15
As at March 31, 2024	18 to 60 installments of monthly, quarterly frequency	8.60% to 10.32%	-	-	-	-	10,969.86	-	10,969.86
	14 to 60 installments of monthly, quarterly frequency	9.05% to 10.70%	-	-	-	6,709.12	-	-	6,709.12
	1 to 60 installments of bullet, monthly, quarterly, specific frequency	8.43% to 10.72%	-	-	7,060.36	-	-	-	7,060.36
	11 to 60 installments of monthly, quarterly, specific frequency	6.95% to 11.29%	-	4,059.60	-	-	-	-	4,059.60
	1 to 48 installments of bullet, monthly, quarterly frequency	6.50% to 13.12%	6,433.55	-	-	-	-	-	6,433.55
Total			6,433.55	4,059.60	7,060.36	6,709.12	10,969.86	-	35,232.49

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

B) Term loan from banks - FCNR

Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	20 installments of quarterly frequency	8.98%	-	-	-	-	2,702.01	-	2,702.01
As at March 31, 2024	-	-	-	-	-	-	-	-	-

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.



23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

C) Term loans from financial institutions/ corporates - Secured (INR)

Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	17 to 21 installments of quarterly, specific frequency	8.64% to 8.81%	-	-	-	-	3,349.62	-	3,349.62
	18 to 21 installments of quarterly, specific frequency	8.30% to 8.80%	-	-	-	3,016.28	-	-	3,016.28
	1 to 21 installments of bullet, quarterly, specific frequency	7.77% to 9.13%	-	-	1,275.91	-	-	-	1,275.91
	11 to 20 installments of quarterly frequency	7.34% to 9.26%	-	1,350.52	-	-	-	-	1,350.52
	11 to 20 installments of quarterly frequency	7.20% to 10.91%	872.01	-	-	-	-	-	872.01
Total			872.01	1,350.52	1,275.91	3,016.28	3,349.62	-	9,864.34
As at March 31, 2024	21 installments of quarterly frequency	8.61%	-	-	-	-	-	603.43	603.43
	18 to 21 installments of quarterly, specific frequency	8.30% to 8.60%	-	-	-	-	3,938.33	-	3,938.33
	21 installments of quarterly frequency	8.50%	-	-	-	844.83	-	-	844.83
	11 to 20 installments of quarterly frequency	7.34% to 9.25%	-	-	2,227.36	-	-	-	2,227.36
	11 to 20 installments of quarterly frequency	7.20% to 11.16%	-	2,012.22	-	-	-	-	2,012.22
	10 to 12 installments of quarterly, half yearly, specific frequency	7.52% to 12.86%	779.02	-	-	-	-	-	779.02
Total			779.02	2,012.22	2,227.36	844.83	3,938.33	603.43	10,405.19

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

D) Term loans from financial institutions/ corporates - Secured (FCNR)

Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	2 to 5 installments of specific frequency	8.00% to 9.01%	-	-	1,425.00	-	-	-	1,425.00
As at March 31, 2024	-	-	-	-	-	-	-	-	-

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

E) CSGL loan

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Tenure (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	6.50% to 6.85%	402.97	-	-	-	-	-	402.97
As at March 31, 2024	-	-	-	-	-	-	-	-

Nature of security

Secured by way of hypothecation of specific assets (specified CSGL securities).

F) External commercial borrowing

Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	10 to 16 installments of specific frequency	8.82% to 9.80%	-	-	-	-	-	8,627.86	8,627.86
	20 quarterly and 3 yearly installments payments	8.89% to 9.11%	-	-	-	-	2,312.66	-	2,312.66
	Bullet frequency	9.25%	-	-	-	1,884.97	-	-	1,884.97
	9 to 11 installments of half-yearly payments and bullet payments	8.71% to 9.40%	-	-	10,413.50	-	-	-	10,413.50
	11 to 13 installments of half-yearly payments and bullet payments	8.63% to 10.86%	-	7,527.22	-	-	-	-	7,527.22
	Bullet frequency	8.84% to 10.29%	2,887.74	-	-	-	-	-	2,887.74
Total			2,887.74	7,527.22	10,413.50	1,884.97	2,312.66	8,627.86	33,653.95
As at March 31, 2024	16 installments of specific frequency	9.20%	-	-	-	-	-	2,088.38	2,088.38
	9 to 11 installments of half-yearly and specific frequency and bullet payments	9.10% to 9.40%	-	-	-	1,947.93	-	-	1,947.93
	11 to 13 installments of half-yearly and specific frequency and bullet payments	8.63% to 10.86%	-	-	7,463.63	-	-	-	7,463.63
	Bullet frequency	8.84% to 10.29%	-	2,754.47	-	-	-	-	2,754.47
	Bullet frequency	8.12%	212.64	-	-	-	-	-	212.64
	Total		212.64	2,754.47	7,463.63	1,947.93	-	2,088.38	14,467.05

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

G) Loans repayable on demand from banks (Cash credit from banks)

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Tenure (from the date of balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	7.45% to 10.95%	0.92	-	-	-	-	-	0.92
As at March 31, 2024		2,905.91	-	-	-	-	-	2,905.91

Nature of security

Secured by hypothecation of specific assets covered under hypothecation loan agreements.

H) Other loans - INR - Securitisation liabilities

Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	1 to 126 months installments	7.75% to 9.20%	-	-	-	-	-	5,690.79	5,690.79
	1 to 70 months installments	7.75% to 8.80%	-	-	-	-	13,652.35	-	13,652.35
	1 to 60 months installments	7.95% to 9.10%	-	-	-	10,123.83	-	-	10,123.83
	1 to 80 months installments	7.00% to 8.85%	-	-	5,426.01	-	-	-	5,426.01
	1 to 86 months installments	6.12% to 9.00%	-	2,915.01	-	-	-	-	2,915.01
	1 to 67 months installments	6.25% to 9.00%	244.09	-	-	-	-	-	244.09
Total			244.09	2,915.01	5,426.01	10,123.83	13,652.35	5,690.79	38,052.08
As at March 31, 2024	1 to 72 months installments	8.64% to 9.53%	-	-	-	-	-	3,465.78	3,465.78
	1 to 60 months installments	7.74% to 9.12%	-	-	-	-	11,412.92	-	11,412.92
	1 to 71 months installments	6.15% to 9.66%	-	-	-	6,897.06	-	-	6,897.06
	1 to 80 months installments	5.91% to 11.63%	-	-	4,413.27	-	-	-	4,413.27
	1 to 87 months installments	6.11% to 10.30%	-	2,785.52	-	-	-	-	2,785.52
	1 to 65 months installments	5.71% to 9.52%	163.61	-	-	-	-	-	163.61
Total			163.61	2,785.52	4,413.27	6,897.06	11,412.92	3,465.78	29,138.16

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

		(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024	
24 DEPOSITS			
At amortised cost			
Unsecured			
i. Public deposits (Refer note 84)*	53,452.81	42,802.28	
ii. From banks	-	-	
iii. From others			
- Deposits from corporates **	2,633.18	1,641.38	
Total	56,085.99	44,443.66	

There are no deposits measured at FVTPL or designated at FVTPL.

*Includes Rs. 4.16 crores (March 31, 2024 Rs. 4.73 crores) accepted from related parties including Director.

**Includes Rs. 203.12 crores (March 31, 2024 Rs. 194.69 crores) accepted from related parties.

Terms of repayment

A) Public deposits - Unsecured (Refer note 84)

								(Rs. in crores)
Particulars	Rate of interest	Redeemable at par (from the date of the balance sheet)					Total deposits from public	
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years		
As at March 31, 2025	7.12% to 9.73%	13,916.35	10,948.22	15,802.35	6,673.60	6,112.29	53,452.81	
As at March 31, 2024	6.55% to 9.96%	10,584.95	10,937.10	9,569.50	6,691.62	5,019.11	42,802.28	

B) Deposits from corporates - Unsecured

								(Rs. in crores)
Particulars	Rate of interest	Redeemable at par (from the date of the balance sheet)					Total deposits from corporates	
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years		
As at March 31, 2025	7.26% to 9.08%	848.07	792.25	720.72	149.21	122.93	2,633.18	
As at March 31, 2024	6.55% to 9.25%	840.00	350.57	357.25	58.78	34.78	1,641.38	

		(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024	
25 SUBORDINATED LIABILITIES			
At amortised cost			
Others			
Unsecured			
Subordinated debts - Debentures #	2,513.98	4,300.07	
Total	2,513.98	4,300.07	
Subordinated debts in India	2,513.98	4,300.07	
Subordinated debts outside India	-	-	
Total	2,513.98	4,300.07	

There are no subordinated liabilities measured at FVTPL or designated at FVTPL.

Includes Rs. 554.93 crores (March 31, 2024 Rs. 330.21 crores) issued to related parties.

25 SUBORDINATED LIABILITIES (Contd.)

Terms of repayment

Subordinated liabilities - Unsecured - Debentures

i) Privately placed subordinated liabilities of face value of Rs. 1,000,000/- each

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	8.20% to 11.44%	97.55	138.04	1,397.85	79.13	-	-	1,712.57
As at March 31, 2024	8.20% to 13.28%	2,369.94	97.28	137.92	1,396.89	79.07	-	4,081.10

ii) Privately placed subordinated liabilities of face value of Rs. 10,000,000/- each

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	9.00% to 9.91%	-	-	-	-	-	801.41	801.41
As at March 31, 2024	9.00% to 9.13%	-	-	-	-	-	218.97	218.97

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Privately placed (i + ii)	2,513.98	4,300.07
Total subordinated liabilities	2,513.98	4,300.07

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
26 OTHER FINANCIAL LIABILITIES		
Investor education and protection fund shall be credited by the following amounts (as and when due) ^		
- Unclaimed dividend	12.49	10.60
- Unclaimed matured deposits and interest accrued thereon	143.65	146.96
- Unclaimed matured debentures and interest accrued thereon	4.64	7.37
- Unclaimed matured subordinated debts and interest accrued thereon	5.15	6.96
Temporary credit balance in bank accounts	118.47	142.91
Payable on account of assignment	193.28	232.85
Payable to dealers	43.46	23.11
Income received in advance	15.79	-
Payable to employees	389.79	313.66
Retention money and other sundry liabilities \$#@	168.57	207.71
Security deposits for First Loss Default Guarantee (FLDG)	157.84	-
Lease liabilities**	718.65	627.07
Other liabilities*Ω	118.64	129.19
Total	2,090.42	1,848.39

* Other liabilities include amount payable to banks for credit card payments, settlement dues payable to resigned employees, security deposit received, indemnification liability on stake sale, etc.

26 OTHER FINANCIAL LIABILITIES (Contd.)

§ Includes allowance for impairment loss recognised on amounts receivable from Revenue Sharing Parties (RSP) Rs. 1.82 crores (March 31, 2024: Rs. Nil).

* Includes recovery of allowance for impairment loss recognised on loans sourced by RSP Rs. 1.48 crores (March 31, 2024: Rs. 1.01 crores).

Ω Includes payable to other related parties Rs. 2.50 crores (March 31, 2024: Rs. Nil).

^ There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

@ Includes payable to Micro, Small and Medium Enterprises (MSME) suppliers Rs. 1.98 crores (March 31, 2024: Nil) (Refer note 83).

****Disclosures as required by Ind AS 116 - Leases are stated below:**

A) Lease liabilities movement

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Opening balance	627.07	563.46
Add : Addition during the year	269.87	241.20
: Interest on lease liabilities	59.60	53.30
Less : Deletion during the year	27.39	35.91
: Lease rental payments	210.50	194.98
Closing balance	718.65	627.07

B) Maturity analysis of lease liabilities

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Less than 1 year	137.93	133.40
1 to 2 years	129.16	107.43
2 to 3 years	112.56	94.24
3 to 4 years	95.14	81.15
4 to 5 years	78.05	64.08
More than 5 years	165.81	146.77
Total	718.65	627.07

C) The Company has taken various office premises under lease. Certain agreements provide for cancellation by either party or certain agreements contain clause for escalation and renewal of agreements. There are no restrictions imposed by lease arrangements.

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
i) Amounts recognised in the statement of profit and loss		
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	171.72	159.63
Interest expense (included in finance costs)	59.60	53.30
Expense relating to short-term leases (included in other expenses)	15.26	12.86
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	-	-
Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	-	-

26 OTHER FINANCIAL LIABILITIES (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
The Company had remeasured lease liabilities in respect of certain leases during the year and income on such remeasurement of leases as per Ind AS 116 is included in other income	4.18	6.88
Income from subleasing right-of-use assets (included in other income)	3.33	4.52
ii) Gains or losses arising from sale and leaseback transactions	-	-
iii) The total cash outflow for leases during the year	210.50	194.98

E) The Company does not face a significant liquidity risk with regard to its lease liabilities as the assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

F) **This note provides information for leases where the Company is a lessor.**

The Company had given office premises under lease. The income from lease recognised in the statement of profit and loss is Rs. Nil (March 31, 2024: Rs. 0.13 crores). Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. There were no non-cancellable operating lease agreements as on March 31, 2025.

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
27 CURRENT TAX LIABILITIES (NET)		
Provision for taxation (net)	38.98	237.79
Total	38.98	237.79

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
28 PROVISIONS		
For employee benefits		
- Gratuity (Refer note 47)	27.62	33.91
- Compensated absences (leave encashment and availment)	218.15	168.73
- Share appreciation rights (Refer note 52 and 78)	0.26	-
For others		
- Expected credit loss towards undrawn loan commitments	9.21	4.38
- Indirect taxes (contested) (Refer note 78)	89.14	89.19
Total	344.38	296.21

Loan Commitments

Credit quality of exposure

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in note 56.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 56.02.02.07.

28 PROVISIONS (Contd.)

	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Particulars	Stage 1 Collective	Stage 1 Collective
Internal rating grade		
Performing		
High grade	218.85	108.24
Total	218.85	108.24

An analysis of changes in the gross carrying amount as follows:

	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
	General approach	General approach
Particulars	Stage 1	Stage 1
Gross carrying amount - Opening balance	108.24	283.98
New exposures*	217.22	95.86
Exposures cancelled or disbursed or renewed (excluding write-offs)	(106.61)	(271.60)
Gross carrying amount - Closing balance	218.85	108.24

*Excludes proposals approved and fully disbursed during the year.

Reconciliation of impairment loss allowance is given below:

	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
	General approach	General approach
Particulars	Stage 1	Stage 1
Opening balance	4.38	9.51
New exposures	9.12	3.55
Exposures cancelled or disbursed or renewed (excluding write-offs)	(4.29)	(8.68)
Closing balance	9.21	4.38

	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Particulars		
29 OTHER NON-FINANCIAL LIABILITIES		
Statutory dues payable	222.83	247.87
Advance from customers	58.03	19.43
Total	280.86	267.30

		(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024	
30 EQUITY SHARE CAPITAL			
Authorised			
14,877,500,000 (March 31, 2024: 2,975,500,000) equity shares of Rs. 2/- each (March 31, 2024: Rs. 10/- each)	2,975.50	2,975.50	
129,000,000 (March 31, 2024: 129,000,000) preference shares of Rs. 100/- each	1,290.00	1,290.00	
	4,265.50	4,265.50	
Issued share capital			
1,880,383,880 (March 31, 2024: 375,792,810) equity shares of Rs. 2/- each (March 31, 2024: Rs. 10/- each) [Refer note 30(I)]	376.08	375.79	
Subscribed share capital			
1,880,383,880 (March 31, 2024: 375,792,810) equity shares of Rs. 2/- each (March 31, 2024: Rs. 10/- each) [Refer note 30(I)]	376.08	375.79	
Paid up (fully paid up)			
<u>Equity shares*</u>			
1,880,383,880 (March 31, 2024: 375,792,810) equity shares of Rs. 2/- each fully paid up (March 31, 2024: Rs. 10/- each) [Refer note 30(I)]	376.08	375.79	
Total equity	376.08	375.79	

*Includes Rs. 93.96 crores (March 31, 2024 Rs. 87.98 crores) equity share capital held by related parties.

(A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number of shares	(Rs. in crores)
As at April 01, 2023	374,427,276	374.43
Shares issued on exercise of ESOP	1,365,534	1.36
As at March 31, 2024	375,792,810	375.79
Shares issued on exercise of ESOP (pre-split)	265,967	0.27
Increase in number of shares on account of share split [Refer note 30(I)]	1,504,235,108	-
Shares issued on exercise of ESOP (post-split)	89,995	0.02
As at March 31, 2025	1,880,383,880	376.08

The Company has allotted 89,995 equity shares of face value of Rs. 2/- each fully paid up at an exercise price of Rs. 38.71 per equity share (including premium of Rs. 36.71 per equity share) under the Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) on various dates during the post-split period i.e. January 11, 2025 to March 31, 2025.

The Company has allotted 265,967 equity shares of face value of Rs. 10/- each fully paid up at an exercise price of Rs. 193.55 per equity share (including premium of Rs. 183.55 per equity share) under the Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) on various dates during the pre-split period i.e. April 01, 2024 to January 10, 2025.

30 EQUITY SHARE CAPITAL (Contd.)

The Company had allotted 1,365,534 equity shares of face value of Rs. 10/- each fully paid up at an exercise price of Rs. 193.55 per equity share (including premium of Rs. 183.55 per equity share) under the Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) on various dates during the financial year ended March 31, 2024.

(B) Terms/ rights attached to equity shares

- i) The Company has only one class of equity shares having a par value of Rs. 2/- per share (March 31, 2024: Rs. 10/- per share). Each holder of equity shares is entitled to one vote per share. The final dividend is subject to the approval of the shareholders in the ensuing annual general meeting.
- ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(C) Aggregate number of equity shares issued for consideration other than cash/ bonus shares issued during the period of five years immediately preceding the reporting date:

The aggregate number of equity shares issued for consideration other than cash/ bonus shares issued during the period of five years immediately preceding the reporting date were Nil (March 31, 2024: Nil).

(D) Details of shareholders holding more than 5% equity shares in the Company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares [Refer note 30(I)]	% holding	Number of shares	% holding
Equity shares of face value Rs. 2/- each (March 31, 2024: face value Rs. 10/- each)				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	335,728,920	17.85%	67,145,784	17.87%
Government of Singapore	106,615,199	5.67%	22,926,619	6.10%
Shriram Value Services Limited	133,757,305	7.11%	20,771,461	5.53%

(E) Capital management for the Company's objectives, policies and processes for managing capital - (Refer note 54)

(F) Proposed dividends on equity shares

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Proposed dividend on equity shares for the financial year ended on March 31, 2025: Rs. 3/- per share of face value of Rs. 2/- each (March 31, 2024: Rs. 15/- per share of face value of Rs. 10/- each)*	564.12	563.69
Total	564.12	563.69

30 EQUITY SHARE CAPITAL (Contd.)

(G) Shareholding of Promoters

Promoter and Promoter Group	Relationship	Shares held at the end of the year		% Change during the year#
		No. of shares [Refer note 30(I)]	% of total shares	
As at March 31, 2025				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	Promoter	335,728,920	17.85%	-
Shriram Ownership Trust	Promoter	310,400	0.02%	-
Shriram Value Services Limited	Promoter group	133,757,305	7.11%	28.79%
Sanlam Life Insurance Limited	Promoter group	7,784,755	0.41%	(79.34%)
As at March 31, 2024				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	Promoter	67,145,784	17.87%	-
Shriram Ownership Trust	Promoter	62,080	0.02%	(99.21%)
Shriram Value Services Limited	Promoter group	20,771,461	5.53%	59.86%
Sanlam Life Insurance Limited	Promoter group	7,536,951	2.01%	-

#Percentage change is computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

(H) Amount of per share dividend recognised as distribution to equity shareholders

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Second interim dividend for the year ended March 31, 2025 (Rs. per share)*	2.50	-
First interim dividend for the year ended March 31, 2025 (Rs. per share)* (Restated - Rs. 4.40 per share)	22.00	-
Final dividend for the year ended March 31, 2024 (Rs. per share) (paid in financial year 2024-25)	15.00	-
Second interim dividend for the year ended March 31, 2024 (Rs. per share)	-	10.00
First interim dividend for the year ended March 31, 2024 (Rs. per share)	-	20.00
Final dividend for the year ended March 31, 2023 (Rs. per share) (paid in financial year 2023-24)	-	20.00

- i) The Board of Directors has recommended a final dividend of Rs. 3/- per equity share of nominal face value of Rs. 2/- each fully paid up i.e. 150%, for the financial year 2024-25 subject to approval by Members in the ensuing 46th Annual General Meeting (46th AGM) of the Company. This is in addition to the interim dividend of Rs. 22/- per equity share (pre-split) of Rs. 10/- each and second interim dividend Rs. 2.50 per equity share of Rs. 2/- each (post-split) fully paid-up for the financial year 2024-25 declared by the Company on October 25, 2024 and January 24, 2025 respectively. With this the total dividend for the financial year 2024-25 will be Rs. 9.90 per share of Rs. 2/- each after adjusting for split. Pursuant to Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the confirmation by the Stock Exchanges, the book closure period for the purpose of payment of the final dividend and 46th AGM will be from July 12, 2025 to July 18, 2025 (both days inclusive). The final dividend will be paid to eligible Members on or before August 16, 2025 subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders.

30 EQUITY SHARE CAPITAL (Contd.)

- ii) The Board of Directors in their meeting held on April 26, 2024 had recommended a final dividend of Rs. 15/- per equity share of nominal face value of Rs. 10/- each fully paid up i.e. 150%, for the financial year 2023-24 subject to approval by Members in the ensuing 45th Annual General Meeting (45th AGM) of the Company. The Company paid the final dividend aggregating to Rs. 5,638,967,235/- (gross) subject to deduction of tax at source as per the applicable rate(s) to all the eligible shareholders on August 09, 2024. This was in addition to the first interim dividend and second interim dividend of Rs. 20/- per equity share and Rs. 10/- per equity share of Rs. 10/- each fully paid-up (300%) for the financial year 2023-24 declared by the Company on October 26, 2023 and January 25, 2024 respectively. With this the total dividend for the financial year 2023-24 was Rs. 45/- per share (i.e. 450%).
- iii) *Final dividend and second interim dividend per share, declared post-split for the financial year 2024-25, are not comparable with dividend per share for all prior periods [Refer note 30(I)].

- (I) The Members through postal ballot on December 20, 2024, had approved the sub-division/ split of the equity shares from face value of Rs. 10/- per share to face value of Rs. 2/- per share. The record date for the share split was January 10, 2025. In conformity with Ind AS 33 - Earnings Per Share, the per share calculation for current year and all the prior periods are computed as per revised number of shares with the face value of Rs. 2/- per share.

		(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024	
31 OTHER EQUITY			
Share application money pending allotment	-	-	
Statutory reserve (Pursuant to Section 45-IC of the RBI Act, 1934)			
Opening balance	7,341.95	7,610.66	
Add: Transfer from retained earnings	1,952.20	1,438.10	
Less: Amalgamation adjustment account	-	(1,706.81)	
Closing balance	9,294.15	7,341.95	
Securities premium			
Opening balance	17,510.65	17,351.98	
Add: Premium on shares issued during the year	32.36	158.67	
Closing balance	17,543.01	17,510.65	
Capital reserve	104.57	104.57	
Capital redemption reserve	53.88	53.88	
Debenture redemption reserve			
Opening balance	134.25	419.13	
Add: Transfer from retained earnings	18.41	53.32	
Less: Transfer to retained earnings on account of redemption	(33.64)	(338.20)	
Closing balance	119.02	134.25	
General reserve			
Opening balance	4,251.10	3,532.05	
Add: Transfer from retained earnings	976.10	719.05	
Add: Amount transferred from share option outstanding on account of forfeiture of share options	0.33	-	
Closing balance	5,227.53	4,251.10	

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
31	OTHER EQUITY (Contd.)		
Share option outstanding			
Opening balance		70.40	194.84
Add: Expenses on employee stock option plan (Refer note 52)		-	9.17
Less: Transfer to general reserve on account of forfeiture of share options		(0.33)	-
Less: Adjustment on exercise of employee stock option plan		(27.15)	(133.61)
Closing balance		42.92	70.40
Amalgamation adjustment account			
Opening balance		-	(1,706.81)
Add: Statutory reserve of transferor company		-	1,706.81
Closing balance		-	-
Other comprehensive income			
Remeasurement gain/ (loss) on defined benefit plan (net of tax)			
Opening balance		(76.52)	(18.08)
Add: Addition during the year		(9.28)	(58.44)
Closing balance		(85.80)	(76.52)
Gain/ (loss) on fair valuation of quoted investments in equity shares			
Opening balance		3.51	(8.83)
Add: Addition during the year		23.18	12.34
Closing balance		26.69	3.51
Effective portion of cash flow hedges			
Opening balance		(266.39)	(224.39)
Add: Addition during the year		(207.03)	(42.00)
Closing balance		(473.42)	(266.39)
Retained earnings			
Opening balance		19,065.20	15,623.21
Add: Profit for the year		9,761.00	7,190.48
Add/ (Less): Appropriations			
Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934		(1,952.20)	(1,438.10)
Transfer to general reserve		(976.10)	(719.05)
Transferred (to)/ from debenture redemption reserve		15.23	284.88
Interim dividend [March 31, 2025: Rs. 6.90 per share of face value of Rs. 2/- each (restated) (March 31, 2024: Rs. 30.00 per share of face value of Rs. 10/- each)] [Refer note 30 (I)]		(1,297.29)	(1,126.55)
Final dividend [March 31, 2024: Rs. 15.00 per share of face value of Rs. 10/- each (March 31, 2023 Rs. 20.00 per share of face value of Rs. 10/- each)]		(563.90)	(749.67)
Total appropriations		(4,774.26)	(3,748.49)
Closing balance		24,051.94	19,065.20
Total		55,904.49	48,192.60

Nature and purpose of reserves

- a) **Share application money pending allotment:** The amount received on the application for equity shares of the Company on which allotment is not yet made, to the extent not refundable.

31 OTHER EQUITY (Contd.)

- b) Securities premium:** The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- c) Capital reserve:** Capital reserve is the excess of net assets taken over cost of consideration paid during amalgamation.
- d) Capital redemption reserve:** The Company has recognised capital redemption reserve on redemption of non-convertible redeemable preference shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the non-convertible redeemable preference shares redeemed. The Company may issue fully paid up bonus shares to its members out of the capital redemption reserve.
- e) Debenture Redemption Reserve (DRR):**
- (1) Pursuant to Section 71 of the Companies Act, 2013 and circular 04/2013, read with notification issued date June 19, 2016 issued by Ministry of Corporate Affairs, the Company is required to transfer 25% of the value of the outstanding debentures issued through public issue as per the present SEBI (Issue and Listing of Debt Securities) Regulation, 2008 to Debenture redemption reserve (DRR) and no DRR is required in case of privately placed debenture. Also the Company is required before 30th day of April of each year to deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debenture issued through public issue maturing within one year from the balance sheet date.
 - (2) As per the notification G.S.R. 574(E) dated August 16, 2019, the Ministry of Corporate Affairs has amended the Companies (Share Capital and Debentures) Rules, DRR need not be created for debentures issued by a Non-Banking Finance Company subsequent to the notification date. The Company has not created DRR on public issue of non-convertible debentures issued after the date of said notification.
 - (3) In respect of the debentures issued through public issue, the Company has created DRR of Rs. 18.41 crores (March 31, 2024: Rs. 53.32 crores). The Company subsequent to the year end has deposited a sum of Rs. Nil (March 31, 2024: Rs. 60.00 crores) in the form of fixed deposits with scheduled banks, representing 15% of the debenture issued through public issue, which are due for redemption within one year from the balance sheet date.
 - (4) On redemption of the debentures for which the DRR is created, the amounts no longer necessary to be retained in this account need to be transferred to the retained earnings.
- f) General reserve:** Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.
- g) Statutory reserve:** Every year the Company transfers a sum of not less than twenty per cent of net profit of that year as disclosed in the statement of profit and loss to its Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934.
- The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in the Reserve Bank of India Act, 1934:
- (1) Every Non-Banking Financial Company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

31 OTHER EQUITY (Contd.)

- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty-one days by such further period as it thinks fit or condone any delay in making such report.

- (3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

h) Amalgamation adjustment account: Upon amalgamation of the erstwhile Shriram City Union Finance Limited (SCUF) the transferor company, with Shriram Transport Finance Limited (STFC) the transferee company, renamed as Shriram Finance Limited (SFL), the statutory reserves (i.e. Reserve under Section 45-IC of the Reserve Bank of India Act, 1934) of Rs. 1,706.81 crores of the transferor companies as on April 01, 2022 (the appointed date) were recorded in the books of SFL with a corresponding debit to amalgamation adjustment account. When the identity of the statutory reserves were no longer required to be maintained, the aforesaid account was reversed in the financial year 2023-24.

i) Share option outstanding: The share-based payment reserve is used to recognise the value of equity settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

j) Remeasurement gain/ (loss) on defined benefit plan: Remeasurement comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

k) Other comprehensive income: Other comprehensive income includes effective portion of cash flow hedges and gain/ (loss) on fair valuation of investments in quoted equity shares.

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges which shall be reclassified to the statement of profit and loss only when the hedged transaction affects the statement of profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

Gain/ (loss) on fair valuation of investments in quoted equity shares represents gains and losses from the change in the fair value of investments in quoted equity instruments in accordance with paragraph 5.7.5 of Ind AS 109 - Financial Instruments.

l) Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve, general reserve, dividend distributed to shareholders and other appropriations.

		(Rs. in crores)					
		Year ended March 31, 2025			Year ended March 31, 2024		
Particulars		On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total
32 INTEREST INCOME							
Interest on loans		38,669.51	-	38,669.51	32,502.25	-	32,502.25
Interest income from investments		734.42	91.58	826.00	528.35	25.44	553.79
Interest on deposits with banks							
- Margin money deposit		169.12	-	169.12	97.17	-	97.17
- Lien free deposits		426.85	-	426.85	158.02	-	158.02
Other interest income							
- Margin money deposit with trusts		83.71	-	83.71	160.97	-	160.97
- Delayed payments by customers		126.76	-	126.76	122.36	-	122.36
- Unwinding of security deposit		5.69	-	5.69	5.10	-	5.10
Total		40,216.06	91.58	40,307.64	33,574.22	25.44	33,599.66

		(Rs. in crores)	
Particulars		Year ended March 31, 2025	Year ended March 31, 2024
33 FEES AND COMMISSION INCOME			
Income from commission services - life insurance		141.02	124.93
Income from commission services - general insurance		205.53	157.82
Income from loan related and other commission services		335.38	174.63
Total		681.93	457.38

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to the statement of profit and loss.

		(Rs. in crores)	
Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Type of services or service			
Fees and commission income		681.93	457.38
Total revenue from contract with customers		681.93	457.38
Geographical markets			
- India		681.93	457.38
- Outside India		-	-
Total revenue from contract with customers		681.93	457.38
Timing of revenue recognition			
Services transferred at a point in time		681.93	457.38
Services transferred over time		-	-
Total revenue from contracts with customers		681.93	457.38

33 FEES AND COMMISSION INCOME (Contd.)

Contract balance	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	50.82	51.63
Contract assets	-	-

The Company does not have any contract assets or liability, hence disclosures related to it have not been presented.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
34 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES		
Net gain/ (loss) on financial instruments at fair value through profit or loss (A):		
(i) On trading portfolio	-	-
(ii) On financial instruments designated at fair value through profit or loss	-	-
Others (B):		
(i) Investments	277.00	144.76
(ii) Direct assignment	(76.06)	(49.11)
Total (C) = (A + B)	200.94	95.65
Fair value changes:		
- Realised	259.39	143.95
- Unrealised	(58.45)	(48.30)
Total (D)	200.94	95.65

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
35 OTHER OPERATING INCOME		
Bad debt recovery	509.58	485.49
Total	509.58	485.49

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
36 OTHER INCOME		
Interest on income tax refund	0.88	8.22
Interest others	0.16	0.12
Profit on sale of property, plant and equipment	-	1.26
Miscellaneous income	24.01	23.60
Total	25.05	33.20

		(Rs. in crores)	
	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
37	FINANCE COSTS		
	On financial liabilities measured at amortised cost		
	Interest on deposits	4,294.57	3,334.57
	Interest on borrowings (other than debt securities)		
	- Loans from banks	3,632.04	2,990.15
	- Loans from financial institutions and others	819.50	873.67
	- External commercial borrowings	1,892.33	1,052.52
	- Interest paid on securitisation	2,883.66	2,041.75
	- Interest on lease liabilities	59.60	53.30
	Interest on debt securities		
	- Debentures	3,029.04	2,616.47
	- Senior secured notes	-	14.24
	- External commercial bonds	1,319.31	1,225.45
	- Commercial papers	195.74	119.43
	Interest on subordinated liabilities	267.69	481.05
	Other interest expense		
	- Interest on income tax liability	57.21	-
	- Interest on security deposits for FLDG	3.89	-
	Total	18,454.58	14,802.60

		(Rs. in crores)	
	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
38	FEES AND COMMISSION EXPENSES		
	Brokerage	13.03	12.92
	Commission paid for loan sourcing	480.33	334.49
	Professional charges on resource mobilisation	51.37	50.97
	Processing charges on loans	3.29	7.60
	Professional charges on securitisation	24.44	26.23
	Total	572.46	432.21

		(Rs. in crores)	
	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
39	IMPAIRMENT ON FINANCIAL INSTRUMENTS		
	On financial instruments measured at amortised cost [#]		
	Loans [#]	5,279.00	4,484.74
	Investments	26.13	35.67
	Others		
	- Undrawn commitments	4.83	(5.13)
	- Other assets	1.70	3.06
	Total	5,311.66	4,518.34

[#] Includes reversal of impairment loss provision on RSP retention reserve Rs. 0.46 crores for the year ended March 31, 2025 (March 31, 2024: Rs. 0.35 crores).

[§] Includes write-off of Rs. 4,813.49 crores for the year ended March 31, 2025 (March 31, 2024: Rs. 2,942.36 crores), of which Rs. 283.86 crores is on account of loss on disposal of repossessed assets (March 31, 2024: Rs. 228.25 crores).

39 IMPAIRMENT ON FINANCIAL INSTRUMENTS (Contd.)

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

					(Rs. in crores)
Particulars	General approach			Simplified approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective		
Loans and advances to customers measured at amortised cost	1,474.84	434.40	3,369.76	-	5,279.00
Debt instruments measured at amortised cost	26.13	-	-	-	26.13
Others					
- Undrawn commitments	4.83	-	-	-	4.83
- Other assets	-	-	-	1.70	1.70
Total	1,505.80	434.40	3,369.76	1.70	5,311.66

					(Rs. in crores)
Particulars	General approach			Simplified approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective		
Loans and advances to customers measured at amortised cost	1,241.99	552.56	2,690.19	-	4,484.74
Debt instruments measured at amortised cost	35.67	-	-	-	35.67
Others					
- Undrawn commitments	(5.13)	-	-	-	(5.13)
- Other assets	-	-	-	3.06	3.06
Total	1,272.53	552.56	2,690.19	3.06	4,518.34

			(Rs. in crores)
Particulars	Year ended March 31, 2025	Year ended March 31, 2024	
40 EMPLOYEE BENEFITS EXPENSES			
Salaries, other allowance and bonus	3,340.20	2,942.11	
Contribution to provident and other funds	197.85	178.77	
Staff welfare expenses	80.73	69.88	
Gratuity expenses (Refer note 47)	32.12	15.66	
Share-based payments to employees	0.26	9.17	
Total	3,651.16	3,215.59	

			(Rs. in crores)
Particulars	Year ended March 31, 2025	Year ended March 31, 2024	
41 DEPRECIATION, AMORTISATION AND IMPAIRMENT			
Depreciation of property, plant and equipment	279.85	239.27	
Depreciation of investment property	0.01	0.04	
Amortisation of other intangible assets	365.46	329.52	
Total	645.32	568.83	

		(Rs. in crores)	
	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
42	OTHER EXPENSES		
	Rent (Refer note 26)	15.26	12.86
	Rates and taxes	8.25	5.59
	Energy costs	41.96	37.58
	Repairs and maintenance	137.40	108.41
	Communication costs	99.07	90.20
	Printing and stationery	48.55	43.23
	Advertisement and publicity	152.85	49.79
	Director's fees, allowances and expenses	2.16	1.85
	Auditor fees and expenses (Refer note 72)		
	- As Auditor	1.75	1.75
	- For taxation matters	0.10	0.10
	- For other services (certification)	0.04	0.04
	- For reimbursement of expenses	0.09	0.09
	Legal and professional charges	244.94	182.02
	Other expenditure:		
	Travelling and conveyance	166.85	131.84
	Business promotion	336.23	271.52
	Outsourcing expenses	178.14	156.59
	Royalty	474.33	381.47
	Insurance	7.66	7.84
	Bank charges	74.60	65.30
	Loss on sale of property, plant and equipment (net)	7.91	-
	Service charges	25.60	24.38
	CSR expenses (Refer note 76)	131.46	90.88
	Miscellaneous expenses	119.84	113.07
	Total	2,275.04	1,776.40

43 EXCEPTIONAL ITEMS

The Board of Directors of the Company in its meeting held on May 13, 2024 had approved the disinvestment of the Company's entire stake in Shriram Housing Finance Limited (SHFL) (now renamed as Truhome Finance Limited), a debt-listed non-material subsidiary of the Company and in this regard an agreement was entered inter-alia into between the Company, SHFL and Mango Crest Investment Limited (Purchaser, an affiliate of Warburg Pincus) on May 13, 2024 (Share Purchase Agreement) subject to receipt of requisite approvals from regulatory authorities. On November 29, 2024, the Company acquired 40,000 Compulsorily Convertible Debentures (CCDs) of Rs. 100,000/- each from an external investor for Rs. 424.37 crores. The CCDs were converted to 31,560,000 equity shares of Rs. 10/- each of SHFL on December 09, 2024. Post receipt of requisite regulatory approvals, the Company has transferred 308,111,107 equity shares of face value of Rs. 10/- each fully paid up of SHFL to the Purchaser for a consideration of Rs. 3,929.03 crores on December 11, 2024. Consequently, SHFL ceased to be a subsidiary of the Company with effect from December 11, 2024.

The exceptional item disclosed in the financial statements represents resultant gain of Rs. 1,656.77 crores (Rs. 1,489.39 crores net of tax) on account of disinvestment of SHFL. The gain is after adjusting the carrying amount of investments in SHFL as on the date of sale, expenses incurred on the sale transaction, indemnity obligations as per the terms of the Share Purchase Agreement and derecognition of goodwill of Rs. 217.28 crores allocated to the investments in SHFL as per Ind AS 36 - Impairment of Assets.



43 EXCEPTIONAL ITEMS (Contd.)

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Gain on disposal of shares of subsidiary (net)	1,874.05	-
Reversal of goodwill on sale of subsidiary	(217.28)	-
Total	1,656.77	-

44 INCOME TAX

The components of income tax expense for the financial years ended March 31, 2025 and March 31, 2024 are:

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A Total tax charged in statement of profit and loss		
i) Current tax	3,495.08	3,382.74
ii) Adjustment in respect of current income tax of prior years	95.80	17.32
iii) Deferred tax relating to origination and reversal of temporary differences	(745.86)	(906.90)
Sub-total (A) = (i+ii+iii)	2,845.02	2,493.16
B Total tax charged in statement of other comprehensive income		
i) Income tax relating to items that will not be reclassified to profit or loss (a+b)	(4.67)	15.50
a) Remeasurement gain/ (loss) on defined benefit plan	3.12	19.65
b) Gain/ (loss) on fair valuation of quoted investments in equity shares	(7.79)	(4.15)
ii) Income tax relating to items that will be reclassified to profit or loss	69.63	14.12
Gain/ (loss) on effective portion of hedging instruments in a cash flow hedge	69.63	14.12
Sub-total (B) = (i+ii)	64.96	29.62
Total tax expenses (A+B)	2,909.98	2,522.78

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the financial year is given below:

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax	10,949.25	9,683.64
At India's statutory income tax rate of 25.168% (2024: 25.168%)	2,755.71	2,437.18
Adjustment in respect of current income tax of prior years	95.80	17.32
Tax at special rate of 14.30%	400.37	-
Income not subject to tax	-	-
Non-deductible expenses		
CSR expenditure not allowable for tax purpose	33.09	22.87
Adjustment in respect of prior years	(218.32)	(17.32)
Others	(221.63)	33.11
Income tax expense reported in the statement of profit and loss	2,845.02	2,493.16
Effective income tax rate	25.98%	25.75%

44 INCOME TAX (Contd.)

Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

(Rs. in crores)

	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
Particulars	As at March 31, 2025	As at March 31, 2025	Year ended March 31, 2025	Year ended March 31, 2025
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	66.82	-	(7.46)	-
Provision for post retirement benefits	61.78	-	(5.86)	(3.12)
Expenses allowable for tax purposes when paid	115.64	-	(34.87)	-
Cash flow hedge reserve	159.22	-	-	(69.63)
Impairment allowance on loans and advances	3,273.61	-	(377.62)	-
Fair valuation on derecognition of financial instrument	-	55.02	(34.25)	-
ESOP compensation expenses	11.09	-	6.83	-
Fair valuation impact of merger	29.44	-	(232.03)	-
Other temporary differences	45.99	13.71	(60.60)	7.79
Total	3,763.59	68.73	(745.86)	(64.96)

(Rs. in crores)

	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
Particulars	As at March 31, 2024	As at March 31, 2024	Year ended March 31, 2024	Year ended March 31, 2024
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	59.36	-	6.79	-
Provision for post retirement benefits	52.80	-	(5.96)	(19.65)
Expenses allowable for tax purposes when paid	80.77	-	(31.45)	-
Cash flow hedge reserve	89.59	-	-	(14.12)
Impairment allowance on loans and advances	2,895.98	-	(1,005.07)	-
Fair valuation on derecognition of financial instrument	-	89.27	21.25	-
ESOP compensation expenses	17.92	-	31.32	-
Fair valuation impact of merger	37.35	239.93	47.71	-
Other temporary differences	8.69	29.23	28.51	4.15
Total	3,242.46	358.43	(906.90)	(29.62)

Reconciliation of deferred tax assets/ (liabilities)

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	2,884.03	1,743.92
Recognised in statement of profit and loss/ adjustments	745.86	1,110.49
Recognised in statement of profit and loss under OCI	64.96	29.62
Closing balance	3,694.86	2,884.03



44 INCOME TAX (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Amounts recognised in respect of current tax/ deferred tax directly in equity	-	-
Unused tax losses for which no deferred tax asset has been recognised	-	-

45 EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit for the year attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) 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 the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net profit after tax as per statement of profit and loss (Rs. in crores) (A)	9,761.00	7,190.48
Weighted average number of equity shares for calculating basic EPS (in crores)* (B)	187.99	187.61
Effects of potential dilutive equity shares	0.26	0.60
Weighted average number of equity shares for calculating diluted EPS (in crores)* (C)	188.25	188.21
Basic EPS (in Rupees) (face value of Rs. 2/- per share) (March 31, 2024: Rs. 10/- per share)* (A) / (B)	51.92	38.33
Diluted EPS (in Rupees) (face value of Rs. 2/- per share) (March 31, 2024: Rs. 10/- per share)* (A) / (C)	51.85	38.20

*Refer note 30(I)

46 INVESTMENT IN SUBSIDIARY AND ASSOCIATE

The Company has invested in the following entities:

Name of the entity	Relationship	Country of incorporation	Principal place of business	Principal activities	% Equity interest	
					As at March 31, 2025	As at March 31, 2024
Shriram Housing Finance Limited (SHFL) (Refer note 43)	Subsidiary	India	Mumbai	Housing Finance	Nil	83.78%
Shriram Automall India Limited (SAMIL)	Associate	India	New Delhi	Market leader in physical bidding for acquisition and disposal of pre-owned vehicles and equipment.	44.56%	44.56%

The Company has recognised its investment in associate under equity method and not adjusted to fair value at the end of each reporting period.

46 INVESTMENT IN SUBSIDIARY AND ASSOCIATE (Contd.)

The Company's share in the associate is as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2025*	Year ended March 31, 2024*
(a) Share in profit or loss from continuing operations	12.31	7.78
(b) Share in post-tax profit or loss from discontinued operations	-	-
(c) Share in other comprehensive income	(1.15)	(0.06)
(d) Share in total comprehensive income	11.16	7.72

*The financial statements of the associate are as per unaudited financial statements provided by the management.

47 RETIREMENT BENEFIT PLAN

a) Defined contribution plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees.

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 168.20 crores (March 31, 2024: Rs. 148.38 crores) for Provident Fund contributions and Rs. 29.12 crores (March 31, 2024: Rs. 29.92 crores) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b) Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan (funded). 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 employee's length of service and last drawn salary. The fund is managed by third party fund managers.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides contribution to be made by the Company based on the results of this annual review. The trust is in process of investing entire funds in government securities through third party fund managers and as on March 31, 2025, 84.35% funds are invested in government securities and balance 15.65% funds are invested in money market and corporate debt instruments. The Board of Trustees aim to keep annual contributions of the Company relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Amount recognised in the statement of profit and loss in respect of the defined benefit plan are as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows:		
Current service cost	28.28	15.47
Interest expense	18.29	12.28



47 RETIREMENT BENEFIT PLAN (Contd.)

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest income	(15.85)	(12.09)
Past service cost	1.40	-
Components of defined benefit costs recognised in statement of profit and loss (A)	32.12	15.66
Remeasurement of gains/ (losses) in other comprehensive income:		
Return on plan assets (excluding amounts included in net interest expense)	(2.31)	(0.42)
Actuarial changes arising from changes in demographic assumptions	(2.79)	0.92
Actuarial changes arising from changes in financial assumptions	15.13	61.10
Experience adjustments	2.37	16.49
Components of defined benefit costs recognised in other comprehensive income (B)	12.40	78.09
Total (A + B)	44.52	93.75

Movement in the present value of the defined benefit obligation are as follows:

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	258.13	168.89
Expenses recognised in statement of profit and loss:		
Current service cost	28.28	15.47
Past service cost	1.40	-
Interest expense/ (income)	18.29	12.28
Recognised in other comprehensive income remeasurement gains/ (losses)	14.71	78.51
Liability transferred in/ out acquisitions/ divestments	7.46	(3.03)
Benefits paid from the fund	(11.53)	(13.99)
Present value of defined obligation at the end of the year	316.74	258.13

Change in the fair value of plan assets:

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at the beginning of the year	224.22	166.33
Interest income	15.85	12.09
Contributions by the employer	50.81	62.40
Assets transferred in acquisitions	7.46	(3.03)
Benefits paid from the fund	(11.53)	(13.99)
Return on plan assets excluding interest income	2.31	0.42
Fair value of plan assets at the end of the year	289.12	224.22

Calculation of benefit liability/ (asset):

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation/ liability	316.74	258.13
Fair value of plan assets	289.12	224.22
Benefit liability (Refer note 28)	27.62	33.91

47 RETIREMENT BENEFIT PLAN (Contd.)

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at March 31, 2025	As at March 31, 2024
Expected return on plan assets	6.71%	7.21%
Rate of discounting	6.71%	7.21%
Expected rate of salary increase	8.00%	8.00%
Rate of employee turnover	For service 4 years and below 27.00% p.a. and for service 5 years and above 6.00% p.a.	For service 4 years and below 23.00% p.a. and for service 5 years and above 6.00% p.a.
Mortality rate during employment	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2012-14) Urban
Mortality rate after employment	N.A.	N.A.

Investments quoted in active markets:

	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Government securities	243.87	191.77
Debt and other instruments	45.25	32.45
Total	289.12	224.22

(Rs. in crores)			
Assumptions	Sensitivity level	Impact on defined benefit obligation	
		March 31, 2025	March 31, 2024
Discount rate	1% increase	(29.08)	(22.08)
	1% decrease	34.31	25.82
Future salary increases	1% increase	33.02	25.14
	1% decrease	(28.63)	(21.95)
Attrition rate	1% increase	(4.42)	(2.32)
	1% decrease	4.93	2.55

	(Rs. in crores)	
Maturity analysis of projected benefits payable in future years from the date of reporting	As at March 31, 2025	As at March 31, 2024
Within the next 12 months (next annual reporting period)	22.25	21.73
Between 1 and 5 years	78.43	68.26
Between 6 and 10 years	114.77	98.06
Beyond 10 years	516.23	412.29
Total expected payments	731.68	600.34

The Company expects to contribute Rs. 61.50 crores to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2025 is 12 years (March 31, 2024: 11 years)



47 RETIREMENT BENEFIT PLAN (Contd.)

Asset liability matching strategies

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of the Income Tax Rules, 1962, this generally reduces ALM risk.

c) Compensated absences

The principal assumptions used in determining obligations for the Company are shown below:

Particulars	As at March 31, 2025	As at March 31, 2024
Rate of discounting	6.71%	7.21%
Expected rate of salary increase	8.00%	8.00%
Rate of employee turnover		
Service 4 years and below	27.00%	23.00%
Service 5 years and above	6.00%	6.00%
Mortality	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2012-14) Urban

(Rs. in crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Expenses recognised in statement of profit and loss	71.41	83.19

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2025.

The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

48 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Rs. in crores)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	10,681.40	-	10,681.40	6,013.37	-	6,013.37
Bank balance other than above	10,286.81	397.53	10,684.34	1,583.39	14.43	1,597.82
Derivative financial instruments*	687.01	(436.92)	250.09	0.09	330.39	330.48
Receivables						
(I) Trade receivables	50.82	-	50.82	51.63	-	51.63
(II) Other receivables	114.22	88.65	202.87	162.11	170.85	332.96
Loans	103,114.23	142,278.56	245,392.79	90,194.86	117,734.55	207,929.41
Investments	5,201.73	10,396.98	15,598.71	1,378.97	9,277.67	10,656.64
Other financial assets	3,262.66	45.30	3,307.96	3,101.67	168.02	3,269.69

48 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non-financial assets						
Current tax assets (net)	-	432.07	432.07	-	572.51	572.51
Deferred tax assets (net)	-	3,694.86	3,694.86	-	2,884.03	2,884.03
Investment property	-	-	-	-	0.98	0.98
Property, plant and equipment	-	1,025.68	1,025.68	-	845.77	845.77
Intangible assets under development	-	-	-	-	-	-
Goodwill	-	1,189.45	1,189.45	-	1,406.73	1,406.73
Other intangible assets	-	698.95	698.95	-	1,033.93	1,033.93
Other non-financial assets	45.43	276.52	321.95	188.59	161.84	350.43
Non-current asset held for sale/disposal	0.97	-	0.97	-	-	-
Total assets	133,445.28	160,087.63	293,532.91	102,674.68	134,601.70	237,276.38
Liabilities						
Financial liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	1.02	-	1.02	0.02	-	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	297.83	-	297.83	211.73	-	211.73
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	0.23	-	0.23	2.25	-	2.25
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.37	-	1.37	3.16	-	3.16
Debt securities	10,626.34	43,522.52	54,148.86	11,358.45	33,590.16	44,948.61
Borrowings (other than debt securities)	39,521.04	81,927.38	121,448.42	36,734.78	55,414.02	92,148.80
Deposits	14,764.43	41,321.56	56,085.99	11,430.94	33,012.72	44,443.66
Subordinated liabilities	162.52	2,351.46	2,513.98	2,399.75	1,900.32	4,300.07
Other financial liabilities	1,400.31	690.11	2,090.42	1,258.78	589.61	1,848.39
Non-financial liabilities						
Current tax liabilities (net)	38.98	-	38.98	237.79	-	237.79
Provisions	130.86	213.52	344.38	127.48	168.73	296.21
Other non-financial liabilities	280.71	0.15	280.86	267.25	0.05	267.30
Total liabilities	67,225.64	170,026.70	237,252.34	64,032.38	124,675.61	188,707.99
Net	66,219.64	(9,939.07)	56,280.57	38,642.30	9,926.09	48,568.39

*Derivative financial instruments are presented on net basis on asset side as the net flow is positive. The maturity analysis is based on the contractual maturities of the underlying contracts, with inflows and outflows presented on a net basis across different time buckets.



49 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(Rs. in crores)

Particulars	As at March 31, 2024	Cash flows #	Changes in fair value	Exchange difference	Others*	As at March 31, 2025
Debt securities	44,948.61	8,289.94	-	-	910.31	54,148.86
Borrowings (other than debt securities)	92,148.80	27,893.91	-	-	1,405.71	121,448.42
Deposits	44,443.66	10,897.29	-	-	745.04	56,085.99
Subordinated liabilities	4,300.07	(1,832.53)	-	-	46.44	2,513.98
Lease liabilities	627.07	(210.50)	-	-	302.08	718.65
Total liabilities from financing activities	186,468.21	45,038.11	-	-	3,409.58	234,915.90

#Includes interest payments

*Includes loan restatements and fair value adjustments

(Rs. in crores)

Particulars	As at March 31, 2023	Cash flows #	Changes in fair value	Exchange difference	Others*	As at March 31, 2024
Debt securities	43,652.59	887.67	-	-	408.35	44,948.61
Borrowings (other than debt securities)	73,590.02	17,747.86	-	-	810.92	92,148.80
Deposits	36,139.83	7,747.81	-	-	556.02	44,443.66
Subordinated liabilities	4,523.85	(261.67)	-	-	37.89	4,300.07
Lease liabilities	563.46	(194.98)	-	-	258.59	627.07
Total liabilities from financing activities	158,469.75	25,926.69	-	-	2,071.77	186,468.21

#Includes interest payments

*Includes loan restatements and fair value adjustments

50 CONTINGENT LIABILITIES AND COMMITMENTS

(A) Contingent liabilities

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as debts		
a. In respect of income tax demands where the Company has filed appeal before various authorities	104.10	56.22
b. VAT demand where the Company has filed appeal before various appellates	2.52	0.02
c. Service tax demands where the Company has filed appeal before various authorities	2,840.87	2,056.61
d. GST demand where the Company has filed appeals	37.66	7.20
e. Stamp duty demand raised by District Registrar office against which the Company has filed appeal	6.69	6.69
Total	2,991.84	2,126.74

Future cash outflows in respect of above are determinable only on receipt of judgements/ decisions pending with various forums/ authorities. It is not practicable for the Company to estimate the timings of the cashflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursement in respect of the above contingent liabilities. The Company is of the opinion that above demands are not sustainable and expects to succeed in its appeals. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

50 CONTINGENT LIABILITIES AND COMMITMENTS (Contd.)

(B) Commitments not provided for

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
a. Estimated amount of contracts remaining to be executed on capital account, net of advances	29.66	44.39
b. Commitments related to loans sanctioned but undrawn	218.85	108.24

51 RELATED PARTY TRANSACTIONS

Related parties as at March 31, 2025

Relationship	Name of the party
I. Promoter	: Shriram Capital Private Limited
II. Promoter group	: Bharath Investments Pte. Limited, Singapore Indypurse Digital Technologies Private Limited (formerly known as Novac Digital Services Private Limited) Novac GT Technology LLC (Dubai) (w.e.f. October 18, 2023) Novac Technology FZCO Novac Technology Solutions Private Limited SEA funds Management India Private Limited SGI Philippines General Insurance Co. Inc. Shriram Alternatives Private Limited (w.e.f. March 13, 2025) Shriram Asset Management Company Limited Shriram Asset Reconstruction Private Limited Shriram Credit Company Limited Shriram Fortune Solutions Limited Shriram General Insurance Company Limited Shriram GI Holdings Private Limited (Amalgamated with Shriram General Insurance Company Limited w.e.f. April 01, 2023) Shriram Insight Share Brokers Limited Shriram Investment Holdings Private Limited (formerly known as Shriram Investment Holdings Limited) Shriram LI Holdings Private Limited (Amalgamated with Shriram Life Insurance Company Limited w.e.f. April 01, 2023) Shriram Life Insurance Company Limited Shriram Overseas Investments Private Limited Shriram Trustees Ltd (w.e.f. September 03, 2024) Shriram Value Services Limited Shriram Wealth Limited Way2wealth Brokers Private Limited Way2wealth Commodities Private Limited Way2wealth Insurance Brokers Private Limited
III. Subsidiary	: Shriram Housing Finance Limited (upto December 11, 2024)
IV. Associates	: Shriram Automall India Limited Adroit Inspection Service Private Limited Augeo Asset Management Private Limited Cartradeexchange Solutions Private Limited

51 RELATED PARTY TRANSACTIONS (Contd.)

Relationship	Name of the party
V. Key Management Personnel (KMP)	Mr. Jugal Kishore Mohapatra, Chairman Mr. Umesh Revankar, Executive Vice Chairman Mr. Y. S. Chakravarti, Managing Director and CEO Mr. Parag Sharma, Managing Director and CFO (w.e.f. June 01, 2024) Mr. Parag Sharma, Joint Managing Director and CFO (upto May 31, 2024) Mr. Pradeep Kumar Panja, Independent Director Mr. S. Ravindran, Non-Executive Independent Director (w.e.f. August 31, 2023) Mr. D. V. Ravi, Non-Executive Non-Independent Director Mr. Ignatius Michael Viljoen, Non-Executive Non-Independent Director Mr. Gokul Dixit, Non-Executive Independent Director (w.e.f. June 01, 2024) Mrs. M. V. Bhanumathi, Non-Executive Independent Director (w.e.f. June 01, 2024) Mr. S. Sunder, Joint Managing Director Mr. Hardeep Singh Tur, Chief Risk Officer Mr. R. Chandrasekar, Joint Managing Director and Chief Compliance Officer Mr. U. Balasundararao, Company Secretary and Compliance Officer Mrs. Maya S. Sinha, Independent Director (upto December 03, 2024) Mr. S. Sridhar, Independent Director (upto October 19, 2024) Mr. Srinivas K., Joint Managing Director (upto January 25, 2024) Mr. G. M. Jilani, Joint Managing Director (upto January 25, 2024) Mr. P. Sridharan, Joint Managing Director (upto January 25, 2024) Mr. Sudarshan Holla, Joint Managing Director (upto January 25, 2024) Mr. Nilesh Odedara, Joint Managing Director (upto January 25, 2024) Mr. Aseem Gandhi, Executive Director (upto July 27, 2023)
VI. Close members of key management personnel (with whom the Company has transactions)	Mrs. Suchita U. Revankar (Spouse of Mr. Umesh Revankar) Mrs. Geeta G. Revankar (Mother of Mr. Umesh Revankar) Mr. Anil G. Revankar (Brother of Mr. Umesh Revankar) Mr. Shreyas U. Revankar (Son of Mr. Umesh Revankar) Mr. Shrishgovind U. Revankar (Son of Mr. Umesh Revankar) Mrs. Sainand Revankar (Brother of Mr. Umesh Revankar) Mrs. Yalamati Sujatha (Spouse of Mr. Y. S. Chakravarti) Mr. Sree Bhargav Y. (Son of Mr. Y. S. Chakravarti) Mrs. Rama Sharma (Mother of Mr. Parag Sharma) Ms. Atibhi Sharma (Daughter of Mr. Parag Sharma) Mr. Amit Sharma (Brother of Mr. Parag Sharma) Mrs. P. Suchitra (Sister of Mr. Pradeep Kumar Panja) Mrs. P. Surekha (Sister of Mr. Pradeep Kumar Panja) Mrs. Malathi Subramanian (Mother of Mr. Gokul Dixit) (w.e.f. June 01, 2024) Mrs. Sujatha Sunder (Spouse of Mr. S. Sunder) Mr. Karthik (Husband of Daughter of Mr. R. Chandrasekar) Mrs. Uma Swaminathan (Mother of Mrs. Maya S. Sinha) (upto December 03, 2024) Mrs. S. Arulmozhi (Spouse of Mr. P. Sridharan) (upto January 25, 2024) Ms. S. Karunyalakshmi (Daughter of Mr. P. Sridharan) (upto January 25, 2024)

51 RELATED PARTY TRANSACTIONS (Contd.)

Relationship	Name of the party
VII. Employee's benefit plan	: Shriram Finance Limited Employees Group Gratuity Assurance Scheme (w.e.f. May 28, 2024) Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme (upto May 27, 2024) Shriram City Union Finance Limited Employees Group Gratuity Assurance Scheme (upto May 27, 2024)



51 RELATED PARTY TRANSACTIONS (Contd.)

Summary of related party transactions

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	(Rs. in crores)															
I) Payments/ expenses																
1 Business mobilisation expenses	-	-	-	-	-	-	0.37	0.17	-	-	-	-	-	-	0.37	0.17
2 Commission and sitting fee paid to directors	-	-	-	-	-	-	-	-	-	-	1.98	1.30	-	-	1.98	1.30
3 Commission paid	-	-	34.55	31.46	-	-	2.13	1.00	-	-	-	-	-	-	36.68	32.46
4 Debt syndication services charges	-	-	-	0.60	-	-	-	-	-	-	-	-	-	-	-	0.60
5 Direct selling agent commission	-	-	-	0.20	-	-	-	-	-	-	-	-	-	-	-	0.20
6 Employee benefits for key management personnel*																
a) Short term benefits	-	-	-	-	-	-	-	-	-	-	9.91	10.45	-	-	9.91	10.45
b) Post employment benefits	-	-	-	-	-	-	-	-	-	-	1.68	1.73	-	-	1.68	1.73
c) Share-based payments	-	-	-	-	-	-	-	-	-	-	0.07	-	-	-	0.07	-
7 Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	-	-	51.83	59.89	-	-	-	-	51.83	59.89
8 Equity dividend paid	332.37	335.73	132.42	64.97	-	-	-	-	-	-	0.26	0.32	0.00	0.00	465.05	401.02
9 Gratuity and leave encashment paid	0.05	-	0.19	0.02	-	0.21	-	-	-	-	-	-	-	-	0.24	0.23
10 Insurance premium paid	-	-	39.15	26.93	-	-	-	-	-	-	-	-	-	-	39.15	26.93
11 Intangible assets purchased	-	-	21.00	63.00	-	-	-	-	-	-	-	-	-	-	21.00	63.00
12 Interest paid on deposits	-	-	4.55	5.87	-	-	15.46	5.41	-	-	0.00	0.05	0.21	0.12	20.22	11.45
13 Interest paid on non-convertible debenture (secured)	-	-	49.48	52.33	-	-	0.69	2.03	-	-	-	-	-	-	50.17	54.36
14 Interest paid on subordinated debt	-	-	22.43	47.94	-	-	-	-	-	-	-	-	-	-	22.43	47.94
15 Investment in mutual fund	-	-	144.99	43.00	-	-	-	-	-	-	-	-	-	-	144.99	43.00
16 Maintenance services Super App	-	-	21.00	-	-	-	-	-	-	-	-	-	-	-	21.00	-
17 Maturity of deposit	-	-	24.76	22.54	-	-	60.50	22.00	-	-	0.00	0.25	1.81	0.98	87.07	45.77
18 Maturity of non-convertible debenture (secured)	-	-	40.00	52.15	-	-	0.66	8.19	-	-	-	-	-	-	40.66	60.34
19 Maturity of subordinate debts	-	-	25.00	192.50	-	-	-	-	-	-	-	-	-	-	25.00	192.50
20 Other administrative expenses	-	-	0.03	0.03	-	-	12.21	11.63	-	-	-	-	-	-	12.24	11.66

51 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	(Rs. in crores)														Total			
	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel					
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024				
21 Outsourcing expenses	-	-	149.95	135.21	-	-	-	-	-	-	-	-	-	149.95	135.21	-	March 31, 2024	March 31, 2025
22 Payment for assignment	-	-	-	-	40.91	76.28	-	-	-	-	-	-	-	40.91	76.28	-	-	-
23 Professional charges paid	-	-	-	-	0.15	-	-	-	-	-	-	-	-	-	0.15	-	-	-
24 Reimbursement of loss	-	-	-	-	25.08	-	-	-	-	-	-	-	-	-	25.08	-	-	-
25 Rent paid	-	-	0.02	0.02	-	-	17.97	16.04	-	-	-	-	-	-	17.99	-	-	16.06
26 Revenue sharing paid	-	-	-	-	-	-	0.02	0.42	-	-	-	-	-	-	0.02	-	-	0.42
27 Royalty paid	-	-	435.16	349.98	-	-	-	-	-	-	-	-	-	-	435.16	-	-	349.98
28 Sales promotion expenses	-	-	10.37	11.79	-	-	-	-	-	-	-	-	-	-	10.37	-	-	11.79
29 Service charges	23.49	22.37	-	-	-	-	-	-	-	-	-	-	-	-	23.49	-	-	22.37
30 Security deposit paid	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
31 Valuation charges	-	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00	-	-	-
D) Receipts/ income																		
1 Business auxiliary services income	-	0.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.11
2 Collection fees income	-	-	-	-	0.16	0.22	-	-	-	-	-	-	-	-	0.16	-	-	0.22
3 Commission received	-	-	290.19	246.99	-	-	-	-	-	-	-	-	-	-	290.19	-	-	246.99
4 Commission received on disbursement	-	-	-	-	0.01	0.03	-	-	-	-	-	-	-	-	0.01	-	-	0.03
5 Disbursement of new assignment	-	-	-	-	-	149.67	-	-	-	-	-	-	-	-	-	-	-	149.67
6 Deposits accepted	-	-	-	10.00	-	-	98.16	54.74	-	-	0.00	0.19	1.25	2.05	99.41	-	-	66.98
7 Gratuity, leave encashment, bonus and leave travel allowances received	-	-	2.18	0.62	0.13	-	0.13	0.28	-	-	-	-	-	-	2.44	-	-	0.90
8 Insurance claims	-	-	0.89	0.32	-	-	-	-	-	-	-	-	-	-	0.89	-	-	0.32
9 Investment in mutual fund redeemed	-	-	145.51	45.19	-	-	-	-	-	-	-	-	-	-	145.51	-	-	45.19
10 Non-convertible debenture (secured) issued	-	-	45.00	-	-	-	-	-	-	-	-	-	-	-	45.00	-	-	-
11 Other income	-	-	0.01	0.00	0.01	0.04	-	-	-	-	-	-	-	-	0.02	-	-	0.04
12 Recovery of common sharing expenses	0.04	0.03	0.29	0.22	0.02	0.13	0.30	0.28	-	-	-	-	-	-	0.65	-	-	0.66
13 Rent and electricity income	-	-	-	-	-	0.05	2.61	3.73	-	-	-	-	-	-	2.61	-	-	3.78
14 Revenue sharing received	-	-	-	-	-	-	-	0.07	-	-	-	-	-	-	-	-	-	0.07



51 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close member of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
15 Sale of property, plant and equipment	-	-	-	-	1.88	-	-	0.00	-	-	-	-	-	-	1.88	0.00
16 Subordinated debts issued	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	100.00	-
III) Balance outstanding at the year end																
i) Assets																
1 Commission and other receivables	-	-	44.00	37.72	-	0.02	-	-	-	-	-	-	-	-	44.00	37.74
2 Security deposit receivables	-	-	0.11	0.56	-	-	-	-	-	-	-	-	-	-	0.11	0.56
3 Investment in equity shares (Refer note 43)	-	-	-	-	-	1,562.24	13.37	13.37	-	-	-	-	-	-	13.37	1,575.61
4 Investment in mutual fund	-	-	10.01	10.01	-	-	-	-	-	-	-	-	-	-	10.01	10.01
ii) Liabilities																
1 Deposit																
a) Public deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) Deposit from corporates	-	-	24.27	50.34	-	-	178.85	144.35	-	-	1.26	1.29	2.90	3.44	4.16	4.73
2 Non-convertible debenture (secured)																
a) Privately placed	-	-	558.84	511.02	-	-	-	-	-	-	-	-	-	-	558.84	511.02
b) Public issue	-	-	26.69	68.74	-	-	7.14	7.82	-	-	-	-	-	-	33.83	76.56
3 Subordinated debt	-	-	554.93	330.21	-	-	-	-	-	-	-	-	-	-	554.93	330.21
4 Trade payables	6.00	5.71	116.10	45.44	-	-	3.79	3.23	-	-	-	-	-	-	125.89	54.38
5 Other financial liabilities	-	-	2.50	-	-	-	-	-	-	-	-	-	-	-	2.50	-
iii) Equity																
1 Equity share capital	67.15	67.15	26.75	20.77	-	-	-	-	-	-	0.06	0.06	0.00	0.00	93.96	87.98

*Some of the key management personnel/ senior management personnel are eligible for superannuation benefits of a trust formed by promoter group and as the benefits are decided by the committee of the trust, the same neither come within the purview of the Company nor have any impact on the statement of profit and loss of the Company and hence are not included as part of remuneration.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the year ended March 31, 2025 and financial year ended March 31, 2024.

The Company has procured bank guarantee of Rs. 16.00 crores on behalf of Shriram Housing Finance Limited, now renamed as Truhome Finance Limited.

Income/ expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

All the above transactions were entered into in the ordinary course of business on an arm's length basis.

51 RELATED PARTY TRANSACTIONS (Contd.)

Breakup of related party transactions

Promoter												Subsidiary				Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
Particulars		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025			
1) Payments/ expenses																									
1 Business mobilisation expenses																									
- Shriram Automall India Limited		-	-	-	-	-	-	-	-	0.37	0.17	-	-	-	-	-	-	0.37	-	0.17	-	-			
2 Commission and sitting fee paid to directors																									
- S. Sridhar		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- Pradeep Kumar Panja		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- Maya S. Sinha		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- S. Ravindran		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- Jugal Kishore Mohapatra		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- Gokul Dixit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
- M. V. Bhanunathi		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
3 Commission paid																									
- Adroit Inspection Service Private Limited		-	-	-	-	-	-	-	-	1.45	1.00	-	-	-	-	-	-	1.45	-	1.00	-	-			
- Shriram Insight Share Brokers Limited		-	-	9.71	8.80	-	-	-	-	-	-	-	-	-	-	-	-	9.71	-	8.80	-	-			
- Shriram Wealth Limited		-	-	0.18	0.69	-	-	-	-	-	-	-	-	-	-	-	-	0.18	-	0.69	-	-			
- Shriram Credit Company Limited		-	-	19.35	21.37	-	-	-	-	-	-	-	-	-	-	-	-	19.35	-	21.37	-	-			
- Augeo Asset Management Private Limited		-	-	-	-	-	-	-	-	0.68	-	-	-	-	-	-	-	0.68	-	-	-	-			
- Shriram Fortune Solutions Limited		-	-	4.03	-	-	-	-	-	-	-	-	-	-	-	-	-	4.03	-	-	-	-			
- Way2wealth Brokers Private Limited		-	-	1.28	0.60	-	-	-	-	-	-	-	-	-	-	-	-	1.28	-	0.60	-	-			
4 Debt syndication services charges																									
- Shriram Credit Company Limited		-	-	-	0.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
5 Direct selling agent commission																									
- Way2wealth Brokers Private Limited		-	-	-	0.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
6 Employee benefits for key management personnel*																									
a) Short term benefits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.91	-	10.45	-	-			
b) Post employment benefits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.68	-	1.73	-	-			

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[illegible]

51 RELATED PARTY TRANSACTIONS (Contd.)

Particulars		Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
11	Intangible assets purchased	-	-	21.00	63.00	-	-	-	-	-	-	-	-	-	-	21.00	63.00
12	Interest paid on deposits																
	- Key management personnel																
	- Parag Sharma	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
	- S. Sridhar	-	-	-	-	-	-	-	-	-	-	-	0.04	-	-	-	0.04
	- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	-	-	0.01	-	-	-	0.01
	- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	0.21	0.12	0.21	0.12
	- Shriram Automall India Limited	-	-	-	-	-	-	12.52	5.41	-	-	-	-	-	-	12.52	5.41
	- Cartradeexchange Solutions Private Limited	-	-	-	-	-	-	2.94	-	-	-	-	-	-	-	2.94	-
	- Shriram Asset Management Company Limited	-	-	4.55	5.87	-	-	-	-	-	-	-	-	-	-	4.55	5.87
13	Interest paid on non-convertible debenture (secured)																
	- Shriram Life Insurance Company Limited	-	-	14.79	14.79	-	-	-	-	-	-	-	-	-	-	14.79	14.79
	- Shriram General Insurance Company Limited	-	-	34.69	33.37	-	-	-	-	-	-	-	-	-	-	34.69	33.37
	- Shriram Asset Management Company Limited	-	-	-	0.20	-	-	-	-	-	-	-	-	-	-	-	0.20
	- Shriram Insight Share Brokers Limited	-	-	0.00	0.01	-	-	-	-	-	-	-	-	-	-	0.00	0.01
	- Shriram Automall India Limited	-	-	-	-	-	-	0.69	2.03	-	-	-	-	-	-	0.69	2.03
	- Shriram Value Services Limited	-	-	-	3.96	-	-	-	-	-	-	-	-	-	-	-	3.96
14	Interest paid on subordinated debt																
	- Shriram Life Insurance Company Limited	-	-	11.42	15.27	-	-	-	-	-	-	-	-	-	-	11.42	15.27
	- Shriram General Insurance Company Limited	-	-	11.01	32.67	-	-	-	-	-	-	-	-	-	-	11.01	32.67
15	Investment in mutual fund																
	- Shriram Asset Management Company Limited	-	-	144.99	43.00	-	-	-	-	-	-	-	-	-	-	144.99	43.00



51 RELATED PARTY TRANSACTIONS (Contd.)

(Rs. in crores)																
Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
21 Outsourcing expenses																
- Novac Technology Solutions Private Limited	-	-	149.95	135.21	-	-	-	-	-	-	-	-	-	-	149.95	135.21
22 Payment for assignment																
- Shriram Housing Finance Limited	-	-	-	-	40.91	76.28	-	-	-	-	-	-	-	-	40.91	76.28
23 Professional charges paid																
- Shriram Housing Finance Limited	-	-	-	-	0.15	-	-	-	-	-	-	-	-	-	0.15	-
24 Reimbursement of loss																
- Shriram Housing Finance Limited	-	-	-	-	25.08	-	-	-	-	-	-	-	-	-	25.08	-
25 Rent paid																
- Shriram Automall India Limited	-	-	-	-	-	-	17.97	16.04	-	-	-	-	-	-	17.97	16.04
- Shriram Asset Management Company Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	-	-	0.02	0.02
26 Revenue sharing paid																
- Shriram Automall India Limited	-	-	-	-	-	-	0.02	0.42	-	-	-	-	-	-	0.02	0.42
27 Royalty paid																
- Shriram Value Services Limited	-	-	435.16	349.98	-	-	-	-	-	-	-	-	-	-	435.16	349.98
28 Sales promotion expenses																
- Shriram Insight Share Brokers Limited	-	-	2.41	2.21	-	-	-	-	-	-	-	-	-	-	2.41	2.21
- Shriram Wealth Limited	-	-	0.03	0.17	-	-	-	-	-	-	-	-	-	-	0.03	0.17
- Shriram Credit Company Limited	-	-	6.48	9.28	-	-	-	-	-	-	-	-	-	-	6.48	9.28
- Shriram Fortune Solutions Limited	-	-	0.88	-	-	-	-	-	-	-	-	-	-	-	0.88	-
- Way2wealth Brokers Private Limited	-	-	0.57	0.13	-	-	-	-	-	-	-	-	-	-	0.57	0.13
29 Service charges																
- Shriram Capital Private Limited	23.49	22.37	-	-	-	-	-	-	-	-	-	-	-	-	23.49	22.37
30 Security deposit paid																
- Shriram Asset Management Company Limited	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01



51 RELATED PARTY TRANSACTIONS (Contd.)

(Rs. in crores)																
Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2024	
31 Valuation charges																
- Adroit Inspection Service Private Limited	-	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00	-
II) Receipts/ income																
1 Business auxiliary services income																
- Shriram Capital Private Limited	-	0.11	-	-	-	-	-	-	-	-	-	-	-	-	-	0.11
2 Collection fees income																
- Shriram Housing Finance Limited	-	-	-	-	0.16	0.22	-	-	-	-	-	-	-	-	0.16	0.22
3 Commission received																
- Shriram General Insurance Company Limited	-	-	149.79	122.90	-	-	-	-	-	-	-	-	-	-	149.79	122.90
- Shriram Life Insurance Company Limited	-	-	140.40	124.09	-	-	-	-	-	-	-	-	-	-	140.40	124.09
4 Commission received on disbursement																
- Shriram Housing Finance Limited	-	-	-	-	0.01	0.03	-	-	-	-	-	-	-	-	0.01	0.03
5 Disbursement of new assignment																
- Shriram Housing Finance Limited	-	-	-	-	-	149.67	-	-	-	-	-	-	-	-	-	149.67
6 Deposits accepted																
- Key management personnel																
- Parag Sharma	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	-	0.06	0.06	-	-	-	0.06
- S. Sridhar	-	-	-	-	-	-	-	-	-	-	0.13	0.13	-	-	-	0.13
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	1.25	2.05	1.25	2.05
- Shriram Asset Management Company Limited	-	-	-	10.00	-	-	-	-	-	-	-	-	-	-	-	10.00
- Shriram Automall India Limited	-	-	-	-	-	-	75.23	46.74	-	-	-	-	-	-	75.23	46.74
- Cartradeexchange Solutions Private Limited	-	-	-	-	-	-	22.93	8.00	-	-	-	-	-	-	22.93	8.00

51 RELATED PARTY TRANSACTIONS (Contd.)

(Rs. in crores)																
Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
7																
Gratuity, leave encashment, bonus and leave travel allowances received																
- Shriram Automall India Limited	-	-	-	-	-	-	0.13	0.28	-	-	-	-	-	-	0.13	0.28
- Shriram Life Insurance Company Limited	-	-	0.13	0.47	-	-	-	-	-	-	-	-	-	-	0.13	0.47
- Shriram Housing Finance Limited	-	-	-	-	0.13	-	-	-	-	-	-	-	-	-	0.13	-
- Shriram Insight Share Brokers Limited	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-	-	0.06
- Shriram Value Services Limited	-	-	0.34	-	-	-	-	-	-	-	-	-	-	-	0.34	-
- Adroit Inspection Service Private Limited	-	-	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00
- Novac Technology Solutions Private Limited	-	-	1.71	0.09	-	-	-	-	-	-	-	-	-	-	1.71	0.09
8																
Insurance claims	-	-	0.89	0.32	-	-	-	-	-	-	-	-	-	-	0.89	0.32
- Shriram General Insurance Company Limited	-	-	0.89	0.32	-	-	-	-	-	-	-	-	-	-	0.89	0.32
9																
Investment in mutual fund redeemed	-	-	145.51	45.19	-	-	-	-	-	-	-	-	-	-	145.51	45.19
- Shriram Asset Management Company Limited	-	-	145.51	45.19	-	-	-	-	-	-	-	-	-	-	145.51	45.19
10																
Non-convertible debenture (secured) issued	-	-	15.00	-	-	-	-	-	-	-	-	-	-	-	15.00	-
- Shriram General Insurance Company Limited	-	-	15.00	-	-	-	-	-	-	-	-	-	-	-	15.00	-
- Shriram Life Insurance Company Limited	-	-	30.00	-	-	-	-	-	-	-	-	-	-	-	30.00	-
11																
Other income	-	-	0.01	0.00	-	-	-	-	-	-	-	-	-	-	0.01	0.00
- Shriram Asset Management Company Limited	-	-	0.01	0.00	-	-	-	-	-	-	-	-	-	-	0.01	0.00
- Shriram Housing Finance Limited	-	-	-	-	0.01	0.04	-	-	-	-	-	-	-	-	0.01	0.04
12																
Recovery of common sharing expenses	-	-	-	-	-	-	0.30	0.28	-	-	-	-	-	-	0.30	0.28
- Shriram Automall India Limited	-	-	-	-	-	-	0.30	0.28	-	-	-	-	-	-	0.30	0.28
- Shriram Insight Share Brokers Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	-	-	0.02	0.02
- Shriram Fortune Solutions Limited	-	-	0.06	0.03	-	-	-	-	-	-	-	-	-	-	0.06	0.03



51 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
- Shriram Credit Company Limited	-	-	0.12	0.12	-	-	-	-	-	-	-	-	-	-	0.12	0.12
- Shriram General Insurance Company Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	-	-	0.03	0.03
- Shriram Capital Private Limited	0.04	0.03	-	-	-	-	-	-	-	-	-	-	-	-	0.04	0.03
- Shriram Asset Management Company Limited	-	-	0.03	0.02	-	-	-	-	-	-	-	-	-	-	0.03	0.02
- Shriram Wealth Limited	-	-	0.03	-	-	-	-	-	-	-	-	-	-	-	0.03	-
- Shriram Housing Finance Limited	-	-	-	-	0.02	0.13	-	-	-	-	-	-	-	-	0.02	0.13
13 Rent and electricity income																
- Shriram Housing Finance Limited	-	-	-	-	-	0.05	-	-	-	-	-	-	-	-	-	0.05
- Shriram Automall India Limited	-	-	-	-	-	-	2.61	3.73	-	-	-	-	-	-	2.61	3.73
14 Revenue sharing received																
- Shriram Automall India Limited	-	-	-	-	-	-	-	0.07	-	-	-	-	-	-	-	0.07
15 Sale of property, plant and equipment																
- Shriram Automall India Limited	-	-	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00
- Shriram Housing Finance Limited	-	-	-	-	1.88	-	-	-	-	-	-	-	-	-	1.88	-
16 Subordinated debts issued																
- Shriram Life Insurance Company Limited	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	100.00	-

*Some of the key management personnel/ senior management personnel are eligible for superannuation benefits of a trust formed by promoter group and as the benefits are decided by the committee of the trust, the same neither come within the purview of the Company nor have any impact on the statement of profit and loss of the Company and hence are not included as part of remuneration.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the year ended March 31, 2025 and financial year ended March 31, 2024.

The Company has procured bank guarantee of Rs. 16.00 crores on behalf of Shriram Housing Finance Limited, now renamed as Truhome Finance Limited.

Income/ expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

All the above transactions were entered into in the ordinary course of business on an arm's length basis.

51 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
III) Balance outstanding at the year end																
i) Assets																
1 Commission and other receivables																
- Shriram General Insurance Company Limited	-	-	32.04	28.38	-	-	-	-	-	-	-	-	-	-	32.04	28.38
- Shriram Life Insurance Company Limited	-	-	11.96	9.34	-	-	-	-	-	-	-	-	-	-	11.96	9.34
- Shriram Housing Finance Limited	-	-	-	-	-	0.02	-	-	-	-	-	-	-	-	-	0.02
2 Security deposit receivables																
- Shriram General Insurance Company Limited	-	-	-	0.20	-	-	-	-	-	-	-	-	-	-	-	0.20
- Shriram Life Insurance Company Limited	-	-	0.10	0.35	-	-	-	-	-	-	-	-	-	-	0.10	0.35
- Shriram Asset Management Company Limited	-	-	0.01	0.01	-	-	-	-	-	-	-	-	-	-	0.01	0.01
3 Investment in equity shares (Refer note 43)																
- Shriram Automall India Limited	-	-	-	-	-	-	13.37	13.37	-	-	-	-	-	-	13.37	13.37
- Shriram Housing Finance Limited	-	-	-	-	-	1,562.24	-	-	-	-	-	-	-	-	-	1,562.24
4 Investment in mutual fund																
- Shriram Asset Management Company Limited	-	-	10.01	10.01	-	-	-	-	-	-	-	-	-	-	10.01	10.01
ii) Liabilities																
1 Deposit																
a) Public deposit																
- Key management personnel																
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	-	0.07	0.07	-	-	0.07	0.07
- S. Sridhar	-	-	-	-	-	-	-	-	-	-	-	0.12	-	-	-	0.12
- Parag Sharma	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- R. Chandrasekar	-	-	-	-	-	-	-	-	-	-	1.19	1.10	-	-	1.19	1.10
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	2.90	3.44	2.90	3.44



51 RELATED PARTY TRANSACTIONS (Contd.)

(Rs. in crores)																
Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
b) Deposit from corporates																
- Shriram Asset Management Company Limited	-	-	24.27	50.34	-	-	-	-	-	-	-	-	-	-	24.27	50.34
- Shriram Automall India Limited	-	-	-	-	-	-	140.03	116.39	-	-	-	-	-	-	140.03	116.39
- Cartradeexchange Solutions Private Limited	-	-	-	-	-	-	38.82	27.96	-	-	-	-	-	-	38.82	27.96
2 Non-convertible debenture (secured)																
a) Privately placed																
- Shriram Life Insurance Company Limited	-	-	135.60	103.87	-	-	-	-	-	-	-	-	-	-	135.60	103.87
- Shriram General Insurance Company Limited	-	-	423.24	407.15	-	-	-	-	-	-	-	-	-	-	423.24	407.15
b) Public issue																
- Shriram Life Insurance Company Limited	-	-	26.69	68.74	-	-	-	-	-	-	-	-	-	-	26.69	68.74
- Shriram Insight Share Brokers Limited	-	-	0.00	0.00	-	-	-	-	-	-	-	-	-	-	0.00	0.00
- Shriram Automall India Limited	-	-	-	-	-	-	7.14	7.82	-	-	-	-	-	-	7.14	7.82
3 Subordinated debt																
- Shriram Life Insurance Company Limited	-	-	316.34	140.87	-	-	-	-	-	-	-	-	-	-	316.34	140.87
- Shriram General Insurance Company Limited	-	-	238.59	189.34	-	-	-	-	-	-	-	-	-	-	238.59	189.34
4 Trade payables																
- Adroit Inspection Service Private Limited	-	-	-	-	-	-	-	0.07	-	-	-	-	-	-	-	0.07
- Shriram Capital Private Limited	6.00	5.71	-	-	-	-	-	-	-	-	-	-	-	-	6.00	5.71
- Shriram Automall India Limited	-	-	-	-	-	-	3.79	3.16	-	-	-	-	-	-	3.79	3.16
- Shriram Value Services Limited	-	-	113.46	37.87	-	-	-	-	-	-	-	-	-	-	113.46	37.87
- Novac Technology Solutions Private Limited	-	-	1.50	4.03	-	-	-	-	-	-	-	-	-	-	1.50	4.03
- Shriram Insight Share Brokers Limited	-	-	0.93	0.74	-	-	-	-	-	-	-	-	-	-	0.93	0.74
- Shriram Wealth Limited	-	-	0.07	0.09	-	-	-	-	-	-	-	-	-	-	0.07	0.09

51 RELATED PARTY TRANSACTIONS (Contd.)

(Rs. in crores)																
Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total		
Particulars	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	
- Shriram Credit Company Limited	-	-	2.45	-	-	-	-	-	-	-	-	-	-	-	2.45	
- Way2wealth Brokers Private Limited	-	-	0.14	-	-	-	-	-	-	-	-	-	0.14	-	0.26	
5 Other financial liabilities																
- Shriram Fortune Solutions Limited	-	-	2.50	-	-	-	-	-	-	-	-	-	2.50	-	-	
iii) Equity																
1 Equity share capital																
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	-	0.00	
- Key management personnel																
- Parag Sharma	-	-	-	-	-	-	-	-	-	0.05	0.05	-	0.05	-	0.05	
- S. Sunder	-	-	-	-	-	-	-	-	-	0.00	0.00	-	0.00	-	0.00	
- U Balasundararao	-	-	-	-	-	-	-	-	-	0.00	0.00	-	0.00	-	0.00	
- D. V. Ravi	-	-	-	-	-	-	-	-	-	0.00	0.00	-	0.00	-	0.00	
- R. Chandrasekar	-	-	-	-	-	-	-	-	-	0.01	0.01	-	0.01	-	0.01	
- Shriram Capital Private Limited	67.15	67.15	-	-	-	-	-	-	-	-	-	-	67.15	-	67.15	
- Shriram Value Services Limited	-	-	20.77	-	-	-	-	-	-	-	-	-	26.75	-	20.77	

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the year ended March 31, 2025 and financial year ended March 31, 2024.

The Company has procured bank guarantee of Rs. 16.00 crores on behalf of Shriram Housing Finance Limited, now renamed as Truhome Finance Limited.

Income/ expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

All the above transactions were entered into in the ordinary course of business on an arm's length basis.



52 SHARE-BASED PAYMENTS

The Company provides employee stock option scheme and share appreciation rights to its employees.

52.01: Employee stock option plan (ESOP Scheme)
52.01.01 About the plan

Shriram Finance Limited Employee Stock Options Scheme 2023 (No.1) ["SFL ESOS 2023(No.1)"] has been created in lieu of the erstwhile SCUF ESOS 2013 to issue stock options to the eligible employees of the SCUF ("Transferor Company") taking into account the share exchange ratio as provided in terms of clause 3.36.1 of the approved Composite Scheme of Arrangement and Amalgamation ("Scheme"). The objective of SFL ESOS 2023 (No.1) plan is that the eligible employees of the Transferor Company continue to enjoy the benefit of stock options upon becoming the employees of the Company and to restore the value of options post amalgamation in the manner provided in terms of Clause 3.35.17 of the Scheme. This SFL ESOS 2023 (No.1) plan has been adopted on March 15, 2023 by the Nomination and Remuneration Committee and Board of directors of the Company.

Details of the options issued under SFL ESOS 2023 (No.1) plan is as follows:

Particulars	Number of options
As at April 01, 2023	2,126,875
Allotted during the year	1,365,534
Lapsed during the year	6,680
As at March 31, 2024	754,661
Allotted during the period upto share split	265,967
Lapsed during the period upto share split	3,260
As at January 09, 2025 (pre-split)	485,434
As at January 10, 2025 (post-split) [(Refer note 30(I))]	2,427,170
Allotted during the period after share split	89,995
Lapsed during the period after share split	2,985
As at March 31, 2025	2,334,190

The options shall vest in the hands of the option holder after a minimum period of 12 months from the date of grant of option or such longer period as may be determined by the Committee subject to the condition that the option grantee continues to be an employee of the Company and the performance or other conditions as may be determined by the Committee. The maximum period of vesting shall be 5 years from the date of grant.

The period during which the options granted by the Transferor Company under SCUF ESOS 2013 plan were held by the eligible employee shall be adjusted against the minimum vesting period. That is, the date of vesting under the SCUF ESOS 2013 plan shall be considered as the vesting date under SFL ESOS 2023 (No.1) plan.

The exercise price shall be Rs. 193.55 per fresh options under the SFL ESOS 2023 (No.1) plan.

The options vested shall be exercised within period of ten years from the vesting date. When exercisable, each option is convertible into one equity share. Any option granted shall be exercisable according to the terms and conditions as determined by the Scheme.

52 SHARE-BASED PAYMENTS (Contd.)

52.01.02: Fair value of the options granted

The Company has recorded employee share-based compensation expense relating to the SFL ESOS 2023 (No.1) options on the basis of fair value of erstwhile SCUF ESOS 2013 options.

The fair value of the options granted is mentioned below as per vesting period. The fair value of the options is determined using Black-Scholes model which takes into account the exercise price, the term of the option (time to maturity), the share price as at the grant date and expected price volatility (standard deviation) of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

Fair value and assumptions for the equity-settled grants under the SCUF ESOS 2013 plan is as under:

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V	Grant VI	Grant VII	Grant VIII
Grant date	August 11, 2020	November 02, 2020	January 29, 2021	July 29, 2021	October 27, 2021	January 28, 2022	April 29, 2022	July 27, 2022
No. of options granted	300,221	300,030	315,396	302,601	303,270	301,582	599,800	28,913
Vesting date	August 11, 2021	November 02, 2021	January 29, 2022	July 29, 2022	October 27, 2022	January 28, 2023	April 29, 2023	July 27, 2023
Exercise price (in Rs.)*	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
Fair value of option (in Rs.)*	399.20	560.18	756.39	1,539.79	1,985.23	1,517.66	1,440.68	1,686.59
Input variables:								
Share price as on grant date (in Rs.)*	661.80	822.75	1,018.70	1,814.10	2,257.45	1,787.90	1,708.60	1,949.95
Standard deviation (volatility)	38.28%	44.52%	47.21%	27.52%	49.85%	53.76%	51.12%	49.47%
Risk-free interest rate	5.85%	5.88%	6.20%	4.48%	4.82%	5.03%	5.51%	6.46%
Time to maturity (in years)	2	2	2	2	2	2	2	2
Expected dividend per annum (in Rs.)	20.00	25.00	30.00	-	-	-	-	-
Dividend yield	3.00%	3.00%	3.00%	-	-	-	-	-

*Pre-split

52.01.03: Rationale for the variables used

The variables used for calculating the fair values and their rationale are as follows:

a) Share Price

The latest available closing market price on the National Stock Exchange (NSE) date on which options are granted under SCUF ESOS 2023 plan has been considered for the purpose of valuation.

b) Volatility

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time.

The period to be considered for volatility must be adequate to represent a consistent trend in the price movements. Accordingly, the annualised volatility has been computed based on the share price data of past one year, from the date of the valuation.

The fair value is very sensitive to this variable. Higher the volatility, higher is the fair value. The rationale being, the more volatile a stock is, the more is its potential to go up (or come down), and the more is the probability to gain from the movement in the price. Accordingly, an option to buy a highly volatile stock is more valuable than the one to buy a less volatile stock, since the probability of gaining is lesser in the latter case.



52 SHARE-BASED PAYMENTS (Contd.)
c) Risk-free interest rate

The risk-free interest rate being considered for the calculation is the interest rate applicable on government securities having 10 year maturity period.

d) Exercise price

Exercise price of the options granted is as per SCUF ESOS 2023 plan.

e) Time to maturity/ expected life of options

Time to maturity/ expected life of options is the period from the grant date to the date on which option is expected to be exercised. The minimum life of share option is the minimum period before which the options cannot be exercised and maximum life is the period after which the options cannot be exercised.

Considering the deep discount on the market price i.e. 55% to 70%, it is expected that the options will be exercised in 1 year from the vesting date. As such the average expected life of options is considered at 2 years.

52.01.04: Effect of the employee share-based payment plans on the statement of profit and loss and on its financial position

The Company has recorded employee share-based compensation cost of Rs. Nil in the statement of profit and loss for the financial year ended March 31, 2025 (March 31, 2024: Rs. 9.17 crores).

The share option outstanding in the balance sheet as at March 31, 2025 is Rs. 42.92 crores (March 31, 2024: Rs. 70.40 crores) [Refer note 31].

52.02: Share Appreciation Rights (SAR) (cash-settled)
About the plan

Shriram Finance Limited Employees Phantom Stock Appreciation Rights Plan 2024 (hereinafter referred to as "Shriram Finance PSAR Plan 2024" or "the PSAR Plan") was approved by the Nomination and Remuneration Committee and the Board of Directors in their respective meetings held on June 01, 2024 to grant share appreciation rights (SARs) to eligible employees of the Company. Subsequently, the SARs have been granted under this scheme. The contractual life (which is equivalent to the vesting and exercise period) of the SARs outstanding ranges from 2 to 5 years.

The objective of Shriram Finance PSAR Plan 2024 is to provide means to enable the Company to attract and retain appropriate human talent, to motivate the employees/ directors with incentives and reward opportunities, to achieve sustained growth of the Company and the creation of shareholders value by aligning the interests of the employees/ directors which will lead to long-term wealth creation, to create a sense of ownership and participation amongst the employees/ directors or otherwise increase their proprietary interest and to provide additional deferred rewards to the employees/ directors.

Shriram Finance PSAR Plan 2024 is a cash-settled incentive scheme. The incentive is linked to the appreciation in the market price of the equity shares of the Company over the tenure of the plan.

Details of Shriram Finance PSAR Plan 2024 are as follows:

Particulars	Number of SARs
As at April 01, 2023	-
Granted during the year	-
As at March 31, 2024	-
Granted during the year	1,280,000
As at March 31, 2025	1,280,000

52 SHARE-BASED PAYMENTS (Contd.)

Fair value of the SARs granted

The fair value of the SARs is determined using the Black-Scholes-Merton option pricing model. The fair value and inputs used for determining the fair value of each tranche are given below:

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
No. of SARs granted	320,000	320,000	320,000	320,000
Grant date	March 24, 2025	March 24, 2025	March 24, 2025	March 24, 2025
Vesting period	1 year	2 years	3 years	4 years
Contractual life (vesting and exercise)	2 years	3 years	4 years	5 years
Fair value per equity share (in Rs.)*	656.00	656.00	656.00	656.00
Exercise price per share (in Rs.)	467.98	467.98	467.98	467.98
Exercise period	2 years	3 years	4 years	5 years
Dividend yield	6.02%	6.02%	6.02%	6.02%
Volatility	33.57%	33.30%	34.91%	42.58%
Risk free rate of interest	6.35%	6.34%	6.35%	6.37%
Fair value per share appreciation right as on March 31, 2025 (in Rs.)	200.73	204.32	210.29	233.20

*Closing price of the equity shares of the Company as on the valuation date on the National Stock Exchange.

Other information regarding employee share-based payment plans is as below

Particulars	(Rs. in crores)	
	March 31, 2025	March 31, 2024
Expenses arising from share appreciation rights (Refer note 40)	0.26	-
Closing balance of liability for share appreciation plan (Refer note 28)	0.26	-

53 LOANS AND ADVANCES TO OR INVESTMENTS IN RELATED PARTIES

Disclosure pursuant to Schedule V of Clause A.2 of Regulation 34(3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(I) Disclosures relating loans and advances

Sr. No.	Loans and advances in the nature of loans	(Rs. in crores)			
		Amount outstanding as at		Maximum amount outstanding during the year	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
A)	To Subsidiary				
	- Shriram Housing Finance Limited (upto December 11, 2024)	-	-	-	-
B)	To Associate				
	- Shriram Automall India Limited	-	-	-	-

(II) Disclosures relating to investments

The Company holds 44.56% (March 31, 2024: 44.56%) of equity shares of its associate company. The Company has sold its entire stake in its subsidiary on December 11, 2024 (March 31, 2024: 83.78%) [Refer note 43]. Disclosure relating to transactions with the Company is given in note 51.

54 CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio (CRAR) consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times. Refer note 67 and 94 for the Company's capital ratios.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board. The Company has complied with the Annexure II of Master Direction - RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 on disclosure requirements under Scale Based Regulation for NBFCs dated October 19, 2023 as amended.

55 FAIR VALUE MEASUREMENT

55.01: Valuation principle

Fair value 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 a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in material accounting policies of the year ended March 31, 2025.

55.02: Fair value hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at March 31, 2025	(Rs. in crores)			
Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	(622.65)	-	(622.65)
Currency swaps	-	334.21	-	334.21
Interest rate swaps	-	460.76	-	460.76
Cross currency interest rate swaps	-	67.27	-	67.27
Interest rate caps	-	10.50	-	10.50
Total derivative financial instruments	-	250.09	-	250.09
<i>Financial assets held for trading</i>				
Mutual funds	10.01	-	-	10.01
Government securities	484.94	-	-	484.94
Equity instruments	110.81	-	27.67	138.48
Certificate of deposits	-	4,038.09	-	4,038.09
Venture capital fund	-	1.52	-	1.52
Total financial assets held for trading	605.76	4,039.61	27.67	4,673.04
Total assets measured at fair value on a recurring basis	605.76	4,289.70	27.67	4,923.13
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	605.76	4,289.70	27.67	4,923.13

55 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

As at March 31, 2024

(Rs. in crores)

Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	(413.73)	-	(413.73)
Currency swaps	-	162.27	-	162.27
Interest rate swaps	-	286.78	-	286.78
Cross currency interest rate swaps	-	269.89	-	269.89
Interest rate caps	-	25.27	-	25.27
Total derivative financial instruments	-	330.48	-	330.48
Assets measured at fair value on a recurring basis				
<i>Financial assets held for trading</i>				
Mutual funds	300.38	-	-	300.38
Government securities	-	-	-	-
Equity instruments	79.84	-	25.82	105.66
Certificate of deposits	-	-	-	-
Venture capital fund	-	1.52	-	1.52
Total financial assets held for trading	380.22	1.52	25.82	407.56
Total assets measured at fair value on a recurring basis	380.22	332.00	25.82	738.04
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	380.22	332.00	25.82	738.04

(Rs. in crores)

Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

55 FAIR VALUE MEASUREMENT (Contd.)

55.03: Valuation techniques

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Derivative financial instruments

Foreign exchange contracts include foreign exchange forward and swap contracts, interest rate swaps and over-the-counter foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level-1, the Company classifies derivative financial instruments as Level-2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole).

Investments in mutual funds/ equity instruments

Investment in units of mutual funds are measured based on their published Net Asset Value (NAV), taking into account redemption and/ or other restrictions. Such instruments are generally Level 1. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level-3. Quoted equity instruments on recognised stock exchanges are valued at Level-1 hierarchy being the unadjusted quoted price as the reporting date.

Government securities

Investment in government securities held for trading are measured based on latest quoted price available at platform notified by the regulator.

Certificate of Deposits (CDs)

Certificate of deposits are short-term financial instruments issued by banks. Financial Benchmark India Private Limited (FBIL) has developed the FBIL-CD, a new benchmark for the money market based on traded CDs reported on the FIMMDA Trade Reporting and Confirmation System (FTRAC) platform of the Clearing Corporation of India Ltd (CCIL). FBIL-CD is announced for seven tenors of 14 days, 1 month, 2 months, 3 months, 6 months, 9 months and 12 months. For valuation, the Company uses FBIL-CD benchmark and based on that benchmark the Company interpolates and calculates CD prices corresponding to their residual maturities and such instruments are classified as Level-2.

Venture capital fund

Investment in venture capital fund are measured based on net asset value basis.

55.04: Transfer between fair value hierarchy levels

During the financial year there were no transfers between Level-1 and Level-2.

55.05: Movements in Level-3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level-3 financial assets and liabilities which are recorded at fair value. Transfers from Level-3 to Level-2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level-3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Company requires significant unobservable inputs to calculate their fair value.

55 FAIR VALUE MEASUREMENT (Contd.)

The following tables show the reconciliation of the opening and closing amounts of Level-3 financial assets and liabilities measured at fair value:

Particulars	(Rs. in crores)	
	Equity instruments	
	As at March 31, 2025	As at March 31, 2024
Opening balance	25.82	25.40
Purchase	-	-
Sales	-	-
Issuances	-	-
Settlements	-	-
Transfers into Level-3	-	-
Transfers from Level-3	-	-
Net interest income, net trading income and other income	-	-
Other comprehensive income	-	-
Unrealised gains and losses related to balances held at the end of the year	1.85	0.42
Closing balance	27.67	25.82

55.06: Impact of changes to key assumptions on fair value of Level-3 financial instruments measured at fair value

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level-3 assets and liabilities. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

(Rs. in crores)				
Particulars	Fair value		Valuation technique	Significant unobservable inputs
	Level-3 assets			
	As at March 31, 2025	As at March 31, 2024		
Equity instruments measured at FVTPL	27.67	25.82	Based on the discounted cashflow	Based on the discounted cashflow

55.07: Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. All changes would be reflected in the statement of profit and loss. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology.

The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

The table below shows data in relation to Level-3 inputs that are already aggregated on the underlying product levels without assuming any potential diversification effect, but including potential off-sets from economic or accounting hedge relationships in place. The Company is of the opinion that, whilst there may be some diversification benefits, incorporating these would not be significant to the analysis.

55 FAIR VALUE MEASUREMENT (Contd.)

Particulars	(Rs. in crores)			
	As at March 31, 2025		As at March 31, 2024	
	Favourable changes 5% increase	Unfavourable changes 5% decrease	Favourable changes 5% increase	Unfavourable changes 5% decrease
Equity instruments based on the discounted cashflow	29.05	26.29	27.11	24.53

55.08: Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

As at March 31, 2025	(Rs. in crores)				
	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	10,681.40	3,721.79	6,959.61	-	10,681.40
Bank balance other than cash and cash equivalents	10,684.34	12.49	10,683.40	-	10,695.89
Receivables					
(I) Trade receivables	50.82	-	-	50.82	50.82
(II) Other receivables	202.87	-	-	202.87	202.87
Loans	245,392.79	-	-	242,093.58	242,093.58
Investments at amortised cost	10,912.30	7,905.37	-	3,100.76	11,006.13
Other investments	13.37	-	-	13.37	13.37
Other financial assets	3,307.96	-	3,225.26	49.14	3,274.40
Total financial assets	281,245.85	11,639.65	20,868.27	245,510.54	278,018.46
Financial liabilities:					
Payables					
(I) Trade payables	298.85	-	-	298.85	298.85
(II) Other payables	1.60	-	-	1.60	1.60
Debt securities	54,148.86	-	-	50,994.97	50,994.97
Borrowings (other than debt securities)	121,448.42	-	-	122,189.83	122,189.83
Deposits	56,085.99	-	-	58,582.71	58,582.71
Subordinated liabilities	2,513.98	-	-	2,471.36	2,471.36
Other financial liabilities	2,090.42	-	-	2,090.42	2,090.42
Total financial liabilities	236,588.12	-	-	236,629.74	236,629.74
Off-balance sheet items					
Other commitments	218.85	-	-	218.85	218.85
Total off-balance sheet items	218.85	-	-	218.85	218.85

As at March 31, 2024	(Rs. in crores)				
	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	6,013.37	3,045.59	2,967.78	-	6,013.37
Bank balance other than cash and cash equivalents	1,597.82	10.60	1,586.63	-	1,597.23
Receivables					
(I) Trade receivables	51.63	-	-	51.63	51.63
(II) Other receivables	332.96	-	-	332.96	332.96
Loans	207,929.41	-	-	204,622.80	204,622.80
Investments at amortised cost	8,673.47	6,381.63	-	2,257.32	8,638.95
Other investments	1,575.61	-	-	1,575.61	1,575.61
Other financial assets	3,269.69	-	3,187.34	52.68	3,240.02
Total financial assets	229,443.96	9,437.82	7,741.75	208,893.00	226,072.57

55 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

As at March 31, 2024	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial liabilities:					
Payables					
(I) Trade payables	211.75	-	-	211.75	211.75
(II) Other payables	5.41	-	-	5.41	5.41
Debt securities	44,948.61	-	-	41,351.90	41,351.90
Borrowings (other than debt securities)	92,148.80	-	-	91,555.56	91,555.56
Deposits	44,443.66	-	-	44,097.76	44,097.76
Subordinated liabilities	4,300.07	-	-	4,263.93	4,263.93
Other financial liabilities	1,848.39	-	-	1,848.39	1,848.39
Total financial liabilities	187,906.69	-	-	183,334.70	183,334.70
Off-balance sheet items					
Other commitments	108.24	-	-	108.24	108.24
Total off-balance sheet items	108.24	-	-	108.24	108.24

Note:

The management assessed that cash and cash equivalents, trade receivables, trade payables, other receivables, other payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

55.09: Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables. Instruments with no comparable instruments or valuation inputs are classified as Level-3.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include trade receivables, other receivables, balances other than cash and cash equivalents (other than deposits with banks), trade payables, other payables and other financial liabilities without a specific maturity.

Bank deposits and receivable from trusts on account of securitisation

The fair value of bank deposits and receivable from trusts on account of securitisation has been determined using the discounted cash flow method. The discount rates used are based on the prevailing interest rates offered by the State Bank of India (SBI) for fixed deposits with comparable maturities as on the reporting date.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models based on contractual cash flows using weighted average interest rates for the disbursements done during the last quarter of the financial year.

Pass through certificates

These instruments include asset backed securities. The market for these securities is not active. The fair values of pass through certificates are estimated by discounted cash flow models based on contractual cash flows using weighted average interest rates for the deals entered during the last quarter of the financial year.

Investment in associate at cost

As per Ind AS 28 - Investments in Associates and Joint Ventures, interest in associate are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments. The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/ amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

55 FAIR VALUE MEASUREMENT (Contd.)

Investment in subsidiary

The Company has accounted for its investment in subsidiary at fair value at the time of acquisition due to business combination. The investment is subsequently measured at cost till the date of sale (Refer note 43).

Investment in government securities at amortised cost

The fair values of held-to-maturity investments in government securities are measured based on latest quoted price available at platform notified by the regulator.

Issued debt and borrowings

The fair value of issued debt and borrowings is estimated by discounted cash flow models based on contractual cash flows using weighted average interest rates for the deals entered into during the last quarter of the financial year.

Deposits

The fair value of public deposits and deposit from corporates is estimated by discounted cash flow models based on contractual cash flows using weighted average interest rates for the deposits accepted during the last quarter of the financial year.

Other financial assets

The fair value of other financial assets (other than receivable from trusts on account of securitisation) have been measured under Level-3 at fair value based on discounted cash flow model.

Off-balance sheet positions

Estimated fair values of off-balance sheet positions are based on the carrying amounts due to the short-term maturities of these positions.

The carrying value of financial instruments by categories is as follows:

(Rs. in crores)						
As at March 31, 2025	Amortised cost	Derivative instruments in hedging relationship	At fair value through OCI	At fair value through profit or loss	Others (at cost)	Total
Financial assets:						
Cash and cash equivalents	10,681.40	-	-	-	-	10,681.40
Bank balance other than cash and cash equivalents	10,684.34	-	-	-	-	10,684.34
Derivative financial instruments	-	250.09	-	-	-	250.09
Receivables						
(I) Trade receivables	50.82	-	-	-	-	50.82
(II) Other receivables	202.87	-	-	-	-	202.87
Loans	245,392.79	-	-	-	-	245,392.79
Investments	10,912.30	-	110.81	4,562.23	13.37	15,598.71
Other financial assets	3,307.96	-	-	-	-	3,307.96
Total financial assets	281,232.48	250.09	110.81	4,562.23	13.37	286,168.98
Financial liabilities:						
Payables						
(I) Trade payables	298.85	-	-	-	-	298.85
(II) Other payables	1.60	-	-	-	-	1.60
Debt securities	54,148.86	-	-	-	-	54,148.86
Borrowings (other than debt securities)	121,448.42	-	-	-	-	121,448.42
Deposits	56,085.99	-	-	-	-	56,085.99
Subordinated liabilities	2,513.98	-	-	-	-	2,513.98
Other financial liabilities	2,090.42	-	-	-	-	2,090.42
Total financial liabilities	236,588.12	-	-	-	-	236,588.12

55 FAIR VALUE MEASUREMENT (Contd.)

						(Rs. in crores)
As at March 31, 2024	Amortised cost	Derivative instruments in hedging relationship	At fair value through OCI	At fair value through profit or loss	Others (at cost)	Total
Financial assets:						
Cash and cash equivalents	6,013.37	-	-	-	-	6,013.37
Bank balance other than cash and cash equivalents	1,597.82	-	-	-	-	1,597.82
Derivative financial instruments	-	330.48	-	-	-	330.48
Receivables						
(I) Trade receivables	51.63	-	-	-	-	51.63
(II) Other receivables	332.96	-	-	-	-	332.96
Loans	207,929.41	-	-	-	-	207,929.41
Investments	8,673.47	-	79.84	327.72	1,575.61	10,656.64
Other financial assets	3,269.69	-	-	-	-	3,269.69
Total financial assets	227,868.35	330.48	79.84	327.72	1,575.61	230,182.00
Financial liabilities:						
Payables						
(I) Trade payables	211.75	-	-	-	-	211.75
(II) Other payables	5.41	-	-	-	-	5.41
Debt securities	44,948.61	-	-	-	-	44,948.61
Borrowings (other than debt securities)	92,148.80	-	-	-	-	92,148.80
Deposits	44,443.66	-	-	-	-	44,443.66
Subordinated liabilities	4,300.07	-	-	-	-	4,300.07
Other financial liabilities	1,848.39	-	-	-	-	1,848.39
Total financial liabilities	187,906.69	-	-	-	-	187,906.69

56 RISK MANAGEMENT

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

56.01: Introduction and risk profile

56.01.01: Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Risk Management Committee (RMC) which is responsible for monitoring the overall risk process within the Company. The RMC has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. It is responsible for managing risk decisions and monitoring risk levels. The Chief Risk Officer is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The risk owners within each department will report to the RMC.

The risk owners are responsible for monitoring compliance with risk principles, policies and limits across the Company. Each department has its risk owner who is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks. The Company's treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company's policy is that risk management processes throughout the Company are audited annually by the internal audit function, which examines both the adequacy of the procedures and the Company's compliance with the procedures. Internal audit discusses the results of all assessments with management, and reports its findings and recommendations to RMC.

56 RISK MANAGEMENT (Contd.)

56.01.02: Risk mitigation and risk culture

As part of its overall risk management, the Company can use derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currencies associated with foreign currency transactions.

56.01.03: Risk measurement and reporting systems

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the departments is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the RMC and the head of each department.

The RMC receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Company.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees annual ratings and remuneration reviews.

56.01.04: Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across all the states with a cap on maximum limit of exposure for a state and also for an individual/ group.

56.02: Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. 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.

The Company's internal credit rating grades on days past due(dpd) basis:

Internal rating grade	Internal rating description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 89 dpd
Non-performing	90 dpd and above

56 RISK MANAGEMENT (Contd.)

56.02.01: Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet. With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.

56.02.02: Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of material accounting policies.

The Company's definition and assessment of default (Refer note 56.02.02.01).

- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default (Refer notes 56.02.02.02 to 56.02.02.04)
- When the Company considers there has been a significant increase in credit risk of an exposure (Refer note 56.02.02.05).
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Refer note 56.02.02.07).
- The details of the ECL calculations and categorisation of loans for stage 1, stage 2 and stage 3 assets (Refer note 6.1(VI)).

56.02.02.01: Definition of default

The Company considers a financial instrument defaulted and therefore stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations or whether stage 2 is appropriate. Such events include:

- The borrower requesting emergency funding from the Company.
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- A covenant breach not waived by the Company.
- The debtor (or any legal entity within the debtor's Company) filing for bankruptcy application/ protection.
- Repossession of security.
- All the facilities of a borrower are treated as stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise.

56.02.02.02: Probability of Default (PD) estimation process

It is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. The Company calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

56 RISK MANAGEMENT (Contd.)

56.02.02.03: Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For stage 2 and stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

In case of undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown.

56.02.02.04: Loss Given Default (LGD)

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any security.

56.02.02.05: Significant Increase in Credit Risk (SICR)

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significant increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

In certain cases, the Company may also consider that events explained in note 56.02.02.01 are a significant increase in credit risk as opposed to a default. Regardless of the above, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a Company of similar assets (as set out in note 56.02.02.07), the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

56.02.02.06: Forward looking information

As explained in note 6.1(VI), the Company has incorporated forward looking information and macro-economic factors while calculating PD and LGD rate.

56.02.02.07: Grouping financial assets measured on a collective basis

As explained in note 6.1(VI), the Company calculates ECLs only on a collective basis. The Company segments the exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans as given below:

1. Commercial vehicles
2. Construction equipments
3. Farm equipments
4. Passenger vehicles
5. Gold loans
6. Personal loans
7. MSME secured
8. MSME unsecured
9. Loans to NBFC
10. Two-wheelers

56 RISK MANAGEMENT (Contd.)

56.02.03: Analysis of risk concentration

The maximum credit exposure to any individual client or counterparty as of March 31, 2025 was Rs. 50.52 crores (March 31, 2024: Rs. 63.10 crores).

Credit risk exposure analysis

(Rs. in crores)

Particulars	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
As at March 31, 2025	230,161.54	17,915.58	11,838.79	259,915.91
As at March 31, 2024	194,579.83	15,006.68	12,081.15	221,667.66

56.03: Liquidity risk and funding management

In assessing the Company's liquidity position, consideration shall be given to:

1. Present and anticipated asset quality
2. Present and future earnings capacity
3. Historical funding requirements
4. Current liquidity position
5. Anticipated future funding needs, and
6. Sources of funds.

The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitisation deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash, short-term bank deposits and investments in mutual fund available for immediate sale, less issued securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds and acceptance of public deposits are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

The Board of Directors approves constitution of Asset Liability Management Committee (ALCO). It reviews or monitors Asset Liability Management (ALM) mismatch. It conducts periodic reviews relating to the liquidity position and stress test assuming various what if scenarios. The ALCO is responsible for ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company in line with the Company's budget and decided risk management objectives. It is a decision-making unit responsible for balance sheet planning from risk-return perspective including strategic management of interest rate and liquidity risks. It also evaluates the borrowing plan of subsequent quarters on the basis of previous borrowings of the Company. It will be responsible for ensuring the adherence to the target set by the Board of Directors. The meetings of ALCO are held at quarterly intervals. The ALM support groups, consisting of operating staff are responsible for analysing, monitoring and reporting the risk profiles to the ALCO. The ALCO support group meets every fortnight. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its ratification.

56 RISK MANAGEMENT (Contd.)

56.03.01: Analysis of financial assets and liabilities by remaining maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities as at the reporting date. All derivatives used for hedging and natural hedges are shown by maturity. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

Maturity pattern of assets and liabilities as on March 31, 2025:

Particulars	Less than 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
(Rs. in crores)							
Financial assets							
Cash and cash equivalents	10,681.40	-	-	-	-	-	10,681.40
Bank balance other than above	9,444.70	459.62	382.49	397.53	-	-	10,684.34
Derivative financial instruments**	(9.26)	571.22	125.05	(117.24)	(164.58)	(155.10)	250.09
Financial assets at FVTPL	4,533.04	-	-	-	-	29.19	4,562.23
Loans*	36,778.00	35,803.00	61,439.95	137,016.91	30,616.76	3,237.83	304,892.45
Financial investments at FVTOCI	-	-	-	-	-	110.81	110.81
Financial investments at amortised cost	155.30	219.22	294.53	2,516.18	1,520.54	6,309.11	11,014.88
Trade receivables	50.82	-	-	-	-	-	50.82
Other receivables	36.41	27.25	50.56	78.00	5.56	5.09	202.87
Other financial assets	1,293.91	780.33	1,188.42	19.60	14.51	11.19	3,307.96
Total undiscounted financial assets	62,964.32	37,860.64	63,481.00	139,910.98	31,992.79	9,548.12	345,757.85
Financial liabilities							
Deposits*	3,729.04	4,468.24	9,364.09	34,050.42	15,970.63	-	67,582.42
Debt securities*	2,883.62	4,143.25	5,839.30	28,788.76	13,860.65	12,603.38	68,118.96
Borrowings (other than debt securities)*	11,750.73	10,922.90	22,524.48	68,089.99	18,117.46	4,407.64	135,813.20
Subordinated liabilities*	860.73	727.27	1,185.31	3,524.62	370.16	1,082.56	7,750.65
Trade payables	298.85	-	-	-	-	-	298.85
Other payables	1.60	-	-	-	-	-	1.60
Other financial liabilities	962.11	120.06	372.49	360.69	232.49	238.86	2,286.70
Total undiscounted financial liabilities	20,486.68	20,381.72	39,285.67	134,814.48	48,551.39	18,332.44	281,852.38
Net undiscounted financial assets/ (liabilities)	42,477.64	17,478.92	24,195.33	5,096.50	(16,558.60)	(8,784.32)	63,905.47
Cumulative net undiscounted financial assets/ (liabilities)	42,477.64	59,956.56	84,151.89	89,248.39	72,689.79	63,905.47	

*Includes future interest.

**Derivative financial instruments are presented on net basis on asset side as the net flow is positive. The maturity analysis is based on the contractual maturities of the underlying contracts, with inflows and outflows presented on a net basis across different time buckets.

56 RISK MANAGEMENT (Contd.)

Maturity pattern of assets and liabilities as on March 31, 2024:

Particulars	Less than 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
(Rs. in crores)							
Financial assets							
Cash and cash equivalents	6,013.37	-	-	-	-	-	6,013.37
Bank balance other than above	606.10	545.88	431.41	14.43	-	-	1,597.82
Derivative financial instruments	0.09	-	-	307.79	-	22.60	330.48
Financial assets at FVTPL	300.38	-	-	-	-	27.34	327.72
Loans*	34,336.67	31,386.72	53,365.77	113,920.33	25,793.73	2,593.37	261,396.59
Financial investments at FVTOCI	-	-	-	-	-	79.84	79.84
Financial investments at amortised cost	466.61	117.30	494.68	1,645.00	1,128.33	4,898.00	8,749.92
Trade receivables	51.63	-	-	-	-	-	51.63
Other receivables	52.36	50.30	59.45	131.12	24.76	14.97	332.96
Other financial assets	1,476.59	445.72	1,179.36	-	99.78	68.24	3,269.69
Total undiscounted financial assets	43,303.80	32,545.92	55,530.67	116,018.67	27,046.60	7,704.36	282,150.02
Financial liabilities							
Deposits*	2,763.26	3,691.30	7,065.55	25,392.78	14,336.53	-	53,249.42
Debt securities*	5,264.55	2,626.65	5,512.42	17,306.51	13,372.88	12,956.00	57,039.01
Borrowings (other than debt securities)*	14,900.26	9,833.91	18,062.25	49,885.30	11,197.69	961.15	104,840.56
Subordinated liabilities*	1,847.00	34.00	725.00	559.20	1,644.00	291.00	5,100.20
Trade payables	211.75	-	-	-	-	-	211.75
Other payables	5.41	-	-	-	-	-	5.41
Other financial liabilities	950.50	121.86	232.24	347.07	194.44	169.75	2,015.86
Total undiscounted financial liabilities	25,942.73	16,307.72	31,597.46	93,490.86	40,745.54	14,377.90	222,462.21
Net undiscounted financial assets/ (liabilities)	17,361.07	16,238.20	23,933.21	22,527.81	(13,698.94)	(6,673.54)	59,687.81
Cumulative net undiscounted financial assets/ (liabilities)	17,361.07	33,599.27	57,532.48	80,060.29	66,361.35	59,687.81	

*Includes future interest.



56 RISK MANAGEMENT (Contd.)

The table below shows the expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

As at March 31, 2025

Particulars	Less than 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
In respect of income tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	104.10	104.10
VAT demand where the Company has filed appeal before various appellates	-	-	-	-	-	2.52	2.52
Service tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	2,840.87	2,840.87
GST demand where the Company has filed appeals	-	-	-	-	-	37.66	37.66
Stamp duty demand raised by District Registrar office against which the Company has filed appeal	-	-	-	-	-	6.69	6.69
Estimated amount of contracts remaining to be executed on capital account, net of advances	29.66	-	-	-	-	-	29.66
Commitments related to loans sanctioned but undrawn	218.85	-	-	-	-	-	218.85
Total contingent liabilities and commitments	248.51	-	-	-	-	2,991.84	3,240.35

As at March 31, 2024

Particulars	Less than 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
In respect of Income tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	56.22	56.22
VAT demand where the Company has filed appeal before various appellates	-	-	-	-	-	0.02	0.02
Service tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	2,056.61	2,056.61
GST demand where company is in process of filing appeal	-	-	-	-	-	7.20	7.20
Stamp duty demand raised by District Registrar office against which company is planning to appeal in the IGR office in Chennai	-	-	-	-	-	6.69	6.69
Estimated amount of contracts remaining to be executed on capital account, net of advances	44.39	-	-	-	-	-	44.39
Commitments related to loans sanctioned but undrawn	108.24	-	-	-	-	-	108.24
Total contingent liabilities and commitments	152.63	-	-	-	-	2,126.74	2,279.37



56 RISK MANAGEMENT (Contd.)

56.04: Market risk

Market risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

56.04.01: Interest rate risk

The Company's exposure to changes in interest rates relates to the Company's outstanding floating rate liabilities. Most of the Company's outstanding liability is on fixed rate basis and hence not subject to interest rate risk. Some of the borrowings of the Company are linked to rate benchmarks such as Bank Marginal Cost of Funds based Lending Rate (MCLR) or Secured Overnight Financing Rate (SOFR), RBI Repo Rate, Treasury Bill Linked Lending Rate (TBLR) and Mumbai Inter-Bank Overnight Indexed Swap (MIOIS) and hence subject to interest rate risk. The Company hedges interest rate risks of foreign currency borrowings through derivative transactions. The sensitivity of the Company's floating rate borrowings to change in interest rate (assuming all other variables constant) is given below:

Particulars	As at March 31, 2025			As at March 31, 2024		
	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	650.00	69.01	(87.61)	883.39	85.20	(105.58)
Term loans	20,502.47	1,990.99	(2,474.15)	21,998.75	1,834.42	(2,284.12)
Total floating rate borrowings	21,152.47	2,060.00	(2,561.76)	22,882.14	1,919.62	(2,389.70)

(Rs. in crores)

Fair value sensitivity analysis for fixed rate instruments

The Company's fixed rate instruments are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Inter-Bank Offered Rate (IBOR) reform

The U.S. Dollar LIBOR bank panel ended on June 30, 2023, and therefore the exposure with the Company was transitioned from LIBOR to SOFR. There was no exposure to IBOR risk as at March 31, 2025 and March 31, 2024.

56.04.02: 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. The Company is exposed to foreign currency fluctuation risk for its foreign currency borrowing. The Company's borrowings in foreign currency are governed by RBI Master Direction External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 (as and when updated) which requires entities raising External Commercial Borrowings (ECB) for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure. The Company hedges its entire ECB and external commercial bond exposure as per Board approved hedging policy and resource mobilisation policy. The Company manages foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company holds derivative financial instruments such as cross currency interest rate swap to mitigate risk of 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. Refer note 22 and 23 for terms and conditions of foreign currency borrowings.

Exposure to currency risk

The summary quantitative data about exposure to currency risk (based on notional amounts) as reported:

Particulars	As at March 31, 2025				As at March 31, 2024			
	Contracts in EURO		Contracts in USD		Contracts in EURO		Contracts in USD	
	EURO	INR	USD	INR	EURO	INR	USD	INR
Total foreign currency exposure in respect of recognised assets and liabilities	105.48	10,853.44	1,073.51	93,219.31	1.48	1,331.02	57.16	48,443.52
Cross currency interest rate swap/ forward exchange contracts	105.48	10,853.44	1,073.51	93,219.31	1.48	1,331.02	57.16	48,443.52
Net exposure	-	-	-	-	-	-	-	-

(Amount in crores)



56 RISK MANAGEMENT (Contd.)

Movement in Cash flow hedge reserve

(Rs. in crores)

Cash flow hedge reserve	As at March 31, 2025			As at March 31, 2024		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	-	(266.39)	(266.39)	-	(224.39)	(224.39)
Add: Changes in the fair value during the year	-	(276.66)	(276.66)	-	(56.12)	(56.12)
Less: Income tax relating to items that will be reclassified to profit or loss	-	69.63	69.63	-	14.12	14.12
Balance at the end of the year	-	(473.42)	(473.42)	-	(266.39)	(266.39)

Nature and terms and conditions of outstanding derivative contracts

(Rs. in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Rate of interest	Maturity date	Notional amounts	Fair value - assets	Rate of interest	Maturity date	Notional amounts	Fair value - assets
(i) Currency derivatives:								
Spots and forwards	-	April 02, 2025 to February 07, 2035	48,059.84	(622.65)	-	June 17, 2024 to December 15, 2031	19,162.15	(413.73)
Currency swaps	2.530% to 4.716%	July 18, 2025 to January 31, 2028	7,163.54	334.21	2.53% to 4.72%	July 18, 2025 to April 22, 2027	6,514.26	162.27
Cross currency interest rate swaps	USD 3M CME SOFR + 1.75%	April 30, 2027	792.97	5.36	-	-	-	-
Cross currency interest rate swaps	USD 3M CME SOFR + 1.90%	August 30, 2029	197.12	2.60	-	-	-	-
Cross currency interest rate swaps	USD 6M CME SOFR + 2.08%	November 15, 2027	337.92	(0.04)	-	-	-	-
Cross currency interest rate swaps	3M EURIBOR + 1.45%	June 01, 2027	361.80	1.41	-	-	-	-
Cross currency interest rate swaps	6M EURIBOR + 1.15%	April 25, 2026	228.46	34.03	6M EURIBOR + 1.15%	April 25, 2026	380.77	35.14
Cross currency interest rate swaps	USD O/N SOFR + 2.92826%	December 13, 2026	53.45	19.91	USD O/N SOFR + 2.93%	December 11, 2026	80.18	72.84
Cross currency interest rate swaps	USD O/N SOFR + 2.10%	-	-	-	USD O/N SOFR + 2.10%	December 03, 2024	187.35	166.29
Cross currency interest rate swaps	USD O/N SOFR + 2.00 %	September 28, 2026	332.72	4.00	USD O/N SOFR + 2.00 %	September 28, 2026	332.72	(4.38)
Sub-total (i)			57,527.82	(221.17)			26,657.43	18.43

56 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Rate of interest	Maturity date	Notional amounts	Fair value - assets	Rate of interest	Maturity date	Notional amounts	Fair value - assets
(ii) Interest rate derivatives:								
Interest rate swaps	4.08% to 6.907%	July 18, 2025 to December 15, 2031	15,453.69	537.99	4.08% to 6.91%	July 18, 2025 to December 15, 2031	11,512.97	176.55
Interest rate swaps	USD 3M CME SOFR + 2.00 %	January 20, 2026 to February 16, 2027	6,280.60	(9.03)	USD 3M CME SOFR + 2.00 %	January 20, 2026 to February 16, 2027	6,280.60	49.30
Interest rate swaps	USD 3M CME SOFR + 1.75%	March 23, 2027 to June 01, 2027	2,742.56	(29.76)	USD 3M CME SOFR + 1.75%	March 23, 2027	2,076.00	(5.37)
Interest rate swaps	USD O/N SOFR + 2%	December 27, 2027	552.40	0.63	USD 6M CME SOFR + 2.00 %	December 27, 2027	736.54	6.74
Interest rate swaps	USD O/N SOFR + 2.10%	May 24, 2027	833.00	(8.26)	USD O/N SOFR + 2.10 %	May 24, 2027	833.00	(4.03)
Interest rate swaps	USD O/N SOFR + 2.25%	September 29, 2026	1,233.00	73.26	USD O/N SOFR + 2.25 %	September 29, 2027	1,233.00	70.78
Interest rate swaps	3M EURIBOR + 2.10%	September 15, 2026	445.00	(8.12)	3M EURIBOR + 2.10%	September 15, 2026	445.00	(4.99)
Interest rate swaps	3M EURIBOR + 1.40%	December 20, 2027	445.75	1.21	-	-	-	-
Interest rate swaps	INR 3M OIS + 2.05%	May 30, 2026	150.00	(1.09)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 1.65%	December 20, 2027	5,732.10	(48.30)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 1.70%	June 20, 2028	1,908.00	(12.25)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 1.75%	December 18, 2029	2,122.50	(13.56)	-	-	-	-
Interest rate swaps	EURIBOR 6M + 1.15 % 0.00% Floor	February 07, 2035	3,578.26	39.14	-	-	-	-
Interest rate swaps	INR 3M OIS + 2.05%	May 29, 2026	300.00	(1.95)	-	-	-	-
Interest rate swaps	USD 6M CME SOFR + 1.45% 0.00% Floor	February 07, 2035	874.60	(18.91)	-	-	-	-
Interest rate swaps	USD 6M CME SOFR + 1.70%	June 20, 2028	1,080.06	(4.78)	-	-	-	-

56 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Rate of interest	Maturity date	Notional amounts	Fair value - assets	Rate of interest	Maturity date	Notional amounts	Fair value - assets
Interest rate swaps	USD O/N SOFR + 1.65%	January 31, 2028	649.28	(7.84)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 2.05%	March 12, 2031	1,307.03	(7.50)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 2.05%	March 17, 2031	1,307.10	(12.19)	-	-	-	-
Interest rate swaps	INR 3M T-bill + 0.00%	June 30, 2026	200.00	(0.07)	INR 3M T-bill	June 30, 2026	200.00	(0.08)
Interest rate swaps	INR 3M T-bill + 2.10 %	-	-	-	INR 3M T-bill + 2.10%	June 12, 2025	200.00	0.09
Interest rate swaps	INR 12M T-bill + 1.86%	April 29, 2026	1,883.00	(5.61)	INR 12M T-bill + 1.86%	April 29, 2026	1,150.00	(0.44)
Interest rate swaps	INR O/N OIS + 1.90%	June 30, 2026	200.00	(2.25)	INR 3M OIS + 1.50%	June 30, 2026	200.00	(1.77)
Interest rate caps	6M EURIBOR + 1.15%	April 18, 2026	-	7.12	6M EURIBOR + 1.15%	April 25, 2026	-	22.93
Interest rate caps	INR 12M OIS + 0.00%	October 03, 2025	300.00	-	INR O/N OIS + 1.95%	October 03, 2025	300.00	0.03
Interest rate caps	INR 12M OIS + 0.00%	April 21, 2025	400.00	3.38	INR O/N OIS + 2.80%	April 21, 2025	400.00	2.31
Sub-total (ii)			49,977.93	471.26			25,567.11	312.05
Total (i) + (ii)			107,505.75	250.09			52,224.54	330.48

56.04.03: Price risk

The Company's hedging policy only allows for effective hedge relationships to be established. 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 assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In such cases, ineffectiveness may arise if:

- The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- Differences arise between the credit risk inherent within the hedged item and the hedging instrument.

There were no ineffectiveness recognised in the statement of profit and loss.

There were no other sources of ineffectiveness in these hedge relationships.

57 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2025 and March 31, 2024. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

58 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2025 and March 31, 2024.

59 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has not entered into any new scheme of arrangements during the financial year ended March 31, 2025.

60 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (ultimate beneficiaries). The Company has also not received any fund from any parties (funding party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

61 UNDISCLOSED INCOME

There are no transactions that are not recorded in the books of accounts for the financial years ended March 31, 2025 and March 31, 2024.

62 ITEMS OF INCOME AND EXPENDITURE OF EXCEPTIONAL NATURE

There are no items of income and expenditure of exceptional nature for the financial years ended March 31, 2025 and March 31, 2024 other than those disclosed in note 43.

63 DISCLOSURE ON MODIFIED OPINION, IF ANY, EXPRESSED BY AUDITORS, ITS IMPACT ON VARIOUS FINANCIAL ITEMS AND VIEWS OF MANAGEMENT ON AUDIT QUALIFICATIONS

The auditors have expressed an unmodified opinion on the standalone financial statements of the Company for the financial years ended March 31, 2025 and March 31, 2024.

64 CORPORATE GOVERNANCE REPORT CONTAINING COMPOSITION AND CATEGORY OF DIRECTORS, SHAREHOLDING OF NON-EXECUTIVE DIRECTORS, ETC.

The corporate governance report containing composition and category of directors, shareholding of non-executive directors is part of the annual report for the financial years ended March 31, 2025 and March 31, 2024.

65 PREVIOUS YEAR COMPARATIVES

The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to the current year presentation. There are no significant regroupings/ reclassification for the year under report.

66 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY

Consequent to the effect of scheme of amalgamation (w.e.f. April 01, 2022) involving amalgamation of Shriram Capital Limited (after de-merger of few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited (SCUF) with the Company and change in the name of the company from Shriram Transport Finance Company Limited (STFC) to Shriram Finance Limited, the Company is in process of applying for the name change in respect of its immovable properties. Following are the properties not held in the name of the Company:

Sr. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value (Rs.)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Period held (in years)	Reason for not being held in the name of the Company
1	PPE *	Building - Akash Deep Plaza-Golmuri, Jamshedpur, Jharkhand - 1,800 sq. ft.	1,136,000.00	SCUF	No	3.00	These assets were acquired on merger.
2	PPE *	Land at Levinjipuram Village (Panagudi), Tamil Nadu - 15 Cents.	14,957.00	SCUF	No	3.00	These assets were acquired on merger.
3	PPE *	Land at Levinjipuram Village (Panagudi), Tamil Nadu - 16 Cents.	15,941.00	SCUF	No	3.00	These assets were acquired on merger.
4	PPE *	Land at Vadakankulam, Radhapuram Taluka, Tamil Nadu - 10 Cents.	8,750.00	SCUF	No	3.00	These assets were acquired on merger.
5	PPE *	Land at Levinjipuram Village (Panagudi), Tamil Nadu - 15 Cents.	14,957.00	SCUF	No	3.00	These assets were acquired on merger.
6	PPE *	Building at Vanijya Bhavan, Raipur, Chhattisgarh - 1,750 sq. ft.	2,340,000.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
7	PPE *	Building at Trichy Doc Cell Thiruvellarai, Tamil Nadu - 11,511 sq. ft.	7,755,770.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
8	PPE *	Building - Flat 308, 309 Sakar III, Ahmedabad, Gujarat - 1,770 sq. ft.	3,985,155.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
9	PPE *	Building - Office 431/ 432, Vyapar Bhavan, Mumbai, Maharashtra - 611 sq. ft.	3,731,500.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
10	PPE *	Building - Flat at Thriuanmiyur Village, Saidapet Taluka, Chennai, Tamil Nadu - 950 sq. ft.	539,473.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.

66 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY (Contd.)

Sr. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value (Rs.)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Period held (in years)	Reason for not being held in the name of the Company
11	PPE *	Land at Trichy Doc Cell Thiruvellarai, Tamil Nadu- 54,698 sq. ft.	4,938,636.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
12	PPE *	Land at Thriuanmiyur Village, Saidapet Taluka, Chennai, Tamil Nadu - 278.66 sq. ft.	390,527.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
13	PPE *	Land in Thanakarkulam Village - Survey No.179(1D), Chennai, Tamil Nadu - 10 Cents.	12,240.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
14	PPE *	Land in Thanakarkulam Village - Survey No.179, Chennai, Tamil Nadu - 10 Cents.	12,240.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
15	PPE *	Land in Tanukarkulam Village - Survey No.179(1E1), Chennai, Tamil Nadu - 5 Cents.	9,240.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
16	PPE *	Land in Thanakarkulam Village - Survey No.179(1F), Chennai, Tamil Nadu - 10 Cents.	12,240.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
17	PPE *	Land in Thanakarkulam Village - Survey No.179(1E), Chennai, Tamil Nadu - 10 Cents.	12,240.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
18	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents.	37,672.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
19	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents.	37,671.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
20	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents.	37,671.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.

66 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY (Contd.)

Sr. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value (Rs.)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Period held (in years)	Reason for not being held in the name of the Company
21	PPE *	Land at Radhapuram, Tirunelveli, Chennai Tamil Nadu - 10 Cents.	37,672.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
22	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents.	37,672.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
23	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents.	37,672.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
24	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents.	37,671.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
25	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents.	37,671.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
26	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents.	37,671.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
27	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents.	36,010.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
28	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents.	39,760.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
29	PPE *	Land at Vadakankulam Taluka, Thanakarkulam village, Tirunelveli, Chennai, Tamil Nadu - 30 Cents.	51,426.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
30	Non-current asset held for sale **	Building - 117, B Wing, Dalamal Towers, No 211, Nariman Point, Mumbai - 400 021.	18,735,273.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.

*Refer note 17.

**Refer note 20.

67 ANALYTICAL RATIOS

Particulars	As at March 31, 2025			As at March 31, 2024	% Variance	Reasons for variance (if above 25%)
	Numerator (Rs. in crores)	Denominator (Rs. in crores)	Ratio	Ratio		
Capital to risk-weighted assets ratio (CRAR)	48,603.96	235,304.39	20.66%	20.30%	1.77%	NA
Tier I CRAR	47,126.42	235,304.39	20.03%	19.55%	2.46%	NA
Tier II CRAR	1,477.54	235,304.39	0.63%	0.75%	-16.00%	NA
Liquidity Coverage Ratio (Refer note 90)	6,554.80	2,286.07	286.73%	195.55%	46.63%	Increase is due to higher High Quality Liquid Assets (HQLA).

68 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the financial years ended March 31, 2025 and March 31, 2024.

69 DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) as amended in 2016 and rules made thereunder; in the financial years ended March 31, 2025 and March 31, 2024.

70 WILFUL DEFAULTER

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2025 and March 31, 2024.

71 RELATIONSHIP WITH STRUCK OFF COMPANIES

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2025 and March 31, 2024 are given below:

		(Rs. in crores)		
Name of the struck off company	Relationship with the struck off company	*Balance outstanding as at		Nature of transaction
		March 31, 2025	March 31, 2024	
Receivables (loans outstanding)				
Swift Equipments Private Limited	Not a related party	-	0.82	Receivables
Benze Vaccations Club Public Limited	Not a related party	-	0.01	Receivables
Gocha Infrastructure Private Limited	Not a related party	-	0.01	Receivables
Karainthi Private Limited	Not a related party	-	0.47	Receivables
Saanwi Housing Private Limited	Not a related party	-	0.05	Receivables
S. A. Industries Private Limited	Not a related party	-	0.22	Receivables
Shares held by struck off company**				
Nasik Capital and Financial Services Private Limited	Not a related party	0.00	0.00	Equity shares held
Rasi Leasing Company Private Limited	Not a related party	0.00	0.00	Equity shares held
Unickon Fincap Private Limited	Not a related party	0.00	0.00	Equity shares held
G. V. Trading and Leasing Private Limited	Not a related party	0.00	0.00	Equity shares held

*0.00 denotes amounts less than Rs. 1.00 lac.

**In the financial years ended March 31, 2025 and March 31, 2024, the Company did not have any transaction with above equity shareholders, being the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Our Company has not allotted any equity shares to the said companies. The shareholding data is as per the record of beneficiary position downloaded by the Registrar and Transfer Agent of the Company from the database maintained by the depositories and reported to us for the purpose of this disclosure.

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DISCLOSURE REGARDING AUDITOR'S REMUNERATION DISCLOSED UNDER LEGAL AND PROFESSIONAL FEES

In addition to the auditors remuneration shown in note 42 - Other expenses, the Company has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of senior secured notes of Rs. 0.60 crores (March 31, 2024: Rs. 0.33 crores) shown under legal and professional charges in the same note referred above.

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SEGMENT REPORTING

The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 - Operating segments.

i) Information about geographical areas

The Company operates within India. Therefore it neither generates any revenue from outside India nor have any non-current asset located outside India for the financial years ended March 31, 2025 and March 31, 2024.

ii) Information about major customers

No single external customer contributes 10% or more to the revenues of the Company for the financial years ended March 31, 2025 and March 31, 2024.

74

TRANSFER OF FINANCIAL ASSETS

74.01: Transferred financial assets that are not derecognised in their entirety

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Securitisation		
Carrying amount of transferred assets measured at amortised cost (held as collateral)	36,718.21	27,932.36
Carrying amount of associated liabilities [borrowings (other than debt securities)-measured at amortised cost]	38,052.08	29,138.16
Fair value of assets (A)	36,222.28	27,628.47
Fair value of associated liabilities (B)	38,014.87	28,832.41
Net position at fair value (A-B)	(1,792.59)	(1,203.94)

74.02: Transferred financial assets that are derecognised in their entirety

The Company has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred to the buyer, the assets have been de-recognised from the Company's balance sheet. The table below summarises the carrying amount of the derecognised financial assets:

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	3,168.98	3,539.92
Carrying amount of exposures retained by the Company at amortised cost	316.90	353.99

74.03: 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.

75 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
Professional charges on resource mobilisation	545.25	114.38
Professional charges on securitisation	10.40	30.53
Advertisement and publicity	0.04	-
Total	555.69	144.91

76 DETAILS OF CSR EXPENSES

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
a) Gross amount required to be spent by the Company during the year	131.44	90.38
b) Amount approved by the Board to be spent during the year	131.44	90.38
c) Amount spent during the year		
- On purposes other than construction/ acquisition of any asset		
Paid in cash	131.46	90.88
Yet to be paid in cash	-	-
Total	131.46	90.88

There is no shortfall in the CSR amount required to be spent by the Company as per section 135(5) of the Act for the financial years ended March 31, 2025 and March 31, 2024.

CSR activities include education, preservation of arts, culture and heritage, preventive healthcare, scholarship scheme, training and skill development, road safety awareness program, contribution towards - primary, secondary and higher education, mathematical and scientific research, school repairs and renovation and other activities which are specified under Schedule VII of Companies Act, 2013.

The Company has neither made any CSR contributions towards its related parties nor recorded any provision for CSR expenditure during the financial years ended March 31, 2025 and March 31, 2024.

77 FIGURES OF THE PREVIOUS FINANCIAL YEAR

The figures for the financial year ended March 31, 2024 were audited by the predecessor joint statutory auditors of the Company.

78 MOVEMENT IN PROVISIONS

(Rs. in crores)				
Provision for indirect taxes (contested)	Opening balance	Additional provision	Utilisation/ reversal during the year	Closing balance
As at March 31, 2025	89.19	-	0.05	89.14
As at March 31, 2024	98.59	-	9.40	89.19

The above provisions relate to disputed tax demands in relation to VAT and service tax. Due to the very nature of such provisions and the litigations involved, it is not possible to estimate the timing/ uncertainties relating to their outflows.

(Rs. in crores)				
Provision for share appreciation rights	Opening balance	Additional provision	Utilisation/ reversal during the year	Closing balance
As at March 31, 2025	-	0.26	-	0.26
As at March 31, 2024	-	-	-	-



79 EVENTS AFTER REPORTING DATE

The Board of Directors of the Company in its meeting held on April 26, 2024 had approved acquisition of 100% equity stake in Shriram Overseas Investments Private Limited ('SOIPL') from Shriram Investments Holdings Private Limited, subject to approval of RBI. The RBI has conveyed its approval for the said acquisition vide its letter dated April 01, 2025, subject to compliance with conditions specified therein. Post compliance of the conditions as specified in RBI's approval letter, the Company will acquire 100% equity stake in SOIPL. Consequent to acquisition, SOIPL will become a wholly-owned subsidiary of the Company.

80 DISCONTINUED OPERATIONS

The Company had no discontinuing operations during the financial years ended March 31, 2025 and March 31, 2024.

81 WHISTLE- BLOWER COMPLAINTS

There were no whistle blower complaints received by the Company during the financial years ended March 31, 2025 and March 31, 2024.

Disclosure pursuant to SEBI circular SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023 on framework for fund raising by issuance of fund raising by large corporates (LCs)

82 SHORTFALL IN FUND RAISING BY ISSUANCE OF DEBT SECURITIES

As part of the Company's strategic approach to maintain funding diversity, it utilizes a broad range of financing sources including loans from banks and financial institutions, domestic capital markets, public deposits, offshore borrowings and securitisation. During the financial year ended March 31, 2025, the Company executed several significant transactions through offshore borrowings and securitisation, enhancing funding diversity and fostering new lender relationships.

However, the domestic debt capital market continues to remain shallow for non-AAA rated entities, limiting capital raising opportunities. Further, volatility in interest rates made it challenging to consistently execute capital market transactions throughout the year.

Despite raising significant funds from the domestic capital market during the financial year ended March 31, 2025, there was a shortfall in meeting the prescribed requirement under the framework for fund raising by issuance of debt securities by large borrowers. The Company has subsequently bridged this shortfall in April 2025, thereby ensuring compliance within the stipulated timelines.

Disclosure pursuant to the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

83 AMOUNTS REMAINING UNPAID TO MICRO, SMALL AND MEDIUM ENTERPRISES (MSME) SUPPLIERS

Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid/ payable are furnished below:

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
The principal amount remaining unpaid to supplier as at the end of the year	3.23	2.27
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-

83 AMOUNTS REMAINING UNPAID TO MICRO, SMALL AND MEDIUM ENTERPRISES (MSME) SUPPLIERS (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

Disclosure pursuant to RBI Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 dated August 25, 2016

84 FLOATING CHARGE ON INVESTMENT IN GOVERNMENT SECURITIES

The Company has created a floating charge on the statutory liquid assets comprising of investment in government securities (face value) to the extent of Rs. 7,840.44 crores (amortised cost: Rs. 7,822.90 crores) [March 31, 2024: Rs. 6,550.44 crores (amortised cost: Rs. 6,486.36 crores)] in favour of trustees representing the public deposit holders of the Company.

Disclosure on Resolution Framework 2.0 implemented in terms of RBI notification no. RBI/2020-21/16 DoR.NO.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 and RBI/2021-22/31/DoR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021

85 DISCLOSURE ON RESOLUTION FRAMEWORK

The Company invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 06, 2020 and May 05, 2021. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board approved policy in this regard.

Type of borrower	(Rs. in crores)				
	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the half-year September 30, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the half-year March 31, 2025
Personal loans #	182.02	3.42	1.93	59.64	117.03
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	182.02	3.42	1.93	59.64	117.03

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

#Pertains to automobile loans

86 DISCLOSURES RELATING TO SECURITISATION AND DIRECT ASSIGNMENT

86.01: Disclosure as per RBI Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021 as amended

The information on securitisation of the Company as an originator is given below:

		(Rs. in crores)	
Sr. No.	Particulars	Non-STC Transactions	
		As at March 31, 2025	As at March 31, 2024
1	No. of SPEs holding assets for securitisation transactions originated by the originator	107	107
2	Total amount of securitised assets as per books of the SPEs	38,084.79	29,196.51
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	6,667.28	5,549.83
	a) Off-balance sheet exposures		
	• First loss	111.31	111.31
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	3,484.71	3,274.16
	• Others	3,182.57	2,275.67
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	383.35	353.71
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	754.63	934.86
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets	27,664.98	22,944.54
	Gain/ loss on sale on account of securitisation	3,417.52	2,773.13
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		
	(a) Amount paid	3,486.01	3,130.36
	(b) Repayment received	2,548.78	2,630.82
	(c) Outstanding amount	7,421.91	6,484.68
8	Average default rate of portfolios observed in the past (%)		
	(a) Vehicle loans	5.94	6.59
	(b) Two wheeler loans	4.12	4.98
	(c) MSME secured	5.38	6.43
	(d) Personal loans	5.73	6.81

86 DISCLOSURES RELATING TO SECURITISATION AND DIRECT ASSIGNMENT (Contd.)

(Rs. in crores)

Sr. No.	Particulars	Non-STC Transactions	
		As at March 31, 2025	As at March 31, 2024
9	Amount and number of additional/top up loan given on same underlying asset		
	(a) Vehicle loans	-	-
	(b) Two wheeler loans	-	-
	(c) MSME secured	-	-
	(d) Others	-	-
10	Investor complaints		
	(a) Directly/ indirectly received	-	-
	(b) Complaints outstanding	-	-

Note: There are no Simple, Transparent and Comparable (STC) transactions in the financial years ended March 31, 2025 and March 31, 2024.

86.02: Disclosure as per Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021 as amended

- a) Details of transfer through assignment in respect of loans not in default during the financial years ended March 31, 2025 and March 31, 2024:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Count of loans accounts assigned	20,230	47,789
Amount of loan accounts assigned (Rs. in crores)	1,697.76	3,139.14
Weighted average maturity (in months)	41.96	52.00
Weighted average holding period (in months)	8.45	11.00
Retention of beneficial economic interest	10.00%	10.00%
Coverage of tangible security	100.00%	100.00%
Rating wise distribution of rated loans	Not rated	Not rated

- b) Details of acquired through assignment in respect of loans not in default during the financial years ended March 31, 2025 and March 31, 2024:

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	Secured loans	Unsecured loans	Secured loans	Unsecured loans
Count of loans accounts acquired	-	65,873	4,013	-
Amount of loan accounts acquired (Rs. in crores)	-	507.36	15.62	-
Weighted average maturity (in months)	-	18.00	19.00	-
Weighted average holding period (in months)	-	9.00	12.00	-
Retention of beneficial economic interest by the acquirer (%)	-	90.00%	80.00%	-
Coverage of tangible security	-	NA	80.34%	-
Rating wise distribution of rated loans	-	Not rated	Not rated	-

86 DISCLOSURES RELATING TO SECURITISATION AND DIRECT ASSIGNMENT (Contd.)

c) Details of stressed loans transferred during the financial years ended March 31, 2025 and March 31, 2024:

Particulars	(Rs. in crores)	
	To ARCs (NPA loans)	
	Year ended March 31, 2025	Year ended March 31, 2024
No: of accounts	-	6,731
Aggregate principal outstanding of loans transferred (Rs. in crores)	-	4.82
Weighted average residual tenor of loans transferred (in months)	-	4
Net book value of loans transferred (at the time of transfer) (Rs. in crores)	-	1.21
Aggregate consideration (Rs. in crores)	-	2.46
Additional consideration realised in respect of accounts transferred in earlier years (Rs. in crores)	-	-
Excess provisions reversed to the profit and loss account on account of sale of stressed loans (Rs. in crores)	-	-

d) The Company has not acquired any stressed loans during the financial years ended March 31, 2025 and March 31, 2024.

Disclosures pursuant to Master Direction - RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 on disclosure requirements under Scale Based Regulation for NBFCs dated October 19, 2023 as amended.

87 LIQUIDITY RISK

(i) Funding concentration based on significant counterparty¹ (both deposits and borrowings)

Particulars	Number of significant counterparties	Amount (Rs. in crores)*#	% of Total deposits	% of Total liabilities ³
As at March 31, 2025	22	102,493.47	182.74%	43.20%
As at March 31, 2024	23	86,504.55	194.64%	45.84%

*Includes securitisation liabilities exposure

#Does not include exposure pertaining to external commercial bond due to non-availability of beneficiary position/ details as on March 31, 2025 and March 31, 2024.

(ii) Top 20 large deposits (amount in Rs. in crores and % of total deposits)

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Total amount of top 20 large deposits	2,506.81	1,694.20
Percentage of amount of top 20 large deposits to total deposits	4.47%	3.81%

(iii) Top 10 borrowings (amount in Rs. in crores and % of total borrowings)

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Total amount of top 10 borrowings*#	62,239.71	53,584.20
Percentage of amount of top 10 borrowings to total borrowings	26.58%	28.83%

*Includes securitisation liabilities exposure

#Does not include exposure pertaining to external commercial bond due to non-availability of beneficiary position/ details as on March 31, 2025 and March 31, 2024.

87 LIQUIDITY RISK (Contd.)

(iv) **Funding concentration based on significant instrument/ product²**

Sr. No.	Name of the instrument/ product	As at March 31, 2025		As at March 31, 2024	
		Amount	% of Total liabilities ³	Amount	% of Total liabilities ³
1	Redeemable non-convertible debentures (secured and unsecured)	38,296.89	16.14%	31,630.43	16.76%
2	External commercial bond	15,851.97	6.68%	10,948.31	5.80%
3	Term loan from banks	38,049.16	16.04%	37,232.36	19.73%
4	Term loan from financial institutions/ corporates	11,289.34	4.76%	10,405.19	5.51%
5	External commercial borrowing	33,653.95	14.18%	14,467.05	7.67%
6	Other loans - securitisation liabilities	38,052.08	16.04%	29,138.16	15.44%
7	Deposits	56,085.99	23.64%	44,443.66	23.55%
8	Subordinated debts	2,513.98	1.06%	4,300.07	2.28%
9	Commercial papers	-	-	2,369.87	1.26%

(v) **Stock ratios**

Sr. No.	Particulars	As at March 31, 2025			As at March 31, 2024		
		as a % of Total public funds ⁴	as a % of Total liabilities ³	as a % of Total assets	as a % of Total public funds ⁴	as a % of Total liabilities ³	as a % of Total assets
(a)	Commercial papers	-	-	-	1.28%	1.26%	1.00%
(b)	Non-convertible debentures (original maturity of less than one year)	-	-	-	-	-	-
(c)	Other short-term liabilities ⁵	1.00%	0.99%	0.80%	4.21%	4.14%	3.30%

(vi) **Institutional set-up for liquidity risk management**

Refer note 56.01.01: Risk management structure and 56.03: Liquidity risk and funding management for institutional set-up for liquidity risk management.

Notes:

- 1) Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.
- 2) 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 (Total of balance sheet less total equity).
- 4) 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 five years from the date of issue.
- 5) Other short-term liabilities include all short-term borrowings other than commercial papers and non-convertible debentures with original maturity less than one year.
- 6) The amount stated in this disclosure is based on the audited financial statements for the financial years ended March 31, 2025 and March 31, 2024.

88 ASSET CLASSIFICATION AS PER RBI NORMS

(Rs. in crores)

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Year ended March 31, 2025					Year ended March 31, 2024				
		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	Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
	(1)	(3)	(4)	(5)	(6)	(7)	(3)	(4)	(5)	(6)	(7)
Performing assets											
Standard	Stage 1	255,657.96	8,079.87	247,578.09	1,023.79	7,056.08	198,058.98	6,462.51	191,596.47	795.09	5,667.42
	Stage 2	17,936.22	1,430.32	16,505.90	73.42	1,356.90	15,044.24	1,110.48	13,933.76	63.44	1,047.04
Subtotal		273,594.18	9,510.19	264,083.99	1,097.21	8,412.98	213,103.22	7,572.99	205,530.23	858.53	6,714.46
Non-Performing Assets (NPA)											
Sub-standard	Stage 3	7,879.89	2,995.95	4,883.94	763.42	2,232.53	7,043.50	2,633.31	4,410.19	685.64	1,947.67
Doubtful - up to 1 year	Stage 3	2,120.96	759.13	1,361.83	632.25	126.88	1,459.05	512.30	946.75	463.55	48.75
1 to 3 years	Stage 3	666.73	227.09	439.64	319.34	(92.25)	632.57	193.51	439.06	349.24	(155.73)
More than 3 years	Stage 3	61.21	19.50	41.71	44.62	(25.12)	77.49	24.96	52.53	56.60	(31.64)
Subtotal for doubtful		2,848.90	1,005.72	1,843.18	996.21	9.51	2,169.11	730.77	1,438.34	869.39	(138.62)
Loss	Stage 3	1,140.87	1,143.20	(2.33)	1,137.15	6.05	2,896.33	2,906.43	(10.10)	2,893.09	13.34
Subtotal for NPA		11,869.66	5,144.87	6,724.79	2,896.78	2,248.09	12,108.94	6,270.51	5,838.43	4,448.12	1,822.39
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	218.85	9.21	209.64	-	9.21	108.24	4.38	103.86	-	4.38
	Stage 2	-	-	-	-	-	-	-	-	-	-
	Stage 3	-	-	-	-	-	-	-	-	-	-
Subtotal		218.85	9.21	209.64	-	9.21	108.24	4.38	103.86	-	4.38
Total	Stage 1	255,876.81	8,089.08	247,787.73	1,023.79	7,065.29	198,167.22	6,466.89	191,700.33	795.09	5,671.80
	Stage 2	17,936.22	1,430.32	16,505.90	73.42	1,356.90	15,044.24	1,110.48	13,933.76	63.44	1,047.04
	Stage 3	11,869.66	5,144.87	6,724.79	2,896.78	2,248.09	12,108.94	6,270.51	5,838.43	4,448.12	1,822.39
	Total	285,682.69	14,664.27	271,018.42	3,993.99	10,670.28	225,320.40	13,847.88	211,472.52	5,306.65	8,541.23

89 DISCLOSURE OF RESTRUCTURED ACCOUNTS

(Rs. in crores)

Sr. No.	Type of restructuring	Others											
		Financial year		Year ended March 31, 2025					Year ended March 31, 2024				
		Asset classification		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured accounts as on April 01	No. of borrowers	6,849	9,689	2,631	1,024	20,193		23,001	18,910	3,424	838	46,173
		Amount outstanding	108.69	284.26	175.10	126.95	695.00		534.45	467.25	237.82	124.34	1,363.86
		Provision thereon	18.08	102.54	61.00	126.93	308.55		95.68	199.69	113.89	100.92	510.18
2		Fresh restructuring during the year	No. of borrowers	-	4,973	368	6	5,347		-	8,849	261	14
	Amount outstanding		-	231.75	22.87	0.58	255.20		-	304.06	13.33	1.51	318.90
	Provision thereon		-	83.66	8.18	0.57	92.41		-	116.75	5.27	1.11	123.13
3	Upgradation to restructured standard category during the year		No. of borrowers	2,225	(1,995)	(222)	(8)	-		6,849	(6,436)	(390)	(23)
		Amount outstanding	64.13	(56.13)	(7.70)	(0.30)	-		190.18	(170.44)	(18.03)	(1.71)	-
		Provision thereon	23.44	(20.38)	(2.76)	(0.30)	-		81.38	(72.36)	(7.88)	(1.14)	-
4		Restructured standard advances which cease to attract higher provisioning and/ or additional risk weight at the end of the year and hence need not be shown as restructured advances at the beginning of the next year	No. of borrowers	-	-	-	-	-		-	-	-	-
	Amount outstanding		-	-	-	-	-		-	-	-	-	-
	Provision thereon		-	-	-	-	-		-	-	-	-	-
5	Downgradation of restructured accounts during the year		No. of borrowers	-	(4,486)	4,279	207	-		-	(1,613)	1,147	466
		Amount outstanding	-	(164.40)	153.48	10.92	-		-	(60.03)	22.75	37.28	-
		Provision thereon	-	(59.27)	56.16	3.11	-		-	(26.22)	4.83	21.39	-
6		Write-offs of restructured accounts during the year	No. of borrowers	(6,849)	(3,680)	(1,490)	(988)	(13,007)		(23,001)	(10,021)	(1,811)	(271)
	Amount outstanding		(137.35)	(106.12)	(175.86)	(126.92)	(546.25)		(615.94)	(256.58)	(80.77)	(34.47)	(987.76)
	Provision thereon		(37.86)	(37.74)	(63.68)	(119.09)	(258.37)		(158.98)	(115.32)	(55.11)	4.65	(324.76)
7	Restructured accounts as on March 31		No. of borrowers	2,225	4,501	5,566	241	12,533		6,849	9,689	2,631	1,024
		Amount outstanding	35.47	189.36	167.89	11.23	403.95		108.69	284.26	175.10	126.95	695.00
		Provision thereon	3.66	68.81	58.90	11.22	142.59		18.08	102.54	61.00	126.93	308.55

Note:

- The outstanding amount and number of borrowers as at March 31, 2025 and March 31, 2024 is after considering recoveries during the period.
- Additional facilities availed by borrowers or addition in outstanding balance in existing restructured accounts and partial repayments in existing restructured accounts are adjusted and disclosed under "Write-offs of restructured accounts", however, for the purpose of arithmetical accuracy the number of existing borrowers availing additional facility or partial repayments have been ignored.
- The Company has classified all the restructured accounts under stage 3 for ECL calculations under Ind AS and provision for impairment loss on all the restructured accounts have been provided in the books accordingly.
- Since the disclosure of restructured accounts pertains to section "Others", the first two sections namely "Under CDR Mechanism" and "Under SME Debt Restructuring Mechanism" as per the format prescribed in the Master Directions - RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 on disclosure requirements under Scale Based Regulation for NBFCs dated October 19, 2023 as amended, are not included above.
- For the purpose of arithmetical accuracy, movement in provisions in the existing restructured account as compared to balance of provision as disclosed in opening balance and fresh restructuring on account sale/recovery/ settlement (for any change in provision) is adjusted and disclosed under "Write-offs of restructured accounts" during the year.
- The above disclosure does not include one-time restructuring implemented as prescribed in the notification no. RBI/2020-21/16 DoR.No.BPBC/3/21.04.048/2020-21 Resolution Framework for COVID-19-related Stress dated August 06, 2020 and RBI/2021-22/31/DoR.STR.REC.11 /21.04.048/2021-22 Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses dated May 05, 2021 (Refer note 85).
- The total outstanding amount of the borrowers whose accounts have been restructured is Rs. 1,305.87 crores as at March 31, 2025 and Rs.1,878.51 crores as at March 31, 2024.



90 LIQUIDITY COVERAGE RATIO

(Rs. in crores)

Particulars	As at March 31, 2025		As at December 31, 2024		As at September 30, 2024		As at June 30, 2024		As at March 31, 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)#	Total unweighted value (average)*	Total weighted value (average)#
High Quality Liquid Assets										
1 Total High Quality Liquid Assets (HQLA) @	8,052.45	6,554.80	7,442.99	6,042.09	6,937.50	5,614.49	6,881.11	5,592.41	6,504.31	5,282.98
Cash Outflows										
2 Deposits (for deposit taking companies)	1,335.37	1,535.68	1,134.87	1,305.10	1,188.81	1,367.13	990.77	1,139.39	1,016.03	1,168.43
3 Unsecured wholesale funding	336.92	387.46	921.63	1,059.87	726.06	834.97	1,134.27	1,304.41	964.26	1,108.90
4 Secured wholesale funding	4,763.26	5,477.75	4,640.05	5,336.06	5,436.98	6,252.53	5,467.11	6,287.17	6,434.96	7,400.20
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	1,310.88	1,507.51	1,015.79	1,168.16	820.75	943.86	832.34	957.19	840.09	966.10
7 Other contingent funding obligations	205.10	235.87	210.90	242.53	151.24	173.92	213.33	245.33	141.55	162.78
8 TOTAL CASH OUTFLOWS	7,951.53	9,144.27	7,923.24	9,111.72	8,323.84	9,572.41	8,637.82	9,933.49	9,396.89	10,806.41
Cash Inflows										
9 Secured lending	-	-	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	9,710.48	7,282.86	9,215.24	6,911.43	8,813.22	6,609.92	8,968.09	6,726.07	8,421.36	6,316.02
11 Other cash inflows	14,661.63	10,996.22	8,579.66	6,434.75	3,439.30	2,579.47	3,989.07	2,991.80	4,229.90	3,172.43
12 TOTAL CASH INFLOWS	24,372.11	18,279.08	17,794.90	13,346.18	12,252.52	9,189.39	12,957.16	9,717.87	12,651.26	9,488.45
		Total adjusted value		Total adjusted value		Total adjusted value		Total adjusted value		Total adjusted value
13 TOTAL HQLA		6,554.80		6,042.09		5,614.49		5,592.41		5,282.98
14 TOTAL NET CASH OUTFLOWS		2,286.07		2,277.93		2,393.10		2,483.37		2,701.60
15 LIQUIDITY COVERAGE RATIO (%)		286.73%		265.24%		234.61%		225.19%		195.55%

90 LIQUIDITY COVERAGE RATIO (Contd.)

Particulars	(Rs. in crores)			(Rs. in crores)			(Rs. in crores)			(Rs. in crores)		
	As at			As at			As at			As at		
	March 31, 2025			September 30, 2024			June 30, 2024			March 31, 2024		
	Total	Unweighted value (average)*	Weighted value (average)#	Total	Unweighted value (average)*	Weighted value (average)#	Total	Unweighted value (average)*	Weighted value (average)#	Total	Unweighted value (average)*	Weighted value (average)#
@ Components of HQLA												
1 Assets considered for HQLA without any haircut	564.18	564.18	564.18	438.49	438.49	322.46	437.62	437.62	437.62	397.66	397.66	397.66
2 Assets considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-	-	-	-	-
3 Assets considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-	-	-	-	-
4 Approved securities held as per the provisions of section 45-IB of the RBI Act	7,488.27		5,990.62	7,004.50	5,603.60	5,292.03	6,443.49	6,106.65	5,154.79	6,106.65	4,885.32	4,885.32
Total	8,052.45	6,554.80		7,442.99	6,042.09	5,614.49	6,881.11	6,504.31	5,592.41	6,504.31	5,282.98	5,282.98

* Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

Classification of inflows and outflows for determining the run off factors is based on the same estimates and assumptions as used by the Company for compiling the return submitted to the RBI, which has been relied upon by the auditors.

Qualitative disclosure around Liquidity Coverage Ratio (LCR)

The Reserve Bank of India has prescribed Guidelines on Maintenance of Liquidity Coverage Ratio (LCR). All non-deposit taking NBFCs with asset size of Rs. 10,000 crores and above, and all deposit taking NBFCs irrespective of their asset size, is required to maintain a liquidity buffer in terms of LCR which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA to be maintained by the NBFCs shall be minimum of 100% of total net cash outflows over the next 30 calendar days. The objective of the LCR is to promote the short-term resilience of the liquidity risk profile. Presently, the Company is mandated to maintain a minimum LCR of 85%, effective December 01, 2023, progressively reaching up to the required level of 100% by December 01, 2024.

The LCR requirement was applicable from December 01, 2020 with the minimum HQLAs to be held being 50% of the LCR, progressively reaching a level upto 60%, 70%, 85% and 100% by December 01, 2021, December 01, 2022, December 01, 2023, December 01, 2024 respectively. The Company has implemented the LCR framework and has maintained LCR well above the regulatory threshold for all the quarters.

The LCR is calculated by dividing the Company's stock of HQLA by its total net outflows over a 30 days stress period.

"High Quality Liquid Assets (HQLA)" means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios. Total net cash outflows is defined as the total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days. The main drivers of LCR are adequate HQLAs and lower net cash outflow.

Major source of borrowing for the Company are non-convertible debentures – institutional, term loan/cash credit from banks, term loans from financial institutions/ corporates, commercial papers, deposits, inter corporate deposits, external commercial borrowings (loans), U.S. Dollar senior secured notes, subordinated debts. Details of funding concentration from Significant Counterparties are given in note 87.

The average LCR is computed as simple averages of daily observations over the previous quarter.

The average LCR for the quarter ended March 31, 2025 is 286.73 % which is well above against RBI prescribed LCR of 100%.



91 EXPOSURES

91.01: Exposure to real estate sector

		(Rs. in crores)	
Category		As at March 31, 2025	As at March 31, 2024
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 and also includes non-fund based (NFB) limits.		9,547.02	6,447.12
b) Commercial real estate *			
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) and also includes non-fund based (NFB) limits.		1,928.46	1,263.02
c) Investments in Mortgage-Backed Securities (MBS) and other securitised exposures			
i. Residential		-	-
ii. Commercial Real Estate		-	-
ii) Indirect exposure			
Fund based and NFB exposures on National Housing Bank and Housing Finance Companies		-	-
Total exposure to real state sector		11,475.48	7,710.14

*Repayment of the MSME loans primarily depends on the cash flows from business operations of the borrower and are additionally secured by immovable property.

91.02: Exposure to capital market

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
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		151.85	1,681.27
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		13.11	0.00
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 Company in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds		-	-

91 EXPOSURES (Contd.)

		(Rs. in crores)	
		As at March 31, 2025	As at March 31, 2024
Particulars			
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		164.96	1,681.27

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

91.03: Sectoral exposure

Sectors	As at March 31, 2025			As at March 31, 2024		
	Total exposure (includes on balance sheet and off-balance sheet exposure) (Rs. in crores)	Gross NPAs (Rs. in crores)	Percentage of gross NPAs to total exposure in that sector	Total exposure (includes on balance sheet and off-balance sheet exposure) (Rs. in crores)	Gross NPAs (Rs. in crores)	Percentage of gross NPAs to total exposure in that sector
1) Agriculture and allied activities	5,158.27	406.34	7.88%	3,634.51	320.70	8.82%
2) Industry	-	-	-	-	-	-
3) Services						
i) Transport operators	203,459.87	9,421.14	4.63%	177,230.78	9,930.71	5.60%
ii) SME loans	37,065.55	1,510.49	4.08%	25,620.93	1,273.71	4.97%
Total of services	240,525.42	10,931.63	4.54%	202,851.71	11,204.42	5.52%
4) Personal loan						
i) Gold loan	4,836.74	99.66	2.06%	6,299.80	121.39	1.93%
ii) Others	9,614.33	401.16	4.17%	8,989.88	434.64	4.83%
Total of personal loan	14,451.07	500.82	3.47%	15,289.68	556.03	3.64%
5) Others	-	-	-	-	-	-
Total	260,134.76	11,838.79	4.55%	221,775.90	12,081.15	5.45%

91.04: Intra-group exposures

		(Rs. in crores)	
		As at March 31, 2025	As at March 31, 2024
Particulars			
i)	Total amount of intra-group exposures	23.38	1,585.62
ii)	Total amount of top 20 intra-group exposures	23.38	1,585.62
iii)	Percentage of intra-group exposures to total exposure of the Company on borrowers/ customers	0.01%	0.72%

91.05: Unhedged foreign currency exposure

The Company does not have any unhedged foreign currency exposures for the financial years ended March 31, 2025 and March 31, 2024. Please refer note 56 - Risk management for the Company policies to manage currency induced risk.



92 RELATED PARTY DISCLOSURE

	Parent (as per ownership or control)		Promoter		Promoter group		Subsidiary		Associates/ Joint Ventures		Key management		Relatives of key management personnel		Directors		Relatives of Directors		Others		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Related party																						
Maximum outstanding during the year																						
Borrowings	-	-	-	-	1,169.14	953.95	-	-	7.93	17.11	-	-	-	-	-	-	-	-	-	-	1,177.07	971.06
Deposits	-	-	-	-	51.35	65.43	-	-	178.85	144.35	1.19	1.10	0.30	0.30	0.20	0.30	3.67	3.41	-	-	235.56	214.89
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	35.00	10.01	1,562.24	1,562.24	13.37	13.37	-	-	-	-	-	-	-	-	-	-	1,610.61	1,585.62
Balance outstanding at the year end																						
Borrowings	-	-	-	-	1,140.47	909.97	-	-	7.14	7.82	-	-	-	-	-	-	-	-	-	-	1,147.61	917.79
Deposits	-	-	-	-	24.27	50.34	-	-	178.85	144.36	1.19	1.10	0.05	0.05	0.07	0.19	2.90	3.39	-	-	207.28	199.43
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	10.01	10.01	-	1,562.24	13.37	13.37	-	-	-	-	-	-	-	-	-	-	23.38	1,585.62
Purchase of property, plant and equipments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of property, plant and equipments	-	-	-	-	-	-	1.88	-	-	0.00	-	-	-	-	-	-	-	-	-	-	1.88	0.00
Interest paid	-	-	-	-	76.47	106.16	-	-	16.15	7.44	-	-	0.02	0.02	-	0.05	0.21	0.10	-	-	92.83	113.77
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalty paid	-	-	-	-	435.16	349.98	-	-	-	-	-	-	-	-	-	-	-	-	-	-	435.16	349.98
Equity dividend paid	-	-	332.37	335.73	132.42	64.97	-	-	-	-	0.03	0.10	-	-	0.23	0.23	-	-	-	-	465.05	401.03
Received towards preferential issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Received towards convertible warrants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the year ended March 31, 2025 and financial year ended March 31, 2024.

The Company has procured bank guarantee of Rs. 16.00 crores on behalf of Shriram Housing Finance Limited, now renamed as Truhome Finance Limited.

Income/ expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

All the above transactions were entered into in the ordinary course of business on an arm's length basis.

93 CUSTOMER COMPLAINTS

93.01: Summary information on complaints received by the Company from customers and from the Offices of Ombudsman

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
	Complaints received by the Company from its customers		
1	Number of complaints pending at beginning of the year	437	130
2	Number of complaints received during the year	49,902	15,615
3	Number of complaints disposed during the year	50,261	15,308
	3.1 Of which, number of complaints rejected by the Company	1,241	61
4	Number of complaints pending at the end of the year*	78	437
5	Maintainable complaints*** received by the Company from Office of Ombudsman		
	Number of maintainable complaints received by the Company from Office of Ombudsman**	1,369	938
	5.1 Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	1,351	936
	5.2 Of 5, number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman	4	2
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

*All the complaints pending as at March 31, 2025, were resolved subsequently.

**Includes 14 complaints pending as at March 31, 2025, which were resolved subsequently.

***Maintainable complaints refer to complaints on the grounds specifically mentioned in Reserve Bank - Integrated Ombudsman Scheme, 2021 (previously the Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the scheme.

93.02: Top five grounds of complaints received by the Company from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
As at March 31, 2025					
Loan related	145	30,563	520.19%	54	-
Documents related	54	6,486	131.64%	6	-
Collection related	67	3,960	67.16%	11	-
Loan settlement	29	5,270	286.08%	3	-
Policy renewal	17	1,030	62.72%	2	-
Others	125	2,593	(26.34%)	2	-
Total	437	49,902	219.58%	78	-
As at March 31, 2024					
Loan related	37	4,928	70.93%	145	9
Documents related	23	2,800	42.35%	54	4
Collection related	22	2,369	62.15%	67	2
Loan settlement	6	1,365	225.78%	29	1
Policy renewal	6	633	214.93%	17	1
Others	36	3,520	21.13%	125	4
Total	130	15,615	58.74%	437	21

The above disclosures are as certified by the Management and relied upon by the auditors.

94 CAPITAL ADEQUACY RATIO

(Rs. in crores unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
i) Tier I Capital	47,126.42	39,402.60
ii) Tier II Capital	1,477.54	1,510.58
iii) Total Capital	48,603.96	40,913.18
iv) Total Risk Weighted Assets	235,304.39	201,526.75
v) CRAR (%)	20.66	20.30
vi) CRAR - Tier I Capital (%)	20.03	19.55
vii) CRAR - Tier II Capital (%)	0.63	0.75
viii) Common equity Tier - 1 Capital (CET-1)	46,562.30	38,838.91
ix) CET-1 (%)	19.79	19.27
x) Amount of subordinated debt raised as Tier-II Capital*	2,458.20	4,283.20
xi) Amount raised by issue of Perpetual debt instruments	-	-

Tier I Capital, Tier II Capital, Capital Adequacy Ratio and Common Equity Tier 1 Capital (CET1) are calculated as defined in Master Direction - RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 on disclosure requirements under Scale Based Regulation for NBFCs dated October 19, 2023 as amended.

*Discounted value of Rs. 1,392.60 crores (March 31, 2024: Rs. 1,181.24 crores) considered for Tier II Capital against the book value of Rs. 2,458.20 crores (March 31, 2024: Rs. 4,283.20 crores).

95 INVESTMENTS

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(1) Value of investments		
(i) Gross value of investments		
(a) In India	15,590.48	10,653.25
(b) Outside India	110.81	79.84
(ii) Provisions for depreciation		
(a) In India	102.58	76.45
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	15,487.90	10,576.80
(b) Outside India	110.81	79.84
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	76.45	40.77
(ii) Add: Provisions made during the year	26.13	35.68
(iii) Less: Write-off/ write-back of excess provisions during the year	-	-
(iv) Closing balance	102.58	76.45

96 DERIVATIVES

96.01: Forward rate agreement/ interest rate swap *

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
(i) The notional principal of swap agreements	107,505.75	52,224.54
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swap	-	-
(v) The fair value of the swap book	250.09	330.48

Forward Rate Agreement (FRAs) entered into during the financial year ended March 31, 2025 is Rs. 29,469.22 crores (March 31, 2024 : Rs. 10,136.61 crores)

*Includes currency derivatives and interest rate derivatives

96.02: Exchange traded Interest Rate (IR) derivatives : Nil

96.03: Disclosures on risk exposure in derivatives

Qualitative disclosures

The Company has a Board approved policy in dealing with derivative transactions. Derivative transaction consists of hedging of foreign exchange transactions which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet assets and liabilities. Such outstanding derivative transactions are accounted on accrual basis over the life of the underlying instrument. The ALCO and RMC closely monitors such transactions and reviews the risks involved.

The Company has entered into derivative agreement to mitigate the foreign exchange risk and interest rate risk pertaining to external commercial borrowings, term loans from banks and institutions and bonds borrowed in foreign currency. The description of risk policies and risk mitigation strategies are disclosed in note 56.

Quantitative disclosures

Particulars	(Rs. in crores)			
	As at March 31, 2025		As at March 31, 2024	
	Currency derivatives	Interest rate derivatives	Currency derivatives	Interest rate derivatives
(i) Derivatives (Notional principal amount)				
For hedging	57,527.82	49,977.93	26,657.43	25,567.11
(ii) Marked to market positions				
a) Asset (+)	(221.17)	471.26	18.43	312.05
b) Liability (-)	-	-	-	-
(iii) Credit exposure	-	-	-	-
(iv) Unhedged exposures	-	-	-	-

97 ASSET LIABILITY MANAGEMENT MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES

As at March 31, 2025

Particulars	1 - 7 days	8 - 14 days	15 - 30 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits*	364.73	230.98	616.11	1,015.27	1,197.77	3,898.07	7,585.15	28,288.37	13,033.19	-	56,229.64
Advances**	6,241.59	2,089.52	2,702.42	8,907.11	9,208.66	26,866.39	47,098.54	111,463.10	27,702.59	3,112.87	245,392.79
Investments	484.94	1.93	701.99	3,292.96	206.52	219.19	294.20	2,504.47	1,457.75	6,434.76	15,598.71
Borrowings***	726.62	227.90	2,858.35	2,833.52	5,509.47	9,636.81	20,316.38	55,375.91	15,928.95	11,064.42	124,478.33
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	141.98	-	480.03	68.73	510.71	3,650.22	3,349.18	30,281.22	11,294.33	3,856.53	53,632.93

As at March 31, 2024

Particulars	1 - 7 days	8 - 14 days	15 - 30 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits*	303.08	174.88	471.84	752.86	870.64	3,258.66	5,745.94	21,209.84	11,802.88	-	44,590.62
Advances**	5,358.95	1,627.13	2,509.75	7,734.55	8,372.14	23,621.46	40,970.88	92,262.41	23,144.44	2,327.70	207,929.41
Investments	28.03	2.81	351.32	74.82	310.01	117.30	494.68	1,645.00	1,051.88	6,580.79	10,656.64
Borrowings***	2,282.09	941.24	5,094.58	4,255.28	7,079.12	10,513.49	19,089.87	41,567.32	14,723.57	10,435.56	115,982.12
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	5.55	-	170.94	24.48	334.91	95.58	605.85	15,504.74	7,806.89	866.42	25,415.36

*Includes deposits from corporates and unclaimed matured deposit.

**Net of Impairment loss allowance.

***Excludes deposits which are shown separately and external commercial borrowings and external commercial bond which are shown separately under foreign currency liabilities.

98 DETAILS OF FINANCING OF PARENT COMPANY PRODUCTS

The Company does not have any parent company, hence not applicable.

99 DETAILS OF SINGLE BORROWER LIMIT (SGL) / GROUP BORROWER LIMIT (GBL) EXCEEDED BY THE NBFC

The Company has not exceeded the prudential exposure limits for Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) during the financial years ended March 31, 2025 and March 31, 2024.

100 UNSECURED ADVANCES

The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority during the financial years ended March 31, 2025 and March 31, 2024.

101 DETAILS OF PENALTIES AND STRICTURES IMPOSED BY RBI AND OTHER REGULATORS

The Company has received an order on February 14, 2025 from RBI imposing a penalty of Rs. 580,000/- for non-compliance of certain RBI directions which were observed during statutory inspection with reference to its financial position as on March 31, 2023. The penalty was paid on February 25, 2025.

The Company has paid fine of Rs. 23,600/- on August 30, 2024 in connection with delay in submission of notice of record date under Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for purpose of payment of principal with interest on certain privately placed non-convertible debentures of erstwhile SCUF (amalgamated with the Company w.e.f. April 01, 2022).

The Company has paid a fine of Rs. 2,360/- on August 30, 2024 in connection with delay in intimation of payment of interest under Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for purpose of payment of interest on privately placed non-convertible debentures of erstwhile SCUF (amalgamated with the Company w.e.f. April 01, 2022).

The Company has paid fine of Rs. 23,600/- on December 07, 2023 in connection with delay in submission of notice of record date under Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for purpose of payment of principal and interest on certain privately placed non-convertible debentures listed on BSE Limited during the financial year ended March 31, 2024.

The total penalties paid for the financial year 2024-25 is Rs. 605,960/- (March 31, 2024: Rs. 23,600/-).

These penalties have no material impact on financial, operation or other activities of the Company. The Company has already taken corrective measures, as necessary, to align its operations/ procedures with the applicable regulations.

102 BREACH OF COVENANT

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2025 and March 31, 2024.

103 DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING

The RBI has neither assessed any additional provisioning requirements in excess of 5% of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2024, nor identified any additional Gross NPAs in excess of 5% of the reported gross NPAs for the said period.

104 RATINGS ASSIGNED BY CREDIT RATING AGENCIES AND MIGRATION OF RATINGS DURING THE YEAR

Sr. No.	Instruments	Credit Rating Agency	As at March 31, 2025	As at March 31, 2024
1	Bank loans - Long term	CRISIL Limited	CRISIL AA+/Stable	CRISIL AA+/Stable
2	Bank loans - Short term	CRISIL Limited	CRISIL A1+	CRISIL A1+
3	Bank loans - Long term	India Ratings and Research Private Limited	IND AA+/Stable	IND AA+/Stable
4	Bank loans - Short term	India Ratings and Research Private Limited	IND A1+	-



104 RATINGS ASSIGNED BY CREDIT RATING AGENCIES AND MIGRATION OF RATINGS DURING THE YEAR (Contd.)

Sr. No.	Instruments	Credit Rating Agency	As at March 31, 2025	As at March 31, 2024
5	Commercial paper	India Ratings and Research Private Limited	IND A1+	IND A1+
6	Commercial paper	CARE Ratings Limited	CARE A1+	CARE A1+
7	Commercial paper	CRISIL Limited	CRISIL A1+	CRISIL A1+
8	Fixed deposit	ICRA Limited	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)
9	Fixed deposit	India Ratings and Research Private Limited	IND AA+/Stable	IND AA+/Stable
10	Long term principal protected market linked debentures	CRISIL Limited	CRISIL PPMLD AA+/Stable	CRISIL PPMLD AA+/Stable
11	Principal protected market linked debentures	India Ratings and Research Private Limited	IND PP-MLD AA+/Stable	IND PP-MLD AA+/Stable
12	Long term issuer credit rating	Standard and Poor's Ratings	BB+/ Stable	BB/ Stable
13	Long term issuer default rating	Fitch Ratings	BB/Stable	BB/ Stable
14	Subordinated debt	CARE Ratings Limited	CARE AA+/Stable	CARE AA+/Stable
15	Subordinated debt	India Ratings and Research Private Limited	IND AA+/Stable	IND AA+/Stable
16	Subordinated debt	CRISIL Limited	CRISIL AA+/Stable	CRISIL AA+/Stable
17	Non-convertible debentures	CARE Ratings Limited	CARE AA+/Stable	CARE AA+/Stable
18	Non-convertible debentures	CRISIL Limited	CRISIL AA+/Stable	CRISIL AA+/Stable
19	Non-convertible debentures	India Ratings and Research Private Limited	IND AA+/Stable	IND AA+/Stable
20	Non-convertible debentures	ICRA Limited	[ICRA] AA+ (Stable)	[ICRA] AA+ (Stable)
21	Short term issuer credit rating	Standard and Poor's Ratings	B	B
22	Short term issuer default rating	Fitch Ratings	B	B
23	U. S. dollar senior secured notes	Standard and Poor's Ratings	BB+	BB
24	U. S. dollar senior secured notes	Fitch Ratings	BB	BB
25	Local currency long term issuer default rating	Fitch Ratings	BB/ Stable	BB/ Stable
26	ESG impact rating	ICRA ESG Ratings	82 / Outstanding	-
27	Long term corporate family rating (CFR)	Moody's Ratings	Ba1 / Stable	-

105 CIRCUMSTANCES IN WHICH REVENUE RECOGNITION HAS BEEN POSTPONED

There are no such circumstances in which revenue has been postponed pending the resolution of significant uncertainties.

106 CREDIT DEFAULT SWAPS (CDS)

The Company has not participated in any Credit Default Swap (CDS) transactions during the financial years ended March 31, 2025 and March 31, 2024.

107 ADDITIONAL DISCLOSURES

107.01: Provisions and contingencies

(Rs. in crores)

Break up of Provisions and contingencies shown under the head expenditure in profit and loss account	Year ended March 31, 2025	Year ended March 31, 2024
Provisions for depreciation on investment	-	-
Provision towards NPA#	3,369.76	2,690.19
Provision made towards income tax ##	2,845.02	2,493.16
Other provision and contingencies	-	-
Provision towards impairment of financial instruments other than provision for stage 3 assets	1,941.90	1,828.15

Provision for stage 3 assets

Provision made towards income tax comprises of current tax, deferred tax and tax adjustment for earlier years.

107.02: Draw down from reserves

The draw down from reserves was Rs. Nil for the financial years ended March 31, 2025 and March 31, 2024.

107.03: Concentration of Deposits, Advances, Exposures and NPAs

107.03.01: Concentration of deposits (for deposit taking NBFCs)

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total deposits of twenty largest depositors #	1,317.95	803.08
Percentage of deposits of twenty largest depositors to total deposits of the NBFC #	2.46%	1.87%

#Includes unclaimed matured public deposits and interest accrued thereon.

107.03.02: Concentration of advances

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total advances to twenty largest borrowers	570.17	513.55
Percentage of advances to twenty largest borrowers to total advances of the NBFC*	0.22%	0.23%

*Excludes retained interest on direct assignment Rs. 315.83 crores (March 31, 2024 Rs. 359.18 crores).

107.03.03: Concentration of exposures

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to twenty largest borrowers/ customers	570.17	513.55
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the NBFC on borrowers/ customers*	0.22%	0.23%

*Excludes retained interest on direct assignment Rs. 315.83 crores (March 31, 2024 Rs. 359.18 crores).



107 ADDITIONAL DISCLOSURES (Contd.)

107.03.04: Concentration of NPAs

	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to top four NPA accounts**	67.47	134.90

**NPA accounts refer to stage 3 assets.

108 MOVEMENT OF NPAS §

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i) Net NPAs to net advances (%)	2.64%	2.70%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	12,081.15	11,382.18
(b) Additions during the year	10,764.47	10,327.53
(c) Reductions during the year	(11,006.83)	(9,628.56)
(d) Closing balance	11,838.79	12,081.15
(iii) Movement of Net NPAs		
(a) Opening balance	5,824.44	5,674.91
(b) Additions during the year	6,414.38	6,674.59
(c) Reductions during the year	(5,524.36)	(6,525.06)
(d) Closing balance	6,714.46	5,824.44
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	6,256.71	5,707.27
(b) Provisions made during the year	4,350.09	3,652.94
(c) Write-off/ write-back of excess provisions	(5,482.47)	(3,103.50)
(d) Closing balance	5,124.33	6,256.71

§ NPAs refer to stage 3 assets.

109 OVERSEAS ASSETS (FOR THOSE WITH JOINT VENTURES AND SUBSIDIARIES ABROAD)

The Company does not have any joint venture or subsidiary abroad, hence not applicable.

110 OFF-BALANCE SHEET SPVS SPONSORED (WHICH ARE REQUIRED TO BE CONSOLIDATED AS PER ACCOUNTING NORMS)

The Company has not sponsored any off-balance sheet SPV which are required to be consolidated as per accounting norms.

111 AGGREGATE AMOUNT OF LOANS AND ADVANCES SANCTIONED TO DIRECTORS, SENIOR OFFICERS AND RELATIVES OF DIRECTORS

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior officers and their relatives	-	-

112 AUCTION DETAILS

The Company auctioned 4,721 loan accounts (March 31, 2024: 3,894) during the financial year and the outstanding dues on these loan accounts were Rs. 25.66 crores (March 31, 2024: Rs. 22.98 crores) till the respective dates of auction. The company realised Rs. 28.94 crores (March 31, 2024: Rs. 23.51 crores) on auctioning of gold jewellery taken as security on these loans. The Company confirms that none of its sister concerns participated in the above auctions.

113 DISCLOSURE ON LOAN AGAINST GOLD

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Total asset under management (on books)	259,915.91	221,667.66
Total loan against gold	4,836.62	6,299.80
Percentage of gold loan on total assets (on book)	1.86%	2.84%

114 SALES OUT OF AMORTISED COST BUSINESS MODEL PORTFOLIOS

The Company's policy for sales out of amortised cost business model portfolios is given at note 6.1(V) of material accounting policies.

115 INFORMATION ON INSTANCES OF FRAUD

Instances of fraud for the year ended March 31, 2025: (Rs. in crores)

Nature of fraud	No. of cases	Amount of fraud	Recovery*	Amount written-off
Fraud committed by employees	11	2.92	0.45	-
Fraud committed by customers and outsiders	1	4.90	-	4.90
Total	12	7.82	0.45	4.90

*Includes Rs. 0.45 crores recovered from the fraud cases reported during the year ended March 31, 2025.

Instances of fraud for the year ended March 31, 2024: (Rs. in crores)

Nature of fraud	No. of cases	Amount of fraud	Recovery*	Amount written-off
Fraud committed by employees	1	0.17	0.28	-
Fraud committed by customers and outsiders	1	0.80	-	0.80
Total	2	0.97	0.28	0.80

*Includes Rs. 0.11 crores recovered from the fraud cases reported during previous years.

116 CURRENCY FUTURES

The Company has not participated in currency futures during the financial years ended March 31, 2025 and March 31, 2024.

Disclosures pursuant to RBI notification no. RBI/2023-24/14 DoR.SFG.REC.10/30.01.021/2023-24 dated April 11, 2023 as amended.

117
DISCLOSURE OF PORTFOLIO LEVEL INFORMATION ON THE USE OF FUNDS RAISED FROM GREEN DEPOSITS

The Company has not raised any funds from green deposits during the financial years ended March 31, 2025 and March 31, 2024.

As per our report of even date
For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 107122W/W100672

Manish Singhanian

Partner

Membership No.: 155411

Mumbai

April 25, 2025

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

Umesh S. Abhyankar

Partner

Membership No.: 113053

Mumbai

April 25, 2025

**For and on behalf of the Board of Directors of
Shriram Finance Limited**
Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 25, 2025

Parag Sharma

Managing Director and CFO

DIN: 02916744

Mumbai

April 25, 2025

Y. S. Chakravarti

Managing Director and CEO

DIN: 00052308

Mumbai

April 25, 2025

U Balasundararao

Company Secretary

Mumbai

April 25, 2025

As required in Annex. VIII of Master Direction - RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 on disclosure requirements under Scale Based Regulation for NBFCs dated October 19, 2023 as amended.

Schedule to the Balance Sheet

(Rs. in crores)

Liabilities side :		As at March 31, 2025	
		Amount outstanding	Amount overdue #
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:			
(a) Debentures : Secured		38,301.53	4.64
: Unsecured		Nil	Nil
(Other than falling within the meaning of public deposits*)			
(b) Deferred credits		Nil	Nil
(c) Term loans		87,390.58	Nil
(d) Inter-corporate loans and borrowings		Nil	Nil
(e) Commercial paper		Nil	Nil
(f) Public deposits* @		53,592.10	139.29
(g) Other loans - Subordinated debts		2,519.13	5.15
- Cash credit		0.92	Nil
- Deposits from corporates		2,637.54	4.36
- External commercial borrowing - secured		33,653.95	Nil
- External commercial bond - secured		15,851.97	Nil
- Constituent's subsidiary general ledger loan (CSGL loan)		402.97	Nil
@ Excludes deposits from corporates			
* Please see note 1 below			
# Represent amounts unclaimed			
(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		Nil	Nil
(b) In the form of partly secured debentures i.e debentures where there is a shortfall in the value of security		Nil	Nil
(c) Other public deposits @		53,592.10	139.29
@ Excludes deposits from corporates			
* Please see note 1 below			
# Represent amounts unclaimed			

(Rs. in crores)

Assets side :		As at March 31, 2025
		Amount outstanding
(3) Break-up of loans and advances including bills receivables (other than those included in (4) below):		
(a) Secured		235,164.64
(b) Unsecured		24,751.27

Schedule to the Balance Sheet (Contd.)

		(Rs. in crores)
Assets side :		As at March 31, 2025
(4)	Break up of leased assets and stock on hire and other assets counting towards asset financing activities €:	Amount outstanding
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	Nil
	(b) Operating lease	Nil
	(ii) Stock on hire including hire charges under sundry debtors :	
	(a) Assets on hire	Nil
	(b) Repossessed assets	Nil
	(iii) Other loans counting towards asset financing activities : €	
	(a) Loans where assets have been repossessed	Nil
	(b) Loans other than (a) above	Nil

€ The Company has not disclosed amount outstanding under assets financing activities under note 4(iii) and included entire loan amount outstanding under note 3 as RBI has merged Asset Financing Companies, Loan Companies and Investment Companies in to a new category "NBFC - Investment and Credit Company" vide its circular no. DNBR (PD) CC. No. 097/03.10.001/2018-19 dated February 22, 2019.

		(Rs. in crores)
(5)	Break-up of investments : \$	Amount outstanding
	Current investments :	
	1) Quoted :	
	(i) Shares :	
	(a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government securities	484.94
	(v) Others	Nil
	2) Unquoted :	
	(i) Shares :	
	(a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government securities	Nil
	Long term investments :	
	1) Quoted :	
	(i) Shares :	
	(a) Equity	110.81
	(b) Preference	Nil
	(ii) Debentures and bonds	Nil
	(iii) Units of mutual funds	10.01
	(iv) Government securities	7,822.90
	(v) Others	Nil
	2) Unquoted :	
	(i) Shares :	
	(a) Equity	41.04
	(b) Preference	Nil
	(ii) Debentures and bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government securities	Nil
	(v) Others	
	(a) Venture capital fund	1.52
	(b) Investment in PTC	3,089.40
	(c) Investment in certificate of deposits	4,038.09

Schedule to the Balance Sheet (Contd.)

(Rs. in crores)

Category		Amount (net of provisions)		
		Secured	Unsecured	Total
(6)	Borrower group-wise classification of assets, financed as in (3) and (4) above : Please see note 2 below			
1	Related parties **			
	(a) Subsidiaries	Nil	Nil	Nil
	(b) Companies in the same group	Nil	Nil	Nil
	(c) Other related parties	Nil	Nil	Nil
2	Other than related parties	222,866.09	22,526.70	245,392.79
	Total	222,866.09	22,526.70	245,392.79

(Rs. in crores)

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): \$ Please see note 3 below		Market value/ break up or fair value or NAV*	Book value (Net of Provisions)
Category			
1	Related parties **		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	10.01	10.01
	(c) Other related parties	80.73	13.37
2	Other than related parties	15,669.16	15,575.33
	Total	15,759.90	15,598.71

* Disclosure is made in respect of available information. NAV is disclosed.

** As per Ind AS issued by MCA (Please see note 3).

\$ The Company has not disclosed the breakup of investment into long term investment and current investment as the classification is not required under Ind AS issued by MCA.

(Rs. in crores)

(8) Other information		Amount
(i)	Gross non-performing assets ₹	
	(a) Related parties	Nil
	(b) Other than related parties	11,838.79
(ii)	Net non-performing assets ₹	
	(a) Related parties	Nil
	(b) Other than related parties	6,714.46
(iii)	Assets acquired in satisfaction of debt	Nil

₹ NPA accounts refer to stage 3 assets. Stage 3 assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired.

Notes :

- As defined in paragraph 5.1.26 of the Directions.
- Provisioning norms shall be applicable as prescribed in these directions.
- All notified accounting standards and guidance notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/ fair value/ NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term (amortised cost in the case of Ind AS) or current (fair value in case of Ind AS) in (5) above.

FORM AOC-1

(Pursuant to first proviso to sub- section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part A: Subsidiaries (Refer note 46)

(Rs. in crores)

Sr. No.	Particulars	
1	Name of the subsidiary	Shriram Housing Finance Limited (upto December 11, 2024)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA
4	Share capital	362.26
5	Reserves and surplus	1,701.76
6	Total assets	13,663.65
7	Total liabilities	11,599.63
8	Investments (included in total assets)	650.39
9	Turnover	1,285.90
10	Profit before taxation	182.80
11	Provision for taxation	42.13
12	Profit after taxation	140.67
13	Proposed dividend	-
14	% of shareholding	Nil

Note:

- Names of subsidiaries which are yet to commence operations: Nil
- Names of subsidiaries which have been liquidated or sold during the year: Shriram Housing Finance Limited (Refer note 43).

Part B: Associates and joint venture (Refer note 46)

Sr. No.	Particulars - Associate	Shriram Automall India Limited
1	Latest audited balance sheet date [#]	March 31, 2025
2	Shares of associate held by the Company on the year end	
	No.	13,369,565
	Amount of investment in associate (Rs. in crores)	13.37
	Extent of holding %	44.56%
3	Description of how there is significant influence	By virtue of holdings being 20% or more - Associate Company
4	Reason why the associate is not consolidated	NA

Part B: Associates and joint venture (Refer note 46) (Contd.)

Sr. No.	Particulars - Associate	Shriram Automall India Limited
5	Net worth attributable to shareholding as per latest audited balance sheet (Rs. in crores)*	96.53
6	Profit/ (loss) for the year (Rs. in crores)*	
i	Considered in consolidation	12.31
ii	Not considered in consolidation	15.31

*The financial statements for the associate are as per the unaudited financial statements provided by the management.

*On consolidated basis.

The Company does not have any joint venture.

Note:

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

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

Jugal Kishore Mohapatra
Chairman
DIN: 03190289
Mumbai
April 25, 2025

Y. S. Chakravarti
Managing Director and CEO
DIN: 00052308
Mumbai
April 25, 2025

Parag Sharma
Managing Director and CFO
DIN: 02916744
Mumbai
April 25, 2025

U Balasundararao
Company Secretary
Mumbai
April 25, 2025

To the Members of Shriram Finance Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying Consolidated Financial Statements of Shriram Finance Limited (the "Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as the "Group") and its associate for the year ended March 31, 2025 ("the Statement"), which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income/Loss), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on special purpose financial statements of the subsidiary, and the unaudited financial information of an associate as furnished to us by the Management of the Holding Company referred to in the Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India of the consolidated state

of affairs of the Group and its associate as at March 31, 2025, and their consolidated profit (including other comprehensive income/loss), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in the 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matter described below to be the key audit matters to be communicated in our report on Standalone Financial Statements of the Holding Company.

Key Audit Matter	How the matter was addressed in our audit						
Impairment Loss Allowance of loans and advances (Reference to Note 13 & 40 read with Material Accounting Policies 7.1 (VI), forming part of Consolidated Financial Statements - Schedule to the Consolidated Financial Statements) (in INR Crores) <table> <tr> <td>Gross Advances</td><td>2,59,915.91</td></tr> <tr> <td>Provisions</td><td>14,523.12</td></tr> <tr> <td>Net Advances</td><td>2,45,392.79</td></tr> </table> Significant estimates and judgments involved in Key Audit Matter Reserve Bank of India has issued Master circular and other clarifications on Income Recognition and Asset Classification and Provisioning pertaining to Advances ("IRAC"). These guidelines prescribe the prudential norms for identification and classification of advances as Stage 3/ NPAs. The Company has applied significant judgement to determine the identification and classification of such assets as Stage 3/ NPAs by applying quantitative as well as qualitative factors. The risk of identification of such assets as Stage 3/ NPAs is affected by factors like stress and liquidity concerns of such assets. Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Company has significant credit risk exposure considering the large loan portfolio across a wide geographical range. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the asset quality and provision of the Company. The Company's model to calculate Expected Credit Loss ("ECL") is inherently complex and judgment is applied in determining the correct construction of the three-stage impairment model ("ECL Model") including the selection and input of forward-looking information. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.	Gross Advances	2,59,915.91	Provisions	14,523.12	Net Advances	2,45,392.79	Audit Procedures included but were not limited to the following: We started our audit procedures with understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company. We also assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company which is based on and in compliance with Ind AS 109 "Financial Instruments". Accordingly, we assessed the approach of the Company regarding definition of Default, Probability of Default (PD), Loss Given Default (LGD) and incorporation of forward-looking information for the calculation of ECL. For loans and advances which are assessed for impairment on a portfolio basis, we performed particularly the following procedures: - We read the Company's policies for identification, classification and assessing compliance for Stage 3/ NPAs customers in line with the IRAC norms; - We understood the design, reliability and operating effectiveness of key data inputs and related management controls; - We performed substantial audit procedure relating to identification and classification of Stage 3/ NPAs by the company. - We tested the identification/ grouping of the loan accounts mapped with the customer code as identified by the management; - We performed analytical procedures to identify possible cases of evergreening of loans and tested these on sample basis. - We checked the stage classification as at the balance sheet date as per the definition of Default of the Company and Reserve Bank of India circulars issued from time to time; - We validated the ECL Model and its calculation by involving our Information Technology Expert; - We have checked on sample basis that the stage classification for the borrowers has been given in accordance with the Resolution Framework issued by Reserve Bank of India (the "RBI") and the Board approved policy for ECL provisioning and stage classification with respect to such accounts; - We have verified whether the ECL provision is made in accordance with the Board Approved Policy in this regard; - We have also calculated the ECL provision manually for selected samples; - We have assessed the assumptions made by the Company in making accelerated provision considering forward looking information. For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regard along with its compliance on sample basis.
Gross Advances	2,59,915.91						
Provisions	14,523.12						
Net Advances	2,45,392.79						

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Holding Company's Board's Report, (including annexures thereto) and Management Discussion and Analysis ("MD&A") (collectively referred to as "Other Information"), but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based



on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. we have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

7. The accompanying Consolidated Financial Statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income/loss), consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act, RBI Guidelines and other accounting principles generally accepted in India.
8. The respective Board of Directors of the Group and its associate are also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Board of Directors of the Holding Company, as aforesaid.
9. In preparing the Consolidated Financial Statements, the respective Management and the Board of Directors of the Group and its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of Group and its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.
12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on the internal financial controls system with reference to the Consolidated Financial Statements and the operating effectiveness of such controls based on our audit;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
 - Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the unaudited financial information of such entities or business activities within the Group and its associate, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements, of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance of the Holding Company, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. We did not audit the special purpose interim financial statements of Shriram Housing Finance Limited (SHFL), which ceased to be a subsidiary w.e.f. December 11, 2024 on sale of entire investments which were sold by the Holding Company on December 11, 2024, whose financial statements reflect total revenues (before consolidation adjustments) of ₹ 1,285.90 crores, total net profit (before consolidation adjustments) of ₹ 140.70 crores and the other comprehensive loss of ₹ 7.09 crores, net cash outflow (before consolidation adjustments) of ₹ 137.64 crores, for the period from April 1, 2024 to December 11, 2024, as considered in the Consolidated Financial Statements. These special purpose interim financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.
17. The Consolidated Financial Statements also include the Group's share of net profit of ₹12.31 crores and other comprehensive loss of ₹ 1.15 crores for the year ended March 31, 2025 respectively, in respect of an associate, whose financial information have not been audited by their auditors. Those financial information are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of section 143(3) of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial information. According to the information and explanations given to us by the Management, this unaudited financial information is not material to the Group.
18. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the (a) work done and the report of the other auditor in the case of the subsidiary and (b) unaudited financial information furnished to us by the Management of the Holding Company in the case of the associate.
19. The Consolidated Financial Statements of the Company for the year ended March 31, 2024 were audited by the predecessor joint auditors, who have expressed an unmodified opinion on those Consolidated Financial Statements vide their audit report dated April 26,



2024. Accordingly, we do not express any opinion on the figures reported in the Consolidated Financial Statements for the year ended as at March 31, 2024.

Report on Other Legal and Regulatory Requirements

20. With respect to the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, in our opinion and based on the CARO report issued by us for the Holding Company, we report that there are no unfavourable, qualification or adverse remarks, except as mentioned in clause 3(i)(c) and clause 3 (vii)(b) of the CARO, in the report.

21. As required by section 143(3) of the Act and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary referred to in the 'Other Matters section' above, we report, to the extent applicable, that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
- b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
- c) the Consolidated Financial Statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) in our opinion, the aforesaid Consolidated Financial Statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, are disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;
- f) with respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company covered under the Act, and the operating effectiveness of such controls, refer to our separate

report in 'Annexure I' wherein we have expressed an unmodified opinion;

- g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding 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 and based on the consideration of report of the other auditor on the separate special purpose interim financial statements of the subsidiary as noted in the Other Matters paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2025 on the consolidated financial position of the Holding Company and its associate as detailed in Note 52 to the Consolidated Financial Statements;
 - ii. Provision has been made in these Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on the long-term contracts including derivative contracts;
 - iii. As mentioned in Note 27 to the Consolidated Financial Statements, there has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company;
 - iv. a. The management has represented that, to the best of its knowledge and belief as disclosed in Note 73 to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Group to or in any persons or entities, including foreign entities (the "intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any

manner whatsoever by or on behalf of the Holding Company (the "Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. The management, as disclosed in the Note 73 to the accompanying Consolidated Financial Statements, has represented that, to the best of its knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities (the "Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. In our opinion and according to the information and explanations given to us, the dividends declared and/or paid during the year by the Holding Company is in

compliance with Section 123 of the Act, to the extent it applies to payment of dividend. As stated in note 31 to the Consolidated Financial Statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting;

- vi. Based on our examination which included test checks, the Holding Company has used various accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software. Based on our procedures performed, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

In case of the subsidiary company, the auditor of the subsidiary company has not reported on the audit trail in the audit report on the special purpose financial statements. The auditor of subsidiary has not reported any exception in their auditor's report dated April 24, 2025, on annual financial statement for the year ended March 31, 2025.

Further, in case of an associate which is unaudited, the question of our commenting on whether the audit trail was tampered with, does not arise.

For **M M Nissim & Co LLP**
Chartered Accountants
Firm Registration No: 107122W/W100672

Manish Singhania
Partner
Membership No. 155411
UDIN: 25155411BMKXPO4755
Mumbai
April 25, 2025

For **G. D. Apte & Co**
Chartered Accountants
Firm Registration No: 100515W

Umesh S. Abhyankar
Partner
Membership No. 113053
UDIN: 25113053BMONJB6918
Mumbai
April 25, 2025

Annexure I to the Independent Auditor's Report of even date to the members of Shriram Finance Limited on the Consolidated Financial Statements as at and for the year ended March 31, 2025

Independent Auditor's Report on the internal financial controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

(Referred to in paragraph 21(f) under 'Reports on Other Legal and Regulatory Requirements' section of our report of even date)

1. In conjunction with our audit of the Consolidated Financial Statements of Shriram Finance Limited (the "Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as the "Group") and its associate as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to the Financial Statements of the Holding Company, as at that date.

Management's Responsibilities for Internal Financial Controls

2. The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Holding 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls, with reference to Consolidated Financial Statements, based on our audit. We conducted our audit in accordance with the Guidance Note and Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we

comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements includes obtaining an understanding of such internal financial controls with reference to these Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

For **M M Nissim & Co LLP**

Chartered Accountants

Firm Registration No: 107122W/W100672

Manish Singhania

Partner

Membership No. 155411

UDIN: 25155411BMKXPO4755

Mumbai

April 25, 2025

Opinion

8. In our opinion to the best of our information and according to the explanations given to us the Holding Company, has maintained in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such controls were operating effectively as at March 31, 2025, based on the internal financial controls with reference to Consolidated Financial Statements criteria, established by the Holding Company considering the essential components of internal control stated in the Guidance Note.

For **G. D. Apte & Co**

Chartered Accountants

Firm Registration No: 100515W

Umesh S. Abhyankar

Partner

Membership No. 113053

UDIN: 25113053BMONJB6918

Mumbai

April 25, 2025

(Rs. in crores)			
Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	9	10,681.40	6,182.36
(b) Bank balance other than (a) above	10	10,684.34	1,788.99
(c) Derivative financial instruments	11	250.09	326.48
(d) Receivables			
(I) Trade receivables	12(I)	50.82	51.63
(II) Other receivables	12(II)	202.87	340.53
(e) Loans	13	245,392.79	218,695.61
(f) Investments	14	15,787.96	9,471.82
(g) Other financial assets	15	3,307.96	3,572.01
Total financial assets		286,358.23	240,429.44
(2) Non-financial assets			
(a) Current tax assets (net)	16	432.07	593.03
(b) Deferred tax assets (net)	45	3,694.86	3,069.38
(c) Investment property	17	-	0.99
(d) Property, plant and equipment	18	1,025.68	941.07
(e) Intangible assets under development	19I	-	-
(f) Goodwill	19II	1,189.45	1,740.94
(g) Other intangible assets	19III	698.95	1,034.87
(h) Other non-financial assets	20	321.95	456.59
Total non-financial assets		7,362.96	7,836.87
(3) Non-current assets held for sale/ disposal	21	0.97	-
Total assets		293,722.16	248,266.31
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables			
(I) Trade payables	22(I)		
(i) total outstanding dues of micro enterprises and small enterprises		1.02	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		297.83	245.86
(II) Other payables	22(II)		
(i) total outstanding dues of micro enterprises and small enterprises		0.23	2.25
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.37	3.16
(b) Debt securities	23	54,148.86	46,450.68
(c) Borrowings (other than debt securities)	24	121,448.42	100,152.44
(d) Deposits	25	56,085.99	44,443.66
(e) Subordinated liabilities	26	2,513.98	4,449.30
(f) Other financial liabilities	27	2,090.42	2,030.64
Total financial liabilities		236,588.12	197,778.01
(2) Non-financial liabilities			
(a) Current tax liabilities (net)	28	38.98	237.79
(b) Provisions	29	344.38	304.78
(c) Other non-financial liabilities	30	280.86	269.04
Total non-financial liabilities		664.22	811.61
Total liabilities		237,252.34	198,589.62
(3) Equity			
(a) Equity share capital	31	376.08	375.79
(b) Other equity	32	56,093.74	48,571.38
Total equity		56,469.82	48,947.17
(4) Non-controlling interest		-	729.52
Total liabilities and equity		293,722.16	248,266.31

See accompanying notes forming an integral part of the consolidated financial statements.

As per our report of even date

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 107122W/W100672

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 25, 2025

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

Umesh S. Abhyankar

Partner

Membership No.: 113053

Mumbai

April 25, 2025

For and on behalf of the Board of Directors of

Shriram Finance Limited

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 25, 2025

Parag Sharma

Managing Director and CFO

DIN: 02916744

Mumbai

April 25, 2025

Y. S. Chakravarti

Managing Director and CEO

DIN: 00052308

Mumbai

April 25, 2025

U Balasundararao

Company Secretary

Mumbai

April 25, 2025



CONSOLIDATED STATEMENT OF **PROFIT AND LOSS**
FOR THE YEAR ENDED MARCH 31, 2025

CONSOLIDATED ACCOUNTS

		(Rs. in crores)	
Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations			
(i) Interest income	33	40,307.64	33,599.66
(ii) Dividend income		1.69	1.45
(iii) Rental income		-	0.13
(iv) Fees and commission income	34	681.93	457.38
(v) Net gain on fair value changes	35	200.94	95.65
(vi) Net gain on derecognition of financial instruments under amortised cost category		132.64	324.65
(vii) Other operating income	36	509.58	485.49
(I) Total revenue from operations		41,834.42	34,964.41
(II) Other income	37	25.05	33.20
(III) Total income (I+II)		41,859.47	34,997.61
Expenses			
(i) Finance costs	38	18,454.58	14,802.60
(ii) Fees and commission expenses	39	572.46	432.21
(iii) Impairment on financial instruments	40	5,311.66	4,518.34
(iv) Employee benefits expenses	41	3,651.16	3,215.59
(v) Depreciation, amortisation and impairment (Refer note 17, 18 and 19)	42	645.32	568.83
(vi) Other expenses	43	2,275.04	1,776.40
(IV) Total expenses		30,910.22	25,313.97
(V) Profit before exceptional items and tax (III - IV)		10,949.25	9,683.64
(VI) Exceptional items (net)	44	1,553.66	-
(VII) Profit before tax from continuing operations (V + VI)		12,502.91	9,683.64
(VIII) Tax expense:			
(i) Current tax	45	3,590.88	3,400.06
(ii) Deferred tax	45	(511.28)	(906.90)
(IX) Profit for the year from continuing operations (VII - VIII)		9,423.31	7,190.48
(X) Share of profit/ (loss) of associate		12.31	7.78
(XI) Net profit after taxes and share of profit/ (loss) of associate from continuing operations (IX+X)		9,435.62	7,198.26
(XII) Discontinued operations:	46		
Profit/ (loss) before tax from discontinued operations		182.82	276.53
Less: Tax expenses of discontinued operations		42.12	75.90
Net profit after tax for the year from discontinued operations		140.70	200.63
(XIII) Net profit after tax for the year from total operations (XI + XII)		9,576.32	7,398.89
(XIV) Other comprehensive income			
From continuing operations			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/ (loss) on defined benefit plan		(12.40)	(78.09)
Gain/ (loss) on fair valuation of quoted investments in equity shares		30.97	16.49
Share of other comprehensive income from associates		(1.54)	(0.08)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(4.67)	15.50
Tax on share of other comprehensive income from associates		0.39	0.02
Subtotal (A)		12.75	(46.16)
(B) (i) Items that will be reclassified to profit or loss			
Cash flow hedge reserve			
Gain/ (loss) on effective portion of hedging instruments in a cash flow hedge		(276.66)	(56.12)
(ii) Income tax relating to items that will be reclassified to profit or loss		69.63	14.12
Subtotal (B)		(207.03)	(42.00)
Other comprehensive income for the year from continuing operations (A + B)		(194.28)	(88.16)



		(Rs. in crores)	
Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
From discontinued operations			
(C) (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/ (loss) on defined benefit plan		(0.53)	(0.34)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.13	0.17
Subtotal (C)		(0.40)	(0.17)
(D) (i) Items that will be reclassified to profit or loss			
Cash flow hedge reserve			
Gain/ (loss) on effective portion of hedging instruments in a cash flow hedge		(8.94)	0.14
(ii) Income tax relating to items that will be reclassified to profit or loss		2.25	(0.04)
Subtotal (D)		(6.69)	0.10
Other comprehensive income for the year from discontinued operations (C+D)		(7.09)	(0.07)
(XV) Other comprehensive income for the year (A+B+C+D)		(201.37)	(88.23)
(XVI) Total comprehensive income for the year (XIII + XIV)		9,374.95	7,310.66
(XVII) Profit/ (loss) for the period attributable to			
- Owners of the Company		9,553.82	7,366.38
- Non - controlling interests		22.50	32.51
(XVIII) Other comprehensive income/ (loss) for the year attributable to			
- Owners of the Company		(200.30)	(88.25)
- Non - controlling interests		(1.07)	0.02
(XIX) Total comprehensive income/ (loss) for the year attributable to			
- Owners of the Company		9,353.52	7,278.13
- Non - controlling interests		21.43	32.53
(XX) Earnings per equity share (face value Rs. 2/- per equity share) Refer note 31(I)	47		
Continuing operations:			
Basic (Rs.)		50.19	38.37
Diluted (Rs.)		50.12	38.25
Discontinued operations:			
Basic (Rs.)		0.63	0.90
Diluted (Rs.)		0.63	0.89
Total operations:			
Basic (Rs.)		50.82	39.26
Diluted (Rs.)		50.75	39.14

See accompanying notes forming an integral part of the consolidated financial statements.

As per our report of even date

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 107122W/W100672

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 25, 2025

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

Umesh S. Abhyankar

Partner

Membership No.: 113053

Mumbai

April 25, 2025

For and on behalf of the Board of Directors of

Shriram Finance Limited

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 25, 2025

Parag Sharma

Managing Director and CFO

DIN: 02916744

Mumbai

April 25, 2025

Y. S. Chakravarti

Managing Director and CEO

DIN: 00052308

Mumbai

April 25, 2025

U Balasundararao

Company Secretary

Mumbai

April 25, 2025



CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**
FOR THE YEAR ENDED MARCH 31, 2025

CONSOLIDATED ACCOUNTS

A.
(1)
Equity share capital
Current reporting period

	Balance at the beginning of the current reporting period As at April 01, 2024	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2025
	375.79	-	375.79	0.29	376.08

(2)
Previous reporting period

	Balance at the beginning of the previous reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
	As at April 01, 2023	374.43	-	374.43	As at March 31, 2024
				1.36	375.79

B.
(1)
Other equity
Current reporting period

Particulars	Share application money pending allotment	Reserves and Surplus											Other comprehensive income		Total	Non-controlling interest
		Capital reserve	Securities premium	Statutory reserve (Pursuant to Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debt redemption reserve (Refer note 32)	Capital redemption reserve	General reserve	Remeasurement gain/ (loss) on defined benefit plan	Share options outstanding	Amalgamation adjustment reserves	Retained earnings	Gain/ (loss) on fair valuation of quoted investments in equity shares	Effective portion of cash flow hedges		
Balance at the beginning of the current reporting period As at April 01, 2024)	0.06	104.57	17,557.20	7,341.95	115.00	134.25	53.88	4,251.10	(76.03)	72.45	-	19,279.73	3.51	(266.34)	48,571.38	729.52
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	0.06	104.57	17,557.20	7,341.95	115.00	134.25	53.88	4,251.10	(76.03)	72.45	-	19,279.73	3.51	(266.34)	48,571.38	729.52
Profit for the year from continued operations	-	-	-	-	-	-	-	-	-	-	-	9,435.62	-	-	9,435.62	22.50
Other comprehensive income for the year from continued operations	-	-	-	-	-	-	-	-	(10.77)	-	-	-	23.18	(212.72)	(200.31)	(1.07)
Total comprehensive income for the year from continued operations	-	-	-	-	-	-	-	-	(10.77)	-	-	9,435.62	23.18	(212.72)	9,235.31	21.43
Dividends (Interim) during the financial year 2024-25	-	-	-	-	-	-	-	-	-	-	-	(1,297.29)	-	-	(1,297.29)	-
Dividends (Final for the year ended March 31, 2024)	-	-	-	-	-	-	-	-	-	-	-	(563.90)	-	-	(563.90)	-
Transferred to/ (from) (Refer note 32)	-	-	-	1,952.20	-	(15.23)	-	976.10	-	-	-	(2,913.07)	-	-	-	-
Any other change:																
Securities premium proceeds received on issue of equity shares (Refer note 31 and 32)	-	-	400.94	-	-	-	-	-	-	-	-	-	-	-	400.94	-
Share issue expenses (Refer note 31 and 32)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses on employee stock option plan	-	-	-	-	-	-	-	-	-	3.88	-	-	-	-	3.88	-
Exercise of employee stock option plan	-	-	-	-	-	-	-	-	-	(28.13)	-	-	-	-	(28.13)	0.48



Particulars	Share application money pending allotment	Reserves and Surplus										Total	Non-controlling interest	
		Capital reserve	Securities premium	Other Reserves						Other comprehensive income				
				Statutory reserve (Pursuant to Section 45-IC of The RBI NHB Act, 1987)	Statutory reserve (Pursuant to Section 29C of the RBI NHB Act, 1987)	Debenture redemption reserve (Refer note 32)	Capital redemption reserve	General reserve	Remeasurement gain/ (loss) on defined benefit plan	Share options outstanding	Amalgamation adjustment reserves			Retained earnings
Movement of dilution on account of SHFL ESOP	-	-	-	-	-	-	-	-	-	-	-	-	-	0.65
Share premium impact	-	-	-	-	-	-	-	-	-	-	-	-	-	1.50
Share application money received during the current period; pending allotment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to/ (from) (Refer note 32) on account of share forfeiture	-	-	-	-	-	-	-	0.33	-	-	(0.33)	-	-	-
Transferred to/ (from) NCI on account of transfer between reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from retained earnings/ transfer (to) NHB reserve	-	-	-	25.68	-	-	-	-	-	-	(25.68)	-	-	-
Purchase of CCD's by the parent and subsequent conversion into equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-	(398.15)
Adjustment for discontinued operations	(0.06)	-	(415.13)	-	(140.68)	-	-	-	-	0.05	(4.95)	-	5.64	(228.45)
Balance at the end of the current reporting period (As at March 31, 2025)	-	104.57	17,543.01	9,294.15	-	119.02	53.88	5,227.53	(86.75)	42.92	26.69	(473.42)	(355.43)	(0.00)

The figures of erstwhile subsidiary SHFL, included in above statement are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

(2) Previous reporting period

Particulars	Share application money pending allotment	Reserves and Surplus										(Rs. in crores)				
		Capital reserve	Securities premium	Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debenture redemption reserve (Refer note 32)	Capital redemption reserve	General reserve	Other Reserves			Retained earnings	Other comprehensive income		Total	Non-controlling interest
									Remeasurement gain/ (loss) on defined benefit plan	Share options outstanding	Amalgamation adjustment reserves		Gain/ (loss) on fair valuation of quoted investments in equity shares	Effective portion of cash flow hedges		
Balance at the beginning of the previous reporting period (As at April 01, 2023)	-	104.57	17,396.27	7,610.66	79.53	419.13	53.88	3,532.05	(17.39)	199.84	(1,706.81)	15,699.95	(8.83)	(224.42)	43,138.43	286.68
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	104.57	17,396.27	7,610.66	79.53	419.13	53.88	3,532.05	(17.39)	199.84	(1,706.81)	15,699.95	(8.83)	(224.42)	43,138.43	286.68
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	7,362.16	-	-	7,362.16	32.51
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(58.64)	-	-	-	12.34	(41.92)	(88.22)	(0.01)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	(58.64)	-	-	7,362.16	12.34	(41.92)	7,273.94	32.50
Dividends (interim) during the financial year 2023-24	-	-	-	-	-	-	-	-	-	-	-	(1,126.55)	-	-	(1,126.55)	-
Dividends (Final for the year ended March 31, 2023)	-	-	-	-	-	-	-	-	-	-	-	(749.67)	-	-	(749.67)	-

See accompanying notes forming an integral part of the consolidated financial statements.

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

Jugal Kishore Mohapatra
Chairman
DDIN: 03190289
Mumbai
April 25, 2025

Parag Sharma
Managing Director and CFO
DIN: 02916744
Mumbai
April 25, 2025

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	12,502.91	9,683.64
Profit before tax from discontinued operations	182.82	276.53
Adjustments for:		
Depreciation, amortisation and impairment	645.32	568.83
Interest on income tax refund	(0.88)	(8.22)
Exceptional items (net) (Refer note 44)	(1,553.66)	-
Share-based payments to employees	0.26	9.17
Interest income on loans	(38,669.51)	(32,502.25)
Interest income from investments	(826.00)	(553.79)
Interest income on deposits	(679.68)	(416.16)
Interest others	(0.16)	(0.12)
Finance costs on borrowings	18,333.88	14,749.30
Interest on lease liabilities	59.60	53.30
Loss/ (profit) on sale of property plant and equipments (net)	7.91	(1.26)
Fair value adjustments to investments	(0.20)	0.78
Dividend income	(1.69)	(1.45)
Impairment on loans	5,279.00	4,484.74
Impairment on investments	26.13	35.67
Impairment on undrawn loan commitment	4.83	(5.13)
Impairment on other assets	1.70	3.06
Non-cash components of lease liabilities	(12.28)	(13.37)
Net (gain)/ loss on fair value changes on investment	(277.00)	(144.76)
Net (gain)/ loss on fair value changes on direct assignment	76.06	49.11
Net gain on derecognition of financial instruments under amortised cost category	(132.64)	(324.65)
Cash inflow from interest on loans	38,739.78	31,974.19
Cash inflow from interest and dividend on investments	683.66	491.24
Cash inflow from bank deposits	568.94	423.91
Cash outflow towards finance costs	(15,560.26)	(12,992.23)
Cash flow from discontinued operations of operating nature	150.77	(138.00)
Operating profit before working capital changes	19,549.61	15,702.08
Movements in working capital:		
Decrease/ (increase) in loans	(42,812.65)	(39,901.51)
Decrease/ (increase) in investments	(6,570.98)	(1,902.78)
Decrease/ (increase) in receivables	189.53	168.04
Decrease/ (increase) in bank deposits	(9,041.95)	1,444.35
Decrease/ (increase) in other financial assets	26.12	62.26
Decrease/ (increase) in other non-financial assets	32.18	72.84
Increase/ (decrease) in payables	87.10	(81.49)
Increase/ (decrease) in other financial liabilities excluding lease liabilities	146.74	199.51
Increase/ (decrease) in non-financial liabilities	13.56	67.55
Increase/ (decrease) in other provision	30.68	11.77
Movement in working capital in discontinued operations	(1,659.97)	(3,526.62)
Cash used in operations	(40,010.03)	(27,684.00)
Direct taxes paid (net of refunds)	(3,591.16)	(3,374.06)
Direct taxes paid (net of refunds) of discontinued operations	(50.71)	(60.21)
Net cash flows from/ (used in) operating activities (A)	(43,651.90)	(31,118.27)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(223.59)	(165.94)
Proceeds from sale of property, plant and equipment	3.70	2.55
Purchase of other intangible assets	(31.00)	(79.66)
Proceeds from sale of investment property	-	4.72
Proceeds from sale of investment in a subsidiary	3,929.03	-
Cash flow from discontinued operations of investing nature	(16.93)	(19.88)
Net cash generated from/ (used in) investing activities (B)	3,661.21	(258.21)

CONSOLIDATED STATEMENT OF **CASH FLOWS**
FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

CONSOLIDATED ACCOUNTS

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital and share application pending allotment (including share premium)	5.50	26.42
Proceeds/ (repayment) on settlement of derivative contracts	80.39	338.33
Increase/ (decrease) in deposits (net)	10,897.29	7,747.81
Amounts received from debt securities	23,385.10	23,056.10
Repayments of debt securities	(15,095.16)	(22,168.43)
Proceeds/ (repayment) of subordinated debts	(1,832.53)	(261.67)
Amounts received from borrowings other than debt securities	87,624.97	75,405.54
Repayments of borrowings other than debt securities	(59,731.06)	(57,657.68)
Payment of lease liabilities	(210.50)	(194.98)
Dividend paid	(1,859.30)	(1,875.07)
Cash flow from discontinued operations of financing nature	1,256.39	3,209.64
Net cash flows from financing activities (C)	44,521.09	27,626.01
Net increase in cash and cash equivalents (A+B+C)	4,530.40	(3,750.48)
Cash and cash equivalents at the beginning of the year	6,182.36	9,932.84
Less: Cash and cash equivalents of discontinued operations	(31.36)	(168.99)
Cash and cash equivalents at the end of the year	10,681.40	6,013.37

	(Rs. in crores)	
Components of cash and cash equivalents	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents at the end of the year		
i) Cash on hand	191.75	182.95
ii) Cheques on hand	29.53	2.45
iii) Balances with banks (of the nature of cash and cash equivalents)	3,500.51	2,860.19
iv) Bank deposits with original maturity upto three months or less	6,960.15	2,967.78
Gross	10,681.94	6,013.37
Less: Impairment loss allowance	0.54	-
Cash and cash equivalents as per balance sheet	10,681.40	6,013.37

See accompanying notes forming an integral part of the consolidated financial statements.

- The above Statement of Cash Flows has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows as specified in the Companies (Indian Accounting Standard), 2015. The figures of erstwhile subsidiary SHFL, included in above statement under respective discontinued operations, are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.
- Income tax paid is treated as arising from operating activities and are not bifurcated between investing and financing activities.
- During the year, the Company has paid an amount of Rs. 131.46 crores (March 31, 2024: Rs. 90.88 crores) towards corporate social responsibility (CSR).
- During the period ended December 11, 2024 SHFL has paid an amount of Rs. 2.67 crores (March 31, 2024: Rs. 2.45 crores) towards corporate social responsibility (CSR).

As per our report of even date

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 107122W/W100672

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 25, 2025

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

Umesh S. Abhyankar

Partner

Membership No.: 113053

Mumbai

April 25, 2025

For and on behalf of the Board of Directors of

Shriram Finance Limited

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 25, 2025

Y. S. Chakravarti

Managing Director and CEO

DIN: 00052308

Mumbai

April 25, 2025

Parag Sharma

Managing Director and CFO

DIN: 02916744

Mumbai

April 25, 2025

U Balasundararao

Company Secretary

Mumbai

April 25, 2025



Shriram Finance Limited

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1 CORPORATE INFORMATION

Shriram Finance Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares and non-convertible debentures are listed on BSE Limited and National Stock Exchange of India Limited.

The Company is registered with the Reserve Bank of India (RBI), Ministry of Corporate Affairs (MCA), Insurance Regulatory and Development Authority of India (IRDA) and Association of Mutual Funds in India (AMFI). The registration details are as follows:

RBI	: 07-00459
Corporate Identity Number (CIN)	: L65191TN1979PLC007874
IRDA	: CA0197
AMFI	: 269340

Shriram Capital Private Limited and Shriram Ownership Trust are the Promoters of the Company. The Company is a Deposit Accepting Non-Banking Finance Company ('NBFC'), NBFC- Investment and Credit Company (NBFC-ICC) holding a Certificate of Registration from the RBI dated April 17, 2007 which was endorsed in the new name on January 31, 2023. The RBI, under Scale Based Regulations (SBR) had categorised the Company in Upper Layer (NBFC-UL) vide its circular dated September 30, 2022 and affirmed the same vide its Press release dated January 16, 2025.

The registered office of the Company is Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu - 600 032. The principal place of business is Wockhardt Towers, West Wing, Level-3, C-2, G-Block, Bandra - Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400 051.

The Company is primarily engaged in the business of financing commercial vehicles, passenger vehicles, construction equipment, farm equipment, micro, small and medium enterprises (MSME), two-wheelers, gold and personal loans. The erstwhile subsidiary of the Company is primarily engaged in the business of providing loans for construction or purchase of residential property and loans against property. The associate of the Company is a market leader in physical bidding for acquisition and disposal of pre-owned vehicles and equipment.

The Consolidated financial statements of the Company for the year ended March 31, 2025 were approved for issue in accordance with the resolution of the Board of Directors on April 25, 2025.

2 BASIS OF PREPARATION

The Consolidated financial statements relate to M/s. Shriram Finance Limited (the "Company"), its subsidiary and its associate (together hereinafter referred to as "the Group"). The Consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time notified under the Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Companies Act, 2013. The consolidated financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards, except for the assets and liabilities acquired under business combination are measured at fair value. The Consolidated financial statements have been prepared as per the guidelines issued by the RBI as applicable to a NBFCs and other accounting principles generally accepted in India. Any applicable guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The financial statements have been prepared on going concern basis in accordance with the Ind AS 1. The Management is of the view that the Group shall be able to continue its business for the near future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The preparation of Consolidated financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Group are discussed in note 8 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees in crores (INR crores or Rs. in crores) which is also the functional currency of the Group and all values are rounded to the nearest crore, except when otherwise indicated. Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

3 BASIS OF CONSOLIDATION

- (i) The financial statements of associate company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2025 and are prepared based on the accounting policies consistent with those used by the Group. The financial statements of the subsidiary used in the consolidation have been drawn upto December 11, 2024 (also referred to as the cut-off date), the date on which equity shares of Shriram Housing Finance Limited (SHFL) now renamed as Truhome Finance Limited were transferred to Mango Crest Investment Ltd. (Purchaser, an affiliate of Warburg Pincus).
- (ii) The Financial statements of the Group have been prepared in accordance with the Ind AS 110 - 'Consolidated Financial Statements' as per the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 ("the Act") and the other relevant provisions of the Act.
- (iii) The consolidated financial statements have been prepared on the following basis:
 - a) The financial statements of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. The Board of Directors of the Company in its meeting held on May 13, 2024 had approved the proposal for disinvestment of the Company's entire stake in Shriram Housing Finance Limited (SHFL). The operational results of the subsidiary disposed off; for the period beginning on April 01, 2024 and upto the date of stake sale (December 11, 2024) are presented under 'Discontinued operations' in accordance with the Ind AS 105, Discontinued Operations. Non-controlling interest, if any, in the net assets of erstwhile subsidiary consisted of the amount of equity attributable to the non-controlling shareholders at the dates on which investments were made by the Group in the subsidiary and further movements in their share in the equity, subsequent to the dates of investments as stated above. The same has been reversed as on cut-off date as prescribed in the Ind AS 105.
 - b) Investment made by the Company in an associate company is accounted under the equity method, in accordance with the Indian Accounting Standard 28 on 'Investments in Associates and Joint Ventures'.
 - c) The policies of the associate company and erstwhile subsidiary are consistent with those of the Company.
- (iv) The subsidiary and associate company considered in the consolidated financial statements are as below:

Name	Relationship	Country of incorporation	Share of ownership interest as at March 31, 2025	Share of ownership interest as at March 31, 2024
Shriram Housing Finance Limited (SHFL) now renamed as Truhome Finance Limited	Subsidiary upto December 11, 2024	India	NIL	83.78%
Shriram Automall India Limited (SAMIL)	Associate	India	44.56%	44.56%

4 PRESENTATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to (NBFCs), as notified by the MCA. The Statement of Cash Flows is presented as per the requirements of Ind AS 7 - Statement of Cash Flows. The Group classifies its assets and liabilities as financial and non-financial and presents them in the order of liquidity. An analysis regarding expected recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in notes to the financial statements. Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Group and/ or its counterparties

Derivative assets and liabilities with master netting arrangements (for example, International Swaps and Derivative Association Arrangements) are presented net if all the above criteria are met.



5 STATEMENT OF COMPLIANCE

These consolidated financial statements of the Group have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

The group has consistently applied accounting policies to all the periods.

6 RECENT ACCOUNTING DEVELOPMENTS

The MCA has announced amendments to the Companies (Indian Accounting Standards) Rules, 2015 through its various notifications issued during the financial year 2024-25.

The notification dated August 12, 2024 has notified the new accounting standard, Ind AS 117 - Insurance Contracts, applicable from April 01, 2024.

Subsequently, through its notification dated September 28, 2024, MCA allowed insurers to use Ind AS 104 - Insurance Contracts for preparing consolidated financial statements until Ind AS 117 is notified by the IRDA and inserted a Schedule on Ind AS 104 which outlines the financial reporting requirements for insurance contracts. This notification was made applicable with immediate effect.

MCA also amended Ind AS 116 - Leases, by inserting new provisions relating to sale and leaseback transactions, through its notification dated September 09, 2024, applicable with immediate effect.

The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements.

7 MATERIAL ACCOUNTING POLICIES

The material accounting policies related to preparation of the consolidated financial statements are given below:

7.1 Financial instruments

Initial recognition

(I) Classification of financial instruments

The classification depends on the contractual terms of the cashflows of the financial assets and the Group's business model for managing financial assets which are explained below:

a) Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Group's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

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

- ▶ At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Group reassesses its business models each reporting period to determine whether the business models have changed since the preceding period.

For the current and prior reporting periods, the Group has not identified a change in its business model.

b) The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

Principal for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at Fair Value Through Profit or Loss (FVTPL).

The Group classifies its financial instruments into the following measurement categories:

(1) Financial assets measured at amortised cost

These financial assets comprise bank balances, loans, trade receivables, other receivables, investments and other financial assets.

Debt instruments

Debt instruments are measured at amortised cost where they have:

- i) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- ii) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. However, trade receivables that do not contain a significant financing component are initially measured at transaction price.

(2) Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Debt instruments

Investments in debt instruments are measured at FVTOCI where they have:

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

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in Other Comprehensive Income (OCI) within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in the statement of profit and loss. Upon disposal, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss. As at the reporting date, the Group does not have any debt instruments measured at FVTOCI.

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Group in a business combination to which Ind AS 103 'Business Combination' applies, are measured FVTOCI, where an irrevocable election has been made by management and when such instruments meet the definition of Equity under Ind AS 32 - Financial Instruments: Presentation. Such classification is determined on an instrument-by-instrument basis. Amounts presented in OCI are not subsequently transferred to the statement of profit and loss. Dividends on such investments are recognised in the statement of profit and loss.

(3) Financial assets measured at fair value through profit or loss FVTPL

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Items measured at FVTPL comprise of:

i) Investments (including equity shares) held for trading:

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

Trading securities are classified as held for trading and recognised at FVTPL.

Equity Investments

Investment in Associate is carried at cost in the Separate Financial Statements as permitted under Ind AS 27. The Company had accounted for its investment in subsidiary consequent to business combination at fair value at the time of acquisition. The investment was subsequently measured at cost. It was fully sold during the current financial year. All other equity investments except those measured at FVTOCI are measured at FVTPL.

ii) Items specifically designated as FVTPL on initial recognition

Financial liability designated at FVTPL

A financial liability may be designated at FVTPL if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

iii) Debt instruments with contractual terms that do not represent solely payments of principal and interest.

4) Financial liabilities measured at FVTPL

The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss or is required to measure liabilities at FVTPL such as derivative liabilities.

Where a financial liability is designated at FVTPL, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in OCI. As at the reporting date, the Group has not designated any financial liability as measured at FVTPL.

(II) Derivatives

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

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

The Group enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Group undertakes derivative transactions for hedging on-balance sheet liabilities.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

Hedge accounting

The Group has adopted hedge accounting. The Group makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria. The Group has formally designated and documented the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect the statement of 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 other comprehensive income as cash flow hedge reserve. The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

(III) Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

(IV) Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities during the year ended March 31, 2025, though there may be regrouping of the financial assets or liabilities.

(V) Recognition and derecognition of financial assets and liabilities

a) Recognition

- (1) Loans and advances are initially recognised when the funds are transferred to the customer's account or delivery of assets by the dealer, whichever is earlier.
- (2) Investments are initially recognised on the settlement date.
- (3) Debt securities, deposits and borrowings are initially recognised when funds reach the Group.

Other financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

b) Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

c) Derecognition of financial assets other than due to substantial modification

(1) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or
- ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- i. The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

- ii. The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
- iii. The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- i. The Group has transferred substantially all the risks and rewards of the asset, or
- ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Interest income on such assets is recognised as per policy as explained in note 7.2(I).

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss. Accordingly, gain or loss on sale or derecognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS 109 - Financial Instruments. Also, the Group recognises servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset. As per the guidelines of RBI, the Group is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ('MRR'). Therefore, it continues to recognise the portion retained by it as MRR.

(2) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss. As at the reporting date, the Group does not have any financial liabilities which have been derecognised.

(VI) Impairment of financial assets

a. Overview of the ECL principles

The Group records allowance for expected credit losses for all loans and other financial assets not held at (FVTPL), in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109 - Financial Instruments.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-months expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-months ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into commercial vehicles, construction equipments, farm equipment, passenger vehicles, gold loan, personal loans, MSME, secured, MSME unsecured, two wheeler, loans to NBFC.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest Days Past Due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2

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

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have becomes credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate (EIR) to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for example any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Group may classify the financial asset in Stage 3 accordingly.

As required by Master Direction - Reserve Bank of India (Non-Banking Financial Company-Scale based regulation) Directions, 2023 RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 where impairment allowance under Ind AS 109 is lower than the provisioning required as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) including borrower/beneficiary wise classification, provisioning for standard as well as restructured assets, NPA ageing, etc., the Company shall appropriate the difference from their net profit or loss after tax to a separate impairment reserve.

Borrower accounts shall be flagged as overdue as part of the day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as Non-Performing Asset/ Stage 3 shall be done as part of day-end process for the relevant date i.e. 90 Days Past Due and (NPA)/ Stage 3 classification date shall be the calendar date for which the day end process is run. In other words, the date of NPA/ Stage 3 shall reflect the asset classification status of an account at the day-end of that calendar date.

Upgradation of accounts classified as Stage 3/ Non-performing assets (NPA) - The Group upgrades loan accounts classified as Stage 3/ NPA to 'standard' asset category only if the entire arrears of interest, principal and other amount are paid by the borrower and there is no change in the accounting policy followed by the

Group in this regard. With regard to upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

(1) Credit- impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

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

(2) ECL on investment in Government Securities

The Group has invested in Government of India loans. Investment in Government securities are classified under stage 1. No ECL has been applied on these investments as there is no history of delay in servicing of interest/ repayments. The Group does not expect any delay in interest/ redemption servicing in future.

(3) ECL on Pass Through Certificates (PTC)

The Group recognises the ECL on PTC on a collective basis by taking into account comprehensive credit risk information and is computed in similar manner as loans measured at amortised cost.

(4) ECL on loans secured by the Company's fixed deposit

No ECL has been applied on loans given against the Company's fixed deposit as they are fully secured by the Company's fixed deposits.

(5) ECL on Fixed Deposits with Banks

No ECL is applied on fixed deposits held with banks as there is no history of default. However, in case of any downgrade in the credit rating of the banks where fixed deposit is held, the Company would provide for ECL computed in an appropriate methodology. From March 2025, ECL on fixed deposits with banks is determined using rates from established sources.

(6) Simplified approach for trade/ other receivables and contract assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade/ other receivables that do not contain a significant financing component. The application of simplified approach does not require the Group to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

(7) ECL on debt instruments measured at FVTOCI

The ECLs for debt instruments measured at FVTOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the

allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to the statement of profit and loss. The accumulated loss recognised in OCI is recycled to the statement of profit and loss upon derecognition of the assets. As at the reporting date, Group does not have any debt instruments measured at FVTOCL.

(8) ECL on Undrawn loan commitments

When estimating ECL for undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown. The Group discloses ECL allowance on undrawn loan commitments under the head 'Provisions' under non-financial liabilities.

(b) The mechanics of ECL

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

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

(1) Probability of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in note 58.02.02.02.

(2) Exposure at Default (EAD)

The Exposure at Default is an estimate of the exposure at a future default date. The concept of EAD is further explained in note 58.02.02.03.

(3) Loss Given Default (LGD)

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is explained in note 58.02.02.04.

(4) Forward looking information

While estimating the expected credit losses, the Company identifies the key macro-economic factors (independent variables) basis the R-square and the economic relationship between the independent variable and the default rates and the most relevant macro-economic factor affecting the particular loan product is factored in while arriving at the PD of that product.

On a periodic basis, the Company monitors the situation and economic factors affecting the operations of the Company and assesses the requirement of any modification to ECL model.

(5) Stress testing

The Company formulated three different macro-economic stress scenarios under the premise of mild stress, medium stress and severe stress condition. The medium stress scenario largely reflected the current economic conditions, and accordingly was used for ECL purpose.

(6) Collateral repossessed

In its normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/ obligors. The Group generally does not use the assets repossessed for the internal operations. The underlying loans in respect of which collaterals have been repossessed and not sold for more than 6 months are considered as Stage 3

assets and fully provided for net of estimated realisable value or written off. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards and consequently the Group also does not derecognise the underlying financial asset immediately on repossession. Repossessed house property of SHFL comprised of house and land properties, which were held as collaterals against the loans given to customer, whose physical and legal possessing has been taken over by that company due to customers' default on repayment of the loan. Management normally intended to sell these properties for which regular auctions were conducted. Asset was to be sold within three years from possession date and if the investment in such properties (land and buildings) exceeded 20% of capital fund as per NBFC - Housing Finance Company (Reserve Bank) directions, 2021 (of which such investment over and above 10% of owned fund shall be in residential units), the excess supposed to be written off.

(7) Restructured loans

The Group is permitted to restructure customer accounts. Restructuring would normally involve modification of terms of the advances/ securities, which would generally include, among others, alteration of payment period/ payable amount/ the amount of installments/ rate of interest/ sanction of additional credit facility/ release of additional funds for a customer account. The Group considers the modification of the loan only before the loans gets credit impaired. In case of restructuring, the accounts classified as 'standard' shall be immediately downgraded as non-performing assets/ Stage 3 unless and other wise explicitly stated in the Circulars and Directions issued by Reserve Bank of India from time to time. Once an asset has been classified as restructured, it will remain restructured for a period of one year from the date on which it has been restructured until the customer account demonstrates satisfactory performance during the specified period.

For upgradation of accounts classified as NPA due to restructuring, the instructions as specified for such cases as per the said RBI guidelines shall continue to be applicable.

Loan accounts which have been restructured or modified in accordance with RBI Notifications - RBI/2020-21/16 DOR. No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020- Resolution Framework for COVID-19 related Stress and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021- Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses and RBI/2020-21/17 DOR. No.BP.BC/4/21.04.048/2020-21- dated August 06, 2020 - Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances and RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 05, 2021 Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) have been classified as Stage 2 due to significant increase in credit risk.

VII) Write-offs

The Group reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are accounted under bad debt recovery disclosed under other operating income. Write off in case of standard accounts is done by way of waiver of last one or two instalments in case the borrower pays all the EMIs as per the due dates mentioned in the agreement.

(VIII) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments [as explained in note 7.1(I) (1) to 7.1(I) (3)] at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:



- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 - Those financial instruments where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 - Those financial instruments where the inputs that are used for valuation are significant, and derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 - Those financial instruments that include one or more unobservable input that is significant to the measurement as whole.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

Difference between transaction price and fair value at initial recognition

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in the statement of profit and loss when the inputs become observable, or when the instrument is derecognised.

7.2 Revenue from operations

(I) Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets measured at amortised cost other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed:

- As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees received between parties to the contract that are an integral part of the EIR, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the EIR to the net amortised cost (net of ECL provision) of the financial asset.

Interest on delayed payments by customers are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.

Interest spread under par structure of direct assignment of loan receivables is recognised upfront. On derecognition of the loan receivables in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised upfront in the statement of profit and loss.

(II) Dividend income

Dividend income is recognised when the right to receive the payment is established.

(III) Rental income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

(IV) Fees and commission income

Fees and commissions are recognised when the Group satisfies the performance obligation, at the amount of transaction price (net of variable consideration) allocated to that performance obligation based on a five-step model as set out below, unless included in the effective interest calculation:

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 Group 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 Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.



(V) Net gain/ (loss) on fair value changes

Any differences between the fair values of financial assets classified as FVTPL (refer note 35), held by the Group on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in 'net gains on fair value changes' under revenue from operations and if there is a net loss the same is disclosed under 'expenses' in the statement of profit and loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt or equity instruments measured at FVTOCI is recognised in net gain/ loss on fair value changes. As at the reporting date, the Group does not have any debt instruments measured at FVTOCI.

(VI) Recoveries of financial assets written off

The Company recognises income on recoveries of financial assets written off on realisation basis.

(VII) Net gain/ loss on derecognition of financial instruments under amortised cost category

In case where transfer of a part of financial assets qualifies for de-recognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on derecognition of such financial asset previously carried under amortisation cost category is presented separately under the respective head in the statement of profit and loss. The resulting interest only strip initially is recognised at FVTPL under interest income.

(VIII) Other incomes

All other incomes are recognised in the period they occur.

7.3 Expenses

(I) Finance costs

Finance costs represents interest expense recognised by applying the (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed:

- As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees paid between parties to the contract that are an integral part of the EIR, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest expense with the corresponding adjustment to the carrying amount of the financial liability.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(II) Retirement and other employee benefits

a) Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short-term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ ex-gratia are recognised in the period in which the employee renders the related service.

b) Post-employment employee benefits

(1) Defined contribution schemes

All the employees of the Group are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Group contribute monthly at a stipulated rate. The Group has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(2) Defined benefit schemes

The Group provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each balance sheet date, using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on government securities as at the balance sheet date.

Net interest recognised in the statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through OCI. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

The Company fully contributes all ascertained liabilities to the Trustees - Shriram Finance Limited Employees Group Gratuity Assurance Scheme. Trustees administer contributions made to the trust and contributions are invested in a schemes of insurance with the IRDA approved insurance companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. They are not reclassified to the statement of profit and loss in subsequent periods.

(i) Other long-term employee benefits

Group's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the balance sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the statement of profit and loss.

The Group presents the provision for compensated absences under provisions in the balance sheet.

(ii) **Employee Share based payment**

a) **Employee Stock Options**

Eligible employees in terms of the Employees Stock Options Scheme of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share option Outstanding Reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense/ vesting period. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. No expense is recognised for awards that do not ultimately vest.

b) **Share appreciation rights (SAR) (cash-settled)**

The cost of cash-settled scheme (stock appreciation rights) is measured initially using fair value method at the grant date taking into account the terms and conditions upon which the instruments were granted. This fair value is amortised on a straight-line basis over the vesting period with recognition of corresponding liability. This liability is re-measured at each balance sheet date up to and including the settlement date with changes in fair value recognised in the statement of profit and loss in 'Share based payment to employees' under the head Employee Benefit Expense.

(III) **Leases**

a) **The Group as a lessee**

The Group has adopted Ind AS 116 'Leases' with the date of initial application being April 01, 2019 (transition date). The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. For arrangements entered into prior to April 01, 2019, the Group has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate at the transition date in case of leases existing as on the date of transition date and in case of leases entered after transition date, incremental borrowing rate as on the date of lease commencement date. In case of existing leases, the said date would be the date of transition. It is remeasured when there is a change in future lease payments arising from a change in a rate, if the Group changes its assessment of whether it will exercise an extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has opted not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term. The Group's lease asset class consisted of leases for office premises and furniture and fixtures.

In case of a sub-lease, the Group accounts for its head lease and sub-lease separately.

b) The Company as a lessor

Rental income arising from operating leases is recognised on a straight-line in the statement of profit and loss over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

(IV) Other expenses

All other expenses are accounted in the period they are incurred.

(V) Impairment of non-financial assets, wherever applicable

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset may be impaired due to events or changes in circumstances indicating that their carrying amounts may not be realised. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of the depreciated historical cost.

(VI) Taxes

a) Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised either in OCI or equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

C) Goods and Services Tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the GST paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(VII) Dividends on ordinary shares

The Group recognises a liability to make cash distributions to equity shareholders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013 the final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Group. A corresponding amount is recognised directly in equity.

7.4 Foreign currency translation

(I) Functional and presentational currency

The consolidated financial statements are presented in Indian Rupees which is also functional currency of the Group and the currency of the primary economic environment in which the Group operates.

(II) Transactions and balances

a) Initial recognition

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

b) Conversion

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

7.5 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, cheques on hand, balances with banks (of the nature of cash and cash equivalents), CBLO and short-term deposits, as defined above.

7.6 Property, plant and equipment

Property, Plant and Equipment (PPE) are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and

any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. 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.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, if it is probable that future economic benefit will flow to the Group from that expenditure and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

(I) Depreciation

Depreciation is calculated using the straight-line method to write down the cost of PPE to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 except for leasehold improvements which are amortised on a straight-line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 60 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits. Land is not depreciated.

The estimated useful lives are as follows:

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Group
Building	60 years	60 years
Plant and machinery	15 years	15 years
Electrical equipment	10 years	10 years
Generator	10 years	10 years
Furniture and fixture	10 years	10 years
Air conditioner	5 years	5 years
Electronic equipment	5 years	5 years
Office equipment	5 years	5 years
Refrigerator	5 years	5 years
Motor car	8 years	8 years
Vehicles	10 years	10 years
Server and networking	6 years	6 years
Computer	3 years	3 years

Exceptions to useful lives specified in Schedule II to the Companies Act, 2013:

The vehicles provided to employees as part of Cost-To-Company (CTC) scheme are depreciated using estimated useful life of 8 years without residual value.

The residual values, useful lives and methods of depreciation of property, PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/ expense in the Statement of profit and loss in the year the asset is derecognised.

Depreciation on assets acquired/ sold during the year is recognised on a pro-rata basis to the statement of profit and loss from/ upto the date of acquisition/ sale or disposal.

The date of disposal of an item of PPE is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115 - Revenue from Contracts with Customers.

7.7 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss from/ upto the date of acquisition/ sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years, unless it has a shorter useful life.

Goodwill is not subject to amortisation and is tested annually for impairment. Goodwill is carried at cost less accumulated impairment losses. The Company has determined the useful life of the distribution network acquired through the scheme of amalgamation and started amortising the same over its useful life of 5 years.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

7.8 Intangible assets under development

Intangible assets not ready for the intended use on the date of balance sheet are disclosed as Intangible assets under development. These are carried at cost, comprising direct cost and related incidental expenses.

7.9 Investment Property

A property, held to earn rentals and/ or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each balance sheet date to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of profit and loss in the same period.

7.10 Ind AS 101 - First-time Adoption of Indian Accounting Standards

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment, intangible assets and investment property as at March 31, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, intangible assets and investment property as on April 01, 2017.

7.11 Provisions

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.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. As at reporting date, the Group does not have any such provisions where the effect of time value of money is material.

7.12 Contingent liabilities

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 Group or a present obligation that is not recognised 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 recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements. Contingent liabilities are reviewed at each balance sheet date.

7.13 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised nor disclosed in the financial statements. They are disclosed only when an inflow of economic benefits is probable. Contingent assets are reviewed at each balance sheet date.

7.14 Earnings per Share (EPS)

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 - Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included. The EPS and DPS of SHFL was disclosed under 'Discontinued Operations'.

7.15 Statement of Cash flows

Cash flows are reported under the 'Indirect method' as set out in Ind AS 7 on Statement of Cash Flows, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Group. The respective cash flows of SHFL were presented under 'Discontinued Operations'.

7.16 Business Combination

The Company applies the acquisition method of accounting for business combinations where common control does not exist. The consideration transferred by the Company for the acquisition of business comprises of fair value of the assets



transferred, liabilities incurred, and the equity interests issued by the Company as at the acquisition date i.e. the date on which it obtains the control of the acquiree. The acquisition related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the acquisition date.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date. Subsequent to initial recognition, intangible assets as well as goodwill acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, respectively.

Goodwill is initially measured at cost, being the excess of the consideration transferred over the fair value of the net identifiable assets acquired. After initial recognition, goodwill is tested annually for impairment and any impairment loss for goodwill is recognised in the statement of profit and loss.

Distribution network is the value of the transferor company's branch network. Valuation of Distribution Network is as per With and Without Method. If the consideration transferred is less than the fair value of net identifiable assets acquired, the difference is recognised as capital reserve in other equity.

7.17 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal Company) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification except in some circumstances this period can be extended if it is beyond the control of management and there are sufficient evidence that the entity remains committed to its plan to sell the asset. Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operations is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is a part of a single co-ordinated plan to dispose of such line of business or area of business of operations, or is a subsidiary acquired exclusively with a view of resale. The results of discontinued operations are presented separately in the statement of profit and loss.

7.18 Exceptional items

Exceptional items are those items of income or expense from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure in the financial statements is considered necessary to explain the performance of the group.

8

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the

accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

8.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or FVTOCI that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

8.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

8.3 Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

8.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The policy on impairment loss on loans and advances is disclosed in detail in note 7.1(VI).

8.5 Contingent liabilities and provisions other than impairment on loan portfolio

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances,

which can be subject to change. The carrying amounts of provisions and liabilities are reviewed at each balance sheet date and revised to take account of changing facts and circumstances.

8.6 Effective Interest Rate (EIR) method

The Group'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 product life cycle (including prepayments and penalty interest and charges).

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.

8.7 Estimating the incremental borrowing rate

The Group uses its Incremental Borrowing Rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to for its incremental borrowings.

8.8 Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc. The Group has determined the useful life of the intangible asset in the nature of branch network acquired through the scheme of amalgamation and started amortising the same over its useful life by making a suitable change in the accounting estimate.

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
9	CASH AND CASH EQUIVALENTS		
	Cash on hand	191.75	182.95
	Balances with banks (of the nature of cash and cash equivalents)	3,500.51	3,020.18
	Cheques on hand	29.53	2.45
	<u>Others</u>		
	Bank deposits with original maturity upto three months or less	6,960.15	2,976.78
	Total Gross	10,681.94	6,182.36
	Less: Impairment loss allowance	0.54	-
	Total Net	10,681.40	6,182.36

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The Group has not taken bank overdraft, therefore the cash and cash equivalents for statement of cash flows is same as cash and for cash equivalents given above.

There is no restriction with regard to cash and cash equivalents as at the end of the financial years ended March 31, 2025 and March 31, 2024.

Reconciliation of impairment loss allowance is given below:

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
	Opening balance	-	-
	Add: Addition during the year	0.54	-
	(Less): Reduction during the year	-	-
	Closing balance	0.54	-

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
10	BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
	Earmarked balances with banks for		
	Unclaimed dividend accounts	12.49	10.60
	Bank deposit with original maturity for more than three months	9,031.23	6.38
	Balances with banks to the extent held as credit enhancement or security against the borrowings, guarantees, other commitments*#	1,641.10	1,772.01
	Total Gross	10,684.82	1,788.99
	Less: Impairment loss allowance	0.48	-
	Total Net	10,684.34	1,788.99

*Includes deposits Rs. 1,123.23 crores (March 31, 2024: Rs. 1,084.43 crores) pledged with Banks as margin for credit enhancement, Rs. 17.66 crores (March 31, 2024: Rs. 1.91 crores) as margin for guarantees, Rs. 500.21 crores (March 31, 2024: Rs. 587.73 crores) pledged as lien against borrowings, deposits under lien in favour of Debenture and securitisation trustees Rs. Nil (March 31, 2024: Rs. 96.90 crores) and deposits under lien with banks for various purposes Rs. Nil (March 31, 2024: Rs. 1.04 crores).

Regrouped first loss and second loss fixed deposits amounting to Rs. 3,201.45 crores as on March 31, 2024 which were in the name of trustees to "Receivable from trusts on account of securitisation" under Note 15.

Bank deposits and other balances with banks earns interest at fixed rate.

10 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS (Contd.)

Reconciliation of impairment loss allowance is given below:

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Opening balance	-	-
Add: Addition during the year	0.48	-
(Less): Reduction during the year	-	-
Closing balance	0.48	-

11 DERIVATIVE FINANCIAL INSTRUMENTS

The Group 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 Group has adopted hedge accounting.

The table below 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.

Particulars	(Rs. in crores)							
	As at March 31, 2025				As at March 31, 2024			
	Notional amounts	Fair value - assets	Notional amounts	Fair value - liabilities	Notional amounts	Fair value - assets	Notional amounts	Fair value - liabilities
Part I								
(i) Currency derivatives:								
Spots and forwards	48,059.84	(622.65)	-	-	19,632.83	(419.00)	-	-
Currency swaps	7,163.54	334.21	-	-	6,514.26	162.27	-	-
Cross currency interest rate swaps	2,304.44	67.27	-	-	981.02	269.89	-	-
Sub-total (i)	57,527.82	(221.17)	-	-	27,128.11	13.16	-	-
(ii) Interest rate derivatives:								
Interest rate swaps	49,277.93	460.76	-	-	25,284.06	288.05	-	-
Interest rate caps	700.00	10.50	-	-	700.00	25.27	-	-
Sub-total (ii)	49,977.93	471.26	-	-	25,984.06	313.32	-	-
Total derivative financial instruments (i)+(ii)	107,505.75	250.09	-	-	53,112.17	326.48	-	-
Part II								
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
(i) Cash flow hedging:								
Currency derivatives	57,527.82	(221.17)	-	-	27,128.11	13.16	-	-
Interest rate derivatives	49,977.93	471.26	-	-	25,984.06	313.32	-	-
Total derivative financial instruments	107,505.75	250.09	-	-	53,112.17	326.48	-	-

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Group's risk management strategy and how it is applied to manage risk are explained in note 58.

Derivatives designated as hedging instruments

The Group designates its derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge.

11 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other. There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the hedging instruments is identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised in the statement of profit and loss.

Derivatives not designated as hedging instruments

There are no undesignated derivatives.

Notes:

- 1) The interest rate risk and exchange rate risk on the borrowings of the Group are managed using various derivative instruments which are entered into from time to time. The risk management strategy and the use of derivatives are explained in Note 58.
- 2) The Group has designated the interest rate derivatives which were entered to mitigate interest rate risks on its external commercial bond, external commercial borrowings, term loan from banks and institutions and non-convertible debentures as hedging instruments.

The impact of the hedging instrument on the balance sheet is as follows:

(Rs. in crores)

Hedged instrument	As at March 31, 2025*				As at March 31, 2024			
	Notional amount	Carrying amount	Line item in the balance sheet	Change in fair value used for measuring ineffectiveness for the year*	Notional amount	Carrying amount	Line item in the balance sheet	Change in fair value used for measuring ineffectiveness for the year*
Currency derivatives/ interest rate derivatives	107,505.75	250.09	Derivative financial instruments	(285.60)	53,112.17	326.48	Derivative financial instruments	(55.98)

The impact of hedged items on the balance sheet is as follows:

(Rs. in crores)

Hedged items	As at March 31, 2025*		As at March 31, 2024	
	Change in value used for measuring ineffectiveness*	Cash flow hedge reserve	Change in value used for measuring ineffectiveness*	Cash flow hedge reserve
External commercial bond, external commercial borrowings, term loan from banks and institutions and non-convertible debentures	(285.60)	(473.42)	(55.98)	(266.34)

11 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2025*	Year ended March 31, 2024
Hedged items	External commercial bond, external commercial borrowings, term loan from banks and institutions and non-convertible debentures	External commercial bond, external commercial borrowings, term loan from banks and non-convertible debentures
Total hedging gain/ (loss) recognised in OCI	(285.60)	(55.98)
Ineffectiveness recognised in the statement of profit and loss	-	-
Line item in the statement of profit and loss that include the hedge ineffectiveness	NA	NA
Amount reclassified from cash flow hedge reserve to the statement of profit and loss	-	-
Line item in the statement of profit and loss that includes the reclassification adjustment	NA	NA

*The figures of erstwhile subsidiary SHFL, included in above tables are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

12 RECEIVABLES

(I) Trade receivables

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured*	50.82	51.63
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Gross carrying amount	50.82	51.63
Less: Allowances for impairment loss on trade receivables considered good - unsecured	0.00	-
Net carrying amount	50.82	51.63

* Includes Rs. 44.00 crores (March 31, 2024 Rs. 37.74 crores) receivable from related parties.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

Trade receivables are non-interest bearing.

The Group's impairment assessment and measurement approach for trade receivables is mentioned at Note 7.1.(VI) of material accounting policies.

There are no dues from Directors or other officers of the Group or any firm or private company in which any Director is a partner, a Director or a member.

12 RECEIVABLES (Contd.)

Trade receivables ageing

(Rs. in crores)

Particulars	Unbilled	Not due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025								
Undisputed trade receivables								
Considered good	0.83	0.40	49.59	-	-	-	-	50.82
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	0.83	0.40	49.59	-	-	-	-	50.82
As at March 31, 2024								
Undisputed trade receivables								
Considered good	-	-	51.63	-	-	-	-	51.63
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	-	51.63	-	-	-	-	51.63

Reconciliation of impairment loss allowance is given below:

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Impairment allowance measured as per simplified approach		
Opening balance	-	-
Add: Addition during the year	0.00	-
(Less): Reduction during the year	-	-
Closing balance	0.00	-



12 RECEIVABLES (Contd.)
(II) Other receivables

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Other receivables considered good-secured	-	-
Other receivables considered good-unsecured*	177.88	301.92
Other receivables which have significant increase in credit risk	20.63	37.56
Other receivables - credit impaired	25.96	24.71
Gross carrying amount	224.47	364.19
Less: Allowances for impairment loss on other receivables considered good - unsecured	6.14	9.98
Less: Allowances for impairment loss on other receivables which have significant increase in credit risk	1.67	2.97
Less: Allowances for impairment loss on credit impaired other receivables	13.79	10.71
Net carrying amount	202.87	340.53

* Includes Rs. Nil (March 31, 2024 Rs. Nil) receivable from related parties.

The Group's impairment assessment and measurement approach for other receivables is mentioned at Note 7.1.(VI) of material accounting policies.

There are no dues from Directors or other officers of the Group or any firm or private company in which any Director is a partner, a Director or a member.

Other receivables ageing

	(Rs. in crores)							
Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025								
Undisputed other receivables								
Considered good	-	177.59	0.29	-	-	-	-	177.88
Which have significant increase in credit risk	-	20.63	-	-	-	-	-	20.63
Credit impaired	-	19.33	2.27	1.20	1.79	0.42	0.95	25.96
Disputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	217.55	2.56	1.20	1.79	0.42	0.95	224.47
As at March 31, 2024								
Undisputed other receivables								
Considered good	-	294.02	7.96	-	-	-	-	301.92
Which have significant increase in credit risk	-	37.56	-	-	-	-	-	37.56
Credit impaired	-	21.99	0.29	0.41	0.28	0.07	1.67	24.71
Disputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	353.57	8.25	0.41	0.28	0.07	1.67	364.19

12 RECEIVABLES (Contd.)

Reconciliation of impairment loss allowance is given below:

	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Impairment allowance measured as per simplified approach		
Opening balance	23.66	25.55
Add: Addition during the year	3.91	2.75
(Less): Reduction during the year	(5.97)	(4.64)
Closing balance	21.60	23.66

	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
13 LOANS		
Loans (at amortised cost)		
(A)		
i) Term loans	235,164.64	214,868.66
ii) Others @	24,751.27	17,641.03
Total Gross - (A)	259,915.91	232,509.69
Less: Impairment loss allowance	14,523.12	13,814.08
Total Net - (A)	245,392.79	218,695.61
(B)		
i) Secured by tangible assets	235,105.74	214,748.14
ii) Secured by deposits	58.90	109.60
iii) Secured by shares	-	10.92
iv) Unsecured	24,751.27	17,641.03
Total Gross - (B)	259,915.91	232,509.69
Less: Impairment loss allowance	14,523.12	13,814.08
Total Net - (B)	245,392.79	218,695.61
(C)		
Loans outside India	-	-
Loans in India		
i) Public sector	-	-
ii) Others		
Retail	256,429.01	229,415.14
Corporates	3,486.90	3,094.55
Total Gross - (C)	259,915.91	232,509.69
Less: Impairment loss allowance	14,523.12	13,814.08
Total Net - (C)	245,392.79	218,695.61

There are no loans measured at FVTOCI or FVTPL or designated at FVTPL.

@ Includes unsecured working capital loans, loans to employees, trade advances, personal loans, loans to MSME and part disbursement to customers.

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in note 58.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 58.02.02.07



13 LOANS (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total
Internal rating grade								
Performing								
High grade	185,994.28	-	-	185,994.28	161,774.48	-	-	161,774.48
Standard grade	44,167.26	-	-	44,167.26	43,385.30	-	-	43,385.30
Sub-standard grade	-	13,085.83	-	13,085.83	-	11,709.08	-	11,709.08
Past due but not impaired	-	4,829.75	-	4,829.75	-	3,448.29	-	3,448.29
Non- performing	-	-	11,838.79	11,838.79	-	-	12,192.54	12,192.54
Total	230,161.54	17,915.58	11,838.79	259,915.91	205,159.78	15,157.37	12,192.54	232,509.69

An analysis of changes in the gross carrying amount as follows:

(Rs. in crores)

Particulars	Year ended March 31, 2025*				Year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - Opening balance	205,159.78	15,157.37	12,192.54	232,509.69	162,197.38	16,434.95	11,440.70	190,073.03
New assets originated or purchased	159,926.01	6,581.65	1,330.72	167,838.38	141,142.94	6,780.31	1,851.62	149,774.87
Assets derecognised or repaid (excluding write-offs and includes interest accruals adjusted)	(109,343.31)	(9,707.22)	(4,389.09)	(123,439.62)	(88,977.79)	(10,461.34)	(4,959.55)	(104,398.68)
Transfers to stage 1	10,637.45	(8,760.93)	(1,876.52)	-	12,978.26	(10,453.33)	(2,524.93)	-
Transfers to stage 2	(17,303.58)	17,761.34	(457.76)	-	(14,928.77)	15,412.49	(483.72)	(0.00)
Transfers to stage 3	(6,925.79)	(2,684.07)	9,609.86	-	(6,230.81)	(2,346.36)	8,577.17	-
Amounts written off	(347.69)	(79.62)	(4,364.63)	(4,791.94)	(1,021.43)	(209.35)	(1,708.75)	(2,939.53)
Adjustment for discontinued operations	(11,641.33)	(352.94)	(206.33)	(12,200.60)	-	-	-	-
Gross carrying amount - Closing balance	230,161.54	17,915.58	11,838.79	259,915.91	205,159.78	15,157.37	12,192.54	232,509.69

13 LOANS (Contd.)

Reconciliation of ECL balance is given below:

(Rs. in crores)

Particulars	Year ended March 31, 2025*				Year ended March 31, 2024			
	General approach				General approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - Opening balance	6,414.05	1,117.89	6,282.14	13,814.08	4,560.19	1,108.43	5,719.27	11,387.89
New assets originated or purchased	5,692.93	608.58	515.18	6,816.69	4,256.10	532.23	631.24	5,419.57
Transfers to stage 1	1,447.76	(731.06)	(716.70)	-	2,003.02	(935.66)	(1,067.36)	-
Transfers to stage 2	(757.68)	934.03	(176.35)	-	(496.44)	698.04	(201.60)	-
Transfers to stage 3	(388.66)	(246.68)	635.34	-	(209.94)	(206.69)	416.63	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(3,939.47)	(133.02)	3,272.27	(800.22)	(3,337.12)	15.15	2,629.45	(692.52)
Provision no longer required	(461.89)	(106.77)	(4,606.16)	(5,174.82)	(361.76)	(93.61)	(1,845.49)	(2,300.86)
Amounts written off	-	(8.21)	(0.45)	(8.66)	-	-	-	-
Adjustment for discontinued operations	(36.90)	(6.11)	(80.94)	(123.95)	-	-	-	-
ECL allowance - Closing balance	7,970.14	1,428.65	5,124.33	14,523.12	6,414.05	1,117.89	6,282.14	13,814.08

* The figures of erstwhile subsidiary SHFL, included in above tables are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

The contractual amount outstanding on loans that have been written off during the financial year, but were still subject to enforcement activity was Rs. 3,683.88 crores (March 31, 2024: Rs. 1,485.28 crores).

14 INVESTMENTS

(Rs. in crores)

Particulars	As at March 31, 2025					As at March 31, 2024				
	Amortised cost	Fair value through OCI	Fair value through profit or loss	Others (at cost)	Total	Amortised cost	Fair value through OCI	Fair value through profit or loss	Others (at cost)	Total
Quoted										
i) Investments in mutual funds*	-	-	10.01	-	10.01	-	-	300.38	-	300.38
ii) Investments in government securities	7,822.90	-	484.94	-	8,307.84	6,623.82	-	-	-	6,623.82
iii) Investments in equity instruments #	-	110.81	-	-	110.81	-	79.84	-	-	79.84

14 INVESTMENTS (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2025					As at March 31, 2024				
	Amortised cost	Fair value through OCI	Fair value through profit or loss	Others (at cost)	Total	Amortised cost	Fair value through OCI	Fair value through profit or loss	Others (at cost)	Total
Unquoted										
i) Investments in equity instruments	-	-	27.67	-	27.67	-	-	25.82	-	25.82
ii) Investments in associate (refer note 48)	-	-	-	202.62	202.62	-	-	-	191.46	191.46
iii) Investments in pass through certificates	3,191.98	-	-	-	3,191.98	2,322.71	-	-	-	2,322.71
iv) Investments in certificates of deposits	-	-	4,038.09	-	4,038.09	-	-	-	-	-
v) Investment in security receipts	-	-	-	-	-	-	-	2.73	-	2.73
vi) Others										
Venture capital fund	-	-	1.52	-	1.52	-	-	1.52	-	1.52
Total Gross - (A)	11,014.88	110.81	4,562.23	202.62	15,890.54	8,946.53	79.84	330.45	191.46	9,548.28
i) Investments outside India	-	110.81	-	-	110.81	-	79.84	-	-	79.84
ii) Investments in India	11,014.88	-	4,562.23	202.62	15,779.73	8,946.53	-	330.45	191.46	9,468.44
Total Gross - (B)	11,014.88	110.81	4,562.23	202.62	15,890.54	8,946.53	79.84	330.45	191.46	9,548.28
Less: Allowance for impairment loss (C)	102.58	-	-	-	102.58	76.46	-	-	-	76.46
Total Net - (D) = (A - C)	10,912.30	110.81	4,562.23	202.62	15,787.96	8,870.07	79.84	330.45	191.46	9,471.82

*Includes Rs. 10.01 crores (March 31, 2024 Rs. 10.01 crores) mutual fund from related parties.

The dividends of Rs. 1.69 crores (March 31, 2024: Rs. 1.45 crores) received from investments in shares are recorded as dividend income.

More information regarding the valuation methodologies can be found in note 57.09.

There are no investments designated at FVTPL.

Investments carried at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system for investments carried at amortised cost are explained in note 58.02.

(Rs. in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	11,014.88	-	-	11,014.88	8,905.38	-	-	8,905.38
Standard grade	-	-	-	-	41.15	-	-	41.15
Total	11,014.88	-	-	11,014.88	8,946.53	-	-	8,946.53

14 INVESTMENTS (Contd.)

An analysis of changes in the gross carrying amount of investments carried at amortised cost as follows:

(Rs. in crores)

Particulars	Year ended March 31, 2025*				Year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - Opening balance	8,946.53	-	-	8,946.53	6,603.04	-	-	6,603.04
New assets originated or purchased	13,695.61	-	-	13,695.61	5,257.20	-	-	5,257.20
Change in fair value	0.57	-	-	0.57	-	-	-	-
Assets derecognised or matured (excluding write-offs)	(10,980.17)	-	-	(10,980.17)	(2,913.71)	-	-	(2,913.71)
Adjustment for discontinued operations	(647.66)	-	-	(647.66)	-	-	-	-
Gross carrying amount - Closing balance	11,014.88	-	-	11,014.88	8,946.53	-	-	8,946.53

Reconciliation of impairment loss allowance on investments carried at amortised cost is given below:

(Rs. in crores)

Particulars	Year ended March 31, 2025*				Year ended March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	76.46	-	-	76.46	40.78	-	-	40.78
New assets originated or purchased	54.42	-	-	54.42	225.08	-	-	225.08
Changes to models and inputs used for ECL calculations	(28.20)	-	-	(28.20)	(189.40)	-	-	(189.40)
Assets derecognised or matured (excluding write-offs)	(0.09)	-	-	(0.09)	-	-	-	-
Adjustment for discontinued operations	(0.01)	-	-	(0.01)	-	-	-	-
Closing balance	102.58	-	-	102.58	76.46	-	-	76.46

* The figures of erstwhile subsidiary SHFL, included in above tables are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

Reconciliation of gross carrying value of investment in associate is given below:

(Rs. in crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance at the beginning of the year	191.46	183.74
Share of profit of associate	12.31	7.78
Share of other comprehensive income from associates (net of tax)	(1.15)	(0.06)
Closing balance	202.62	191.46



		(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024	
15 OTHER FINANCIAL ASSETS			
At amortised cost			
Security deposits*	71.76	79.11	
Receivable from trusts on account of securitisation (Refer note 10)**	3,240.93	3,201.45	
Other financial assets	0.19	298.51	
Total Gross	3,312.88	3,579.07	
Less: Impairment loss allowance #	4.92	7.06	
Total Net	3,307.96	3,572.01	

* Includes security deposits of Rs. 0.11 crores (March 31, 2024 Rs. 0.56 crores) receivable from related parties.

** Pledged as margin for credit enhancement.

Includes impairment loss allowance on security deposits of Rs. 4.92 crores (March 31, 2024 Rs. 5.13 crores) and on other financial assets Rs. 0.00 crores (March 31, 2024 Rs. 1.93 crores).

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

Reconciliation of impairment loss allowance is given below:

		(Rs. in crores)	
Particulars	As at March 31, 2025*	As at March 31, 2024	
Opening balance	7.06	5.15	
Add: Addition during the year	0.82	2.15	
Less: Reduction during the year	(1.10)	(0.24)	
Less: Adjustment for discontinued operations	(1.86)	-	
Closing balance	4.92	7.06	

* The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

		(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024	
16 CURRENT TAX ASSETS (NET)			
Current tax assets (net)	432.07	593.03	
Total	432.07	593.03	

		(Rs. in crores)		
Particulars	Freehold land	Building	Total	
17 INVESTMENT PROPERTY				
Gross block* #				
As at April 01, 2023	0.70	2.22	2.92	
Additions	-	-	-	
Disposals	0.70	1.20	1.90	
As at March 31, 2024	0.01	1.02	1.03	
Additions	-	-	-	
Reclassification to non-current assets held for sale/ disposal (Refer note 21)	-	(1.02)	(1.02)	
Disposals	-	-	-	
Less: Adjustment for discontinued operations	0.01	-	0.01	
As at March 31, 2025	-	-	-	

17 INVESTMENT PROPERTY (Contd.)

Particulars	(Rs. in crores)		
	Freehold land	Building	Total
Accumulated depreciation and impairment losses			
As at April 01, 2023	-	0.30	0.30
Charge for the year	-	0.04	0.04
Disposals	-	0.30	0.30
As at March 31, 2024	-	0.04	0.04
Charge for the year	-	0.01	0.01
Reclassification to non-current assets held for sale/ disposal (Refer note 21)	-	(0.05)	(0.05)
Disposals	-	-	-
Less: Adjustment for discontinued operations	-	-	-
As at March 31, 2025	-	-	-
Net carrying amount as at March 31, 2024	0.01	0.98	0.99
Net carrying amount as at March 31, 2025	-	-	-

*Refer note 7.10 of material accounting policies for exemption applied during first-time adoption of Ind AS.

The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

The Group has not revalued any of its investment property during the financial years ended March 31, 2025 March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is Rs. Nil.

(i) Amounts recognised in statement of profit and loss for investment property

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
Rental income from investment property	-	0.13
Less: Direct operating expenses arising from investment property that generated rental income during the year	-	0.02
Less: Direct operating expenses arising from investment property that did not generate rental income during the year	0.00	0.03
Profit from investment property before depreciation	(0.00)	0.08
Less: Depreciation charge for the year	0.01	0.04
Profit from investment property after depreciation	(0.01)	0.04

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

(ii) Contractual obligations

The Group has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Group.

(iii) Fair value

Since the investment property has been reclassified to non-current assets held for sale/ disposal, there is no investment property as on March 31, 2025. Hence, fair value of investment property as on March 31, 2025 is not applicable (March 31, 2024 is Rs. 4.11 crores).

(iv) Pledged details

Carrying value of investment property pledged as collateral for liabilities as at March 31, 2025 is Rs. Nil (March 31, 2024 is Rs. Nil).

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) Leasing arrangements

Investment properties were leased out to tenants. Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. The non-cancellable operating lease agreement was for a period of 108 months.



18 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Building	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Right-of-use Asset		Total
									Lease premises	Furniture & fixtures	
Gross block*#											
As at April 01, 2023	0.61	1.75	48.35	174.05	78.39	78.69	0.88	293.03	1,078.43	4.14	1,758.30
Additions	-	-	7.56	64.38	19.03	19.39	1.03	79.22	292.78	-	483.39
Transferred to other intangible assets	-	-	3.42	(4.52)	0.01	-	-	-	-	-	(1.09)
Disposals	-	0.27	4.46	15.84	7.91	5.23	0.04	10.89	31.56	-	76.20
As at March 31, 2024	0.61	1.48	54.87	218.06	89.52	92.85	1.87	361.36	1,339.65	4.14	2,164.41
Additions	-	-	5.78	93.71	24.59	13.92	11.90	83.06	314.74	3.03	550.73
Transferred to/ (from)	-	-	0.04	(0.04)	-	-	-	-	-	-	-
Disposals	0.02	-	11.17	63.59	19.90	11.42	0.04	45.24	25.43	-	176.81
Less: Adjustment for discontinued operations	-	-	10.81	19.35	1.73	2.32	-	26.55	131.40	7.17	199.33
As at March 31, 2025	0.59	1.48	38.71	228.79	92.48	93.03	13.73	372.63	1,497.56	-	2,339.00
Accumulated depreciation and impairment losses #											
As at April 01, 2023	-	0.06	26.10	104.16	57.03	35.57	0.01	229.63	550.41	3.86	1,006.83
Charge for the year	-	0.03	4.40	34.31	8.12	7.38	0.17	32.22	171.04	0.07	257.75
Transferred to other intangible assets	-	-	3.15	(4.20)	0.01	-	-	-	-	-	(1.04)
Disposals	-	0.04	3.77	14.14	7.50	3.95	0.04	10.76	-	-	40.21
As at March 31, 2024	-	0.05	29.88	120.13	57.66	39.00	0.14	251.09	721.45	3.94	1,223.34
Charge for the year	-	0.04	4.35	50.15	10.20	8.17	1.25	42.29	184.84	0.33	301.62
Transferred to/ (from)	-	-	0.01	(0.01)	-	-	-	-	-	-	-
Disposals	-	-	9.09	59.90	18.43	9.40	0.05	43.26	-	-	140.13
Less: Adjustment for discontinued operations	-	-	3.91	11.56	0.24	0.68	-	9.84	41.01	4.27	71.51
As at March 31, 2025	-	0.09	21.24	98.81	49.19	37.09	1.34	240.28	865.28	-	1,313.32
Net carrying amount as at March 31, 2024	0.61	1.43	25.00	97.93	31.86	53.85	1.73	110.27	618.20	0.20	941.07
Net carrying amount as at March 31, 2025	0.59	1.39	17.47	129.98	43.29	55.94	12.39	132.35	632.28	-	1,025.68

* Refer note 7.10 of material accounting policies for exemption applied during first-time adoption of Ind AS.

The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

Carrying value of property, plant and equipment pledged as collateral for liabilities as at March 31, 2025 is Rs. 0.15 crores (March 31, 2024 is Rs. 0.17 crores).

The Group has not revalued any of its property, plant and equipment during the financial years ended March 31, 2025 March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is Rs. Nil.

19 INTANGIBLE ASSETS UNDER DEVELOPMENT, GOODWILL AND OTHER INTANGIBLE ASSETS #

(I) Intangible assets under development

		(Rs. in crores)
Particulars		Amount
Gross block		
As at April 01, 2023		66.08
Additions		-
Transferred to other intangible assets		(66.08)
Disposals		-
As at March 31, 2024		-
Additions		-
Disposals		-
As at March 31, 2025		-
Accumulated amortisation and impairment losses		
As at April 01, 2023		-
Charge for the year		-
Disposals		-
As at March 31, 2024		-
Charge for the year		-
Disposals		-
As at March 31, 2025		-
Net carrying amount as at March 31, 2024		-
Net carrying amount as at March 31, 2025		-

The Company does not have any projects which are in progress or temporarily suspended as at March 31, 2025 and March 31, 2024.

(II) Goodwill

		(Rs. in crores)
Particulars		Amount
Gross block		
As at April 01, 2023		1,740.94
Additions		-
Disposals		-
As at March 31, 2024		1,740.94
Additions		-
Disposals* (Refer note 44)		551.49
As at March 31, 2025		1,189.45
Accumulated amortisation and impairment losses		
As at April 01, 2023		-
Charge for the year		-
Disposals		-

19 INTANGIBLE ASSETS UNDER DEVELOPMENT, GOODWILL AND OTHER INTANGIBLE ASSETS # (Contd.)

Particulars	(Rs. in crores)
	Amount
As at March 31, 2024	-
Charge for the year	-
Disposals	-
As at March 31, 2025	-
Net carrying amount as at March 31, 2024	1,740.94
Net carrying amount as at March 31, 2025	1,189.45

* Includes goodwill created on merger.

(III) Other intangible assets

Particulars	(Rs. in crores)		
	Computer software	Distribution network	Total
	(A)	(B)	(C) = (A)+(B)
Gross block*\$			
As at April 01, 2023	65.27	1,575.80	1,641.07
Additions	80.08	-	80.08
Transfer from property, plant and equipment	1.10	-	1.10
Transfer from intangible assets under development	66.08	-	66.08
Disposals	1.09	-	1.09
As at March 31, 2024	211.44	1,575.80	1,787.24
Additions	31.07	-	31.07
Disposals	44.23	-	44.23
Less: Adjustment for discontinued operations	9.43	62.90	72.33
As at March 31, 2025	188.85	1,512.90	1,701.75
Accumulated amortisation and impairment losses \$			
As at April 01, 2023	57.13	365.48	422.61
Charge for the year	27.23	302.58	329.81
Transfer from property, plant and equipment	1.04	-	1.04
Disposals	1.09	-	1.09
As at March 31, 2024	84.31	668.06	752.37
Charge for the year	63.11	302.58	365.69
Disposals	43.71	-	43.71
Less: Adjustment for discontinued operations	8.65	62.90	71.55
As at March 31, 2025	95.06	907.74	1,002.80
Net carrying amount as at March 31, 2024	127.13	907.74	1,034.87
Net carrying amount as at March 31, 2025	93.79	605.16	698.95

Other than internally generated

*Refer note 7.10 of material accounting policies for exemption applied during first-time adoption of Ind AS.

\$ The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

The Group has not revalued any of its intangible assets during the financial years ended March 31, 2025 and March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is Rs. Nil.

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
20	OTHER NON-FINANCIAL ASSETS		
	Goods and services tax credit (input) receivable	211.24	237.92
	Prepaid expenses	32.49	38.60
	Capital advances	11.10	7.40
	Duties paid under protest	32.79	49.81
	Reposessed house property*	-	70.37
	Other non-financial assets**	34.33	52.49
	Total	321.95	456.59

* Net of allowance for impairment loss recognised on reposessed house property Rs. Nil (March 31, 2024 Rs. 7.80 crores).

**Other non-financial assets include advances to employees, vendors, advance paid for professional fees and loan processing charges and towards rent.

Measurement:

The non-recurring fair value measurement for the reposessed house property has been categorized as a Level 2 fair value based on the inputs to the valuation techniques used. For the assets classified as "Reposessed house property" during the previous year valuation had been determined by independent valuer by using the sales comparison approach for which the price (such as recent sales, municipal valuation, etc.) of the assets in the similar location are considered. This is a level 2 measurement as per the fair value hierarchy. The diminution in the value as identified by the independent valuers was written off in the books of accounts.

21 NON-CURRENT ASSETS HELD FOR SALE/ DISPOSAL

The Company intends to sell its investment property located at Nariman Point, Mumbai and has reclassified the same from investment property to non-current assets held for sale/ disposal. The management is committed to a plan to sell the property and has located a buyer for the property. However, the title and possession of the property is yet to be transferred.

No impairment loss was recognised on reclassification of the assets held for sale or as at the reporting date, as the fair value less cost to sell was higher than the carrying value of this property.

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
	Investment Property		
	- Building (Refer note 17)	0.97	-
	Total	0.97	-

The fair value of the asset held for sale/ disposal as at March 31, 2025 is Rs. 19.00 crores (March 31, 2024 is not applicable).

22 PAYABLES

(I) Trade payables

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
(i)	Total outstanding dues of micro enterprises and small enterprises (Refer note 67)	1.02	0.02
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises*	297.83	245.86
	Total	298.85	245.88

* Includes payable to associates Rs. 3.79 crores (March 31, 2024: Rs. 3.23 crores).

* Includes payable to other related parties Rs. 122.10 crores (March 31, 2024: Rs. 56.52 crores).



22 PAYABLES (Contd.)

Trade payables ageing

(Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) MSME	-	-	1.02	-	-	-	1.02
(ii) Others	127.30	10.57	157.40	2.04	0.41	0.11	297.83
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	127.30	10.57	158.42	2.04	0.41	0.11	298.85
As at March 31, 2024							
(i) MSME*	-	-	0.02	-	-	-	0.02
(ii) Others	44.37	28.02	170.28	1.29	0.83	1.07	245.86
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	44.37	28.02	170.30	1.29	0.83	1.07	245.88

*The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Subsidiary.

(II) Other payables

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 67)	0.23	2.25
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1.37	3.16
Total	1.60	5.41

Other payables ageing

(Rs. in crores)

Particulars	Unbilled	Not Due for payment	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) MSME	-	-	0.23	-	-	-	0.23
(ii) Others	-	-	1.37	-	-	-	1.37
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	1.60	-	-	-	1.60
As at March 31, 2024							
(i) MSME	1.83	0.40	0.02	-	-	-	2.25
(ii) Others	2.50	0.45	0.12	0.02	0.05	0.02	3.16
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	4.33	0.85	0.14	0.02	0.05	0.02	5.41

		(Rs. in crores)	
Particulars		As at March 31, 2025	As at March 31, 2024
23	DEBT SECURITIES		
At amortised cost			
Secured			
Redeemable non-convertible debentures			
- Public issue ₹		732.92	1,128.46
- Privately placed ₹ ₹		37,563.97	31,568.47
External commercial bond		15,851.97	10,948.31
Unsecured			
Redeemable non-convertible debentures			
- Privately placed		-	125.13
Commercial papers		-	2,680.31
Total		54,148.86	46,450.68
Debt securities in India		38,296.89	35,502.37
Debt securities outside India		15,851.97	10,948.31
Total		54,148.86	46,450.68

There are no debt securities measured at FVTPL or designated at FVTPL.

₹ Includes Rs. 33.83 crores (March 31, 2024 Rs. 76.56 crores) issued to related parties.

₹₹ Includes Rs. 558.84 crores (March 31, 2024 Rs. 511.02 crores) issued to related parties.

Terms of repayment, nature of security, etc

A) Redeemable Non-Convertible Debenture (NCD) - Secured

1) Public issue of redeemable NCD of face value of Rs. 1,000/- each

Terms of repayment

(Rs. in crores)												
Sr. No.	Particulars	Rate of interest	Amount utilised	Redeemable at par/ premium (from the date of the balance sheet)						Total*	Date of redemption	Amount redeemed
				Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
As at March 31, 2025												
i.	(IPO 2018 - 1)	9.19% to 9.60%	3,648.52	-	-	-	500.85	-	-	500.85	July 12, 2023	780.85
											July 12, 2021	2,285.45
											December 26, 2019	107.40
ii.	(IPO 2018 - 2)	9.52% to 9.92%	606.79	-	-	-	72.31	-	-	72.31	November 02, 2022	251.08
											November 02, 2021	284.39
iii.	(IPO 2018 - 3)	9.51% to 9.91%	537.31	-	-	-	60.52	-	-	60.52	February 06, 2024	229.75
											February 06, 2022	247.04



23 DEBT SECURITIES (Contd.)

(Rs. in crores)

Sr. No.	Particulars	Rate of interest	Amount utilised	Redeemable at par/ premium (from the date of the balance sheet)						Total*	Date of redemption	Amount redeemed
				Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
As at March 31, 2025												
iv.	(IPO 2019 - 2)	9.22% to 9.57%	193.67	-	26.82	-	-	-	-	26.82	January 28, 2025	66.16
											January 28, 2023	100.65
v.	(IPO 2019 - 1)	9.75% to 10.10%	339.94	-	72.42	-	-	-	-	72.42	August 22, 2024	99.12
											February 22, 2023	126.25
											February 22, 2022	53.11
vi.	(IPO 2019 - April)	10.09% to 10.43%	252.51	-	-	-	-	-	-	-	April 30, 2024	122.15
											April 30, 2022	130.36
vii.	(IPO 2019 - September)	9.88% to 10.94%	106.26	-	-	-	-	-	-	-	September 25, 2024	68.97
											September 25, 2022	37.29
	Total			-	99.24	-	633.68	-	-	732.92		
As at March 31, 2024												
i.	(IPO 2018 - 1)	9.17% to 9.58%	3,648.52	-	-	-	-	499.93	-	499.93	July 12, 2023	780.85
											July 12, 2021	2,285.45
											December 26, 2019	107.40
ii.	(IPO 2018 - 2)	9.50% to 9.90%	606.79	-	-	-	-	72.16	-	72.16	November 02, 2022	251.08
											November 02, 2021	284.39
iii.	(IPO 2018 - 3)	9.49% to 9.89%	537.31	-	-	-	-	60.40	-	60.40	February 06, 2024	229.75
											February 06, 2022	247.04
iv.	(IPO 2019 - 2)	9.20% to 9.64%	193.67	72.98	-	26.70	-	-	-	99.68	January 28, 2023	100.65
v.	(IPO 2019 - 1)	9.69% to 10.14%	339.94	111.02	-	70.03	-	-	-	181.05	February 22, 2023	126.25
											February 22, 2022	53.11
vi.	(IPO 2019 - April)	10.09% to 10.43%	252.51	140.32	-	-	-	-	-	140.32	April 30, 2022	130.36
vii.	(IPO 2019 - September)	9.88% to 10.94%	106.26	74.92	-	-	-	-	-	74.92	September 25, 2022	37.29
	Total			399.24	-	96.73	-	632.49	-	1,128.46		

*Including Ind AS impact

23 DEBT SECURITIES (Contd.)

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

2) Privately placed redeemable NCD of face value of Rs. 1,000,000/- each

Terms of repayment

As at March 31, 2025

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year ^ \$	1-2 years ^	2-3 years ^ \$	3-4 years	4-5 years	Over 5 years	
Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each	7.46% to 10.25%	1,445.00	339.28	106.93	-	61.71	11,865.45	13,818.37

^ NCD amounting to Rs. 80.00 crores issued at zero coupon rates and redeemable at premium are included in above on the basis of Internal rate of return (IRR).

\$ Loans are classified in respective time buckets based on option date.

\$ Out of above NCD having put/ call option are as under

Sr No.	Put/ call option date	Rate of interest	Principal amount (Rs. in crores)
1	November 21, 2025	8.86%	50.00
2	April 23, 2027	8.25%	100.00
Total			150.00

As at March 31, 2024

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year ^ \$	1-2 years ^	2-3 years ^ \$	3-4 years	4-5 years	Over 5 years	
Privately placed redeemable non-convertible debenture of Rs. 1,000,000/- each	7.44% to 11.84%	6,470.57	1,435.21	445.87	-	-	11,976.87	20,328.52

^ NCD amounting to Rs. 2,027.70 crores issued at zero coupon rates and redeemable at premium are included in above on the basis of IRR.

\$ Loans are classified in respective time buckets based on option date.

\$ Out of above NCD having put/ call option are as under

Sr No.	Put/ call option date	Rate of interest	Principal amount (Rs. in crores)
1	November 21, 2025	8.86%	50.00
2	April 23, 2027	8.25%	100.00
Total			150.00

Nature of security

Secured by specific assets covered under hypothecation loan and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Group.

23 DEBT SECURITIES (Contd.)

3) Privately placed redeemable NCD of face value of Rs. 100,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year # \$	1-2 years \$	2-3 years \$	3-4 years #	4-5 years	Over 5 years #	
As at March 31, 2025	8.40% to 11.04%	3,967.11	11,720.74	2,275.66	2,586.65	1,722.88	1,472.56	23,745.60

Includes NCD of Rs. 250.00 crores partly paid to the extent of Rs. 12.50 crores.

Includes NCD of Rs. 200.00 crores partly paid to the extent of Rs. 60.00 crores.

\$ Loans are classified in respective time buckets based on option date.

\$ Out of above NCD having put/ call option are as under

Sr No.	Put/ call option date	Rate of interest		Principal amount (Rs. in crores)			
1	October 03, 2025	8.75%		190.00			
2	October 03, 2025	8.75%		300.00			
3	October 03, 2025	8.75%		345.00			
4	November 22, 2026	8.90%		325.00			
5	March 02, 2026	8.86%		650.00			
6	June 28, 2026	9.15%		3,595.00			
Total				5,405.00			

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year \$	1-2 years \$	2-3 years \$	3-4 years	4-5 years #	Over 5 years #	
As at March 31, 2024	8.55% to 11.03%	1,385.60	2,128.59	4,199.62	154.65	2,413.95	921.21	11,203.62

Includes NCD of Rs. 250.00 crores partly paid to the extent of Rs. 12.50 crores.

\$ Loans are classified in respective time buckets based on option date.

\$ Out of above NCD having put/ call option are as under

Sr No.	Put/ call option date	Rate of interest		Principal amount (Rs. in crores)			
1	June 12, 2024	9.06%		200.00			
2	October 03, 2025	8.75%		190.00			
3	October 03, 2025	8.75%		300.00			
4	October 03, 2025	8.75%		345.00			
5	November 22, 2026	8.90%		325.00			
Total				1,360.00			

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/ or regulatory requirements, upon the terms and conditions as may be decided by the group.

23 DEBT SECURITIES (Contd.)

4) Privately placed redeemable NCD of face value of Rs. 625,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	-	-	-	-	-	-	-	-
As at March 31, 2024	9.15%	14.88	14.37	7.08	-	-	-	36.33

Nature of security

Secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and equitable mortgage of immovable property.

Debentures may be bought back subject to applicable statutory and/ or regulatory requirements, upon the terms and conditions as may be decided by the group.

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Public issue (1)	732.92	1,128.46
Privately placed (2+3+4)	37,563.97	31,568.47
Total non-convertible debentures - secured	38,296.89	32,696.93

B) External commercial bond (ED) - Secured

1) Redeemable ED of face value of Rs. 100,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total	Date of redemption	Amount redeemed
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years			
As at March 31, 2025	8.66% to 9.73%	3,517.33	1,277.37	6,660.02	4,397.25	-	-	15,851.97	March 13, 2024	1,630.35
									March 13, 2024	3,672.50
									October 24, 2022	3,991.97
									February 28, 2022	2,849.90
									July 16, 2023	1,758.28
Total		3,517.33	1,277.37	6,660.02	4,397.25	-	-	15,851.97		13,903.00
As at March 31, 2024	8.66% to 9.94%	-	3,391.22	1,239.85	6,317.24	-	-	10,948.31	March 13, 2024	1,630.35
									March 13, 2024	3,672.50
									October 24, 2022	3,991.97
									February 28, 2022	2,849.90
									July 16, 2023	1,758.28
Total		-	3,391.22	1,239.85	6,317.24	-	-	10,948.31		13,903.00

23 DEBT SECURITIES (Contd.)
Issue details of ED outstanding as at March 31, 2025 and March 31, 2024

(Rs. in crores)

Date of issue	Product	Rate of interest	Issue amount		Programme	Listed on	Due dates	Amounts outstanding*	
			USD	Rs. in crores				As at March 31, 2025	As at March 31, 2024
September 30, 2024	Senior secured notes (social bonds)	6.150%	500,000,000	4,183.46	USD 3,500,000,000 Global Medium Term Note (GMTN) Programme	Indian International Exchange ("INX") September 30, 2024	April 03, 2028	4,397.25	-
January 22, 2024	Senior secured notes	6.625%	750,000,000	6,238.50		Indian International Exchange ("INX") January 24, 2024	April 22, 2027	6,660.02	6,317.24
March 29, 2023	Senior secured floating rate notes	6.370%	150,000,000	1,233.00		Indian International Exchange ("INX") March 29, 2023	September 29, 2026	1,277.37	1,239.85
January 18, 2022	Senior secured notes (social bonds)	4.150%	475,000,000	3,512.86		Singapore Stock Exchange (SGX-ST) on January 19, 2022	July 18, 2025	3,517.33	3,391.22
	Total							15,851.97	10,948.31

* Includes Ind AS impact

The proceeds of the issue of the notes have been utilised in accordance with the Company's Social Finance Framework and as may be permitted by the RBI ECB guidelines for onward lending and other activities.

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Group.

C) Redeemable NCD - Unsecured

Privately placed redeemable NCD of face value of Rs. 1,000,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	-	-	-	-	-	-	-	-
As at March 31, 2024	8.60% to 13.34%	90.42	-	-	-	-	34.71	125.13

D) Commercial Papers (CP) - Unsecured

CP of face value of Rs. 500,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Maturity (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	-	-	-	-	-	-	-	-
As at March 31, 2024	8.60% to 8.70%	2,680.31	-	-	-	-	-	2,680.31

		(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024	
24 BORROWINGS (OTHER THAN DEBT SECURITIES)			
At amortised cost			
Secured			
Term loan from banks - INR	35,347.15	42,205.39	
Term loan from banks - FCNR	2,702.01	-	
Term loan from financial institutions/ corporates - INR	9,864.34	10,539.23	
Term loan from financial institutions/ corporates - FCNR	1,425.00	-	
Constituent's Subsidiary General Ledger loan (CSGL loan)	402.97	-	
External commercial borrowing	33,653.95	14,467.05	
Loans repayable on demand from banks (Cash credit from banks)	0.92	2,905.91	
Other loans - securitisation liabilities - INR	38,052.08	30,034.86	
Total	121,448.42	100,152.44	
Borrowings in India	87,794.47	85,685.39	
Borrowings outside India	33,653.95	14,467.05	
Total	121,448.42	100,152.44	

There are no borrowings measured at FVTPL or designated at FVTPL.

The borrowings have not been guaranteed by directors or others. The Group has not defaulted in repayment of principal and interest to its lenders.

The Group has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Group has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/ statements are in agreement with the books of accounts.

Terms of repayment, nature of security, etc

A) Term loans from banks - Secured (INR)

Terms of repayment

									(Rs. in crores)
Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)					Total	
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years		
As at March 31, 2025	8 to 20 installments of quarterly, half-yearly, specific frequency	8.75% to 10.17%	-	-	-	-	10,847.86	-	10,847.86
	15 to 60 installments of monthly, quarterly frequency	7.77% to 10.71%	-	-	-	10,713.33	-	-	10,713.33
	1 to 60 installments of bullet, monthly, quarterly, specific frequency	7.72% to 11.17%	-	-	5,967.48	-	-	-	5,967.48
	1 to 60 installments of bullet, monthly, quarterly, specific frequency	8.30% to 12.23%	-	4,494.12	-	-	-	-	4,494.12
	1 to 60 installments of bullet, monthly, quarterly, specific frequency	7.52% to 12.70%	3,324.36	-	-	-	-	-	3,324.36
Total			3,324.36	4,494.12	5,967.48	10,713.33	10,847.86	-	35,347.15

24 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2024	2 to 17 installments of monthly, quarterly and specific frequency	3.90% to 9.20%	-	-	-	-	-	549.18	549.18
	2 to 60 installments of monthly, quarterly and specific frequency	2.94% to 10.32%	-	-	-	-	11,406.10	-	11,406.10
	1 to 60 installments of monthly, quarterly and specific frequency	2.94% to 10.00%	-	-	-	7,603.73	-	-	7,603.73
	1 to 60 installments of bullet, monthly, quarterly and specific frequency	2.94% to 10.72%	-	-	9,059.75	-	-	-	9,059.75
	1 to 60 installments of bullet, monthly, quarterly and specific frequency	2.94% to 11.29%	-	5,567.15	-	-	-	-	5,567.15
	1 to 48 installments of bullet, monthly, quarterly and specific frequency	2.94% to 13.12%	8,019.48	-	-	-	-	-	8,019.48
Total			8,019.48	5,567.15	9,059.75	7,603.73	11,406.10	549.18	42,205.39

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

B) Term loan from banks - FCNR

Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	20 installments of quarterly frequency	8.98%	-	-	-	-	2,702.01	-	2,702.01
As at March 31, 2024	-	-	-	-	-	-	-	-	-

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

C) Term loans from financial institutions/ corporates - secured (INR)

Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	17 to 21 installments of quarterly, specific frequency	8.64% to 8.81%	-	-	-	-	3,349.62	-	3,349.62
	18 to 21 installments of quarterly, specific frequency	8.30% to 8.80%	-	-	-	3,016.28	-	-	3,016.28
	1 to 21 installments of bullet, quarterly, specific frequency	7.77% to 9.13%	-	-	1,275.91	-	-	-	1,275.91
	11 to 20 installments of quarterly frequency	7.34% to 9.26%	-	1,350.52	-	-	-	-	1,350.52
	11 to 20 installments of quarterly frequency	7.20% to 10.91%	872.01	-	-	-	-	-	872.01
Total			872.01	1,350.52	1,275.91	3,016.28	3,349.62	-	9,864.34

24 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2024	20 to 21 installments of monthly and quarterly frequency	8.61% to 11.50%	-	-	-	-	-	614.48	614.48
	1 to 21 installments of monthly, quarterly and specific frequency	8.30% to 11.50%	-	-	-	-	3,950.33	-	3,950.33
	11 to 21 installments of monthly and quarterly frequency	8.50% to 11.50%	-	-	-	872.74	-	-	872.74
	11 to 20 installments of monthly and quarterly frequency	7.34% to 11.50%	-	-	2,255.97	-	-	-	2,255.97
	11 to 20 installments of monthly and quarterly frequency	7.20% to 11.50%	-	2,040.34	-	-	-	-	2,040.34
	10 to 12 installments of monthly, quarterly, half yearly and specific frequency	7.52% to 12.86%	805.37	-	-	-	-	-	805.37
Total			805.37	2,040.34	2,255.97	872.74	3,950.33	614.48	10,539.23

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

D) Term loan from financial institutions/ corporates - FCNR

Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	2 to 5 installments of specific frequency	8.00% to 9.01%	-	-	1,425.00	-	-	-	1,425.00
As at March 31, 2024	-	-	-	-	-	-	-	-	-

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

E) CSGL loan

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par/ premium (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	6.50% to 6.85%	402.97	-	-	-	-	-	402.97
As at March 31, 2024	-	-	-	-	-	-	-	-

Nature of security

Secured by hypothecation of specific assets (specified CSGL securities).



24 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)
F) External commercial borrowing
Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	10 to 16 installments of specific frequency	8.82% to 9.80%	-	-	-	-	-	8,627.86	8,627.86
	20 quarterly and 3 yearly installments payments	8.89% to 9.11%	-	-	-	-	2,312.66	-	2,312.66
	Bullet frequency	9.25%	-	-	-	1,884.97	-	-	1,884.97
	9 to 11 installments of half-yearly payments and bullet payments	8.71% to 9.40%	-	-	10,413.50	-	-	-	10,413.50
	11 to 13 installments of half-yearly payments and bullet payments	8.63% to 10.86%	-	7,527.22	-	-	-	-	7,527.22
	Bullet frequency	8.84% to 10.29%	2,887.74	-	-	-	-	-	2,887.74
Total			2,887.74	7,527.22	10,413.50	1,884.97	2,312.66	8,627.86	33,653.95
As at March 31, 2024	16 installments of specific frequency	9.20%	-	-	-	-	-	2,088.38	2,088.38
	9 to 11 installments of half-yearly and specific frequency and bullet payments	9.10% to 9.40%	-	-	-	1,947.93	-	-	1,947.93
	11 to 13 installments of half-yearly and specific frequency and bullet payments	8.63% to 10.86%	-	-	7,463.63	-	-	-	7,463.63
	Bullet frequency	8.84% to 10.29%	-	2,754.47	-	-	-	-	2,754.47
	Bullet frequency	8.12%	212.64	-	-	-	-	-	212.64
Total			212.64	2,754.47	7,463.63	1,947.93	-	2,088.38	14,467.05

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

G) Loans repayable on demand from banks (Cash credit from banks)
Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Tenure (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	7.45% to 10.95%	0.92	-	-	-	-	-	0.92
As at March 31, 2024		2,905.91	-	-	-	-	-	2,905.91

Nature of security

Secured by hypothecation of specific assets covered under hypothecation loan agreements.

24 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

H) Other loans - INR - securitisation liabilities

Terms of repayment

(Rs. in crores)

Particulars	Repayment details	Rate of interest	Tenure (from the date of the balance sheet)						Total
			Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	1 to 126 months installments	7.75% to 9.20%	-	-	-	-	-	5,690.79	5,690.79
	1 to 70 months installments	7.75% to 8.80%	-	-	-	-	13,652.35	-	13,652.35
	1 to 60 months installments	7.95% to 9.10%	-	-	-	10,123.83	-	-	10,123.83
	1 to 80 months installments	7.00% to 8.85%	-	-	5,426.01	-	-	-	5,426.01
	1 to 86 months installments	6.12% to 9.00%	-	2,915.01	-	-	-	-	2,915.01
	1 to 67 months installments	6.25% to 9.00%	244.09	-	-	-	-	-	244.09
Total			244.09	2,915.01	5,426.01	10,123.83	13,652.35	5,690.79	38,052.08
As at March 31, 2024	1 to 353 installments	8.64% - 10.50%	-	-	-	-	-	4,181.37	4,181.37
	1 to 353 installments	7.74% - 10.50%	-	-	-	-	11,450.49	-	11,450.49
	1 to 353 installments	6.15% - 10.50%	-	-	-	6,932.22	-	-	6,932.22
	1 to 353 installments	5.91% - 11.63%	-	-	4,445.93	-	-	-	4,445.93
	1 to 353 installments	6.11% - 10.50%	-	2,815.64	-	-	-	-	2,815.64
	1 to 353 installments	5.71% - 10.50%	209.20	-	-	-	-	-	209.20
Total			209.20	2,815.64	4,445.93	6,932.22	11,450.49	4,181.37	30,034.85

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
25 DEPOSITS		
At amortised cost		
Unsecured		
i. Public deposits	53,452.81	42,802.28
ii. From banks	-	-
iii. From others		
- Deposits from corporates**	2,633.18	1,641.38
Total	56,085.99	44,443.66

There are no deposits measured at FVTPL or designated at FVTPL.

* Includes Rs. 4.16 crores (March 31, 2024 Rs. 4.73 crores) accepted from related parties including Director.

** Includes Rs. 203.12 crores (March 31, 2024 Rs. 194.69 crores) accepted from related parties.



25 DEPOSITS (Contd.)

Terms of repayment

A) Public deposits - unsecured

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par (from the date of the balance sheet)					Total deposits from public
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	
As at March 31, 2025	7.12% to 9.73%	13,916.35	10,948.22	15,802.35	6,673.60	6,112.29	53,452.81
As at March 31, 2024	6.55% to 9.96%	10,584.95	10,937.10	9,569.50	6,691.62	5,019.11	42,802.28

B) Deposits from corporates - unsecured

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par (from the date of the balance sheet)					Total deposits from corporates
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	
As at March 31, 2025	7.26% to 9.08%	848.07	792.25	720.72	149.21	122.93	2,633.18
As at March 31, 2024	6.55% to 9.25%	840.00	350.57	357.25	58.78	34.78	1,641.38

(Rs. in crores)

Particulars	As at March 31, 2025	As at March 31, 2024
26 SUBORDINATED LIABILITIES		
At amortised cost		
Others		
Unsecured		
Subordinated debts - Debentures #	2,513.98	4,449.30
Total	2,513.98	4,449.30
Subordinated debts in India	2,513.98	4,449.30
Subordinated debts outside India	-	-
Total	2,513.98	4,449.30

There are no subordinated liabilities measured at FVTPL or designated at FVTPL.

Includes Rs.554.93 crores (March 31, 2024 Rs. 330.21 crores) issued to related parties.

Terms of repayment

Subordinated liabilities - Unsecured - Debentures

i) Privately placed subordinated liabilities of face value of Rs. 1,000,000/- each

Terms of repayment

(Rs. in crores)

Particulars	Rate of interest	Redeemable at par (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	8.20% to 11.44%	97.55	138.04	1,397.85	79.13	-	-	1,712.57
As at March 31, 2024	8.20% to 13.28%	2,369.94	97.28	137.92	1,396.89	79.07	-	4,081.10

26 SUBORDINATED LIABILITIES (Contd.)

ii) Privately placed subordinated liabilities of face value of Rs. 10,000,000/- each

Terms of repayment

Particulars	Rate of interest	Redeemable at par (from the date of the balance sheet)						Total
		Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
As at March 31, 2025	9.00% to 9.91%	-	-	-	-	-	801.41	801.41
As at March 31, 2024	9.00% to 9.13%	-	-	-	-	-	368.20	368.20

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Privately placed (i + ii)	2,513.98	4,449.30
Total subordinated liabilities	2,513.98	4,449.30

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
27 OTHER FINANCIAL LIABILITIES		
Investor education and protection fund shall be credited by the following amounts (as and when due) ^		
- Unclaimed dividend	12.49	10.60
- Unclaimed matured deposits and interest accrued thereon	143.65	146.96
- Unclaimed matured debentures and interest accrued thereon	4.64	7.37
- Unclaimed matured subordinated debts and interest accrued thereon	5.15	6.96
Temporary credit balance in bank accounts	118.47	142.91
Payable on account of assignment	193.28	308.08
Payable to dealers	43.46	23.11
Income received in advance	15.79	-
Payable to employees	389.79	332.85
Retention money and other sundry liabilities \$#@	168.57	208.14
Security deposits for First Loss Default Guarantee (FLDG)	157.84	-
Lease liabilities**	718.65	699.35
Other liabilities* Ω	118.64	144.31
Total	2,090.42	2,030.64

*Other liabilities include amount payable to banks for credit card payments, settlement dues payable to resigned employees, security deposit received, indemnification liability on stake sale etc.

\$ Includes allowance for impairment loss recognised on amounts receivable from Revenue Sharing Parties (RSP) Rs. 1.82 crores (March 31, 2024: Rs. Nil).

Includes recovery of allowance for impairment loss recognised on loans sourced by RSP Rs. 1.48 crores (March 31, 2024: Rs. 1.01 crores).

Ω Includes payable to other related parties Rs. 2.50 crores (March 31, 2024: Rs. Nil).

^ There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

@Includes payable to Micro, Small and Medium Enterprises (MSME) suppliers Rs. 1.98 crores (March 31, 2024: Nil) (Refer note 67).



27 OTHER FINANCIAL LIABILITIES (Contd.)

****Disclosures as required by Ind AS 116 Leases are stated below**

A) Lease liabilities movement

Particulars	(Rs. in crores)	
	As at March 31, 2025*	As at March 31, 2024
Opening balance	699.35	602.08
Add: Addition during the year	307.92	284.48
: Interest on lease liabilities	65.44	58.76
Less: Deletion during the year	29.78	38.37
: Lease rental payments	225.70	207.60
: Adjustment for discontinued operations	98.58	-
Closing balance	718.65	699.35

* The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

****Disclosures as required by Ind AS 116 Leases are stated below**

B) Maturity analysis of lease liabilities

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Less than 1 year	137.93	143.19
1 to 2 years	129.16	118.54
2 to 3 years	112.56	106.69
3 to 4 years	95.14	91.68
4 to 5 years	78.05	71.55
More than 5 years	165.81	167.70
Total	718.65	699.35

C) The Group has taken various office premises and furniture and fixtures under lease. Certain agreements provide for cancellation by either party or certain agreements contain clause for escalation and renewal of agreements. There are no restrictions imposed by lease arrangements.

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
i) Amounts recognised in the statement of profit and loss*		
Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	171.72	159.63
Interest expense (included in finance costs)	59.60	53.30
Expense relating to short-term leases (included in other expenses)	15.26	12.86
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	-	-
Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	-	-
The Group had remeasured lease liabilities in respect of certain leases during the year and income on such remeasurement of leases as per Ind AS 116 is included in other income	4.18	6.88
Income from subleasing right-of-use assets (included in other income)	3.33	4.52
ii) Gains or losses arising from sale and leaseback transactions	-	-
iii) The total cash outflow for leases during the year	210.50	194.98

*Excludes discontinued operations

27 OTHER FINANCIAL LIABILITIES (Contd.)

E) The Group does not face a significant liquidity risk with regard to its lease liabilities as the assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

F) **This note provides information for leases where the Group is a lessor.***

The Group had given office premises under lease. The income from lease recognised in the statement of profit and loss is Rs. Nil (March 31, 2024: Rs. 0.13 crores). Agreements provide for cancellation by either party or contain clause for escalation and renewal of agreements. There were no non-cancellable operating lease agreements as on March 31, 2025.

*Excludes discontinued operations

		(Rs. in crores)	
		As at March 31, 2025	As at March 31, 2024
Particulars			
28 CURRENT TAX LIABILITIES (NET)			
Provision for taxation (net)		38.98	237.79
Total		38.98	237.79

		(Rs. in crores)	
		As at March 31, 2025	As at March 31, 2024
Particulars			
29 PROVISIONS			
For employee benefits			
- Gratuity (Refer note 49)		27.62	37.64
- Compensated absences (leave encashment and availment)		218.15	171.45
- Share appreciation rights (Refer note 54 and 65)		0.26	-
For others			
- Expected credit loss towards undrawn loan commitments		9.21	6.50
- Indirect taxes (contested) (Refer note 65)		89.14	89.19
Total		344.38	304.78

Loan commitments

Credit quality of exposure

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Group's internal grading system are explained in note 58.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 58.02.02.07.

		(Rs. in crores)			
		As at March 31, 2025			
		Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total
Particulars					
Internal rating grade					
Performing					
High grade		218.85	-	-	218.85
Standard grade		-	-	-	-
Sub-standard grade		-	-	-	-
Past due but not impaired		-	-	-	-
Total		218.85	-	-	218.85
		As at March 31, 2024			
		Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total
		839.71	-	-	839.71
		0.99	-	-	0.99
		-	0.55	-	0.55
		-	0.17	-	0.17
		840.70	0.72	-	841.42



29 PROVISIONS (Contd.)

An analysis of changes in the gross carrying amount as follows:

Gross exposure reconciliation

(Rs. in crores)

Particulars	Year ended March 31, 2025 #				Year ended March 31, 2024			
	General Approach				General Approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - Opening balance	840.70	0.72	-	841.42	838.08	1.55	-	839.63
New exposures*	532.17	0.01	-	532.18	773.85	0.20	-	774.05
Exposures cancelled or disbursed or renewed (excluding write-offs)	(788.32)	(1.62)	-	(789.94)	(770.92)	(1.34)	-	(772.26)
Transfers to Stage 1	0.01	(0.01)	-	-	0.58	(0.58)	-	-
Transfers to Stage 2	(1.34)	1.34	-	-	(0.89)	0.89	-	-
Less: Adjustment for discontinued operations	364.37	0.44	-	364.81	-	-	-	-
Gross carrying amount - Closing balance	218.85	-	-	218.85	840.70	0.72	-	841.42

* Excludes proposals approved and fully disbursed during the year.

Reconciliation of impairment loss allowance is given below:

(Rs. in crores)

Particulars	Year ended March 31, 2025 #				As at March 31, 2024			
	General Approach				General Approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	6.49	0.01	-	6.50	11.53	0.02	-	11.55
New exposures	10.03	-	-	10.03	5.49	0.01	-	5.50
Exposures cancelled or disbursed or renewed (excluding write-offs)	(6.25)	(0.01)	-	(6.26)	(10.54)	-	-	(10.54)
Transfers to stage 1	-	-	-	-	0.01	(0.01)	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-	-	(0.01)	-	(0.01)
Less: Adjustment for discontinued operations	1.06	-	-	1.06	-	-	-	-
Closing balance	9.21	-	-	9.21	6.49	0.01	-	6.50

The figures of erstwhile subsidiary SHFL, included in above tables are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

		(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024	
30 OTHER NON-FINANCIAL LIABILITIES			
Statutory dues payable	222.83	249.61	
Advance from customers	58.03	19.43	
Total	280.86	269.04	

		(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024	
31 EQUITY SHARE CAPITAL			
Authorised			
14,877,500,000 (March 31, 2024: 2,975,500,000) equity shares of Rs. 2/- each (March 31, 2024: Rs. 10/- each)	2,975.50	2,975.50	
129,000,000 (March 31, 2024: 129,000,000) preference shares of Rs. 100/- each	1,290.00	1,290.00	
	4,265.50	4,265.50	
Issued share capital			
1,880,383,880 (March 31, 2024: 375,792,810) equity shares of Rs. 2/- each (March 31, 2024: Rs. 10/- each) [Refer note 31(I)]	376.08	375.79	
Subscribed share capital			
1,880,383,880 (March 31, 2024: 375,792,810) equity shares of Rs. 2/- each (March 31, 2024: Rs. 10/- each) [Refer note 31(I)]	376.08	375.79	
Paid up (fully paid up)			
Equity shares*			
1,880,383,880 (March 31, 2024: 375,792,810) equity shares of Rs. 2/- each fully paid up (March 31, 2024: Rs. 10/- each) [Refer note 31(I)]	376.08	375.79	
Total Equity	376.08	375.79	

* Includes Rs. 93.96 crores (March 31, 2024 Rs. 87.98 crores) equity share capital held by related parties.

(A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	Number of shares	(Rs. in crores)
As at April 01, 2023	374,427,276	374.43
Shares issued on exercise of ESOP	1,365,534	1.36
As at March 31, 2024	375,792,810	375.79
Shares issued on exercise of ESOP (pre-split)	265,967	0.27
Increase in number of shares on account of share split [Refer note 31(I)]	1,504,235,108	-
Shares issued on exercise of ESOP (post-split)	89,995	0.02
As at March 31, 2025	1,880,383,880	376.08

The Company has allotted 89,995 equity shares of face value of Rs. 2/- each fully paid up at an exercise price of Rs. 38.71 per equity share (including premium of Rs. 36.71 per equity share) under the Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) on various dates during the post-split period i.e. January 11, 2025 to March 31, 2025.

The Company has allotted 265,967 equity shares of face value of Rs. 10/- each fully paid up at an exercise price of Rs. 193.55 per equity share (including premium of Rs. 183.55 per equity share) under the Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) on various dates during the pre-split period i.e. April 01, 2024 to January 10, 2025.

The Company had allotted 1,365,534 equity shares of face value of Rs. 10/- each fully paid up at an exercise price of Rs. 193.55 per equity share (including premium of Rs.183.55 per equity share) under the Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) on various dates during the financial year ended March 31, 2024.



31 EQUITY SHARE CAPITAL (Contd.)

(B) Terms/ rights attached to equity shares

- The Company has only one class of equity shares having a par value of Rs. 2/- per share (March 31, 2024: Rs. 10/- per share). Each holder of equity shares is entitled to one vote per share. The final dividend is subject to the approval of the shareholders in the ensuing annual general meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(C) Aggregate number of equity shares issued for consideration other than cash/ bonus shares issued during the period of five years immediately preceding the reporting date:

The aggregate number of equity shares issued for consideration other than cash/ bonus shares issued during the period of five years immediately preceding the reporting date were Nil (March 31, 2024: Nil).

(D) Details of shareholders holding more than 5% equity shares in the Company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares [Refer note 31(I)]	% holding	Number of shares	% holding
Equity shares of face value Rs. 2/- each (March 31, 2024: face value Rs 10/- each)				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	335,728,920	17.85%	67,145,784	17.87%
Government of Singapore	106,615,199	5.67%	22,926,619	6.10%
Shriram Value Services Limited	133,757,305	7.11%	20,771,461	5.53%

(E) Capital management for the Group's objectives, policies and processes for managing capital (Refer note 56)

(F) Proposed dividends on equity shares

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Proposed dividend on equity shares for the financial year ended on March 31, 2025: Rs. 3/- per share of face value of Rs. 2/- each (March 31, 2024: Rs. 15/- per share of face value of Rs. 10/- each)*	564.12	563.69
Total	564.12	563.69

(G) Shareholding of Promoters

Promoter & Promoter Group	Relationship	Shares held at the end of the year		% Change during the year #
		No. of shares [Refer note 31(I)]	% of total shares	
As at March 31, 2025				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	Promoter	335,728,920	17.85%	-
Shriram Ownership Trust	Promoter	310,400	0.02%	-
Shriram Value Services Limited	Promoter group	133,757,305	7.11%	28.79%
Sanlam Life Insurance Limited	Promoter group	7,784,755	0.41%	(79.34%)
As at March 31, 2024				
Shriram Capital Private Limited (formerly known as Shriram Financial Ventures (Chennai) Private Limited)	Promoter	67,145,784	17.87%	-
Shriram Ownership Trust	Promoter	62,080	0.02%	(99.21%)
Shriram Value Services Limited	Promoter group	20,771,461	5.53%	59.86%
Sanlam Life Insurance Limited	Promoter group	7,536,951	2.01%	-

Percentage change is computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

31 EQUITY SHARE CAPITAL (Contd.)

(H) Amount of per share dividend recognised as distribution to equity shareholders

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Second interim dividend for the year ended March 31, 2025 (Rs. per share)*	2.50	-
First interim dividend for the year ended March 31, 2025 (Rs. per share)* (restated Rs. 4.40 per share)	22.00	-
Final dividend for the year ended March 31, 2024 (Rs. per share) (paid in financial year 2024-25)	15.00	-
Second interim dividend for the year ended March 31, 2024 (Rs. per share)	-	10.00
First interim dividend for the year ended March 31, 2024 (Rs. per share)	-	20.00
Final dividend for the year ended March 31, 2023 (Rs. per share) (paid in financial year 2023-24)	-	20.00

- i) The Board of Directors has recommended a final dividend of Rs. 3/- per equity share of nominal face value of Rs. 2/- each fully paid up i.e. 150%, for the financial year 2024-25 subject to approval by Members in the ensuing 46th Annual General Meeting (46th AGM) of the Company. This is in addition to the interim dividend of Rs. 22/- per equity share (pre-split) of Rs. 10/- each and second interim dividend Rs. 2.50 per equity share of Rs. 2/- each (post-split) fully paid-up for the financial year 2024-25 declared by the Company on October 25, 2024 and January 24, 2025 respectively. With this the total dividend for the financial year 2024-25 will be Rs. 9.90 per share of Rs. 2/- each after adjusting for split. Pursuant to Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the confirmation by the Stock Exchanges, the book closure period for the purpose of payment of the final dividend and 46th AGM will be from July 12, 2025 to July 18, 2025 (both days inclusive). The final dividend will be paid to eligible Members on or before August 16, 2025 subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders.
- ii) The Board of Directors in their meeting held on April 26, 2024 had recommended a final dividend of Rs. 15/- per equity share of nominal face value of Rs. 10/- each fully paid up i.e. 150%, for the financial year 2023-24 subject to approval by Members in the ensuing 45th Annual General Meeting (45th AGM) of the Company. The Company paid the final dividend aggregating to Rs. 5,638,967,235/- (gross) subject to deduction of tax at source as per the applicable rate(s) to all the eligible shareholders on August 09, 2024. This was in addition to the first interim dividend and second interim dividend of Rs. 20/- per equity share and Rs. 10/- per equity share of Rs. 10/- each fully paid-up (300%) for the financial year 2023-24 declared by the Company on October 26, 2023 and January 25, 2024 respectively. With this the total dividend for the financial year 2023-24 was Rs. 45/- per share (i.e. 450%).
- iii) *Final dividend and second interim dividend per share, declared post-split for the financial year 2024-25, are not comparable with dividend per share for all prior periods [Refer note 31(I)].
- (I) The Members through postal ballot on December 20, 2024, had approved the sub-division/ split of the equity shares from face value of Rs. 10/- per share to face value of Rs. 2/- per share. The record date for the share split was January 10, 2025. In conformity with Ind AS 33 - Earnings Per Share, the per share calculation for current year and all the prior periods are computed as per revised number of shares with the face value of Rs. 2/- per share.

32 OTHER EQUITY

	(Rs. in crores)	
Particulars	As at March 31, 2025*	As at March 31, 2024
Share application money pending allotment		
Opening balance	0.06	-
Less: Adjustment for discontinued operations	(0.06)	-
Closing Balance	-	0.06
Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)		
Opening balance	7,341.95	7,610.66
Less: Amalgamation adjustment account	-	(1,706.81)
Add: Transfer from retained earnings	1,952.20	1,438.10
Closing Balance	9,294.15	7,341.95
Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)		
Opening balance	115.00	79.53
Add: Transfer from retained earnings	25.68	35.47
Less: Adjustment for discontinued operations	140.68	-
Closing balance	-	115.00
Securities premium		
Opening balance	17,557.20	17,396.27
Add: Premium on shares issued during the year	400.94	160.93
Less: Adjustment for discontinued operations	(415.13)	-
Closing balance	17,543.01	17,557.20
Capital reserve	104.57	104.57
Capital redemption reserve	53.88	53.88
Debenture redemption reserve		
Opening Balance	134.25	419.13
Add: Transfer from retained earnings	18.41	53.32
Less: Transfer to retained earnings on account of redemption	(33.64)	(338.20)
Closing balance	119.02	134.25
General reserve		
Opening balance	4,251.10	3,532.05
Add: Transfer from retained earnings	976.10	719.05
Add: Amount transferred from share option outstanding on account of forfeiture of share options	0.33	-
Closing balance	5,227.53	4,251.10
Share Option Outstanding		
Opening balance	72.45	199.84
Add: Expenses on employee stock option plan (Refer note 54)	3.88	10.47
Add: Transfer to general reserve on account of forfeiture of share options	(0.33)	-
Less: Adjustment on exercise of employee stock option plan	(28.13)	(137.86)
Less: Adjustment for discontinued operations	(4.95)	-
Closing balance	42.92	72.45

32 OTHER EQUITY (Contd.)

	(Rs. in crores)	
Particulars	As at March 31, 2025*	As at March 31, 2024
Amalgamation adjustment account		
Opening balance	-	(1,706.81)
Add: Statutory reserve of transferor company	-	1,706.81
Closing balance	-	-
Other comprehensive income		
Remeasurement gain/ (loss) on defined benefit plan (net of tax)		
Opening balance	(76.03)	(17.39)
Add: Addition during the year	(9.62)	(58.58)
Add: Share of other comprehensive income from associates (net of tax)	(1.15)	(0.06)
Less: Adjustment for discontinued operations	0.05	-
Closing balance	(86.75)	(76.03)
Gain/ (loss) on fair valuation of quoted investments in equity shares		
Opening balance	3.51	(8.83)
Add: Addition during the year	23.18	12.34
Closing balance	26.69	3.51
Effective portion of cash flow hedges		
Opening balance	(266.34)	(224.42)
Add: Addition during the year	(212.72)	(41.92)
Less: Adjustment for discontinued operations	5.64	-
Closing balance	(473.42)	(266.34)
Retained earnings		
Opening balance	19,279.73	15,699.95
Add: Profit for the year	9,413.12	7,366.38
Add/ (Less): Appropriations		
Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(1,952.20)	(1,438.10)
Transfer to statutory reserve as per Section 29C of the NHB Act, 1987	(25.68)	(35.47)
Transfer to general reserve	(976.10)	(719.05)
Amount transferred from share option outstanding on account of forfeiture of share options	-	0.03
Transferred (to)/from debenture redemption reserve	15.23	284.88
Reversal of deemed investment	-	1.55
Interim dividend [March 31, 2025: Rs. 6.90 per share of Rs. 2/- each restated (March 31, 2024: Rs. 30.00 per share of Rs. 10/- each)] [Refer note 31(I)]	(1,297.29)	(1,126.55)
Final dividend [March 31, 2024: Rs. 15.00 per share of Rs. 10/- each (March 31, 2023 Rs. 20.00 per share of Rs. 10/- each)]	(563.90)	(749.67)
ESOP related dilution and merger fair value impacts on profit for the year	-	(4.22)
Less: Adjustment for discontinued operations	704.66	-
Elimination of NCI on account of derecognition	(355.43)	-
Total appropriations	(4,450.71)	(3,786.60)
Closing balance	24,242.14	19,279.73
Total	56,093.74	48,571.38

* The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

32 OTHER EQUITY (Contd.)

Nature and purpose of reserves

- a) **Share application money pending allotment:** The amount received on the application for equity shares of the Company on which allotment is not yet made, to the extent not refundable.
- b) **Securities premium:** The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- c) **Capital reserve:** Capital reserve is the excess of net assets taken over cost of consideration paid during amalgamation.
- d) **Capital redemption reserve:** The Company has recognised capital redemption reserve on redemption of non-convertible redeemable preference shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the non-convertible redeemable preference shares redeemed. The Company may issue fully paid up bonus shares to its members out of the capital redemption reserve.
- e) **Debenture redemption reserve (DRR):**
 - (1) Pursuant to Section 71 of the Companies Act, 2013 and circular 04/2013, read with notification issued date June 19, 2016 issued by Ministry of Corporate Affairs, the Company is required to transfer 25% of the value of the outstanding debentures issued through public issue as per the present SEBI (Issue and Listing of Debt Securities) Regulation, 2008 to Debenture redemption reserve (DRR) and no DRR is required in case of privately placed debenture. Also the Company is required before 30th day of April of each year to deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debenture issued through public issue maturing within one year from the balance sheet date.
 - (2) As per the notification G.S.R. 574(E) dated August 16, 2019, the Ministry of Corporate Affairs has amended the Companies (Share Capital & Debentures) Rules, DRR need not be created for debentures issued by a Non-Banking Finance Company subsequent to the notification date. The Company has not created DRR on public issue of non-convertible debentures issued after the date of said notification.
 - (3) In respect of the debentures issued through public issue, the Company has created DRR of Rs. 18.41 crores (March 31, 2024: Rs. 53.32 crores). The Company subsequent to the year end has deposited a sum of Rs. Nil (March 31, 2024: Rs. 60.00 crores) in the form of fixed deposits with scheduled banks, representing 15% of the debenture issued through public issue, which are due for redemption within one year from the balance sheet date.
 - (4) On redemption of the debentures for which the DRR is created, the amounts no longer necessary to be retained in this account need to be transferred to the retained earnings.
- f) **General reserve:** Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.
- g) **Statutory reserve:**

Statutory reserve (SFL): Every year the Company transfers a sum of not less than twenty per cent of net profit of that year as disclosed in the statement of profit and loss to its Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934.

The conditions and restrictions for distribution attached to statutory reserves as specified in Section 45-IC(1) in the Reserve Bank of India Act, 1934:

32 OTHER EQUITY (Contd.)

- (1) Every Non-Banking Financial Company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.
- (2) No appropriation of any sum from the reserve fund shall be made by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal:

Provided that the RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty-one days by such further period as it thinks fit or condone any delay in making such report.

- (3) Notwithstanding anything contained in sub-section (1), the Central Government may, on the recommendation of the RBI and having regard to the adequacy of the paid-up capital and reserves of a NBFC in relation to its deposit liabilities, declare by order in writing that the provisions of sub-section (1) shall not be applicable to the NBFC for such period as may be specified in the order:

Provided that no such order shall be made unless the amount in the reserve fund under sub-section (1) together with the amount in the share premium account is not less than the paid-up capital of the NBFC.

Statutory Reserve (SHFL): The subsidiary company creates Special Reserve every year out of its profits in terms of Section 36(1) (viii) of the Income Tax Act, 1961 read with Section 29C of the National Housing Bank Act, 1987. The Subsidiary Company transfers at least 20% of the Profit after tax to the Statutory reserve.

- h) **Amalgamation adjustment account:** Upon amalgamation of the erstwhile Shriram City Union Finance (SCUF) the transferor company, with Shriram Transport Finance Limited (STFC) the transferee company, renamed as Shriram Finance Limited (SFL), the statutory reserves (i.e. Reserve under Section 45-IC of the Reserve Bank of India Act, 1934) of Rs. 1,706.81 crores of the transferor companies as on April 01, 2022 (the appointed date) were recorded in the books of SFL with a corresponding debit to amalgamation adjustment account. When the identity of the statutory reserves were no longer required to be maintained, the aforesaid account was reversed in the financial year 2023-24.
- i) **Share option outstanding:** The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.
- j) **Remeasurement gain/ (loss) on defined benefit plan:** Remeasurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.
- k) **Other comprehensive income:** Other comprehensive income includes effective portion of cash flow hedges and gain/ (loss) on fair valuation of investments in quoted equity shares.

Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to the statement of profit and loss only when the hedged transaction affects the statement of profit and loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

Gain/ (loss) on fair valuation of investments in quoted equity shares represents gains and losses from the change in the fair value of investments in quoted equity instruments in accordance with paragraph 5.7.5 of Ind AS 109, Financial Instruments.
- l) **Retained earnings:** Retained earnings are the profits that the Group has earned till date, less any transfers to statutory reserve, general reserve, dividend distributed to shareholders and other appropriations.



(Rs. in crores)

Particulars	Year ended March 31, 2025			Year ended March 31, 2024		
	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total	On financial assets measured at amortised cost	On financial assets classified at fair value through profit or loss	Total
33 INTEREST INCOME						
Interest on loans	38,669.51	-	38,669.51	32,502.25	-	32,502.25
Interest income from investments	734.42	91.58	826.00	528.35	25.44	553.79
Interest on deposits with banks						
- Margin money deposit	169.12	-	169.12	97.17	-	97.17
- Lien free deposits	426.85	-	426.85	158.02	-	158.02
Other interest income						
- Margin money deposit with trusts	83.71	-	83.71	160.97	-	160.97
- Delayed payments by customers	126.76	-	126.76	122.36	-	122.36
- Unwinding of security deposit	5.69	-	5.69	5.10	-	5.10
Total	40,216.06	91.58	40,307.64	33,574.22	25.44	33,599.66

(Rs. in crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
34 FEES AND COMMISSION INCOME		
Income from commission services - life insurance	141.02	124.93
Income from commission services - general insurance	205.53	157.82
Income from loan related and other commission services	335.38	174.63
Total	681.93	457.38

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to the statement of profit and loss.

(Rs. in crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Type of services or service		
Fees and commission income	681.93	457.38
Total revenue from contract with customers	681.93	457.38
Geographical markets		
- India	681.93	457.38
- Outside India	-	-
Total revenue from contract with customers	681.93	457.38
Timing of revenue recognition		
Services transferred at a point in time	681.93	457.38
Services transferred over time	-	-
Total revenue from contracts with customers	681.93	457.38



34 FEES AND COMMISSION INCOME (Contd.)

Contract balance

	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	50.82	51.63
Contract assets	-	-

The Group does not have any contract assets or liability, hence disclosures related to it have not been presented.

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
35 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES		
Net gain/ (loss) on financial instruments at fair value through profit or loss (A):		
(i) On trading portfolio		
(ii) On financial instruments designated at fair value through profit or loss	-	-
Others (B):		
(i) Investments	277.00	144.76
(ii) Direct assignment	(76.06)	(49.11)
Total (C) = (A+B)	200.94	95.65
Fair value changes:		
- Realised	259.39	143.95
- Unrealised	(58.45)	(48.30)
Total (D)	200.94	95.65

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
36 OTHER OPERATING INCOME		
Bad debt recovery	509.58	485.49
Total	509.58	485.49

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
37 OTHER INCOME		
Interest on income tax refund	0.88	8.22
Interest others	0.16	0.12
Profit on sale of property, plant and equipment	-	1.26
Miscellaneous income	24.01	23.60
Total	25.05	33.20

		(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024	
38 FINANCE COSTS			
On financial liabilities measured at amortised cost			
Interest on deposits	4,294.57	3,334.57	
Interest on borrowings (other than debt securities)			
- Loans from banks	3,632.04	2,990.15	
- Loans from financial institutions and others	819.50	873.67	
- External commercial borrowings	1,892.33	1,052.52	
- Interest paid on securitisation	2,883.66	2,041.75	
- Interest on lease liabilities	59.60	53.30	
Interest on debt securities			
- Debentures	3,029.04	2,616.47	
- Senior secured notes	-	14.24	
- External commercial bonds	1,319.31	1,225.45	
- Commercial papers	195.74	119.43	
Interest on subordinated liabilities	267.69	481.05	
Other interest expenses			
- Interest on income tax liability	57.21	-	
- Interest on security deposits for FLDG	3.89	-	
Total	18,454.58	14,802.60	

		(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024	
39 FEES AND COMMISSION EXPENSES			
Brokerage	13.03	12.92	
Commission paid for loan sourcing	480.33	334.49	
Professional charges on resource mobilisation	51.37	50.97	
Processing charges on loans	3.29	7.60	
Professional charges on securitisation	24.44	26.23	
Total	572.46	432.21	

		(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024	
40 IMPAIRMENT ON FINANCIAL INSTRUMENTS			
On financial instruments measured at amortised cost \$			
Loans #	5,279.00	4,484.74	
Investments	26.13	35.67	
Others			
- Undrawn commitments	4.83	(5.13)	
- Other assets	1.70	3.06	
Total	5,311.66	4,518.34	

#Includes reversal of impairment loss provision on RSP retention reserve Rs. 0.46 crores for the year ended March 31, 2025 (March 31, 2024: Rs. 0.35 crores).

\$ Includes write-off of Rs. 4,813.49 crores for the year ended March 31, 2025 (March 31, 2024 Rs. 2,942.36 crores), of which Rs. 283.86 crores is on account of loss on disposal of repossessed assets (March 31, 2024 Rs. 228.25 crores).

40 IMPAIRMENT ON FINANCIAL INSTRUMENTS (Contd.)

The table below shows the ECL charges on financial instruments for the year recorded in the statement of profit and loss based on evaluation stage:

Year ended March 31, 2025

(Rs. in crores)

Particulars	General approach			Simplified Approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective		
Loans and advances to customers measured at amortised cost	1,474.84	434.40	3,369.76	-	5,279.00
Debt instruments measured at amortised cost	26.13	-	-	-	26.13
<u>Others</u>					
- Undrawn commitments	4.83	-	-	-	4.83
- Other assets	-	-	-	1.70	1.70
Total	1,505.80	434.40	3,369.76	1.70	5,311.66

Year ended March 31, 2024

(Rs. in crores)

Particulars	General approach			Simplified Approach	Total
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective		
Loans and advances to customers measured at amortised cost	1,241.99	552.56	2,690.19	-	4,484.74
Debt instruments measured at amortised cost	35.67	-	-	-	35.67
<u>Others</u>					
- Undrawn commitments	(5.13)	-	-	-	(5.13)
- Other assets	-	-	-	3.06	3.06
Total	1,272.53	552.56	2,690.19	3.06	4,518.34

(Rs. in crores)

Particulars

Year ended
March 31, 2025

Year ended
March 31, 2024

41 EMPLOYEE BENEFITS EXPENSES

Salaries, other allowance and bonus	3,340.20	2,942.11
Contribution to provident and other funds	197.85	178.77
Staff welfare expenses	80.73	69.88
Gratuity expenses (Refer note 49)	32.12	15.66
Share-based payments to employees	0.26	9.17
Total	3,651.16	3,215.59

(Rs. in crores)

Particulars

Year ended
March 31, 2025

Year ended
March 31, 2024

42 DEPRECIATION, AMORTISATION AND IMPAIRMENT

Depreciation of property, plant and equipment	279.85	239.27
Depreciation of investment property	0.01	0.04
Amortisation of intangible assets	365.46	329.52
Total	645.32	568.83



		(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024	
43 OTHER EXPENSES			
Rent (Refer note 27)	15.26	12.86	
Rates and taxes	8.25	5.59	
Energy costs	41.96	37.58	
Repairs and maintenance	137.40	108.41	
Communication costs	99.07	90.20	
Printing and stationery	48.55	43.23	
Advertisement and publicity	152.85	49.79	
Director's fees, allowances and expenses	2.16	1.85	
Auditor fees and expenses (Refer note 59)			
- As Auditor	1.75	1.75	
- For taxation matters	0.10	0.10	
- For other services (certification)	0.04	0.04	
- For reimbursement of expenses	0.09	0.09	
Legal and professional charges	244.94	182.02	
Other expenditure:			
Travelling and conveyance	166.85	131.84	
Business promotion	336.23	271.52	
Outsourcing expenses	178.14	156.59	
Royalty	474.33	381.47	
Insurance	7.66	7.84	
Bank charges	74.60	65.30	
Loss on sale of property, plant and equipment (net)	7.91	-	
Service charges	25.60	24.38	
CSR expenses (Refer note 63)	131.46	90.88	
Miscellaneous expenses	119.84	113.07	
Total	2,275.04	1,776.40	

44 EXCEPTIONAL ITEMS

The Board of Directors of the Company in its meeting held on May 13, 2024 had approved the disinvestment of the Company's entire stake in Shriram Housing Finance Limited ('SHFL') (now renamed as Truhome Finance Limited), a debt-listed non-material subsidiary of the Company and in this regard an agreement was entered inter-alia into between the Company, SHFL and Mango Crest Investment Ltd. (Purchaser, an affiliate of Warburg Pincus) on May 13, 2024 (Share Purchase Agreement) subject to receipt of requisite approvals from regulatory authorities. On November 29, 2024, the Company acquired 40,000 Compulsorily Convertible Debentures (CCDs) of Rs. 100,000/- each from Kotak Mahindra Investments Limited (KMIL) for Rs. 424.37 crores. The CCDs were converted to 31,560,000 equity shares of Rs. 10/- each of SHFL on December 09, 2024. Post receipt of requisite regulatory approvals, the Company has transferred 308,111,107 equity shares of face value of Rs. 10/- each fully paid up of SHFL to the Purchaser for a consideration of Rs. 3,929.03 crores on December 11, 2024. Consequently, SHFL ceased to be a subsidiary of the Company with effect from December 11, 2024.

The exceptional item disclosed in the financial statements represents resultant gain of Rs. 1,553.66 crores on account of disinvestment of SHFL. The gain is after adjusting company's share in net assets of SHFL as on the date of sale, expenses incurred on the sale transaction, indemnity obligations as per the terms of the Share Purchase Agreement and derecognition of goodwill of Rs. 551.49 crores allocated to the investments in SHFL as per Ind AS 36 - Impairment of Assets.

44 EXCEPTIONAL ITEMS (Contd.)

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Gain on disposal of shares of subsidiary (net)	2,105.15	-
Reversal of goodwill on sale of subsidiary	(551.49)	-
Total	1,553.66	-

45 INCOME TAX

The components of income tax expense for the financial years ended March 31, 2025 and March 31, 2024 are:

	(Rs. in crores)	
Particulars	Year ended March 31, 2025*	Year ended March 31, 2024
A Total tax charged in statement of profit and loss		
a Tax expenses from continued operations		
i) Current tax expenses from continued operations	3,495.08	3,382.74
ii) Adjustment in respect of current income tax of prior years	95.80	17.32
iii) Deferred tax relating to origination and reversal of temporary differences	(511.28)	(906.90)
Sub-total (a)= (i+ii+iii)	3,079.60	2,493.16
b Tax expenses from discontinued operations	42.12	75.90
Total tax expenses (a+b)	3,121.72	2,569.06
B Total tax charged in statement of other comprehensive income		
a From continuing operations		
i) Income tax relating to items that will not be reclassified to profit or loss	(4.28)	15.52
Remeasurement gain/ (loss) on defined benefit plan	3.12	19.65
Gain/ (loss) on fair valuation of quoted investments in equity shares	(7.79)	(4.15)
Share of other comprehensive income from associates	0.39	0.02
ii) Income tax relating to items that will be reclassified to profit or loss	69.63	14.12
Gain/ (loss) on effective portion of hedging instruments in a cash flow hedge	69.63	14.12
Sub-total (a)= (i+ii)	65.35	29.64
b From discontinuing operations		
i) Income tax relating to items that will not be reclassified to profit or loss		
Remeasurement gain/ (loss) on defined benefit plan	0.13	0.09
ii) Income tax relating to items that will be reclassified to profit or loss		
Gain/ (loss) on effective portion of hedging instruments in a cash flow hedge	2.25	0.04
Sub-total (b)= (i+ii)	2.38	0.13
Total tax expenses (A+B)	3,189.45	2,598.83



45 INCOME TAX (Contd.)

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the financial year is given below:

	(Rs. in crores)	
Particulars	Year ended March 31, 2025*	Year ended March 31, 2024
Accounting profit before tax from continued operations	10,949.25	9,683.64
At India's statutory income tax rate of 25.168% (2024: 25.168%)	2,755.71	2,437.18
Adjustment in respect of current income tax of prior years	95.80	17.32
Tax at special rate of 14.30%	400.37	-
Income not subject to tax	-	-
Non-deductible expenses		
CSR expenditure not allowable for tax purpose	33.09	22.87
Adjustment in respect of prior years	(218.32)	(17.32)
Others	12.95	33.11
Income tax expense reported in the statement of profit and loss related to continued operations	3,079.60	2,493.16
Effective income tax rate for continuing operations	28.13%	25.75%
Profit before tax from discontinued operations	182.82	276.53
Tax expenses from discontinued operations	42.12	75.90
Effective income tax rate for discontinued operations	23.04%	27.45%

Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

	(Rs. in crores)			
Particulars	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2025	As at March 31, 2025	Year ended March 31, 2025	Year ended March 31, 2025
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	66.82	-	(7.46)	-
Provision for post retirement benefits	61.78	-	(5.86)	(3.51)
Expenses allowable for tax purposes when paid	115.64	-	(34.87)	-
Cash flow hedge reserve	159.22	-	-	(69.63)
Impairment allowance on loans and advances	3,273.61	-	(377.62)	-
Fair valuation on derecognition of financial instrument	-	55.02	(34.25)	-
ESOP compensation expenses	11.09	-	6.83	-
Fair valuation impact of merger	29.44	-	(232.03)	-
Other temporary differences	45.99	13.71	173.98	5.41
Total	3,763.59	68.73	(511.28)	(67.73)

45 INCOME TAX (Contd.)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

Particulars	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2024	As at March 31, 2024	Year ended March 31, 2024	Year ended March 31, 2024
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	59.36	-	6.79	-
Provision for post retirement benefits	52.80	-	(5.96)	(19.67)
Expenses allowable for tax purposes when paid	80.77	-	(31.45)	-
Cash flow hedge reserve	89.59	-	-	(14.12)
Impairment allowance on loans and advances	2,895.98	-	(1,005.07)	-
Fair valuation on derecognition of financial instrument	-	89.27	21.25	-
ESOP compensation expenses	17.92	-	31.32	-
Fair valuation impact of merger	37.35	239.93	47.71	-
Other temporary differences	8.69	29.23	28.51	4.15
Total	3,242.46	358.43	(906.90)	(29.64)
Adjustment for discontinued operations	254.58	69.23	24.92	(0.13)
Total	3,497.04	427.66	(881.98)	(29.77)

Reconciliation of deferred tax assets/ (liabilities)

Particulars	As at March 31, 2025*	As at March 31, 2024
	(Rs. in crores)	(Rs. in crores)
Opening balance	3,069.38	1,954.05
Recognised in statement of profit and loss/ adjustment	745.86	1,085.58
Recognised in statement of profit and loss under OCI	64.96	29.75
Less: Adjustment for discontinued operations	(185.35)	-
Closing balance	3,694.86	3,069.38

Particulars	As at March 31, 2025	As at March 31, 2024
	(Rs. in crores)	(Rs. in crores)
Amounts recognised in respect of current tax/ deferred tax directly in equity	-	-
Unused tax losses for which no deferred tax asset has been recognised	-	-

*The figures of erstwhile subsidiary SHFL, included in above tables are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

46 DISCONTINUED OPERATIONS

The Company has sold its investment in equity shares of Shriram Housing Finance Limited (SHFL) (now renamed as Truhome Finance Limited) on December 11, 2024 (effective date) with requisite regulatory approvals to Mango Crest Investment Ltd, an entity affiliated to Warburg Pincus. Upon completion of the aforesaid sale transaction, SHFL has ceased to be a subsidiary of the Company from the effective date.

(I) Results of discontinued operations

(Rs. in crores)		
Particulars	Period ended December 11, 2024	Year ended March 31, 2024
Revenue from operations		
(i) Interest income	1,013.22	1,112.43
(ii) Rental income	0.01	0.01
(iii) Fees and commission income	101.13	85.13
(iv) Net gain on fair value changes	15.55	49.05
(v) Net gain on derecognition of financial instruments under amortised cost category	115.43	180.15
(vi) Other operating income	27.26	2.29
(I) Total revenue from operations	1,272.60	1,429.06
(II) Other income	0.71	0.50
(III) Total income	1,273.31	1,429.56
Expenses		
(i) Finance costs	651.95	715.53
(ii) Fees and commission expenses	13.80	18.64
(iii) Impairment on financial instruments	80.99	33.99
(iv) Employee benefits expenses	227.31	255.93
(v) Depreciation, amortisation and impairment	22.01	18.77
(vi) Other expenses	94.43	96.38
(IV) Total expenses	1,090.49	1,139.24
(V) Profit before tax from discontinued operations	182.82	290.32
(VI) Income tax on discontinued operations	42.12	(72.88)
(VII) Profit after tax from discontinued operations	140.70	217.44
(VIII) Other comprehensive income from discontinued operations (net of tax)	(7.09)	(0.07)
(IX) Total comprehensive income from discontinued operations	133.61	217.37
(X) Earning per equity share [(Refer note 47) (b)]		
Basic (Rs.)	0.63	0.90
Diluted (Rs.)	0.63	0.89

(II) Net cash flows attributable to discontinued operations

(Rs. in crores)		
Particulars	Period ended December 11, 2024	Year ended March 31, 2024
(i) Cash flows (used in) from operating activities	(1,377.09)	(3,448.30)
(ii) Cash flows (used in) from investing activities	(16.93)	(19.88)
(iii) Cash flows (used in) from financing activities	1,256.39	3,209.64
Net cash flows generated	(137.63)	(258.55)

46 DISCONTINUED OPERATIONS (Contd.)

(III) Assets and liabilities of discontinued operations

		(Rs. in crores)
Particulars	As at December 11, 2024	As at March 31, 2024
Assets		
(1) Financial assets		
(a) Cash and cash equivalents	31.36	168.99
(b) Bank balance other than (a) above	260.98	191.17
(c) Derivative financial instruments	(5.07)	(4.00)
(d) Receivables		
(I) Other receivables	16.99	7.64
(e) Loans	12,076.65	10,766.20
(f) Investments	650.39	199.33
(g) Other financial assets	368.33	302.32
Total financial assets	13,399.63	11,631.65
(2) Non- financial assets		
(a) Current tax assets (net)	23.16	20.52
(b) Deferred tax assets (net)	(40.90)	(49.23)
(c) Investment property	-	0.01
(d) Property, plant and equipment	127.82	95.31
(e) Other intangible assets	0.78	0.94
(f) Other non-financial assets	107.22	106.16
Total non-financial assets	218.08	173.71
Total assets	13,617.71	11,805.36
Liabilities		
(1) Financial liabilities		
(a) Payables		
(I) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	50.19	34.13
(II) Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(b) Debt securities	1,951.62	1,502.07
(c) Borrowings (other than debt securities)	8,935.18	8,003.64
(d) Subordinated liabilities	152.51	149.23
(e) Other financial liabilities	445.71	182.25
Total financial liabilities	11,535.21	9,871.32

46 DISCONTINUED OPERATIONS (Contd.)

Particulars	(Rs. in crores)	
	As at December 11, 2024	As at March 31, 2024
(2) Non-financial liabilities		
(a) Provisions	11.38	8.57
(b) Other non-financial liabilities	7.08	1.74
Total non-financial liabilities	18.46	10.31
Total liabilities	11,553.67	9,881.63
(3) Equity		
(a) Equity share capital	362.26	330.08
(b) Other equity	1,701.78	1,593.65
Total equity	2,064.04	1,923.73
Total liabilities and equity	13,617.71	11,805.36

(IV) Details of sale of subsidiary

Particulars	(Rs. in crores)	
	As at December 11, 2024	As at March 31, 2024
Consideration received	3,929.03	-
Less:		
Net asset value of investment of SFL deconsolidated as on December 11, 2024	(1,755.51)	-
Expense towards sale of subsidiary and indemnity obligation	(68.37)	-
Reversal of Goodwill that was created on merger	(551.49)	-
Net gain on the sale of the subsidiary	1,553.66	-

(V) Details of carrying amount of assets and liabilities as on date of sale of subsidiary (December 11, 2024) were as follows:

Particulars	(Rs. in crores)	
	As at December 11, 2024	As at March 31, 2024
SHFL total equity on the date of sale (Rs. in crores) - (A)	2,064.04	-
Total number of shares of SHFL (in crores) - (B)	36.23	-
Number of shares held by SFL (in crores) - (C)	30.81	-
Book value of shares (Rs. per share) - (D) = (A/B)	56.98	-
Net asset value of investment of SFL deconsolidated as on December 11, 2024 (Rs. in crores) (C*D)	1,755.51	-

47 EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit for the year attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) 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 the conversion of all the dilutive potential ordinary shares into ordinary shares.

47 EARNINGS PER SHARE (EPS) (Contd.)

(a) Earnings per equity share for continuing operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net profit after taxes and share of profit/ (loss) of associate from continuing operations (Rs. in crores) (A)	9,435.62	7,198.26
Weighted average number of equity shares for calculating basic EPS (in crores)* (B)	187.99	187.61
Effect of potential dilutive equity shares	0.26	0.60
Weighted average number of equity shares for calculating diluted EPS (in crores)* (C)	188.25	188.21
Basic EPS (in Rupees) (face value of Rs. 2/- per share) (March 31, 2024: Rs. 10/- per share)* (A)/(B)	50.19	38.37
Diluted EPS (in Rupees) (face value of Rs. 2/- per share) (March 31, 2024: Rs. 10/- per share)* (A)/(C)	50.12	38.25

*Refer note 31 (I)

(b) Earnings per equity share for discontinued operations #

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net profit after tax for the year from discontinued operations attributable to equity holders of the Company (Rs. in crores) from discontinued operations (A)	118.20	168.12
Weighted average number of equity shares for calculating basic EPS (in crores)* (B)	187.99	187.61
Effect of potential dilutive equity shares	0.26	0.60
Weighted average number of equity shares for calculating diluted EPS (in crores)* (C)	188.25	188.21
Basic EPS (in Rupees) (face value of Rs. 2/- per share) (March 31, 2024: Rs. 10/- per share)* (A)/(B)	0.63	0.90
Diluted EPS (in Rupees) (face value of Rs. 2/- per share) (March 31, 2024: Rs. 10/- per share)* (A)/(C)	0.63	0.89

*Refer note 31 (I)

The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

(c) Earnings per equity share for total operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net profit after tax as per statement of profit and loss (Rs. in crores) (A)	9,553.82	7,366.38
Weighted average number of equity shares for calculating basic EPS (in crores)* (B)	187.99	187.61
Effect of potential dilutive equity shares	0.26	0.60
Weighted average number of equity shares for calculating diluted EPS (in crores)* (C)	188.25	188.21
Basic EPS (in Rupees) (face value of Rs. 2/- per share) (March 31, 2024: Rs. 10/- per share)* (A)/(B)	50.82	39.26
Diluted EPS (in Rupees) (face value of Rs. 2/- per share) (March 31, 2024: Rs. 10/- per share)* (A)/(C)	50.75	39.14

*Refer note 31 (I)



48 INVESTMENT IN SUBSIDIARY AND ASSOCIATE

The Company has invested in the following entities:

Name of the entity	Relationship	Country of incorporation	Principal place of business	Principal activities	% Equity interest	
					As at March 31, 2025	As at March 31, 2024
Shriram Housing Finance Limited (SHFL) [Refer note 44)]	Subsidiary	India	Mumbai	Housing Finance	Nil	83.78%
Shriram Automall India Limited (SAMIL)	Associate	India	New Delhi	Market leader in physical bidding for acquisition and disposal of pre-owned vehicles and equipment.	44.56%	44.56%

The Company has recognised its investment in associate under equity method and not adjusted to fair value at the end of each reporting period.

The Company's share in the associate is as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
(a) Share in profit or loss from continuing operations	12.31	7.78
(b) Share in post-tax profit or loss from discontinued operations	-	-
(c) Share in other comprehensive income	(1.15)	(0.06)
(d) Share in total comprehensive income	11.16	7.72

The financial statements of the associate are as per unaudited financial statements provided by the management.

49 RETIREMENT BENEFIT PLAN
A. Shriram Finance Limited ("the Company"):
a) Defined contribution plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees.

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 168.20 crores (March 31, 2024: Rs. 148.38 crores) for Provident Fund contributions and Rs. 29.12 crores (March 31, 2024: Rs. 29.92 crores) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

49 RETIREMENT BENEFIT PLAN (Contd.)

b) Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan (funded). 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 employee's length of service and last drawn salary. The fund is managed by third party fund managers.

Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides contribution to be made by the Company based on the results of this annual review. The trust is in process of investing entire funds in government securities through third party fund managers and as on March 31, 2025, 84.35% funds are invested in government securities and balance 15.65% funds are invested in money market and corporate debt instruments. The Board of Trustees aim to keep annual contributions of the Company relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Amount recognised in the statement of profit and loss in respect of the defined benefit plan are as follows:

	(Rs. in crores)	
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows:		
Current service cost	28.28	15.47
Interest expense	18.29	12.28
Interest income	(15.85)	(12.09)
Past service cost	1.40	-
Components of defined benefit costs recognised in statement of profit and loss (A)	32.12	15.66
Remeasurement of gains/ (losses) in other comprehensive income:		
Return on plan assets (excluding amounts included in net interest expense)	(2.31)	(0.42)
Actuarial changes arising from changes in demographic assumptions	(2.79)	0.92
Actuarial changes arising from changes in financial assumptions	15.13	61.10
Experience adjustments	2.37	16.49
Components of defined benefit costs recognised in other comprehensive income (B)	12.40	78.09
Total (A + B)	44.52	93.75

49 RETIREMENT BENEFIT PLAN (Contd.)

Movement in the present value of the defined benefit obligation are as follows:

	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	258.13	168.89
Expenses recognised in statement of profit and loss:		
Current service cost	28.28	15.47
Past service cost	1.40	-
Interest expense/ (income)	18.29	12.28
Recognised in other comprehensive income remeasurement gains/ (losses)	14.71	78.51
Liability transferred in/ out acquisitions/ divestments	7.46	(3.03)
Benefits paid from the fund	(11.53)	(13.99)
Present value of defined obligation at the end of the year	316.74	258.13

Change in the fair value of plan assets:

	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at the beginning of the year	224.22	166.33
Interest income	15.85	12.09
Contributions by the employer	50.81	62.40
Assets transferred in acquisitions	7.46	(3.03)
Benefits paid from the fund	(11.53)	(13.99)
Return on plan assets excluding interest income	2.31	0.42
Fair value of plan assets at the end of the year	289.12	224.22

Calculation of benefit liability/ (asset):

	(Rs. in crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation/ liability	316.74	258.13
Fair value of plan assets	289.12	224.22
Benefit liability (Refer note 29)	27.62	33.91

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at March 31, 2025	As at March 31, 2024
Expected return on plan assets	6.71%	7.21%
Rate of discounting	6.71%	7.21%
Expected rate of salary increase	8.00%	8.00%
Rate of employee turnover	For service 4 years and below 27.00% p.a. and for service 5 years and above 6.00% p.a.	For service 4 years and below 23.00% p.a. and for service 5 years and above 6.00% p.a.

49 RETIREMENT BENEFIT PLAN (Contd.)

Particulars	As at March 31, 2025	As at March 31, 2024
Mortality rate during employment	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2012-14) Urban
Mortality rate after employment	N.A.	N.A.

Investments quoted in active markets:

		(Rs. in crores)
Particulars	As at March 31, 2025	As at March 31, 2024
Government securities	243.87	191.77
Debt and other instruments	45.25	32.45
Total	289.12	224.22

			(Rs. in crores)
Assumptions	Sensitivity level	Impact on defined benefit obligation	
		As at March 31, 2025	As at March 31, 2024
Discount rate	1% increase	(29.08)	(22.08)
	1% decrease	34.31	25.82
Future salary increases	1% increase	33.02	25.14
	1% decrease	(28.63)	(21.95)
Attrition rate	1% increase	(4.42)	(2.32)
	1% decrease	4.93	2.55

		(Rs. in crores)
Maturity analysis of projected benefits payable in future years from the date of reporting	As at March 31, 2025	As at March 31, 2024
Within the next 12 months (next annual reporting period)	22.25	21.73
Between 1 and 5 years	78.43	68.26
Between 6 and 10 years	114.77	98.06
Beyond 10 years	516.23	412.29
Total expected payments	731.68	600.34

The Company expects to contribute Rs. 61.50 crores to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2025 is 12 years (March 31, 2024: 11 years).

Asset liability matching strategies

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

c) Compensated absences

The principal assumptions used in determining obligations for the Company are shown below:

Particulars	As at March 31, 2025	As at March 31, 2024
Rate of discounting	6.71%	7.21%
Expected rate of salary increase	8.00%	8.00%



49 RETIREMENT BENEFIT PLAN (Contd.)

Particulars	As at March 31, 2025	As at March 31, 2024
Rate of employee turnover		
Service 4 years and below	27.00%	23.00%
Service 5 years and above	6.00%	6.00%
Mortality	Indian Assured Lives mortality (2012-14) Urban	Indian Assured Lives mortality (2012-14) Urban

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Expenses recognised in statement of profit and loss	71.41	83.19

(Rs. in crores)

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2025.

The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

B. Shriram Housing Finance Limited (“SHFL”) (upto December 11, 2024):
a) Defined contribution plan

SHFL makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, SHFL is required to contribute a specified percentage of the payroll costs to fund the benefits. SHFL recognized Rs. 5.79 crores for the period ended December 11, 2024 (Rs. 7.19 crores for the year ended March 31, 2024) for Provident Fund contributions and Rs. 0.24 crores for the period ended December 11, 2024 (Rs. 0.39 crores for the year ended March 31, 2024) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by SHFL are at rates specified in the rules of the schemes.

b) Defined benefit plan
Gratuity

SHFL has a defined benefit gratuity plan. Every employee who has completed five years of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with the insurance companies in the form of qualifying insurance policy.

During the year 2015-16, SHFL created “Shriram Housing Finance Company Employees’ Group Gratuity Fund”. The Trust is recognised by income tax authorities and administered through trustees. Contributions to the Trust are invested in a scheme with a insurance Company as permitted by law in India.

The following tables summarise the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Through its defined benefit plans, SHFL is exposed to a number of risks, the most significant of which are detailed below:

1. Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
2. Salary Inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

49 RETIREMENT BENEFIT PLAN (Contd.)

3. Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.
4. Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
5. Legislative risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/ regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Amount recognised in the statement of profit and loss under discontinued operations

Net employee benefit expense recognised in the employee cost

Particulars	(Rs. in crores)	
	Period ended December 11, 2024	Year ended March 31, 2024
Current service cost	2.16	2.15
Interest cost on benefit obligation	0.50	0.50
Expected return on plan assets	(0.30)	(0.26)
Net (benefit)/ expense	2.36	2.39

Amount recognised in the balance sheet

Reconciliation of present value of the obligation and the fair value of plan assets:

Particulars	(Rs. in crores)	
	As at December 11, 2024	As at March 31, 2024
Defined benefit obligation	-	(9.23)
Fair value of plan assets	-	5.50
Asset/ (liability) recognised in the balance sheet	-	(3.73)

Amount recognised in the other comprehensive income from discontinued operations:

Particulars	(Rs. in crores)	
	Period ended December 11, 2024	Year ended March 31, 2024
Due to change in financial assumptions	0.19	0.22
Due to change in experience adjustments	(0.89)	0.08
(Return) on plan assets (excl. interest income)	1.23	0.04
Total other comprehensive income	0.53	0.34

49 RETIREMENT BENEFIT PLAN (Contd.)

Changes in the present value of the defined benefit obligation are as follows:

Particulars	(Rs. in crores)	
	As at December 11, 2024	As at March 31, 2024
Opening defined benefit obligation	9.23	3.78
Transfer in/ out	-	-
Interest cost	0.50	0.50
Current service cost	2.16	2.15
Liability transferred in/on account of transfer of employees	-	-
Benefits paid	-	(0.26)
Actuarial loss/ (gain) on obligation	(0.70)	3.06
Less: Adjustment for discontinued operations	(11.19)	-
Closing defined benefit obligation	-	9.23

Changes in the fair value of plan assets are as follows:

Particulars	(Rs. in crores)	
	As at December 11, 2024	As at March 31, 2024
Opening fair value of plan assets	5.50	3.46
Interest income	0.30	0.26
Expected return	-	-
Contributions by employer & others exp	-	2.50
Adjustment/ transfer	-	-
Benefits paid	-	(0.26)
Actuarial loss/ (gain) on obligation	(1.23)	(0.46)
Less: Adjustment for discontinued operation	(4.57)	-
Closing fair value of plan assets	-	5.50

The major categories of plan assets as a percentage of fair value of total plan assets are as follows:

Particulars	As at December 11, 2024	As at March 31, 2024
Investments with insurer	100%	100%

The principal assumptions used in determining gratuity obligations for the SHFL's plans are shown below:

Particulars	As at December 11, 2024	As at March 31, 2024
Discount rate	7.03%	7.22%
Salary escalation	5.00%	5.00%
Attrition rate	5.00%	5.00%
Mortality table	IALM (2012-14)	IALM (2012-14)
Normal retirement age	58 Years	58 Years

The estimates of future salary increases, considered in actuarial valuation are on account of inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

49 RETIREMENT BENEFIT PLAN (Contd.)

Amounts for the year is as follows:

Particulars	(Rs. in crores)	
	As at December 11, 2024	As at March 31, 2024
Defined benefit obligation	(11.19)	(9.23)
Plan assets	4.57	5.50
Surplus/(deficit)	(6.62)	(3.73)

Assumptions	Sensitivity level	(Rs. in crores)	
		Impact on defined benefit obligation December 11, 2024	March 31, 2024
Discount Rate	1% increase	0.93	0.77
	1% decrease	(1.08)	(0.89)
Future salary increases	1% increase	(1.05)	(0.88)
	1% decrease	0.93	0.78

Expected payment for future years	(Rs. in crores)	
	As at December 11, 2024	As at March 31, 2024
Within the next 12 months (next annual reporting period)	0.63	0.47
Between 2 and 5 years	3.20	2.70
Between 6 and 10 years	5.42	4.60
Total expected payments	9.25	7.77

The weighted average duration of the defined benefit obligation as at December 11, 2024 is 10 Years (March 31, 2024: 10 Years)

The fund is administered by "Shriram Housing Finance Company Employees Group Gratuity Trust". The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

c) Compensated Absences

The principal assumptions used in determining obligations for the Company are shown below:

Particulars	(Rs. in crores)	
	As at December 11, 2024	As at March 31, 2024
Discount rate	7.03%	7.22%
Salary escalation	5.00%	5.00%
Attrition rate	5.00%	5.00%
Mortality table	IALM (2012-14)	IALM (2012-14)
Normal retirement age	58 Years	58 Years



49 RETIREMENT BENEFIT PLAN (Contd.)

Particulars	(Rs. in crores)	
	Period ended December 11, 2024	Year ended March 31, 2024
Expenses recognised in statement of profit and loss under discontinued operations	1.09	1.15

50 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	(Rs. in crores)			(Rs. in crores)		
	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	10,681.40	-	10,681.40	6,182.36	-	6,182.36
Bank balance other than above	10,286.81	397.53	10,684.34	1,764.23	24.76	1,788.99
Derivative financial instruments*	687.01	(436.92)	250.09	(3.91)	330.39	326.48
Receivables	-	-	-	-	-	-
(I) Trade receivables	50.82	-	50.82	51.63	-	51.63
(II) Other receivables	114.22	88.65	202.87	169.68	170.85	340.53
Loans	103,114.23	142,278.56	245,392.79	92,494.11	126,201.50	218,695.61
Investments	5,201.73	10,586.23	15,787.96	1,439.42	8,032.40	9,471.82
Other financial assets	3,262.66	45.30	3,307.96	3,187.36	384.65	3,572.01
Non-financial assets						
Current tax assets (net)	-	432.07	432.07	20.52	572.51	593.03
Deferred tax assets (net)	-	3,694.86	3,694.86	(49.23)	3,118.61	3,069.38
Investment property	-	-	-	-	0.99	0.99
Property, plant and equipment	-	1,025.68	1,025.68	-	941.07	941.07
Intangible assets under development	-	-	-	-	-	-
Goodwill	-	1,189.45	1,189.45	-	1,740.94	1,740.94
Other intangible assets	-	698.95	698.95	-	1,034.87	1,034.87
Other non-financial assets	45.43	276.52	321.95	233.55	223.04	456.59
Non-current assets held for sale/ disposal	0.97	-	0.97	-	-	-
Total assets	133,445.28	160,276.88	293,722.16	105,489.73	142,776.58	248,266.31
Liabilities						
Financial Liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	1.02	-	1.02	0.02	-	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	297.83	-	297.83	245.86	-	245.86

50 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd.)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	0.23	-	0.23	2.25	-	2.25
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.37	-	1.37	3.16	-	3.16
Debt securities	10,626.34	43,522.52	54,148.86	12,071.52	34,379.16	46,450.68
Borrowings (other than debt securities)	39,521.04	81,927.38	121,448.42	38,392.64	61,759.80	100,152.44
Deposits	14,764.43	41,321.56	56,085.99	11,430.94	33,012.72	44,443.66
Subordinated liabilities	162.52	2,351.46	2,513.98	2,405.27	2,044.03	4,449.30
Other financial liabilities	1,400.31	690.11	2,090.42	1,377.16	653.48	2,030.64
Non-financial liabilities						
Current tax liabilities (net)	38.98	-	38.98	237.79	-	237.79
Provisions	130.86	213.52	344.38	129.60	175.18	304.78
Other non-financial liabilities	280.71	0.15	280.86	268.99	0.05	269.04
Total liabilities	67,225.64	170,026.70	237,252.34	66,565.20	132,024.42	198,589.62
Net	66,219.64	(9,749.82)	56,469.82	38,924.53	10,752.16	49,676.69

* Derivative financial instruments are presented on net basis on asset side as the net flow is positive. The maturity analysis is based on the contractual maturities of the underlying contracts, with inflows and outflows presented on a net basis across different time buckets.

51 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in liabilities arising from financing activities #

Particulars	(Rs. in crores)						
	As at March 31, 2024	Cash flows **	Changes in fair value	Exchange difference	Others*	Adjustment for discontinued operations	As at March 31, 2025
Debt securities	46,450.68	8,739.07	-	-	910.83	(1,951.72)	54,148.86
Borrowings (other than debt securities)	100,152.44	28,770.00	-	19.13	1,442.03	(8,935.18)	121,448.42
Deposits	44,443.66	10,897.29	-	-	745.04	-	56,085.99
Subordinated liabilities	4,449.30	(1,832.53)	-	-	49.72	(152.51)	2,513.98
Lease liabilities	699.35	(225.70)	-	-	343.58	(98.58)	718.65
Total liabilities from financing activities	196,195.43	46,348.13	-	19.13	3,491.20	(11,137.99)	234,915.90

* Includes loan restatements and fair value adjustments

** Includes interest payments

The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

51 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (Contd.)

Changes in liabilities arising from financing activities

(Rs. in crores)							
Particulars	As at March 31, 2023	Cash flows **	Changes in fair value	Exchange difference	Others*	Adjustment for discontinued operations	As at March 31, 2024
Debt securities	44,924.03	1,123.17	-	-	403.48	-	46,450.68
Borrowings (other than debt securities)	78,544.75	20,796.47	-	4.20	807.02	-	100,152.44
Deposits	36,139.83	7,747.81	-	-	556.02	-	44,443.66
Subordinated liabilities	4,593.63	(148.78)	-	-	4.45	-	4,449.30
Lease liabilities	602.08	(207.60)	-	-	304.87	-	699.35
Total liabilities from financing activities	164,804.32	29,311.07	-	4.20	2,075.84	-	196,195.43

* Includes loan restatements and fair value adjustments

** Includes interest payments

52 CONTINGENT LIABILITIES AND COMMITMENTS

(A) Contingent liabilities

(Rs. in crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Claims against the Group not acknowledged as debts		
a. In respect of income tax demands where the Group has filed appeal before various authorities	104.10	102.58
b. VAT demand where the Group has filed appeal before various appellates	2.52	0.02
c. Service tax demands where the Group has filed appeal before various authorities	2,841.09	2,056.83
d. GST demand where the Group has filed appeals	38.17	7.72
e. Stamp duty demand raised by District Registrar office against which the Group has filed appeal.	6.69	6.69
f. Bank guarantees/ mortgage loan	-	185.14
Total	2,992.57	2,358.98

Future cash outflows in respect of above are determinable only on receipt of judgements/ decisions pending with various forums/ authorities. It is not practicable for the Group to estimate the timings of the cash flows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not expect any reimbursement in respect of the above contingent liabilities. The Group is of the opinion that above demands are not sustainable and expects to succeed in its appeals. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the financial position and results of operations of the Group.

(B) Commitments not provided for

(Rs. in crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
a. Estimated amount of contracts remaining to be executed on capital account, net of advances	29.66	47.73
b. Commitments related to loans sanctioned but undrawn	218.85	841.42

53 RELATED PARTY TRANSACTIONS

Related parties as at March 31, 2025

Relationship	Name of the party
I. Promoter	: Shriram Capital Private Limited
II. Promoter group	: Bharath Investments Pte. Limited, Singapore Indypurse Digital Technologies Private Limited (formerly known as Novac Digital Services Private Limited) Novac GT Technology LLC (Dubai) (w.e.f. October 18, 2023) Novac Technology FZCO Novac Technology Solutions Private Limited SEA funds Management India Private Limited SGI Philippines General Insurance Co. Inc. Shriram Alternatives Private Limited (w.e.f. March 13, 2025) Shriram Asset Management Company Limited Shriram Asset Reconstruction Private Limited Shriram Credit Company Limited Shriram Fortune Solutions Limited Shriram General Insurance Company Limited Shriram GI Holdings Private Limited (Amalgamated with Shriram General Insurance Company Limited w.e.f. April 01, 2023) Shriram Insight Share Brokers Limited Shriram Investment Holdings Private Limited (formerly known as Shriram Investment Holdings Limited) Shriram LI Holdings Private Limited (Amalgamated with Shriram Life Insurance Company Limited w.e.f. April 01, 2023) Shriram Life Insurance Company Limited Shriram Overseas Investments Private Limited Shriram Trustees Ltd (w.e.f. September 03, 2024) Shriram Value Services Limited Shriram Wealth Limited Way2wealth Brokers Private Limited Way2wealth Commodities Private Limited Way2wealth Insurance Brokers Private Limited
III. Associates	: Shriram Automall India Limited Adroit Inspection Service Private Limited Augeo Asset Management Private Limited Cartradeexchange Solutions Private Limited
IV. Key Management Personnel (KMP)	: Mr. Jugal Kishore Mohapatra, Chairman Mr. Umesh Revankar, Executive Vice Chairman Mr. Y. S. Chakravarti, Managing Director and CEO Mr. Parag Sharma, Managing Director and CFO (w.e.f. June 01, 2024) Mr. Parag Sharma, Joint Managing Director and CFO (upto May 31, 2024) Mr. Pradeep Kumar Panja, Independent Director Mr. S. Ravindran, Non-Executive Independent Director (w.e.f. August 31, 2023)



53 RELATED PARTY TRANSACTIONS (Contd.)

- Mr. D. V. Ravi, Non-Executive Non-Independent Director
Mr. Ignatius Michael Viljoen, Non-Executive Non-Independent Director
Mr. Gokul Dixit, Non-Executive Independent Director (w.e.f. June 01, 2024)
Mrs. M. V. Bhanumathi, Non-Executive Independent Director (w.e.f. June 01, 2024)
Mr. S. Sunder, Joint Managing Director
Mr. Hardeep Singh Tur, Chief Risk Officer
Mr. R. Chandrasekar, Joint Managing Director and Chief Compliance Officer
Mr. U. Balasundararao, Company Secretary and Compliance officer
Mrs. Maya S. Sinha, Independent Director (upto December 03, 2024)
Mr. S. Sridhar, Independent Director (upto October 19, 2024)
Mr. Srinivas K., Joint Managing Director (upto January 25, 2024)
Mr. G. M. Jilani, Joint Managing Director (upto January 25, 2024)
Mr. P. Sridharan, Joint Managing Director (upto January 25, 2024)
Mr. Sudarshan Holla, Joint Managing Director (upto January 25, 2024)
Mr. Nilesh Odedara, Joint Managing Director (upto January 25, 2024)
Mr. Aseem Gandhi, Executive Director (upto July 27, 2023)
- V. Close members of key management : Mrs. Suchita U. Revankar (Spouse of Mr. Umesh Revankar)
personnel (with whom the Company has transactions) Mrs. Geeta G. Revankar (Mother of Mr. Umesh Revankar)
Mr. Anil G. Revankar (Brother of Mr. Umesh Revankar)
Mr. Shreyas U. Revankar (Son of Mr. Umesh Revankar)
Mr. Shrishgovind U. Revankar (Son of Mr. Umesh Revankar)
Mr. Sainand Revankar (Brother of Mr. Umesh Revankar)
Mrs. Yalamati Sujatha (Spouse of Mr. Y. S. Chakravarti)
Mr. Sree Bhargav Y. (Son of Mr. Y. S. Chakravarti)
Mrs. Rama Sharma (Mother of Mr. Parag Sharma)
Ms. Atibhi Sharma (Daughter of Mr. Parag Sharma)
Mr. Amit Sharma (Brother of Mr. Parag Sharma)
Mrs. P. Suchitra (Sister of Mr. Pradeep Kumar Panja)
Mrs. P. Surekha (Sister of Mr. Pradeep Kumar Panja)
Mrs. Malathi Subramanian (Mother of Mr. Gokul Dixit) (w.e.f. June 01, 2024)
Mrs. Sujatha Sunder (Spouse of Mr. S. Sunder)
Mr. Karthik (Husband of Daughter of Mr. R Chandrasekar)
Mrs. Uma Swaminathan (Mother of Mrs. Maya S. Sinha) (upto December 03, 2024)
Mrs. S. Arulmozhi (Spouse of Mr. P. Sridharan) (upto January 25, 2024)
Ms. S. Karunyalakshmi (Daughter of Mr. P. Sridharan) (upto January 25, 2024)
- VI. Employee's benefit plan : Shriram Finance Limited Employees Group Gratuity Assurance Scheme (w.e.f. May 28, 2024)
Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme (upto May 27, 2024)
Shriram City Union Finance Limited Employees Group Gratuity Assurance Scheme (upto May 27, 2024)

53 RELATED PARTY TRANSACTIONS (Contd.)

Summary of related party transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		(Rs. in crores)	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
I) Payments/ expenses														
1 Business mobilisation expenses	-	-	-	-	0.37	0.17	-	-	-	-	-	-	0.37	0.17
2 Commission and sitting fee paid to directors	-	-	-	-	-	-	-	-	2.11	1.30	-	-	2.11	1.30
3 Commission paid	-	-	34.55	31.46	2.13	1.00	-	-	-	-	-	-	36.68	32.46
4 Debt syndication services charges	-	-	-	0.60	-	-	-	-	-	-	-	-	-	0.60
5 Direct selling agent commission	-	-	-	0.20	-	-	-	-	-	-	-	-	-	0.20
6 Employee benefits for key management personnel*														
a) Short term benefits	-	-	-	-	-	-	-	-	9.91	10.45	-	-	9.91	10.45
b) Post employment benefits	-	-	-	-	-	-	-	-	1.68	1.73	-	-	1.68	1.73
c) Share-based payments	-	-	-	-	-	-	-	-	0.07	-	-	-	0.07	-
7 Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	51.83	62.39	-	-	-	-	51.83	62.39
8 Equity dividend paid	332.37	335.73	132.42	64.97	-	-	-	-	0.26	0.32	0.00	0.00	465.05	401.02
9 Gratuity and leave encashment paid	0.05	-	0.19	0.02	-	-	-	-	-	-	-	-	0.24	0.02
10 Insurance premium paid	-	-	39.90	27.51	-	-	-	-	-	-	-	-	39.90	27.51
11 Intangible assets purchased	-	-	21.00	63.00	-	-	-	-	-	-	-	-	21.00	63.00
12 Interest paid on deposits	-	-	4.55	5.87	15.46	5.41	-	-	0.00	0.05	0.21	0.12	20.22	11.45
13 Interest paid on non-convertible debenture (secured)	-	-	49.48	52.33	0.69	2.03	-	-	-	-	-	-	50.17	54.36
14 Interest paid on subordinated debt	-	-	22.43	47.94	-	-	-	-	-	-	-	-	22.43	47.94
15 Investment in mutual fund	-	-	144.99	43.00	-	-	-	-	-	-	-	-	144.99	43.00
16 Maintenance services Super App	-	-	21.00	-	-	-	-	-	-	-	-	-	21.00	-
17 Maturity of deposit	-	-	24.76	22.54	60.50	22.00	-	-	0.00	0.25	1.81	0.98	87.07	45.77
18 Maturity of non-convertible debenture (secured)	-	-	40.00	52.15	0.66	8.19	-	-	-	-	-	-	40.66	60.34
19 Maturity of subordinate debts	-	-	25.00	192.50	-	-	-	-	-	-	-	-	25.00	192.50
20 Other administrative expenses	-	-	0.03	0.03	12.21	11.63	-	-	-	-	-	-	12.24	11.66
21 Outsourcing expenses	-	-	157.81	141.97	-	-	-	-	-	-	-	-	157.81	141.97
22 Rent paid	-	-	0.02	0.02	17.97	16.04	-	-	-	-	-	-	17.99	16.06
23 Revenue sharing paid	-	-	-	-	0.02	0.42	-	-	-	-	-	-	0.02	0.42
24 Royalty paid	-	-	444.34	364.27	-	-	-	-	-	-	-	-	444.34	364.27
25 Sales promotion expenses	-	-	10.37	11.79	-	-	-	-	-	-	-	-	10.37	11.79
26 Service charges	23.49	22.37	-	-	-	-	-	-	-	-	-	-	23.49	22.37
27 Security deposit paid	-	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01
28 Valuation charges	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00	-
II) Receipts/ income														
1 Business auxiliary services income	-	0.11	-	-	-	-	-	-	-	-	-	-	-	0.11
2 Commission received	-	-	295.81	246.99	-	-	-	-	-	-	-	-	295.81	246.99
3 Deposits accepted	-	-	-	10.00	98.16	54.74	-	-	0.00	0.19	1.25	2.05	99.41	66.98
4 Gratuity, leave encashment, bonus and leave travel allowances received	-	-	2.18	0.62	0.13	0.28	-	-	-	-	-	-	2.31	0.90



53 RELATED PARTY TRANSACTIONS (Contd.)

(Rs. in crores)												
Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel	Close members of key management personnel		Total	
March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2024
Particulars	-	0.89	0.32	-	-	-	-	-	-	0.89	0.32	March 31, 2025
	-	-	0.07	-	-	-	-	-	-	0.07	0.07	March 31, 2024
	-	-	145.51	45.19	-	-	-	-	-	145.51	45.19	March 31, 2025
	-	-	45.00	-	-	-	-	-	-	45.00	-	March 31, 2024
	-	-	0.01	0.00	-	-	-	-	-	0.01	0.00	March 31, 2025
	0.04	0.03	0.29	0.22	0.30	0.28	-	-	-	0.63	0.53	March 31, 2024
	-	-	-	-	2.61	3.73	-	-	-	2.61	3.73	March 31, 2025
	-	-	-	-	-	0.07	-	-	-	-	0.07	March 31, 2024
	-	-	-	-	-	0.00	-	-	-	-	0.00	March 31, 2025
	-	-	100.00	-	-	-	-	-	-	100.00	-	March 31, 2024
	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
Balance outstanding at the year end												
i) Assets												
-	-	44.00	37.72	-	-	-	-	-	-	44.00	37.72	March 31, 2025
-	-	0.11	0.56	-	-	-	-	-	-	0.11	0.56	March 31, 2024
-	-	-	-	202.62	188.48	-	-	-	-	202.62	188.48	March 31, 2025
-	-	10.01	10.01	-	-	-	-	-	-	10.01	10.01	March 31, 2024
ii) Liabilities												
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2025
-	-	-	-	-	-	-	-	-	-	-	-	March 31, 2024
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*Some of the key management personnel/ senior management personnel are eligible for superannuation benefits of a trust formed by promoter group and as the benefits are decided by the committee of the trust, the same neither come within the purview of the Company nor have any impact on the statement of profit and loss of the Company and hence are not included as part of remuneration.

Income/ expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

All the above transactions are in the ordinary course of business and on arm's length basis.

The Company has procured bank guarantee of Rs. 16.00 crores on behalf of Shriram Housing Finance Limited, now renamed as Truhome Finance Limited.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the year ended March 31, 2025 and financial year ended March 31, 2024.

The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

53 RELATED PARTY TRANSACTIONS (Contd.)

Breakup of related party transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
I) Payments/ expenses														
1 Business mobilisation expenses														
- Shriram Automall India Limited	-	-	-	-	-	0.17	-	-	-	-	-	-	0.37	0.17
2 Commission and sitting fee paid to directors														
- S. Sridhar	-	-	-	-	-	-	-	-	0.35	0.38	-	-	0.35	0.38
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.40	0.38	-	-	0.40	0.38
- Maya S. Sinha	-	-	-	-	-	-	-	-	0.41	0.24	-	-	0.41	0.24
- S. Ravindran	-	-	-	-	-	-	-	-	0.31	0.11	-	-	0.31	0.11
- Jugal Kishore Mohapatra	-	-	-	-	-	-	-	-	0.34	0.19	-	-	0.34	0.19
- Gokul Dixit	-	-	-	-	-	-	-	-	0.15	-	-	-	0.15	-
- M. V. Bhanumathi	-	-	-	-	-	-	-	-	0.15	-	-	-	0.15	-
3 Commission paid														
- Adroit Inspection Service Private Limited	-	-	-	-	1.45	1.00	-	-	-	-	-	-	1.45	1.00
- Shriram Insight Share Brokers Limited	-	-	9.71	8.80	-	-	-	-	-	-	-	-	9.71	8.80
- Shriram Wealth Limited	-	-	0.18	0.69	-	-	-	-	-	-	-	-	0.18	0.69
- Shriram Credit Company Limited	-	-	19.35	21.37	-	-	-	-	-	-	-	-	19.35	21.37
- Augco Asset Management Private Limited	-	-	-	-	0.68	-	-	-	-	-	-	-	0.68	-
- Shriram Fortune Solutions Limited	-	-	4.03	-	-	-	-	-	-	-	-	-	4.03	-
- Way2wealth Brokers Private Limited	-	-	1.28	0.60	-	-	-	-	-	-	-	-	1.28	0.60
4 Debt syndication services charges														
- Shriram Credit Company Limited	-	-	-	0.60	-	-	-	-	-	-	-	-	-	0.60
5 Direct selling agent commission														
- Way2wealth Brokers Private Limited	-	-	-	0.20	-	-	-	-	-	-	-	-	-	0.20
6 Employee benefits for key management personnel*														
a) Short term benefits	-	-	-	-	-	-	-	-	9.91	10.45	-	-	9.91	10.45
b) Post employment benefits	-	-	-	-	-	-	-	-	1.68	1.73	-	-	1.68	1.73
c) Share-based payments	-	-	-	-	-	-	-	-	0.07	-	-	-	0.07	-
7 Employer contribution to employees group gratuity assurance scheme														
- Shriram Transport Finance Company Limited Employees Group Gratuity Assurance Scheme	-	-	-	-	-	-	62.39	-	-	-	-	-	-	62.39
- Shriram Finance Limited Employees Group Gratuity Assurance Scheme	-	-	-	-	-	-	51.83	-	-	-	-	-	51.83	-
8 Equity dividend paid														
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Parag Sharma	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- S. Sunder	-	-	-	-	-	-	-	-	0.23	0.23	-	-	0.23	0.23
- U. Balasundararao	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- R. Chandrasekar	-	-	-	-	-	-	-	-	0.03	0.03	-	-	0.03	0.03
- D. V. Ravi	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- G. M. Jilani	-	-	-	-	-	-	-	-	-	0.06	-	-	-	0.06



53 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
- Shriram Capital Private Limited	332.37	335.73	-	-	-	-	-	-	-	-	-	-	332.37	335.73
- Shriram Value Services Limited	-	-	132.42	64.97	-	-	-	-	-	-	-	-	132.42	64.97
9 Gratuity and leave encashment paid														
- Shriram Value Services Limited	-	-	0.15	-	-	-	-	-	-	-	-	-	0.15	-
- Shriram Capital Private Limited	0.05	-	-	-	-	-	-	-	-	-	-	-	0.05	-
- Shriram Life Insurance Company Limited	-	-	0.04	0.02	-	-	-	-	-	-	-	-	0.04	0.02
10 Insurance premium paid														
- Shriram Life Insurance Company Limited	-	-	27.06	17.03	-	-	-	-	-	-	-	-	27.06	17.03
- Shriram General Insurance Company Limited	-	-	12.84	10.48	-	-	-	-	-	-	-	-	12.84	10.48
11 Intangible assets purchased														
- Novac Technology Solutions Private Limited	-	-	21.00	63.00	-	-	-	-	-	-	-	-	21.00	63.00
12 Interest paid on deposits														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Parag Sharma	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- S. Sridhar	-	-	-	-	-	-	-	-	0.04	0.04	-	-	-	0.04
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.01	0.01	-	-	-	0.01
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	0.21	0.12	0.21	0.12
- Shriram Automall India Limited	-	-	-	-	12.52	5.41	-	-	-	-	-	-	12.52	5.41
- Carttradeexchange Solutions Private Limited	-	-	-	-	2.94	-	-	-	-	-	-	-	2.94	-
- Shriram Asset Management Company Limited	-	-	4.55	5.87	-	-	-	-	-	-	-	-	4.55	5.87
13 Interest paid on non-convertible debenture (secured)														
- Shriram Life Insurance Company Limited	-	-	14.79	14.79	-	-	-	-	-	-	-	-	14.79	14.79
- Shriram General Insurance Company Limited	-	-	34.69	33.37	-	-	-	-	-	-	-	-	34.69	33.37
- Shriram Asset Management Company Limited	-	-	-	0.20	-	-	-	-	-	-	-	-	-	0.20
- Shriram Insight Share Brokers Limited	-	-	0.00	0.01	-	-	-	-	-	-	-	-	0.00	0.01
- Shriram Automall India Limited	-	-	-	-	0.69	2.03	-	-	-	-	-	-	0.69	2.03
- Shriram Value Services Limited	-	-	-	3.96	-	-	-	-	-	-	-	-	-	3.96
14 Interest paid on subordinated debt														
- Shriram Life Insurance Company Limited	-	-	11.42	15.27	-	-	-	-	-	-	-	-	11.42	15.27
- Shriram General Insurance Company Limited	-	-	11.01	32.67	-	-	-	-	-	-	-	-	11.01	32.67
15 Investment in mutual fund														
- Shriram Asset Management Company Limited	-	-	144.99	43.00	-	-	-	-	-	-	-	-	144.99	43.00
16 Maintenance services Super App														
- Novac Technology Solutions Private Limited	-	-	21.00	-	-	-	-	-	-	-	-	-	21.00	-
17 Maturity of deposit														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Parag Sharma	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.05	0.05	-	-	-	0.05
- S. Sridhar	-	-	-	-	-	-	-	-	0.20	0.20	-	-	-	0.20
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	1.81	0.98	1.81	0.98
- Shriram Automall India Limited	-	-	-	-	49.00	22.00	-	-	-	-	-	-	49.00	22.00
- Shriram Asset Management Company Limited	-	-	24.76	22.54	-	-	-	-	-	-	-	-	24.76	22.54

53 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
- Cartradeexchange Solutions Private Limited	-	-	-	-	11.50	-	-	-	-	-	-	-	11.50	-
18 Maturity of non-convertible debenture (secured)														
- Shriram Insight Share Brokers Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	0.06
- Shriram Asset Management Company Limited	-	-	-	-	0.06	-	-	-	-	-	-	-	-	2.09
- Shriram Automall India Limited	-	-	-	-	0.66	8.19	-	-	-	-	-	-	0.66	8.19
- Shriram Life Insurance Company Limited	-	-	40.00	-	-	-	-	-	-	-	-	-	40.00	-
- Shriram Value Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	50.00
19 Maturity of subordinate debts														
- Shriram General Insurance Company Limited	-	-	10.00	165.80	-	-	-	-	-	-	-	-	10.00	165.80
- Shriram Life Insurance Company Limited	-	-	15.00	26.70	-	-	-	-	-	-	-	-	15.00	26.70
20 Other administrative expenses														
- Shriram Insight Share Brokers Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	0.03	0.03
- Shriram Automall India Limited	-	-	-	-	12.21	11.63	-	-	-	-	-	-	12.21	11.63
21 Outsourcing expenses														
- Novac Technology Solutions Private Limited	-	-	157.81	141.97	-	-	-	-	-	-	-	-	157.81	141.97
22 Rent paid														
- Shriram Automall India Limited	-	-	-	-	17.97	16.04	-	-	-	-	-	-	17.97	16.04
- Shriram Asset Management Company Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02
23 Revenue sharing paid														
- Shriram Automall India Limited	-	-	-	-	0.02	0.42	-	-	-	-	-	-	0.02	0.42
24 Royalty paid														
- Shriram Value Services Limited	-	-	444.34	364.27	-	-	-	-	-	-	-	-	444.34	364.27
25 Sales promotion expenses														
- Shriram Insight Share Brokers Limited	-	-	2.41	2.21	-	-	-	-	-	-	-	-	2.41	2.21
- Shriram Wealth Limited	-	-	0.03	0.17	-	-	-	-	-	-	-	-	0.03	0.17
- Shriram Credit Company Limited	-	-	6.48	9.28	-	-	-	-	-	-	-	-	6.48	9.28
- Shriram Fortune Solutions Limited	-	-	0.88	-	-	-	-	-	-	-	-	-	0.88	-
- Way2wealth Brokers Private Limited	-	-	0.57	0.13	-	-	-	-	-	-	-	-	0.57	0.13
26 Service charges														
- Shriram Capital Private Limited	23.49	22.37	-	-	-	-	-	-	-	-	-	-	23.49	22.37
27 Security deposit paid														
- Shriram Asset Management Company Limited	-	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01
28 Valuation charges														
- Adroit Inspection Service Private Limited	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00	-
II) Receipts/ income														
1 Business auxiliary services income														
- Shriram Capital Private Limited	-	0.11	-	-	-	-	-	-	-	-	-	-	-	0.11
2 Commission received														
- Shriram General Insurance Company Limited	-	-	150.58	122.90	-	-	-	-	-	-	-	-	150.58	122.90
- Shriram Life Insurance Company Limited	-	-	145.23	124.09	-	-	-	-	-	-	-	-	145.23	124.09
3 Deposits accepted														




53 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
- Key management personnel														
- Parag Sharma	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.06	0.06	-	-	-	0.06
- S. Sridhar	-	-	-	-	-	-	-	-	0.13	0.13	-	-	-	0.13
- Close members of key management personnel											1.25	2.05	1.25	2.05
- Shriram Asset Management Company Limited	-	-	-	10.00	-	-	-	-	-	-	-	-	-	10.00
- Shriram Automall India Limited	-	-	-	-	75.23	46.74	-	-	-	-	-	-	75.23	46.74
- Cartradeexchange Solutions Private Limited	-	-	-	-	22.93	8.00	-	-	-	-	-	-	22.93	8.00
4 Gratuity, leave encashment, bonus and leave travel allowances received														
- Shriram Automall India Limited	-	-	-	-	0.13	0.28	-	-	-	-	-	-	0.13	0.28
- Shriram Life Insurance Company Limited	-	-	0.13	0.47	-	-	-	-	-	-	-	-	0.13	0.47
- Shriram Insight Share Brokers Limited	-	-	-	0.06	-	-	-	-	-	-	-	-	-	0.06
- Shriram Value Services Limited	-	-	0.34	-	-	-	-	-	-	-	-	-	0.34	-
- Adroit Inspection Service Private Limited	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00
- Novac Technology Solutions Private Limited	-	-	1.71	0.09	-	-	-	-	-	-	-	-	1.71	0.09
5 Insurance claims														
- Shriram General Insurance Company Limited	-	-	0.89	0.32	-	-	-	-	-	-	-	-	0.89	0.32
6 Insurance premium received														
- Shriram Life Insurance Company Limited	-	-	0.07	0.07	-	-	-	-	-	-	-	-	0.07	0.07
7 Investment in mutual fund redeemed														
- Shriram Asset Management Company Limited	-	-	145.51	45.19	-	-	-	-	-	-	-	-	145.51	45.19
8 Non-convertible debenture (secured) issued														
- Shriram General Insurance Company Limited	-	-	15.00	-	-	-	-	-	-	-	-	-	15.00	-
- Shriram Life Insurance Company Limited	-	-	30.00	-	-	-	-	-	-	-	-	-	30.00	-
9 Other income														
- Shriram Asset Management Company Limited	-	-	0.01	0.00	-	-	-	-	-	-	-	-	0.01	0.00
10 Recovery of common sharing expenses														
- Shriram Automall India Limited	-	-	-	-	0.30	0.28	-	-	-	-	-	-	0.30	0.28
- Shriram Insight Share Brokers Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02
- Shriram Fortune Solutions Limited	-	-	0.06	0.03	-	-	-	-	-	-	-	-	0.06	0.03
- Shriram Credit Company Limited	-	-	0.12	0.12	-	-	-	-	-	-	-	-	0.12	0.12
- Shriram General Insurance Company Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	0.03	0.03
- Shriram Capital Private Limited	0.04	0.03	-	-	-	-	-	-	-	-	-	-	0.04	0.03
- Shriram Asset Management Company Limited	-	-	0.03	0.02	-	-	-	-	-	-	-	-	0.03	0.02
- Shriram Wealth Limited	-	-	0.03	-	-	-	-	-	-	-	-	-	0.03	-
11 Rent and electricity income														
- Shriram Automall India Limited	-	-	-	-	2.61	3.73	-	-	-	-	-	-	2.61	3.73
12 Revenue sharing received														
- Shriram Automall India Limited	-	-	-	-	-	0.07	-	-	-	-	-	-	-	0.07
13 Sale of property, plant and equipment														



53 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2024
- Shriram Automall India Limited	-	-	-	-	-	0.00	-	-	-	-	-	-	0.00
14 Subordinated debts issued													
- Shriram Life Insurance Company Limited	-	-	100.00	-	-	-	-	-	-	-	-	-	100.00

*Some of the key management personnel/senior management personnel are eligible for superannuation benefits of a trust formed by promoter group and as the benefits are decided by the committee of the trust, the same neither come within the purview of the Company nor have any impact on the statement of profit and loss of the Company and hence are not included as part of remuneration.

Income/ expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

All the above transactions are in the ordinary course of business and on arm's length basis.

The Company has procured bank guarantee of Rs. 16.00 crores on behalf of Shriram Housing Finance Limited, now renamed as Truhome Finance Limited.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the year ended March 31, 2025 and financial year ended March 31, 2024.

The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

Breakup of related party transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2024
III) Balance outstanding at the year end													
i) Assets													
1 Commission and other receivables													
- Shriram General Insurance Company Limited	-	-	32.04	28.38	-	-	-	-	-	-	32.04	28.38	
- Shriram Life Insurance Company Limited	-	-	11.96	9.34	-	-	-	-	-	-	11.96	9.34	
2 Security deposit receivable													
- Shriram General Insurance Company Limited	-	-	-	0.20	-	-	-	-	-	-	-	0.20	
- Shriram Life Insurance Company Limited	-	-	0.10	0.35	-	-	-	-	-	-	0.10	0.35	
- Shriram Asset Management Company Limited	-	-	0.01	0.01	-	-	-	-	-	-	0.01	0.01	
3 Investment in equity shares													
- Shriram Automall India Limited	-	-	-	-	202.62	188.48	-	-	-	-	-	202.62	188.48
4 Investment in mutual fund													
- Shriram Asset Management Company Limited	-	-	10.01	10.01	-	-	-	-	-	-	-	10.01	10.01



53 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	(Rs. in crores)									
	Promoter	Promoter group		Associates		Employee's benefit plan		Key management personnel		Total
	March 31, 2025	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025
ii) Liabilities										
1 Deposit										
a) Public deposit										
- Key management personnel										
- Pradeep Kumar Panja	-	-	-	-	-	-	0.07	-	-	0.07
- S. Sridhar	-	-	-	-	-	-	0.12	-	-	0.12
- Parag Sharma	-	-	-	-	-	-	0.00	-	-	0.00
- R. Chandrasekar	-	-	-	-	-	-	1.19	-	-	1.19
- Close members of key management personnel	-	-	-	-	-	-	-	2.90	3.44	2.90
b) Deposit from corporates										
- Shriram Asset Management Company Limited	-	24.27	50.34	-	-	-	-	-	-	24.27
- Shriram Automall India Limited	-	-	-	140.03	116.39	-	-	-	-	140.03
- Cartradeexchange Solutions Private Limited	-	-	-	38.82	27.96	-	-	-	-	38.82
2 Non-convertible debenture (secured)										
a) Privately placed										
- Shriram Life Insurance Company Limited	-	135.60	103.87	-	-	-	-	-	-	135.60
- Shriram General Insurance Company Limited	-	423.24	407.15	-	-	-	-	-	-	423.24
b) Public issue										
- Shriram Life Insurance Company Limited	-	26.69	68.74	-	-	-	-	-	-	26.69
- Shriram Insight Share Brokers Limited	-	0.00	0.00	-	-	-	-	-	-	0.00
- Shriram Automall India Limited	-	-	-	7.14	7.82	-	-	-	-	7.14
3 Subordinated debt										
- Shriram Life Insurance Company Limited	-	316.34	140.87	-	-	-	-	-	-	316.34
- Shriram General Insurance Company Limited	-	238.59	189.34	-	-	-	-	-	-	238.59
4 Trade Payables										
- Adroit Inspection Service Private Limited	-	-	-	-	0.07	-	-	-	-	-
- Shriram Capital Private Limited	6.00	-	-	-	-	-	-	-	-	6.00
- Shriram Automall India Limited	-	-	-	3.79	3.16	-	-	-	-	3.79
- Shriram Value Services Limited	-	113.46	42.25	-	-	-	-	-	-	113.46
- Novac Technology Solutions Private Limited	-	1.50	5.02	-	-	-	-	-	-	1.50
- Shriram Insight Share Brokers Limited	-	0.93	0.74	-	-	-	-	-	-	0.93
- Shriram Wealth Limited	-	0.07	0.09	-	-	-	-	-	-	0.07
- Shriram Credit Company Limited	-	-	2.45	-	-	-	-	-	-	-
- Way2wealth Brokers Private Limited	-	0.14	0.26	-	-	-	-	-	-	0.14

53 RELATED PARTY TRANSACTIONS (Contd.)

(Rs. in crores)														
Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of key management personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
5 Other financial liabilities														
- Shriram Fortune Solutions Limited	-	-	2.50	-	-	-	-	-	-	-	-	-	2.50	-
iii) Equity														
1 Equity share capital														
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
- Key management personnel														
- Parag Sharma	-	-	-	-	-	-	-	-	0.05	0.05	-	-	0.05	0.05
- S. Sunder	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- U Balasundararao	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- D. V. Ravi	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- R. Chandrasekar	-	-	-	-	-	-	-	-	0.01	0.01	-	-	0.01	0.01
- Shriram Capital Private Limited	67.15	67.15	-	-	-	-	-	-	-	-	-	-	67.15	67.15
- Shriram Value Services Limited	-	-	26.75	20.77	-	-	-	-	-	-	-	-	26.75	20.77

Income/ expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

All the above transactions are in the ordinary course of business and on arm's length basis.

The Company has procured bank guarantee of Rs. 16.00 crores on behalf of Shriram Housing Finance Limited, now renamed as Truhome Finance Limited.

The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the year ended March 31, 2025 and financial year ended March 31, 2024.

The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.



54 SHARE-BASED PAYMENTS
A. Shriram Finance Limited ("the Company"):

The Company provides employee stock option scheme and share appreciation rights to its employees.

Note 54.01: Employee stock option plan (ESOP Scheme)
54.01.01: About the plan

Shriram Finance Limited Employee Stock Options Scheme 2023 (No.1) ["SFL ESOS 2023(No.1)"] has been created in lieu of the erstwhile SCUF ESOS 2013 to issue stock options to the eligible employees of the SCUF ("Transferor Company") taking into account the share exchange ratio as provided in terms of clause 3.36.1 of the approved Composite Scheme of Arrangement and Amalgamation ("Scheme"). The objective of SFL ESOS 2023 (No.1) plan is that the eligible employees of the Transferor Company continue to enjoy the benefit of stock options upon becoming the employees of the Company and to restore the value of options post amalgamation in the manner provided in terms of Clause 3.35.17 of the Scheme. This SFL ESOS 2023 (No.1) plan has been adopted on March 15, 2023 by the Nomination and Remuneration Committee and Board of directors of the Company.

Particulars	Number of options
As at April 01, 2023	2,126,875
Allotted during the year	1,365,534
Lapsed during the year	6,680
As at March 31, 2024	754,661
Allotted during the period upto share split	265,967
Lapsed during the period upto share split	3,260
As at January 09, 2025 (pre-split)	485,434
As at January 10, 2025 (post-split) [Refer note 31 (I)]	2,427,170
Allotted during the period after share split	89,995
Lapsed during the period after share split	2,985
As at March 31, 2025	2,334,190

The options shall vest in the hands of the Option holder after a minimum period of 12 months from the date of grant of option or such longer period as may be determined by the Committee subject to the condition that the Option grantee continues to be an employee of the Company and the performance or other conditions as may be determined by the Committee. The maximum period of vesting shall be 5 years from the date of grant.

The period during which the options granted by the Transferor Company under SCUF ESOS 2013 plan were held by the eligible employee shall be adjusted against the minimum vesting period. That is, the date of vesting under the SCUF ESOS 2013 plan shall be considered as the vesting date under SFL ESOS 2023 (No.1) plan.

The exercise price shall be Rs.193.55 per fresh options under the SFL ESOS 2023 (No.1) plan.

The options vested shall be exercised within period of ten years from the vesting date. When exercisable, each option is convertible into one equity share. Any option granted shall be exercisable according to the terms and conditions as determined by the Scheme.

54.01.02: Fair value of the options granted

The Company has recorded employee share-based compensation expense relating to the SFL ESOS 2023 (No.1) options on the basis of fair value of erstwhile SCUF ESOS 2013 options.

The fair value of the options granted is mentioned below as per vesting period. The fair value of the options is determined using Black-Scholes model which takes into account the exercise price, the term of the option (time to maturity), the share

54 SHARE-BASED PAYMENTS (Contd.)

price as at the grant date and expected price volatility (standard deviation) of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option.

Fair value and assumptions for the equity-settled grants under the SCUF ESOS 2013 plan is as under:

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V	Grant VI	Grant VII	Grant VIII
Grant date	August 11, 2020	November 02, 2020	January 29, 2021	July 29, 2021	October 27, 2021	January 28, 2022	April 29, 2022	July 27, 2022
No. of options granted	300,221	300,030	315,396	302,601	303,270	301,582	599,800	28,913
Vesting date	August 11, 2021	November 02, 2021	January 29, 2022	July 29, 2022	October 27, 2022	January 28, 2023	April 29, 2023	July 27, 2023
Exercise price (in Rs.)*	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
Fair value of option (in Rs.)*	399.20	560.18	756.39	1,539.79	1,985.23	1,517.66	1,440.68	1,686.59
Input Variables:								
Share price as on grant date (in Rs.)*	661.80	822.75	1,018.70	1,814.10	2,257.45	1,787.90	1,708.60	1,949.95
Standard deviation (volatility)	38.28%	44.52%	47.21%	27.52%	49.85%	53.76%	51.12%	49.47%
Risk-free interest rate	5.85%	5.88%	6.20%	4.48%	4.82%	5.03%	5.51%	6.46%
Time to maturity (in years)	2	2	2	2	2	2	2	2
Expected dividend per annum (in Rs.)	20.00	25.00	30.00	-	-	-	-	-
Dividend yield	3.00%	3.00%	3.00%	-	-	-	-	-

*Pre-split

54.01.03: Rationale for the variables used

The variables used for calculating the fair values and their rationale are as follows:

a. Share Price

The latest available closing market price on the National Stock Exchange (NSE) date on which options are granted under SCUF ESOS 2023 plan has been considered for the purpose of valuation.

b. Volatility

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes option pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time.

The period to be considered for volatility must be adequate to represent a consistent trend in the price movements. Accordingly, the annualised volatility has been computed based on the share price data of past one year, from the date of the valuation.

The fair value is very sensitive to this variable. Higher the volatility, higher is the fair value. The rationale being, the more volatile a stock is, the more is its potential to go up (or come down), and the more is the probability to gain from the movement in the price. Accordingly, an option to buy a highly volatile stock is more valuable than the one to buy a less volatile stock, since the probability of gaining is lesser in the latter case.

c. Risk-free interest rate

The risk-free interest rate being considered for the calculation is the interest rate applicable on government securities having 10 year maturity period.

d. Exercise price

Exercise price of the options granted is as per SCUF ESOS 2023 plan.

e. Time to maturity/ expected life of options

Time to maturity/ expected life of options is the period from the grant date to the date on which option is expected to be exercised. The minimum life of share option is the minimum period before which the options cannot be exercised and maximum life is the period after which the options cannot be exercised.



54 SHARE-BASED PAYMENTS (Contd.)

Considering the deep discount on the market price i.e. 55% to 70%, it is expected that the options will be exercised in 1 year from the vesting date. As such the average expected life of options is considered at 2 years.

54.01.04: Effect of the employee share-based payment plans on the statement of profit and loss and on its financial position

The Company has recorded employee share-based compensation cost of Rs. Nil in the statement of profit and loss for the financial year ended March 31, 2025 (March 31, 2024: Rs. 9.17 crores).

The share option outstanding in the balance sheet as at March 31, 2025 is Rs. 42.92 crores (March 31, 2024: Rs. 70.40 crores) [Refer note 32].

54.02: Share Appreciation Rights (SAR) (cash-settled)
About the plan

Shriram Finance Limited Employees Phantom Stock Appreciation Rights Plan 2024 (hereinafter referred to as "Shriram Finance PSAR Plan 2024" or "the PSAR Plan") was approved by the Nomination and Remuneration Committee and the Board of Directors in their respective meetings held on June 01, 2024 to grant share appreciation rights (SARs) to eligible employees of the Company. Subsequently, the SARs have been granted under this scheme. The contractual life (which is equivalent to the vesting and exercise period) of the SARs outstanding ranges from 2 to 5 years.

The objective of Shriram Finance PSAR Plan 2024 is to provide means to enable the Company to attract and retain appropriate human talent, to motivate the employees/ directors with incentives and reward opportunities, to achieve sustained growth of the Company and the creation of shareholders value by aligning the interests of the employees/ directors which will lead to long-term wealth creation, to create a sense of ownership and participation amongst the employees/ directors or otherwise increase their proprietary interest and to provide additional deferred rewards to the employees/ directors.

Shriram Finance PSAR Plan 2024 is a cash-settled incentive scheme. The incentive is linked to the appreciation in the market price of the equity shares of the Company over the tenure of the plan.

Details of Shriram Finance PSAR Plan 2024 are as follows:

Particulars	Number of SARs
As at April 01, 2023	-
Granted during the year	-
As at March 31, 2024	-
Granted during the year	1,280,000
As at March 31, 2025	1,280,000

Fair value of the SARs granted

The fair value of the SARs is determined using the Black-Scholes Merton option pricing model. The fair value and inputs used for determining the fair value of each tranche are given below:

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
No. of SARs granted	320,000	320,000	320,000	320,000
Grant date	March 24, 2025	March 24, 2025	March 24, 2025	March 24, 2025
Vesting period	1 year	2 year	3 year	4 year
Contractual life (vesting and exercise)	2 years	3 years	4 years	5 years
Fair value per equity share (in Rs.)*	656.00	656.00	656.00	656.00
Exercise price per share (in Rs.)	467.98	467.98	467.98	467.98
Exercise period	2 years	3 years	4 years	5 years
Dividend yield	6.02%	6.02%	6.02%	6.02%
Volatility	33.57%	33.30%	34.91%	42.58%
Risk free rate of interest	6.35%	6.34%	6.35%	6.37%
Fair value per share appreciation right as on March 31, 2025 (in Rs.)	200.73	204.32	210.29	233.20

* Closing price of the equity shares of the Company as on the valuation date on the National Stock Exchange.

54 SHARE-BASED PAYMENTS (Contd.)

Other information regarding employee share-based payment plans is as below:

Particulars	(Rs. in crores)	
	March 31, 2025	March 31, 2024
Expenses arising from share appreciation rights (Refer note 41)	0.26	-
Closing balance of liability for share appreciation plan (Refer note 29)	0.26	-

B. Shriram Housing Finance Limited ("SHFL"):

SHFL provides share-based payment schemes to its employees. For the period ended December 11, 2024 following employee stock option plans (ESOPs) were in existence. The relevant details of the schemes and the grants are as below:

Details of employee stock option schemes	ESOP Scheme 2016 (Tranche II - 16)	ESOP Scheme 2016 (Tranche III - 16)	ESOP Scheme 2016 (Tranche IV - 16)	ESOP Scheme 2016 (Tranche V - 16)	ESOP Scheme 2016 (Tranche VI - 16)
Date of shareholder's approval of plan	December 13, 2016	December 13, 2016	December 13, 2016	December 13, 2016	December 13, 2016
Date of grant	November 01, 2021	May 01, 2022	July 01, 2023	August 01, 2023	May 01, 2024
Number of options granted	1,570,000	200,000	1,925,000	40,000	325,000
Method of settlement	Equity	Equity	Equity	Equity	Equity
Vesting period	1 - 3 years	1 - 3 years	2 - 5 years	2 - 5 years	2 - 5 years
Exercise price (in Rs.)	35.00	35.00	35.00	35.00	35.00
Exercise period	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options	Not later than 5 years from the date of vesting of options
Vesting conditions	Employee remaining in the employment of the enterprise during the vesting period				

Details of vesting

Vesting period from the grant date	ESOP Scheme 2016 (Tranche VI - 16)
Completion of 1 year	-
Completion of 2 year	25%
Completion of 3 year	25%
Completion of 4 year	25%
Completion of 5 year	25%
Completion of 6 year	-
Completion of 7 year	-
Completion of 8 year	-
Completion of 9 year	-
Completion of 10 year	-



54 SHARE-BASED PAYMENTS (Contd.)

Details of activity under each plan

Particulars	ESOP Scheme 2016 (Tranche I, II & III - 16)		ESOP Scheme 2016 (Tranche IV & V - 16)	
	No. of options	Weighted avg. exercise price	No. of options	Weighted avg. exercise price
Outstanding as at March 31, 2024	1,058,332	35.00	1,915,000	35.00
Vested as at March 31, 2024	924,999	-	-	-
Outstanding as at 01 April, 2024	1,058,332	35.00	1,915,000	35.00
Granted during the year	-	-	325,000	35.00
Forfeited during the year	(1)	35.00	(52,500)	35.00
Exercised during the year	(279,999)	35.00	(339,167)	35.00
Outstanding as at December 11, 2024	778,332	35.00	1,848,333	35.00
Vested as at December 11, 2024	778,332	-	1,523,333	-

The value of the underlying shares has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model, for options granted during the period ended:

Particulars	ESOP Scheme 2016 (Tranche II - 16)	ESOP Scheme 2016 (Tranche III - 16)	ESOP Scheme 2016 (Tranche IV - 16)	ESOP Scheme 2016 (Tranche V - 16)	ESOP Scheme 2016 (Tranche VI - 16)
Risk-free interest rate	4.96% - 5.70%	4.96% - 5.70%	6.95% - 7.13%	6.95% - 7.13%	6.95% - 6.96%
Expected life of options (years) [(year to vesting) + (contractual option term)/2]	2.50 - 2.91 years	2.50 - 4.50 years	4.50 - 7.50 years	4.50 - 7.50 years	4.50 - 7.50 years
Expected volatility (%)	31.01% - 36.98%	31.01% - 36.98%	45.89% - 52.92%	45.89% - 52.92%	38.79% - 39.01%
Dividend yield	0%	0%	0%	0%	0%
Weighted average remaining contractual life (in years)	-	0.39	2.75	2.83	2.88

The risk free interest rates are determined based on the government bond yields with maturity equal to the expected term of the option. Volatility calculation is based on historical stock prices of comparable listed companies using standard deviation of daily change in stock price. The historical period is taken into account to match the expected life of the option. Dividend yield has been considered taking into account the historical and expected rate of dividend on equity share price as on grant date.

The expense recognised for employee services received during period ended December 11, 2024 and year ended March 31, 2024 is shown in the following table:

Particulars	(Rs. in crores)	
	Period ended December 11, 2024	Year ended March 31, 2024
Expense arising from equity-settled share based payment transactions	4.56	1.30
Expense arising from cash-settled share based payment transactions	-	-
Total expense arising from share based payment transactions	4.56	1.30

55 LOANS AND ADVANCES TO OR INVESTMENTS IN RELATED PARTIES

Disclosure pursuant to Schedule V of Clause A.2 of Regulation 34 (3) and Regulation 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. Disclosures relating to loans and advances

(Rs. in crores)					
Sr. No.	Loans and advances in the nature of loans	Amount outstanding as at		Maximum amount outstanding during the year	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
A)	To Subsidiary				
	- Shriram Housing Finance Limited (upto December 11, 2024)	-	-	-	-
B)	To Associate				
	- Shriram Automall India Limited	-	-	-	-

II. Disclosures relating to investments

The Company holds 44.56% (March 31, 2024: 44.56%) of equity shares of its associate company. The Company has sold its entire stake in its subsidiary on December 11, 2024 (March 31, 2024: 83.78%) [Refer note 44]. Disclosure relating to transactions with the Company is given in note 53.

56 CAPITAL MANAGEMENT

The Group maintains an actively managed capital base to cover risks inherent in the business which includes issued equity capital, share premium and all other equity reserves attributable to equity holders of the Group.

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board.

57 FAIR VALUE MEASUREMENT

57.01: Valuation principle

Fair value 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 a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in material accounting policies of the year ended March 31, 2025.

57 FAIR VALUE MEASUREMENT (Contd.)

57.02: Fair value hierarchy of assets and liabilities

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at March 31, 2025				(Rs. in crores)
Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	(622.65)	-	(622.65)
Currency swaps	-	334.21	-	334.21
Interest rate swaps	-	460.76	-	460.76
Cross currency interest rate swaps	-	67.27	-	67.27
Interest rate caps	-	10.50	-	10.50
Total derivative financial instruments	-	250.09	-	250.09
<i>Financial assets held for trading</i>				
Mutual funds	10.01	-	-	10.01
Government securities	484.94	-	-	484.94
Equity instruments	110.81	-	27.67	138.48
Certificate of deposits	-	4,038.09	-	4,038.09
Investment in security receipts	-	-	-	-
Venture capital fund	-	1.52	-	1.52
Total financial assets held for trading	605.76	4,039.61	27.67	4,673.04
Total assets measured at fair value on a recurring basis	605.76	4,289.70	27.67	4,923.13
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	605.76	4,289.70	27.67	4,923.13

				(Rs. in crores)
Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

57 FAIR VALUE MEASUREMENT (Contd.)

As at March 31, 2024				(Rs. in crores)
Assets measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	(419.00)	-	(419.00)
Currency swaps	-	162.27	-	162.27
Interest rate swaps	-	288.05	-	288.05
Cross currency interest rate swaps	-	269.89	-	269.89
Interest rate caps	-	25.27	-	25.27
Total derivative financial instruments	-	326.48	-	326.48
<i>Financial assets held for trading</i>				
Mutual funds	300.38	-	-	300.38
Government securities	-	-	-	-
Equity instruments	79.84	-	25.82	105.66
Certificate of deposits	-	-	-	-
Investment in security receipts	-	2.73	-	2.73
Venture capital fund	-	1.52	-	1.52
Total financial assets held for trading	380.22	4.25	25.82	410.29
Total assets measured at fair value on a recurring basis	380.22	330.73	25.82	736.77
Assets measured at fair value on a non-recurring basis				
Non-current assets and disposals held for sale	-	-	-	-
Total assets measured at fair value on a non-recurring basis	-	-	-	-
Total assets measured at fair value	380.22	330.73	25.82	736.77

				(Rs. in crores)
Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
Total financial liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis				
Non-current liabilities and disposals held for sale	-	-	-	-
Total financial liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total liabilities measured at fair value	-	-	-	-

57.03: Valuation techniques

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Derivative financial instruments

Foreign exchange contracts include foreign exchange forward and swap contracts, interest rate swaps and over-the-counter foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level-1, the Group classifies derivative financial instruments as Level-2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole).

57 FAIR VALUE MEASUREMENT (Contd.)

Investments in mutual funds/ equity instruments

Investment in units of mutual funds are measured based on their published Net Asset Value (NAV), taking into account redemption and/ or other restrictions. Such instruments are generally Level-1. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level-3. Quoted equity instruments on recognised stock exchanges are valued at Level-1 hierarchy being the unadjusted quoted price as the reporting date.

Government securities

Investment in government securities held for trading are measured based on latest quoted price available at platform notified by the regulator.

Certificate of Deposits (CDs)

Certificate of deposits are short-term financial instruments issued by banks. Financial Benchmark India Private Limited (FBIL) has developed the FBIL-CD, a new benchmark for the money market based on traded CDs reported on the FIMMDA Trade Reporting and Confirmation System (FTRAC) platform of the Clearing Corporation of India Ltd (CCIL). FBIL-CD is announced for seven tenors of 14 days, 1 month, 2 months, 3 months, 6 months, 9 months and 12 months. For valuation, the Group uses FBIL-CD benchmark and based on that benchmark the Group interpolates and calculates CD prices corresponding to their residual maturities and such instruments are classified as Level 2.

Venture capital fund

Investment in venture capital fund are measured based on net asset value basis.

57.04: Transfer between fair value hierarchy levels

During the financial year there were no transfers between Level-1 and Level-2.

57.05: Movements in Level-3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level-3 financial assets and liabilities which are recorded at fair value. Transfers from Level-3 to Level-2 occur when the market for some securities became more liquid, which eliminates the need for the previously required significant unobservable valuation inputs. Since the transfer, these instruments have been valued using valuation models incorporating observable market inputs. Transfers into Level-3 reflect changes in market conditions as a result of which instruments become less liquid. Therefore, the Group requires significant unobservable inputs to calculate their fair value.

The following tables show the reconciliation of the opening and closing amounts of Level-3 financial assets and liabilities measured at fair value:

Particulars	(Rs. in crores)	
	Equity instruments	
	As at March 31, 2025	As at March 31, 2024
Opening balance	25.82	25.40
Purchase	-	-
Sales	-	-
Issuances	-	-
Settlements	-	-
Transfers into Level-3	-	-
Transfers from Level-3	-	-
Net interest income, net trading income and other income	-	-
Other comprehensive income	-	-
Unrealised gains and losses related to balances held at the end of the year	1.85	0.42
Closing balance	27.67	25.82

57 FAIR VALUE MEASUREMENT (Contd.)

57.06: Impact of changes to key assumptions on fair value of Level-3 financial instruments measured at fair value

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's Level-3 assets and liabilities. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

Particulars	(Rs. in crores)			
	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets			
	As at March 31, 2025	As at March 31, 2024		
Equity instruments measured at FVTPL	27.67	25.82	Based on the discounted cashflow	Based on the discounted cashflow

57.07: Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. All changes would be reflected in the statement of profit and loss. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology.

The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

The table below shows data in relation to Level-3 inputs that are already aggregated on the underlying product levels without assuming any potential diversification effect, but including potential off-sets from economic or accounting hedge relationships in place. The Group is of the opinion that, whilst there may be some diversification benefits, incorporating these would not be significant to the analysis.

Particulars	(Rs. in crores)			
	As at March 31, 2025		As at March 31, 2024	
	Favourable changes 5% increase	Unfavourable changes 5% decrease	Favourable changes 5% increase	Unfavourable changes 5% decrease
Equity instruments based on the discounted cashflow	29.05	26.29	27.11	24.53

57.08: Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

As at March 31, 2025	(Rs. in crores)				
	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	10,681.40	3,721.79	6,959.61	-	10,681.40
Bank balance other than cash and cash equivalents	10,684.34	12.49	10,683.40	-	10,695.89
Receivables					
(I) Trade receivables	50.82	-	-	50.82	50.82
(II) Other receivables	202.87	-	-	202.87	202.87
Loans	245,392.79	-	-	242,093.58	242,093.58
Investments at amortised cost	10,912.30	7,905.37	-	3,100.76	11,006.13
Other investments	202.62	-	-	202.62	202.62
Other financial assets	3,307.96	-	3,225.26	49.14	3,274.40
Total financial assets	281,435.10	11,639.65	20,868.27	245,699.79	278,207.71



57 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

As at March 31, 2025	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial liabilities:					
Trade payables	298.85	-	-	298.85	298.85
Other payables	1.60	-	-	1.60	1.60
Debt securities	54,148.86	-	-	50,994.97	50,994.97
Borrowings (other than debt securities)	121,448.42	-	-	122,189.83	122,189.83
Deposits	56,085.99	-	-	58,582.71	58,582.71
Subordinated liabilities	2,513.98	-	-	2,471.36	2,471.36
Other financial liabilities	2,090.42	-	-	2,090.42	2,090.42
Total financial liabilities	236,588.12	-	-	236,629.74	236,629.74
Off-balance sheet items					
Other commitments	218.85	-	-	218.85	218.85
Total off-balance sheet items	218.85	-	-	218.85	218.85

(Rs. in crores)

As at March 31, 2024	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	6,182.36	3,214.58	2,967.78	-	6,182.36
Bank balance other than cash and cash equivalents	1,788.99	201.77	1,586.63	-	1,788.40
Receivables					
(I) Trade receivables	51.63	-	-	51.63	51.63
(II) Other receivables	340.53	-	-	340.53	340.53
Loans	218,695.61	-	-	215,363.81	215,363.81
Investments at amortised cost	8,870.07	6,381.63	196.60	2,257.32	8,835.55
Other investments	191.46	-	-	191.46	191.46
Other financial assets	3,572.01	-	3,187.34	355.00	3,542.34
Total financial assets	239,692.66	9,797.98	7,938.35	218,559.75	236,296.08
Financial liabilities:					
Trade payables	245.88	-	-	245.88	245.88
Other payables	5.41	-	-	5.41	5.41
Debt securities	46,450.68	-	-	42,480.53	42,480.53
Borrowings (other than debt securities)	100,152.44	-	-	99,559.20	99,559.20
Deposits	44,443.66	-	-	44,097.76	44,097.76
Subordinated liabilities	4,449.30	-	-	4,409.89	4,409.89
Other financial liabilities	2,030.64	-	-	2,030.64	2,030.64
Total financial liabilities	197,778.01	-	-	192,829.31	192,829.31
Off-balance sheet items					
Other commitments	841.42	-	-	841.42	841.42
Total off-balance sheet items	841.42	-	-	841.42	841.42

Note:

The management assessed that cash and cash equivalents, trade receivables, trade payables, other receivables, other payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

57.09: Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables. Instruments with no comparable instruments or valuation inputs are classified as Level 3.

57 FAIR VALUE MEASUREMENT (Contd.)

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include trade receivables, other receivables, balances other than cash and cash equivalents (other than deposits with banks), trade payables, other payables and other financial liabilities without a specific maturity.

Bank deposits and receivable from trusts on account of securitisation

The fair value of bank deposits and receivable from trusts on account of securitisation has been determined using the discounted cash flow method. The discount rates used are based on the prevailing interest rates offered by the State Bank of India (SBI) for fixed deposits with comparable maturities as on the reporting date.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models based on contractual cash flows using weighted average interest rates for the disbursements done during the last quarter of the financial year.

Pass through certificates

These instruments include asset backed securities. The market for these securities is not active. The fair values of pass through certificates are estimated by discounted cash flow models based on contractual cash flows using weighted average interest rates for the deals entered during the last quarter of the financial year.

Investment in associate at cost

As per Ind AS 28 - Investments in Associates and Joint Ventures, interest in associate are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments. The Group assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Group estimates the recoverable value/ amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

Investment in government securities at amortised cost

The fair values of held-to-maturity investments in government securities are measured based on latest quoted price available at platform notified by the regulator.

Issued debt and borrowings

The fair value of issued debt and borrowings is estimated by discounted cash flow models based on contractual cash flows using weighted average interest rates for the deals entered into during the last quarter of the financial year.

Deposits

The fair value of public deposits and deposit from corporates is estimated by discounted cash flow models based on contractual cash flows using weighted average interest rates for the deposits accepted during the last quarter of the financial year.

Other financial assets

The fair value of other financial assets (other than receivable from trusts on account of securitisation) have been measured under Level-3 at fair value based on discounted cash flow model.

Off-balance sheet positions

Estimated fair values of off-balance sheet positions are based on the carrying amounts due to the short-term maturities of these positions.

The carrying value of financial instruments by categories is as follows:

(Rs. in crores)						
As at March 31, 2025	Amortised cost	Derivative instruments in hedging relationship	At fair value through OCI	At fair value through profit or loss	Others (at cost)	Total
Financial assets:						
Cash and cash equivalents	10,681.40	-	-	-	-	10,681.40
Bank balance other than cash and cash equivalents	10,684.34	-	-	-	-	10,684.34

57 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

As at March 31, 2025	Amortised cost	Derivative instruments in hedging relationship	At fair value through OCI	At fair value through profit or loss	Others (at cost)	Total
Derivative financial instruments	-	250.09	-	-	-	250.09
Receivables						
(I) Trade receivables	50.82	-	-	-	-	50.82
(II) Other receivables	202.87	-	-	-	-	202.87
Loans	245,392.79	-	-	-	-	245,392.79
Investments	10,912.30	-	110.81	4,562.23	202.62	15,787.96
Other financial assets	3,307.96	-	-	-	-	3,307.96
Total financial assets	281,232.48	250.09	110.81	4,562.23	202.62	286,358.23
Financial liabilities:						
Payables						
(I) Trade payables	298.85	-	-	-	-	298.85
(II) Other payables	1.60	-	-	-	-	1.60
Debt securities	54,148.86	-	-	-	-	54,148.86
Borrowings (other than debt securities)	121,448.42	-	-	-	-	121,448.42
Deposits	56,085.99	-	-	-	-	56,085.99
Subordinated liabilities	2,513.98	-	-	-	-	2,513.98
Other financial liabilities	2,090.42	-	-	-	-	2,090.42
Total financial liabilities	236,588.12	-	-	-	-	236,588.12

(Rs. in crores)

As at March 31, 2024	Amortised cost	Derivative instruments in hedging relationship	At fair value through OCI	At fair value through profit or loss	Others (at cost)	Total
Financial assets:						
Cash and cash equivalents	6,182.36	-	-	-	-	6,182.36
Bank balance other than cash and cash equivalents	1,788.99	-	-	-	-	1,788.99
Derivative financial instruments	-	326.48	-	-	-	326.48
Receivables						
(I) Trade receivables	51.63	-	-	-	-	51.63
(II) Other receivables	340.53	-	-	-	-	340.53
Loans	218,695.61	-	-	-	-	218,695.61
Investments	8,870.07	-	79.84	330.45	191.46	9,471.82
Other financial assets	3,572.01	-	-	-	-	3,572.01
Total financial assets	239,501.20	326.48	79.84	330.45	191.46	240,429.44
Financial liabilities:						
Payables						
(I) Trade payables	245.88	-	-	-	-	245.88
(II) Other payables	5.41	-	-	-	-	5.41
Debt securities	46,450.68	-	-	-	-	46,450.68
Borrowings (other than debt securities)	100,152.44	-	-	-	-	100,152.44
Deposits	44,443.66	-	-	-	-	44,443.66
Subordinated liabilities	4,449.30	-	-	-	-	4,449.30
Other financial liabilities	2,030.64	-	-	-	-	2,030.64
Total financial liabilities	197,778.01	-	-	-	-	197,778.01

58 RISK MANAGEMENT

Whilst risk is inherent in the Group's activities, it is managed through an integrated risk management framework including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

58 RISK MANAGEMENT (Contd.)

58.01: Introduction and risk profile

58.01.01: Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Board has constituted the Risk Management Committee (RMC) which is responsible for monitoring the overall risk process within the Company. The RMC has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. It is responsible for managing risk decisions and monitoring risk levels. The Chief Risk Officer is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The risk owners within each department will report to the RMC.

The risk owners are responsible for monitoring compliance with risk principles, policies and limits across the Group. Each department has its risk owner who is responsible for the control of risks, including monitoring the actual risk of exposures against authorised limits and the assessment of risks. The Group's treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group.

The Group's policy is that risk management processes throughout the Group are audited annually by the internal audit function, which examines both the adequacy of the procedures and the Group's compliance with the procedures. Internal audit discusses the results of all assessments with management, and reports its findings and recommendations to RMC.

58.01.02: Risk mitigation and risk culture

As part of its overall risk management, the Group can use derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currencies associated with foreign currency transactions.

58.01.03: Risk measurement and reporting systems

The Group's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the departments is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the RMC and the head of each department.

The RMC receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Group.

It is the Group's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Group is exposed to that they decide to take on. The Group's continuous training and development emphasises that employees are made aware of the Group's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Group's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees annual ratings and remuneration reviews.

58.01.04: Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on spreading its lending portfolio across all the states with a cap on maximum limit of exposure for a state and also for an individual/ Group.

58.02: Credit risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Group. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit managers who are

58 RISK MANAGEMENT (Contd.)

responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The Group's internal credit rating grades on days past due(dpd) basis:

Internal rating grade	Internal rating description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-standard grade	31 to 60 dpd
Past due but not impaired	61 to 89 dpd
Non-performing	90 and above dpd

58.02.01: Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet. With gross-settled derivatives, the Group is also exposed to a settlement risk, being the risk that the Group honours its obligation, but the counterparty fails to deliver the counter value.

58.02.02: Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of material accounting policies.

The Group's definition and assessment of default (Refer note 58.02.02.01).

- How the Group defines, calculates and monitors the probability of default, exposure at default and loss given default (Refer notes 58.02.02.01 to 58.02.02.04)
- When the Group considers there has been a significant increase in credit risk of an exposure (Refer note 58.02.02.05)
- The Group's policy of segmenting financial assets where ECL is assessed on a collective basis (Refer note 58.02.02.07)
- The details of the ECL calculations and categorisation of loans for stage 1, stage 2 and stage 3 assets (Refer note 7.1(VI))

58.02.02.01: Definition of default

The Group considers a financial instrument defaulted and therefore stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as stage 3 for ECL calculations or whether stage 2 is appropriate. Such events include:

- The borrower requesting emergency funding from the Group.
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral.
- A covenant breach not waived by the Group.
- The debtor (or any legal entity within the debtor's Group) filing for bankruptcy application/ protection.
- Repossession of security
- All the facilities of a borrower are treated as stage 3 when one of his facility becomes 90 days past due i.e. credit impaired.
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise.

58.02.02.02: Probability of Default (PD) estimation process

It is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Group. While arriving at the PD, the Group also ensures that the factors that affects the macro economic trends are considered to a reasonable extent, wherever necessary. The Group calculates the 12 month PD by taking into account the past historical trends of the portfolio and its credit performance. In case of assets where there is a significant increase in credit risk, lifetime PD has been applied which is computed based on survival analysis. For credit impaired assets, a PD of 100% has been applied.

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58.02.02.03: Exposure at Default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a stage 1 loan, the Group assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For stage 2 and stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

In case of undrawn loan commitments, a credit conversion factor of 100% is applied for expected drawdown.

58.02.02.04: Loss Given Default (LGD)

LGD is an estimate of the loss arising in case where a default occurs. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realisation of any security.

58.02.02.05: Significant Increase in Credit Risk (SICR)

The Group continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Group assesses whether there has been an event which could cause a significant increase in the credit risk of the underlying asset or the customer's ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

In certain cases, the Group may also consider that events explained in Note 58.02.02.01 are a significant increase in credit risk as opposed to a default. Regardless of the above, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a Group of similar assets (as set out in Note 58.02.02.07), the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

58.02.02.06: Forward looking information

As explained in note 7.1.(VI), the Group has incorporated forward looking information and macro-economic factors while calculating PD and LGD rate.

58.02.02.07: Grouping financial assets measured on a collective basis

As explained in note 7.1.(VI) the Group calculates ECLs only on a collective basis. The Group segments the exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans as given below.

- 1) Commercial vehicles
- 2) Construction equipments
- 3) Farm equipments
- 4) Passenger vehicles
- 5) Gold loans
- 6) Personal loans
- 7) MSME secured
- 8) MSME unsecured
- 9) Loans to NBFC
- 10) Two wheelers

58.02.03: Analysis of risk concentration

The maximum credit exposure to any individual client or counterparty as of March 31, 2025 was Rs. 50.52 crores (March 31, 2024: Rs. 63.10 crores).

Credit risk exposure analysis

(Rs. in crores)

Particulars	As at March 31, 2025			
	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
As at March 31, 2025	230,161.54	17,915.58	11,838.79	259,915.91
As at March 31, 2024	205,159.78	15,157.37	12,192.54	232,509.69



58 RISK MANAGEMENT (Contd.)

58.03: Liquidity risk and funding management

In assessing the Group's liquidity position, consideration shall be given to:

- 1) Present and anticipated asset quality
- 2) Present and future earnings capacity
- 3) Historical funding requirements
- 4) Current liquidity position
- 5) Anticipated future funding needs, and
- 6) Sources of funds

The Group maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Group also enters into securitisation deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. In accordance with the Group's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Group. Net liquid assets consist of cash, short-term bank deposits and investments in mutual fund available for immediate sale, less issued securities and borrowings due to mature within the next month. Borrowings from banks and financial institutions, issue of debentures and bonds and acceptance of public deposits are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

The Board of Directors approves constitution of Asset Liability Management Committee (ALCO). It reviews or monitors Asset Liability Management (ALM) mismatch. It conducts periodic reviews relating to the liquidity position and stress test assuming various what if scenarios. The ALCO is responsible for ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company in line with the Company's budget and decided risk management objectives. It is a decision-making unit responsible for balance sheet planning from risk-return perspective including strategic management of interest rate and liquidity risks. It also evaluates the borrowing plan of subsequent quarters on the basis of previous borrowings of the Company. It will be responsible for ensuring the adherence to the target set by the Board of Directors. The meetings of ALCO are held at quarterly intervals. The ALM support groups, consisting of operating staff are responsible for analysing, monitoring and reporting the risk profiles to the ALCO. The ALCO support group meets every fortnight. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its ratification.

58 RISK MANAGEMENT (Contd.)

58.03.01: Analysis of financial assets and liabilities by remaining maturities

The table below summarises the maturity profile of the Group's financial assets and liabilities as at the reporting date. All derivatives used for hedging and natural hedges are shown by maturity. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Group expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

Maturity pattern of assets and liabilities as on March 31, 2025:

Particulars	Less than 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
(Rs. in crores)							
Financial assets							
Cash and cash equivalents	10,681.40	-	-	-	-	-	10,681.40
Bank balance other than above	9,444.70	459.62	382.49	397.53	-	-	10,684.34
Derivative financial instruments**	(9.26)	571.22	125.05	(117.24)	(164.58)	(155.10)	250.09
Financial assets at FVTPL	4,533.04	-	-	-	-	29.19	4,562.23
Loans*	36,778.00	35,803.00	61,439.95	137,016.91	30,616.76	3,237.83	304,892.45
Financial investments at FV/TOCI	-	-	-	-	-	110.81	110.81
Financial investments at amortised cost	155.30	219.22	294.53	2,516.18	1,520.54	6,309.11	11,014.88
Trade receivables	50.82	-	-	-	-	-	50.82
Other receivables	36.41	27.25	50.56	78.00	5.56	5.09	202.87
Other financial assets	1,293.91	780.33	1,188.42	19.60	14.51	11.19	3,307.96
Total undiscounted financial assets	62,964.32	37,860.64	63,481.00	139,910.98	31,992.79	9,548.12	345,757.85
Financial liabilities							
Deposits*	3,729.04	4,468.24	9,364.09	34,050.42	15,970.63	-	67,582.42
Debt securities*	2,883.62	4,143.25	5,839.30	28,788.76	13,860.65	12,603.38	68,118.96
Borrowings (other than debt securities)*	11,750.73	10,922.90	22,524.48	68,089.99	18,117.46	4,407.64	135,813.20
Subordinated liabilities*	860.73	727.27	1,185.31	3,524.62	370.16	1,082.56	7,750.65
Trade payables	298.85	-	-	-	-	-	298.85
Other payables	1.60	-	-	-	-	-	1.60
Other financial liabilities	962.11	120.06	372.49	360.69	232.49	238.86	2,286.70
Total undiscounted financial liabilities	20,486.68	20,381.72	39,285.67	134,814.48	48,551.39	18,332.44	281,852.38
Net undiscounted financial assets/ (liabilities)	42,477.64	17,478.92	24,195.33	5,096.50	(16,558.60)	(8,784.32)	63,905.47
Cumulative net undiscounted financial assets/ (liabilities)	42,477.64	59,956.56	84,151.89	89,248.39	72,689.79	63,905.47	

* Includes future interest

** Derivative financial instruments are presented on net basis on asset side as the net flow is positive. The maturity analysis is based on the contractual maturities of the underlying contracts, with inflows and outflows presented on a net basis across different time buckets.




58 RISK MANAGEMENT (Contd.)

Maturity pattern of assets and liabilities as on March 31, 2024:

Particulars	Less than 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
(Rs. in crores)							
Financial assets							
Cash and cash equivalents	6,182.36	-	-	-	-	-	6,182.36
Bank balance other than above	694.75	550.88	521.55	26.66	-	-	1,793.84
Derivative financial instruments	0.09	-	(4.00)	307.79	-	22.60	326.48
Financial assets at FVTPL	300.38	-	-	-	-	30.07	330.45
Loans*	35,289.51	32,283.53	55,004.27	118,805.48	28,801.91	7,469.89	277,654.59
Financial investments at FVTOCI	-	-	-	-	-	79.84	79.84
Financial investments at amortised cost	494.28	134.79	515.04	1,731.61	1,137.00	5,042.13	9,054.85
Trade receivables	51.63	-	-	-	-	-	51.63
Other receivables	59.93	50.30	59.45	131.12	24.76	14.97	340.53
Other financial assets	1,499.49	467.49	1,220.81	125.72	169.48	91.68	3,574.67
Total undiscounted financial assets	44,572.42	33,486.99	57,317.12	121,128.38	30,133.15	12,751.18	299,389.24
Financial liabilities							
Deposits*	2,763.26	3,691.30	7,065.55	25,392.78	14,336.53	-	53,249.42
Debt securities*	5,274.15	2,979.80	5,983.27	17,586.12	13,491.31	13,841.67	59,156.32
Borrowings (other than debt securities)*	15,360.85	10,443.19	19,176.02	54,185.65	12,832.07	2,306.44	114,304.22
Subordinated liabilities*	1,858.94	33.96	731.81	584.95	1,670.41	494.97	5,375.04
Trade payables	245.88	-	-	-	-	-	245.88
Other payables	5.41	-	-	-	-	-	5.41
Other financial liabilities	1,065.30	128.13	245.03	402.94	235.37	215.71	2,292.48
Total undiscounted financial liabilities	26,573.79	17,276.38	33,201.68	98,152.44	42,565.69	16,858.79	234,628.77
Net undiscounted financial assets/ (liabilities)	17,998.63	16,210.61	24,115.44	22,975.94	(12,432.54)	(4,107.61)	64,760.47
Cumulative net undiscounted financial assets/ (liabilities)	17,998.63	34,209.24	58,324.68	81,300.62	68,868.08	64,760.47	

* Includes future interest



58 RISK MANAGEMENT (Contd.)

The table below shows the expiry by maturity of the contingent liabilities and commitments of the Group and its associate. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

As at March 31, 2025

Particulars	Less than 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
In respect of income tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	104.10	104.10
VAT demand where the Group has filed appeal before various appellates	-	-	-	-	-	2.52	2.52
Service tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	2,841.09	2,841.09
GST demand where the Group has filed appeals	-	-	-	-	-	38.17	38.17
Stamp duty demand raised by District Registrar office against which the Group has filed appeal.	-	-	-	-	-	6.69	6.69
Bank Guarantees	-	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	29.66	-	-	-	-	-	29.66
Commitments related to loans sanctioned but undrawn	218.85	-	-	-	-	-	218.85
Total contingent liabilities and commitments	248.51	-	-	-	-	2,992.57	3,241.08

As at March 31, 2024

Particulars	Less than 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
In respect of income tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	102.58	102.58
VAT demand where the Group has filed appeal before various appellates	-	-	-	-	-	0.02	0.02
Service tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	2,056.83	2,056.83
GST demand where the Group has filed appeals	-	-	-	-	-	7.72	7.72
Stamp duty demand raised by District Registrar office against which the Group has filed appeal.	-	-	-	-	-	6.69	6.69
Bank guarantees	-	-	-	-	-	185.14	185.14
Estimated amount of contracts remaining to be executed on capital account, net of advances	47.73	-	-	-	-	-	47.73
Commitments related to loans sanctioned but undrawn	841.42	-	-	-	-	-	841.42
Total contingent liabilities and commitments	889.15	-	-	-	-	2,358.98	3,248.13



58 RISK MANAGEMENT (Contd.)

58.04: Market risk

Market risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Group classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

58.04.01: Interest rate risk

The Company's exposure to changes in interest rates relates to the Group's outstanding floating rate liabilities. Most of the Company's outstanding liability is on fixed rate basis and hence not subject to interest rate risk. Some of the borrowings of the Company are linked to rate benchmarks such as Bank Marginal Cost of Funds based Lending Rate (MCLR) or Secured Overnight Financing Rate (SOFR), RBI Repo Rate, Treasury Bill Linked Lending Rate (TBLR) and Mumbai Inter-Bank Overnight Indexed Swap (MIOIS) and hence subject to interest rate risk. The Group hedges interest rate risks of foreign currency borrowings through derivative transactions. The sensitivity of the Company's floating rate borrowings to change in interest rate (assuming all other variables constant) is given below:

Particulars	As at March 31, 2025			As at March 31, 2024		
	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	650.00	69.01	(87.61)	1,246.11	88.83	(109.21)
Term loans	20,502.47	1,990.99	(2,474.15)	29,127.25	1,905.71	(2,355.41)
Total floating rate borrowings	21,152.47	2,060.00	(2,561.76)	30,373.36	1,994.54	(2,464.62)

Fair value sensitivity analysis for fixed rate instruments

The Group's fixed rate instruments are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Inter-Bank Offered Rate (IBOR) reform

The U.S. Dollar LIBOR bank panel ended on June 30, 2023, and therefore the exposure with the Group was transitioned from LIBOR to SOFR. There was no exposure to IBOR risk as at March 31, 2025 and March 31, 2024.

Most of the Group's outstanding loans are on fixed rate basis and hence not subject to interest rate risk. The Group's exposure to changes in interest rates relates to the Group's outstanding floating rate loans hence subject to interest rate risk. The sensitivity of the Group's floating rate loans to change in interest rate (assuming all other variables constant) is given below:

As at March 31, 2025		(Rs. in crores)	
Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Total floating rate loans	-	-	-

As at March 31, 2024		(Rs. in crores)	
Particulars	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Loans	5,175.55	(51.76)	51.76
Total floating rate loans	5,175.55	(51.76)	51.76

58 RISK MANAGEMENT (Contd.)

58.04.02: 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. The Group is exposed to foreign currency fluctuation risk for its foreign currency borrowing. The Group's borrowings in foreign currency are governed by RBI Master Direction External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 (as and when updated) which requires entities raising External Commercial Borrowings (ECB) for an average maturity of less than 5 years to hedge minimum 70% of the its ECB exposure. The Group hedges its entire ECB and external commercial bond exposure as per Board approved hedging policy and resource mobilisation policy. The Group manages foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Group holds derivative financial instruments such as Cross currency interest rate swap to mitigate risk of 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. Refer note 23 and 24 for terms and conditions of foreign currency borrowings.

Exposure to currency risk

The summary quantitative data about exposure to currency risk (based on notional amounts) as reported:

Particulars	As at March 31, 2025				As at March 31, 2024			
	Contracts in EURO		Contracts in USD		Contracts in EURO		Contracts in USD	
	EURO	INR	USD	INR	EURO	INR	USD	INR
Total foreign currency exposure in respect of recognised assets and liabilities	105.48	10,853.44	1,073.51	93,219.31	1.48	1,331.02	53.16	48,892.94
Cross currency interest rate swap/ forward exchange contracts	105.48	10,853.44	1,073.51	93,219.31	1.48	1,331.02	53.16	48,892.94
Net exposure	-	-	-	-	-	-	-	-

Movement in Cash flow hedge reserve

Cash flow hedge reserve	As at March 31, 2025*			As at March 31, 2024		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	-	(266.34)	(266.34)	-	(224.42)	(224.42)
Add: Changes in the fair value during the year	-	(285.60)	(285.60)	-	(56.00)	(56.00)
Less: Income tax relating to items that will be reclassified to profit or loss	-	71.88	71.88	-	14.08	14.08
Less: Adjustment for discontinued operations	-	6.64	6.64	-	-	-
Balance at the end of the year	-	(473.42)	(473.42)	-	(266.34)	(266.34)

* The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

58 RISK MANAGEMENT (Contd.)
Nature and terms and conditions of outstanding derivative contracts

(Rs. in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Rate of interest	Maturity date	Notional amounts	Fair value - assets	Rate of interest	Maturity date	Notional amounts	Fair value - assets
(i) Currency derivatives:								
Spots and forwards	-	April 02, 2025 to February 07, 2035	48,059.84	(622.65)	-	June 17, 2024 to December 15, 2031	19,162.15	(413.73)
Currency swaps	2.530% to 4.716%	July 18, 2025 to January 31, 2028	7,163.54	334.21	2.53% to 4.72%	July 18, 2025 to April 22, 2027	6,514.26	162.27
Cross currency interest rate swaps	USD 3M CME SOFR + 1.75%	April 30, 2027	792.97	5.36	-	-	-	-
Cross currency interest rate swaps	USD 3M CME SOFR + 1.90%	August 30, 2029	197.12	2.60	-	-	-	-
Cross currency interest rate swaps	USD 6M CME SOFR + 2.08%	November 15, 2027	337.92	(0.04)	-	-	-	-
Cross currency interest rate swaps	3M EURIBOR + 1.45%	June 01, 2027	361.80	1.41	-	-	-	-
Cross currency interest rate swaps	6M EURIBOR + 1.15%	April 25, 2026	228.46	34.03	6M EURIBOR + 1.15%	April 25, 2026	380.77	35.14
Cross currency interest rate swaps	USD O/N SOFR + 2.92826%	December 13, 2026	53.45	19.91	USD O/N SOFR + 2.93%	December 11, 2026	80.18	72.84
Cross currency interest rate swaps	USD O/N SOFR + 2.10%	-	-	-	USD O/N SOFR + 2.10%	December 03, 2024	187.35	166.29
Cross currency interest rate swaps	USD O/N SOFR + 2.00 %	September 28, 2026	332.72	4.00	USD O/N SOFR + 2.00 %	September 28, 2026	332.72	(4.38)
Sub-total (i)			57,527.82	(221.17)			26,657.43	18.43
(ii) Interest rate derivatives:								
Interest rate swaps	4.08% to 6.907%	July 18, 2025 to December 15, 2031	15,453.69	537.99	4.08% to 6.91%	July 18, 2025 to December 15, 2031	11,512.97	176.55
Interest rate swaps	USD 3M CME SOFR + 2.00 %	January 20, 2026 to February 16, 2027	6,280.60	(9.03)	USD 3M CME SOFR + 2.00%	January 20, 2026 to February 16, 2027	6,280.60	49.30
Interest rate swaps	USD 3M CME SOFR + 1.75%	March 23, 2027 to June 01, 2027	2,742.56	(29.76)	USD 3M CME SOFR + 1.75%	March 23, 2027	2,076.00	(5.37)

58 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Rate of interest	Maturity date	Notional amounts	Fair value - assets	Rate of interest	Maturity date	Notional amounts	Fair value - assets
Interest rate swaps	USD O/N SOFR + 2%	December 27, 2027	552.40	0.63	USD 6M CME SOFR + 2.00%	December 27, 2027	736.54	6.74
Interest rate swaps	USD O/N SOFR + 2.10%	May 24, 2027	833.00	(8.26)	USD O/N SOFR + 2.10%	May 24, 2027	833.00	(4.03)
Interest rate swaps	USD O/N SOFR + 2.25%	September 29, 2026	1,233.00	73.26	USD O/N SOFR + 2.25%	September 29, 2027	1,233.00	70.78
Interest rate swaps	3M EURIBOR + 2.10%	September 15, 2026	445.00	(8.12)	3M EURIBOR + 2.10%	September 15, 2026	445.00	(4.99)
Interest rate swaps	3M EURIBOR + 1.40%	December 20, 2027	445.75	1.21	-	-	-	-
Interest rate swaps	INR 3M OIS + 2.05%	May 30, 2026	150.00	(1.09)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 1.65%	December 20, 2027	5,732.10	(48.30)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 1.70%	June 20, 2028	1,908.00	(12.25)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 1.75%	December 18, 2029	2,122.50	(13.56)	-	-	-	-
Interest rate swaps	EURIBOR 6M + 1.15 % 0.00% Floor	February 07, 2035	3,578.26	39.14	-	-	-	-
Interest rate swaps	INR 3M OIS + 2.05%	May 29, 2026	300.00	(1.95)	-	-	-	-
Interest rate swaps	USD 6M CME SOFR + 1.45% 0.00% Floor	February 07, 2035	874.60	(18.91)	-	-	-	-
Interest rate swaps	USD 6M CME SOFR + 1.70%	June 20, 2028	1,080.06	(4.78)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 1.65%	January 31, 2028	649.28	(7.84)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 2.05%	March 12, 2031	1,307.03	(7.50)	-	-	-	-
Interest rate swaps	USD O/N SOFR + 2.05%	March 17, 2031	1,307.10	(12.19)	-	-	-	-
Interest rate swaps	INR 3M T-bill + 0.00%	June 30, 2026	200.00	(0.07)	INR 3M T-bill	June 30, 2026	200.00	(0.08)



58 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Rate of interest	Maturity date	Notional amounts	Fair value - assets	Rate of interest	Maturity date	Notional amounts	Fair value - assets
Interest rate swaps	INR 3M T-bill + 2.10 %	-	-	-	INR 3M T-bill + 2.10%	June 12, 2025	200.00	0.09
Interest rate swaps	INR 12M T-bill + 1.86%	April 29, 2026	1,883.00	(5.61)	INR 12M T-bill + 1.86%	April 29, 2026	1,150.00	(0.44)
Interest rate swaps	INR O/N OIS + 1.90%	June 30, 2026	200.00	(2.25)	INR 3M OIS + 1.50%	June 30, 2026	200.00	(1.77)
Interest rate caps	6M EURIBOR + 1.15%	April 18, 2026	-	7.12	6M EURIBOR + 1.15%	April 25, 2026	-	22.93
Interest rate caps	INR 12M OIS + 0.00%	October 03, 2025	300.00	-	INR O/N OIS + 1.95%	October 03, 2025	300.00	0.03
Interest rate caps	INR 12M OIS + 0.00%	April 21, 2025	400.00	3.38	INR O/N OIS + 2.80%	April 21, 2025	400.00	2.31
Spots and forwards	-	-	-	-	12M SOFR 3.54% + 0.91%	Aug 27, 2024	31.98	(0.06)
Spots and Forwards	-	-	-	-	3month term SOFR +200bps	July 06, 2026	438.70	(5.21)
Interest rate swaps	-	-	-	-	6.69%	July 06, 2026	416.95	1.27
Sub-total (ii)			49,977.93	471.26			26,454.74	308.05
Total (i)+(ii)			107,505.75	250.09			53,112.17	326.48

Price risk

The Group's hedging policy only allows for effective hedge relationships to be established. 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 Group 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 assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In such cases, ineffectiveness may arise if:

- The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- Differences arise between the credit risk inherent within the hedged item and the hedging instrument.

There were no ineffectiveness recognised in the statement of profit and loss.

There were no other sources of ineffectiveness in these hedge relationships.

59 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER LEGAL AND PROFESSIONAL FEES

In addition to the auditors remuneration shown in note - 43 Other expenses, the Group has also incurred auditors remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of senior secured notes of Rs. 0.60 crores (March 31, 2024: Rs. 0.33 crores) shown under legal and professional charges in the same note referred above.

60 SEGMENT REPORTING

The Group operates in a single reporting segment i.e. financing. Its associate is primarily engaged in the business of facilitation service. Since, it does not meet the quantitative thresholds laid down under the Ind AS 108 - Operating segments for reportable segments, it has not been considered for segment reporting.

i) Information about geographical areas

The Group operates within India. Therefore it neither generates any revenue from outside India nor have any non-current asset located outside India for the financial years ended March 31, 2025 and March 31, 2024.

ii) Information about major customers

No single external customer contributes 10% or more to the revenues of the Group for the financial years ended March 31, 2025 and March 31, 2024.

61 TRANSFER OF FINANCIAL ASSETS

61.01: Transferred financial assets that are not derecognised in their entirety

The following table provides a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Securitisation		
Carrying amount of transferred assets measured at amortised cost (held as collateral)	36,718.21	28,816.87
Carrying amount of associated liabilities [borrowings (other than debt securities)- measured at amortised cost]	38,052.08	30,034.86
Fair value of assets (A)	36,222.28	28,512.98
Fair value of associated liabilities (B)	38,014.87	29,729.11
Net position at fair value (A-B)	(1,792.59)	(1,216.13)

61.02: Transferred financial assets that are derecognised in their entirety

The Group has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90% of the assets transferred to the buyer, the assets have been de-recognised from the Group's balance sheet. The table below summarises the carrying amount of the derecognised financial assets:

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	3,168.98	5,870.16
Carrying amount of exposures retained by the Group at amortised cost	316.90	633.68

61.03: Transferred financial assets that are derecognised in their entirety but where the Group has continuing involvement

The Group has not transferred any assets that are derecognised in their entirety where the Group continues to have continuing involvement.



62 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
Professional charges on resource mobilisation	545.25	150.24
Professional charges on securitisation	10.40	30.53
Advertisement and publicity	0.04	-
Total	555.69	180.77

63 DETAILS OF CSR EXPENSES*#

Particulars	(Rs. in crores)	
	Year ended March 31, 2025	Year ended March 31, 2024
a) Gross amount required to be spent by the Group during the year	134.11	92.83
b) Amount approved by the Board to be spent during the year	134.11	92.83
c) Amount spent during the year		
- On purposes other than construction/ acquisition of any asset	-	-
Paid in cash	134.13	93.33
Yet to be paid in cash	-	-
Total	134.13	93.33

* Includes discontinued operations

The figures of erstwhile subsidiary SHFL, included in above table are pertaining to period from April 01, 2024 upto December 11, 2024, i.e., the date of stake sale.

There is no shortfall in the CSR amount required to be spent by the Company as per section 135(5) of the Act for the financial years ended March 31, 2025 and March 31, 2024.

CSR activities include education, preservation of arts, culture and heritage, preventive healthcare, scholarship scheme, training and skill development, road safety awareness program, contribution towards - primary, secondary and higher education, mathematical and scientific research, school repairs and renovation and other activities which are specified under Schedule VII of Companies Act, 2013.

The Company has neither made any CSR contributions towards its related parties nor recorded any provision for CSR expenditure during the financial years ended March 31, 2025 and March 31, 2024.

64 FIGURES OF THE PREVIOUS FINANCIAL YEAR

The figures for the financial year ended March 31, 2024 were audited by the predecessor joint statutory auditors of the Company.

65 MOVEMENT IN PROVISIONS

(Rs. in crores)				
Provision for indirect taxes - (contested)	Opening balance	Additional provision	Utilisation /reversal during the year	Closing balance
As at March 31, 2025	89.19	-	0.05	89.14
As at March 31, 2024	98.59	-	9.40	89.19

The above provisions relate to disputed tax demands in relation to VAT and Service tax. Due to the very nature of such provisions and the litigations involved, it is not possible to estimate the timing/ uncertainties relating to their outflows.

65 MOVEMENT IN PROVISIONS (Contd.)

(Rs. in crores)				
Provision for share appreciation rights	Opening balance	Additional provision	Utilisation /reversal during the year	Closing balance
As at March 31, 2025	-	0.26	-	0.26
As at March 31, 2024	-	-	-	-

66 EVENTS AFTER REPORTING DATE

The Board of Directors of the Company in its meeting held on April 26, 2024 had approved acquisition of 100% equity stake in Shriram Overseas Investments Private Limited ('SOIPL') from Shriram Investments Holdings Private Limited, subject to approval of RBI. The RBI has conveyed its approval for the said acquisition vide its letter dated April 01, 2025, subject to compliance with conditions specified therein. Post compliance of the conditions as specified in RBI's approval letter, the Company will acquire 100% equity stake in SOIPL. Consequent to acquisition, SOIPL will become a wholly-owned subsidiary of the Company.

67 AMOUNTS REMAINING UNPAID TO MICRO, SMALL AND MEDIUM ENTERPRISES (MSME) SUPPLIERS

Based on the intimation received by the Group, some of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid/ payable are furnished below:

Particulars	(Rs. in crores)	
	As at March 31, 2025	As at March 31, 2024
The principal amount remaining unpaid to supplier as at the end of the year	3.23	2.27
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

68 DISCLOSURE ON RESOLUTION FRAMEWORK

Disclosure on Resolution Framework 2.0 implemented in terms of RBI notification no. RBI/2020-21/16 DoR.NO.BP. BC/3/21.04.048/2020-21 dated August 06, 2020 and RBI/2021-22/31/DoR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021

The Group invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 06, 2020 and May 05, 2021. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board approved policy in this regard.



68 DISCLOSURE ON RESOLUTION FRAMEWORK (Contd.)

(Rs. in crores)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the half-year September 30, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the half-year March 31, 2025
Personal Loans #	182.02	3.42	1.93	59.64	117.03
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	182.02	3.42	1.93	59.64	117.03

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

pertains to automobile loans

Since the erstwhile subsidiary of the Company i.e. Shriram Housing Finance Ltd. (SHFL) now renamed as Truhome Finance Limited has been sold on December 11, 2024; the above half yearly details are with respect to the standalone position.

69 RELATIONSHIP WITH STRUCK OFF COMPANIES
69.01: Shriram Finance Limited

Transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2025 and March 31, 2024 are given below:

(Rs. in crores)

Name of the struck off company	Relationship with the Struck off company	*Balance outstanding as at		Nature of transaction
		March 31, 2025	March 31, 2024	
Receivables (loans outstanding)				
Swift Equipments Private Limited	Not Related Party	-	0.82	Receivables
Benze Vaccations Club Public Limited	Not Related Party	-	0.01	Receivables
Gocha Infrastructure Private Limited	Not Related Party	-	0.01	Receivables
Karainthi Private Limited	Not Related Party	-	0.47	Receivables
Saanwi Housing Private Limited	Not Related Party	-	0.05	Receivables
S. A. Industries Private Limited	Not Related Party	-	0.22	Receivables
Shares held by struck off company**				
Nasik Capital and Financial Services Private Limited	Not Related Party	0.00	0.00	Equity Shares Held
Rasi Leasing Company Private Limited	Not Related Party	0.00	0.00	Equity Shares Held
Unickon Fincap Private Limited	Not Related Party	0.00	0.00	Equity Shares Held
G. V. Trading and Leasing Private Limited	Not Related Party	0.00	0.00	Equity Shares Held

*0.00 denotes amounts less than Rs. 1.00 lac.

**In the financial years ended March 31, 2025 and March 31, 2024, the Company did not have any transaction with above equity shareholders, being the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Our Company has not allotted any equity shares to the said companies. The shareholding data is as per the record of beneficiary position downloaded by the Registrar and Transfer Agent of the Company from the database maintained by the depositories and reported to us for the purpose of this disclosure.

69 RELATIONSHIP WITH STRUCK OFF COMPANIES (Contd.)

69.02: Shriram Housing Finance Limited (SHFL)

SHFL has not undertaken any transaction with any company whose name is struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 for the period from April 01, 2024 upto December 11, 2024 and during the financial year ended on March 31, 2024.

70 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2025 and March 31, 2024. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

71 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2025 and March 31, 2024.

72 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has not entered into any new scheme of arrangements during the financial year ended March 31, 2025.

73 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (intermediaries) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (ultimate beneficiaries). The Company has also not received any fund from any parties (funding party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

74 UNDISCLOSED INCOME

There are no transactions that are not recorded in the books of accounts for the financial years ended March 31, 2025 and March 31, 2024.

75 ITEMS OF INCOME AND EXPENDITURE OF EXCEPTIONAL NATURE

There are no items of income and expenditure of exceptional nature for the financial years ended March 31, 2025 and March 31, 2024 other than those disclosed in note 44.

76 PREVIOUS YEAR COMPARATIVES

The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to the current year presentation. There are no significant regroupings/ reclassification for the year under report.

77 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY

Consequent to the effect of scheme of amalgamation (w.e.f. April 01, 2022) involving amalgamation of Shriram Capital Limited (after de-merger of few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited (SCUF) with the Company and change in the name of the company from Shriram Transport Finance Company

77 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY (Contd.)

Limited (STFC) to Shriram Finance Limited, the Company is in process of applying for the name change in respect of its immovable properties. Following are the properties not held in the name of the Company:

Sr. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value (Rs.)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Period held (in years)	Reason for not being held in the name of the Company
1	PPE*	Building - Akash Deep Plaza-Golmuri, Jamshedpur, Jharkhand - 1,800 sq. ft.	1,136,000.00	SCUF	No	3.00	These assets were acquired on merger.
2	PPE*	Land at Levinjipuram Village (Panagudi), Tamil Nadu -15 Cents	14,957.00	SCUF	No	3.00	These assets were acquired on merger.
3	PPE*	Land at Levinjipuram Village (Panagudi), Tamil Nadu- 16 Cents	15,941.00	SCUF	No	3.00	These assets were acquired on merger.
4	PPE*	Land at Vadakankulam, Radhapuram Taluka, Tamil Nadu- 10 Cents	8,750.00	SCUF	No	3.00	These assets were acquired on merger.
5	PPE*	Land at Levinjipuram Village (Panagudi), Tamil Nadu- 15 Cents	14,957.00	SCUF	No	3.00	These assets were acquired on merger.
6	PPE*	Building at Vanijya Bhavan, Raipur, Chhattisgarh - 1,750 sq. ft.	2,340,000.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
7	PPE*	Building at Trichy Doc Cell Thiruvellarai, Tamil Nadu - 11,511 sq. ft.	7,755,770.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
8	PPE*	Building - Flat 308, 309 Sakar III, Ahmedabad, Gujarat - 1,770 sq. ft.	3,985,155.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
9	PPE*	Building - Office 431/432, Vyapar Bhavan, Mumbai, Maharashtra - 611 sq. ft.	3,731,500.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
10	PPE*	Building - Flat at Thiruanmiyur Village, Saidapet Taluka, Chennai, Tamil Nadu - 950 sq. ft.	539,473.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.

77 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY (Contd.)

Sr. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value (Rs.)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Period held (in years)	Reason for not being held in the name of the Company
11	PPE*	Land at Trichy Doc Cell Thiruvellarai, Tamil Nadu - 54,698 sq. ft.	4,938,636.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
12	PPE*	Land at Thiruanmiyur Village, Saidapet Taluka, Chennai, Tamil Nadu - 278.66 sq. ft.	390,527.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
13	PPE*	Land in Thanakarkulam Village-Survey No.179(1D), Chennai, Tamil Nadu- 10 Cents	12,240.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
14	PPE*	Land in Thanakarkulam Village-Survey No.179, Chennai, Tamil Nadu- 10 Cents	12,240.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
15	PPE*	Land in Thanakarkulam Village-Survey No.179(1E1), Chennai, Tamil Nadu- 5 Cents	9,240.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
16	PPE*	Land in Thanakarkulam Village-Survey No.179(1F), Chennai, Tamil Nadu- 10 Cents	12,240.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
17	PPE*	Land in Thanakarkulam Village -Survey No.179(1E), Chennai, Tamil Nadu- 10 Cents	12,240.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
18	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	37,672.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
19	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	37,671.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.

Sr. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value (Rs.)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Period held (in years)	Reason for not being held in the name of the Company
20	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	37,671.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
21	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	37,672.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
22	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	37,672.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
23	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	37,672.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
24	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	37,671.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
25	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	37,671.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
26	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	37,671.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
27	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	36,010.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.

77 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY (Contd.)

Sr. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value (Rs.)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Period held (in years)	Reason for not being held in the name of the Company
28	PPE*	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	39,760.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
29	PPE*	Land at Vadakankulam Taluka, Thanakarkulam village, Tirunelveli, Chennai, Tamil Nadu- 30 Cents	51,426.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.
30	Non - current asset held for sale**	Building- 117, B Wing, Dalamal Towers, No 211, Nariman Point, Mumbai - 400 021	18,735,273.00	Erstwhile STFC	No	3.00	The process for change in name is not yet completed.

* Refer note 18

** Refer note 21

78 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Group has not traded or invested in crypto currency or virtual currency during the financial years ended March 31, 2025 and March 31, 2024.

79 DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) as amended in 2016 and rules made thereunder; in the financial years ended March 31, 2025 and March 31, 2024.

80 WILFUL DEFAULTER

The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender during the financial years ended March 31, 2025 and March 31, 2024.

As per our report of even date

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 107122W/W100672

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 25, 2025

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

Umesh S. Abhyankar

Partner

Membership No.: 113053

Mumbai

April 25, 2025

For and on behalf of the Board of Directors of

Shriram Finance Limited

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 25, 2025

Y. S. Chakravarti

Managing Director and CEO

DIN: 00052308

Mumbai

April 25, 2025

Parag Sharma

Managing Director and CFO

DIN: 02916744

Mumbai

April 25, 2025

U Balasundararao

Company Secretary

Mumbai

April 25, 2025

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to schedule III to the Companies Act, 2013.

Name of the entity in the Group	Net asset, i.e., total assets minus total liabilities		Shares in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs. in crores)	As % of Consolidated profit or loss	Amount (Rs. in crores)	As % of consolidated other comprehensive income	Amount (Rs. in crores)	As % of total comprehensive income	Amount (Rs. in crores)
I	2	3	4	5	6	7	8	9
Parent								
Shriram Finance Limited	99.66%	56,280.57	101.93%	9,761.00	95.91%	(193.13)	102.06%	9,567.87
Subsidiaries								
Indian								
Shriram Housing Finance Limited (upto December 11, 2024)	3.66%	2,064.04	1.23%	118.20	2.99%	(6.02)	1.20%	112.18
Foreign								
	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Minority interests in all subsidiaries								
	0.00%	-	0.00%	22.50	0.01%	(1.07)	0.23%	21.43
Associates (Investment as per the equity method)								
Indian								
Shriram Automall India Limited	0.34%	189.25	0.13%	12.31	0.57%	(1.15)	0.12%	11.16
Foreign								
Inter-company eliminations and consolidation adjustments	Not applicable (3.66%)	Not applicable (2,064.04)	Not applicable (3.53%)	Not applicable (337.69)	Not applicable 0.00%	Not applicable -	Not applicable (3.60%)	Not applicable (337.69)
Joint Ventures (as per proportionate consolidation/ investment as per the equity method)								
Indian								
Foreign	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
TOTAL	100.00%	56,469.82	100.00%	9,576.32	100.00%	(201.37)	100.00%	9,374.95

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

Jugal Kishore Mohapatra

Chairman
DIN: 03190289
Mumbai
April 25, 2025

Parag Sharma

Managing Director and CFO
DIN: 02916744
Mumbai
April 25, 2025

Y. S. Chakravarti

Managing Director and CEO
DIN: 00052308
Mumbai
April 25, 2025

U Balasundararao

Company Secretary
Mumbai
April 25, 2025

NOTICE

NOTICE is hereby given that the **Forty-Sixth Annual General Meeting of the Members of SHRIRAM FINANCE LIMITED (“the Company”)** will be held on **Friday, July 18, 2025 at 02:00 p.m., Indian Standard Time (“IST”) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”),** to transact the following business:

ORDINARY BUSINESS

1. **To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon and in this regard, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT the Audited Standalone Financial Statements including Balance Sheet of the Company as at March 31, 2025, the Statement of Profit and Loss, the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date together with all the notes annexed and the Directors’ and Auditors’ Reports thereon, placed before the meeting, be and are hereby considered and adopted.”

2. **To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025, together with the Report of the Auditors thereon and in this regard, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT the Audited Consolidated Financial Statements including Balance Sheet of the Company as at March 31, 2025, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date together with all the notes annexed and the Auditors’ Reports thereon, placed before the meeting, be and are hereby considered and adopted.”

3. **To declare a final dividend of Rs. 3/- per Equity Share of face value of Rs. 2/- each fully paid-up and to confirm the payment of two Interim Dividends viz. (i) first interim dividend of Rs. 22/- per Equity Share of face value of Rs. 10/- each fully paid up (pre-split of face value of equity share) and (ii) second interim dividend of Rs. 2.50 per Equity Share of face value of Rs. 2/- each fully paid up (post-split of face value of equity share) declared by the Board of Directors**

at their respective meetings held on October 25, 2024 and January 24, 2025, for the Financial Year ended March 31, 2025 and in this regard, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT a final dividend of Rs. 3/- per equity share of face value of Rs. 2/- each fully paid-up of the Company (i.e. 150%), as recommended by the Board of Directors, be and is hereby declared for the Financial Year ended March 31, 2025 and that the same be paid out of the profits of the Company for the Financial Year ended March 31, 2025 to all those Members whose names appear in the Register of Members or who are beneficial owners of equity shares of the Company as on Friday, July 11, 2025.

RESOLVED FURTHER THAT the first interim dividend of Rs. 22/- per equity share on 376,009,038 equity shares of face value of Rs. 10/- each fully paid-up of the Company (pre-split of face value of equity share) amounting to Rs. 8,272,198,836/- (Rupees Eight Hundred and Twenty Seven crores Twenty-One Lakhs Ninety-Eight Thousand Eight Hundred and Thirty-Six Only), declared by the Board of Directors at its meeting held on October 25, 2024 for the Financial Year ended March 31, 2025, paid to the eligible Members on November 7, 2024, subject to deduction of tax at source, as applicable be and is hereby noted and confirmed.

RESOLVED FURTHER THAT the second interim dividend of Rs. 2.50 per equity share on 1,880,293,885 equity shares of face value of Rs. 2/- each fully paid-up of the Company (post-split of face value of equity share) amounting to Rs. 4,700,734,712.50 (Rupees Four Hundred and Seventy crores Seven Lakhs Thirty-Four Thousand Seven Hundred Twelve and Fifty Paise), declared by the Board of Directors at its meeting held on January 24, 2025 for the Financial Year ended March 31, 2025, paid to the eligible Members on January 31, 2025, subject to deduction of tax at source, as applicable be and is hereby noted and confirmed.”

4. **To appoint a Director in place of Mr. Ignatius Michael Viljoen (DIN 08452443), Director who retires by rotation at this meeting and being eligible, offers himself for re-appointment as a Director of the Company and in this regard, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the

Companies Act, 2013, Mr. Ignatius Michael Viljoen (DIN 08452443), Director of the Company who retires by rotation at this meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

5. To fix remuneration of M/s. G. D. Apte & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No.100515W), as one of the Joint Statutory Auditors of the Company and in this regard, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”), the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. G. D. Apte & Co., Chartered Accountants, Mumbai (ICAI Firm Registration No.100515W), who were appointed as one of the Joint Statutory Auditors of the Company at the 45th Annual General Meeting (AGM) held on July 30, 2024 to hold office from conclusion of 45th AGM until the conclusion of 48th AGM of the Company, be paid remuneration of Rs. 9,650,000/- (Rupees Ninety-Six Lakhs Fifty Thousand Only) (exclusive of certification fees, goods and services tax and reimbursement of out of pocket expenses) for the Financial Year ending March 31, 2026.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

6. To fix remuneration of M/s M M Nissim & Co LLP, Chartered Accountants, Mumbai, (ICAI Firm Registration No.107122W/W100672), as one of the Joint Statutory Auditors of the Company and in this regard, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”), the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s M M Nissim & Co LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No.107122W/W100672), who were appointed as one of the Joint Statutory Auditors of the Company at the

45th Annual General Meeting (AGM) held on July 30, 2024 to hold office from conclusion of 45th AGM until the conclusion of 48th AGM of the Company, be paid remuneration of Rs. 9,650,000/- (Rupees Ninety-Six Lakhs Fifty Thousand Only) (exclusive of certification fees, goods and services tax and reimbursement of out of pocket expenses) for the Financial Year ending March 31, 2026.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

SPECIAL BUSINESS

7. To appoint M/s. V Suresh Associates, Practising Company Secretaries (Firm Registration No. P2016TN053700) as Secretarial Auditor of the Company for a term of 5 (five) years and to fix their remuneration and in this regard, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) including circulars issued thereunder and in accordance with the provisions of Section 204 of the Companies Act, 2013 (hereinafter referred to as the “Act”) read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded to appoint M/s. V Suresh Associates, Peer Reviewed firm of Practising Company Secretaries (Firm Registration No. P2016TN053700), who have confirmed their eligibility as per the requirements of Regulation 24A of the Listing Regulations and circulars issued thereunder to hold office as Secretarial Auditor of the Company from the conclusion of 46th Annual General Meeting till the conclusion of 51st Annual General Meeting of the Company to conduct Secretarial Audit for a term of 5 (five) consecutive years from financial year 2025-26 to financial year 2029-30 and issue the necessary secretarial audit report for the aforesaid period.

RESOLVED FURTHER THAT M/s. V Suresh Associates, Practising Company Secretaries be paid the following Remuneration, based on the recommendations of the Audit Committee and the Board of Directors of the Company:

Financial Years	Remuneration exclusive of goods and service tax and reimbursement of out of pocket expenses
2025-26	Rs. 2,50,000/-
2026-27	Rs. 2,50,000/-
2027-28	Rs. 2,50,000/-
2028-29	Rs. 3,00,000/-
2029-30	Rs. 3,00,000/-

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to revise, alter and vary the terms and conditions of their appointment including their remuneration in such manner and to such extent as may be mutually agreed with the Secretarial Auditor and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

8. Payment of commission to the Independent Directors of the Company and in this regard, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded, for payment of commission out of profits to all Independent Directors of the Company of an amount as may be decided by the Board of directors of the Company provided that the aggregate amount of the commission shall not exceed Rs. 250 Lakhs (Rupees Two Hundred Fifty Lakhs Only) for every financial year over the period of three financial years commencing from April 1, 2025 and ending on March 31, 2028 subject to the ceiling of 1% of the net profits of the Company in any financial year in terms of Section 197 of the Act computed in the manner referred to in Section 198 of the Act.”

9. Enhancement of limits of borrowing by the Board and in this regard, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the relevant regulations/directions as may be prescribed by the Reserve Bank of India from time to time and any other applicable laws (including any statutory modification(s) or amendment(s) and/or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company, consent of the

Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include any Committee constituted by the Board) to borrow for the purpose of the business of Company, any sum or sum(s) of moneys for and on behalf of the Company in Indian Rupees and/ or in any foreign currency (i) by way of availing of long/ short term loans and all kinds of financial assistance/ credit facilities by all permissible methods, secured/unsecured from domestic as well as international lenders, investors including banks, financial institutions, bodies corporate or any person(s), (ii) by way of issue of foreign currency notes, bonds, rupee denominated bonds, social bonds under the Company’s Social Finance Framework or otherwise or by way of issue of any other eligible instrument(s) to the eligible investors/ lenders /person(s) in the international market on private placement basis or through public issue or availing of loan(s) by way of external commercial borrowing as may be permissible by the Reserve Bank of India, from eligible lenders, person(s) (iii) by way of issue of redeemable non-convertible debentures, subordinated debentures, bonds, commercial papers or any other securities or instrument(s) on private placement basis as well as by way of public issue in the domestic market by issue of shelf-disclosure documents, prospectus, shelf-prospectus, general information document (GID), key information document (KID), offering circular or otherwise, from persons, institutional investors, foreign institutional investors/ foreign portfolio investors, qualified institutional buyers, resident public financial institutions, multilateral financial institutions, regional financial institutions, statutory corporations, state industrial development corporations, provident funds, pension funds, superannuation funds, gratuity funds, venture capital funds, alternative investments funds, insurance companies, mutual funds, national investment fund, insurance funds, non-institutional investors, companies, bodies corporate, societies, educational institutions and association of persons, trusts, scientific and /or industrial research organisations, partnership firms, Limited Liability Partnerships, Resident Individuals, High Net-worth Individuals (HNIs), Hindu Undivided Families (HUFs), retail individual investors, (iv) by way of acceptance of deposits from public, shareholders, directors, relatives of directors, HUF, resident individuals, Non-resident Indians (through NRO accounts), trusts, firms, corporates or (v) by way of issuance of any other permissible instruments or methods of borrowing, whether unsecured or secured by creation of mortgage, charge, hypothecation, lien, pledge or otherwise of the Company’s assets and properties, whether movable



or immovable, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company, apart from temporary loans obtained and/or to be obtained from the Company's bankers in the ordinary course of business, will or may exceed the aggregate of the paid up share capital, free reserves and securities premium, provided that the total amount borrowed by the Company and outstanding at any point of time, apart from temporary loans, shall not exceed Rs. 2,95,000 crores (Rupees Two Lakh Ninety-Five Thousand crores Only).

RESOLVED FURTHER THAT the Board or person/(s) as authorised by the Board be and are hereby authorised to do all such acts, deeds, matters and things as it/they may consider necessary, expedient, usual or proper to give full effect to the aforesaid resolution, including but not limited to the authority to settle any questions or resolve any difficulties that may arise in this regard, if any, as it may, in its absolute discretion, deem fit, without requiring the Board to seek any further consent or approval of the Members of the Company in this regard and the Members shall be deemed to have given their approval to the Board or any person(s) authorized by the Board expressly by the authority of this resolution."

10. Enhancement of limits for creation of security by the Board on the Company's assets with respect to borrowing and in this regard, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the "Act") and any other applicable laws (including any statutory modification(s) or amendment(s) and/or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any Committee constituted by the Board) for mortgaging, hypothecating, pledging and/or charging (including creation /perfection / modification thereof) and/or creating security interest of every nature and kind whatsoever as may be necessary and in such form and manner and on such terms and at such time(s) as the Board may deem fit, on receivables and other movable and/or immovable properties of the Company including the whole or substantially the whole of the undertaking(s) of the Company, wherever situate, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial/ investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustees, agent(s) to secure the debentures, notes, bonds or any other permissible

debt securities/instruments issued/ to be issued by the Company in the domestic or international markets, loans/borrowing limit(s)/financial assistance availed/ to be availed by the Company from banks, financial or any other institutions, institutional investors, foreign institutional investors/ foreign portfolio investors, qualified institutional buyers, resident public financial institutions, multilateral financial institutions, regional financial institutions, statutory corporations, state industrial development corporations, provident funds, pension funds, superannuation funds, gratuity funds, venture capital funds, alternative investments funds, insurance companies, mutual funds, national investment fund, insurance funds, non-institutional investors, companies, bodies corporate, societies, educational institutions and association of persons, trusts, scientific and /or industrial research organizations, partnership firms, Limited Liability Partnerships, Resident Individuals, High Net-worth Individuals (HNIs), Hindu Undivided Families (HUFs), retail individual investors persons in India as well as through external commercial borrowings, hire purchase and/or lease portfolio management transaction(s) for finance and other credit facilities outstanding up to a sum not exceeding Rs. 3,54,000 crores (Rupees Three Lakh Fifty-Four Thousand crores Only).

RESOLVED FURTHER THAT the Board or person/(s) as authorised by the Board be and are hereby authorised to finalise the documents and deeds, as may be necessary with respect to creation/perfection/modification of mortgages and/or charges created/to be created on such immovable and/or movable properties and receivables of the Company in connection with the borrowing on such terms and conditions as may be decided by the Board in consultation with the lenders/trustees for securing/reserving their aforesaid right and for performing all such acts, things and deeds as may be necessary for giving full effect to this resolution."

11. Enhancement of limit to sell/ assign/ securitise receivables by the Board and in this regard, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the "Act"), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company or its Committee as may be authorised by the Board of Directors to sell/ assign/securitise receivables by way of hypothecation/ hire purchase/lease/loan agreements/contracts due from the hirers /lessees /loaneees /borrowers of the Company from time to time provided that the aggregate amounts of such transactions outstanding at any point of time shall not exceed Rs. 75,000 crores (Rupees Seventy-Five Thousand crores Only).

RESOLVED FURTHER THAT the Board of Directors of the Company or such Committee/ or person/(s) as authorised by the Board of Directors of the Company be and are hereby authorised to finalise the form, extent and manner of, and to sign all such documents, deeds, and writings for giving effect to this resolution.”

12. Alteration of the Main Object Clause (Clause III A) of the Memorandum of Association of the Company and in this regard, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules framed thereunder, pursuant to the applicable master directions issued by Reserve Bank of India (“RBI”) with respect to Prepaid Payment Instruments and the applicable circulars and guidelines on Regulation of Payment Aggregators and Payment Gateways and other applicable regulations for the time being in force as amended from time to time by RBI and subject to any necessary approvals as may be required from RBI or any other appropriate regulatory/statutory authority(ies) and subject to such terms, conditions, amendments or modifications as may be required or directed by RBI or any such appropriate authority(ies) and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted or to be constituted by the Board or any person(s) duly authorised by the Board in this regard), consent of the Members of the Company be and is hereby accorded to make the following alteration to Main Object Clause (Clause III A) of the Memorandum of Association (“MOA”) of the Company by way of insertion of new clause 16 after clause 15 of clause III (A) of the Company:

16. To issue, implement, undertake, assist, offer, distribute, or otherwise engage in the business of issuing and operating prepaid payment instruments including but not limited to issue of all types of electronic and virtual payment systems services, credit cards, e-wallets, mobile-wallets, co-branded pre-paid instruments, FASTag, cash card to consumers, prepaid payment instruments, including direct debit facility on mobile phone, provide solutions for payment for all goods and services and utility bills through mobile phone, landline, broadband, DTH, other over the counter payments and to access and operate Central Payment Systems as permitted by statutory or regulatory authorities, to obtain affiliation of retail payment organisation or authorised card networks under membership rules or framework permissible by the authorised card network(s) / card association(s) and to provide different types of payments related services (online, offline, Aadhaar enabled Payment System, POS terminals) including, without limitation, through Unified Payments Interface (UPI), payment aggregator services and payment gateway services.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose including but not limited to accepting any term(s) and condition(s) as may be stipulated by RBI and /or by appropriate regulatory authority in connection with any approval/consent or the modification or change(s) in the MOA or any document(s), instrument(s) writings or paper(s) as may stipulated by the appropriate regulatory authority and to execute of all necessary and required undertaking, documents, instruments, writings and papers, and with authority to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution, without being required to seek any further consent or approval of the Members of the Company in this regard.”

Notes:

1. The Ministry of Corporate Affairs (“MCA”) vide its General Circular No. 20/2020 dated May 05, 2020 read with General Circular Nos.14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and other relevant circulars including General Circular No. 09/2024 dated September 19, 2024 (“MCA Circulars”) has allowed the companies to conduct the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) till September 30, 2025. In compliance with the aforesaid MCA Circulars, the 46th Annual General Meeting (“46th AGM” or “Meeting”) of the Members of the Company will be held through VC/ OAVM, without the physical presence of the Members at a common venue. The venue of the Meeting shall be deemed to be the Registered Office of the Company.

2. A Member entitled to physically attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Since this 46th AGM is being held through VC/ OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars and as per SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 which came into effect from December 13, 2024. As this AGM would be conducted through VC / OAVM, the requirement to provide facility for appointment of Proxy by the Members is not applicable. Hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.



3. Institutional investors, who are Members of the Company, are encouraged to attend and vote at the 46th AGM of the Company through VC/ OAVM facility.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend the 46th AGM through VC/ OAVM on its behalf and to vote through remote e-voting pursuant to Section 113 of the Companies Act, 2013 ("the Act"). The said resolution/authorisation shall be sent by registered email address to the Scrutiniser at sf1td.scrutinizer@gmail.com and helpdesk.evoting@cdslindia.com.
5. The Explanatory Statement pursuant to Section 102(1) of the Act, in respect of the special business set out under Item Nos. 7 to 12 is annexed and form part of this Notice.
6. The brief details of the director, who is proposed to be re-appointed as per the Notice of this 46th AGM is annexed hereto as per the requirements of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended and the Secretarial Standards on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India.
7. The payment of final dividend for Financial Year 2024-25, upon declaration by the Members at the 46th AGM, will be made subject to deduction of tax at source, as applicable, on or before Saturday, August 16, 2025 as under:
 - a. to all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") as of the end of business hours on Friday, July 11, 2025 and
 - b. to all those Members holding shares in physical form after giving effect to all the valid transmission and transposition in respect of valid requests lodged with the Company and RTA as the end of business hours on Friday, July 11, 2025.
8. Pursuant to the provisions of Section 91 of the Act and Regulation 42 of the Listing Regulations, the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, July 12, 2025 to Friday, July 18, 2025 (both days inclusive) for the purpose of payment of the final dividend and 46th AGM of the Company.
9. The facility of joining the 46th AGM through VC/ OAVM will be opened 30 minutes before and will remain open for 15 minutes after the scheduled start time of the 46th AGM, i.e. from 1:30 p.m. to 2:15 p.m.
10. The Company will be providing the facility of live webcast of the proceedings of 46th AGM. Members can view the proceedings of the 46th AGM by logging on the website of Central Depository Services (India) Limited ("CDSL") at <https://www.evotingindia.com> using their secure login credentials. The recorded transcript of the 46th AGM will be made available on the website of the Company at: <https://www.shriramfinance.in/investors/governance>.
11. In terms of Sections 101 and 136 of the Act read with the relevant Rules made thereunder read with MCA Circulars has extended the relaxation from sending physical copies of Notice and Financial Statements to the Shareholders.
12. As per Regulation 36 of the Listing Regulations, as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, the companies can send Annual Reports and other communications through electronic mode and the physical copy of the Annual Report shall be sent to those Members who request for the same.
13. Accordingly, the Notice of the 46th AGM along with the 46th Annual Report for the F.Y. 2024-25 is being sent through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. The Member who wishes to obtain hard copy of the Annual Report can send a request for the same at email ID - secretarial@shriramfinance.in mentioning Folio No/ DP ID and Client ID.
14. Further, a letter providing a web-link along with path to access the 46th Annual Report for the F.Y. 2024-25 including the Notice of AGM will be sent to those Members who have not registered their email address with the Company.
15. Members may note that the Notice and Annual Report for F.Y. 2024-25 will also be available on the Company's website www.shriramfinance.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL at <https://www.evotingindia.com/>.
16. Further, those Members who have not updated their

email addresses in the Demat account/Folio may get their email address and mobile number registered with Depository Participant/ Company's Registrar and Transfer Agent, Integrated Registry Management Services Private Limited ("RTA") latest by Friday, July 11, 2025 for receiving the Notice of 46th AGM and Annual Report along with the Login ID and Password by sending an email to the RTA at their email ID: einward@integratedindia.in.

17. Members attending the 46th AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on Friday, July 11, 2025 being the Cut-off Date. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
19. a) For non-individual Members, who acquire shares of the Company and becomes a Member after dispatch of the Notice of the 46th AGM, but holds shares as on the Cut-off Date for remote e-voting i.e. Friday, July 11, 2025, may obtain the Login ID and Password by sending a request at helpdesk.evoting@cdslindia.com or einward@integratedindia.in.
- b) For Individual Members, who acquire shares of the Company and becomes a Member after dispatch of the Notice of the 46th AGM, but holds shares as on the Cut-off Date for remote e-voting i.e. Friday, July 11, 2025, holding shares in NSDL / CDSL should login through the websites of NSDL / CDSL and can cast the votes during remote e-voting period.
- c) Members will be provided with the facility for voting through an electronic voting system during the VC/OAVM proceedings at the 46th AGM and Members participating at the 46th AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote during such proceedings of the 46th AGM. Members who have cast their vote by remote e-voting prior to the 46th AGM will also be eligible to participate at the 46th AGM but shall not be entitled to cast their vote again on such resolutions for which the Member has already cast the vote through remote e-voting.

For details on login method of e-voting please refer the instructions below under the head "Voting through electronic means".

20. In case of joint holders, the Member whose name appears as the first holder in the order of names as per

the Register of Members of the Company will be entitled to vote at the 46th AGM.

21. The Company has been maintaining, inter alia, the following Statutory Registers at its Registered Office at Sri Towers, Plot No.14A, South Phase, Industrial Estate, Guindy, Chennai – 600032, Tamil Nadu, India:
 - i. Register of contracts or arrangements in which directors are interested under Section 189 of the Act.
 - ii. Register of directors and key managerial personnel and their shareholding under Section 170 of the Act.

In accordance with the MCA Circulars, the Statutory Registers, Certificate from Secretarial Auditor of the Company certifying that Shriram Finance Limited Employee Stock Option Scheme 2023 (No.1) of the Company has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and all relevant documents referred in this Notice will be made accessible for inspection through electronic mode and shall remain open and be accessible to any Member during the continuance of the 46th AGM. Members seeking to inspect such documents can send an e-mail at secretarial@shriramfinance.in.

22. The Board of Directors has appointed SPNP & Associates, Practicing Company Secretaries, Chennai represented by Mr. P. Sriram (Membership No. FCS 4862), Practicing Company Secretary (CP No. 3310) or failing him Ms. Nithya Pasupathy (Membership No. FCS 10601), Practicing Company Secretary (CP No. 22562) as the Scrutiniser to scrutinise the remote e-voting process at the 46th AGM in a fair and transparent manner and they have consented to act as Scrutiniser.
23. SEBI vide its circulars dated May 17, 2023, November 17, 2023, May 07, 2024 and June 10, 2024 has mandated shareholders holding securities in physical form to furnish PAN, KYC (i.e. Postal Address with Pin Code, mobile number, email address, choice of nomination, bank account details, specimen signature) to avail any service request. Pursuant to the aforesaid SEBI Circulars, the Company has sent individual communications to all the Members holding shares of the Company in physical form. In case of physical shareholders who have not updated their KYC and choice of nomination details may please submit Form ISR-1, Form ISR-2, and Form No. SH-13/ Form ISR-3. The link for downloading the forms is available on the Company's website <https://www.shriramfinance.in/investors/investor-information> and RTA's website <https://www.integratedregistry.in/>



- KYCRegister.aspx. SEBI has mandated that with effect from April 01, 2024 any payments including dividend in respect of shares held in physical form shall only be made electronically upon registering the required KYC details and choice of nomination.
24. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing investor service requests.
 25. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI. In this regard, the Members/legal heirs of deceased Members are also requested to open demat account simultaneously for dematerialising the shares to their demat account(s) after transmission of shares in their name by the RTA of the Company.
 26. Post split of equity shares of the Company on January 10, 2025 (Record Date), the Company issued and dispatched original share certificate(s), representing shares held by the shareholders who held shares in physical form. In this regard, the Company has issued reminder letters dated January 22, 2025, February 24, 2025 and March 24, 2025 to such shareholders requesting them to claim the share certificates from the Company.
 27. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register their email address with their Depository Participant (s) in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form for receiving all communication including Annual Report, Notices, Financial Results etc. from the Company electronically.
 28. As per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends declared or distributed or paid by a Company on or after April 01, 2020 shall be taxable in the hands of the Members and the Company shall be required to deduct tax at source ("TDS") at the prescribed rates from the dividend to be paid to Members at the time of distribution or payment of dividend. The tax so deducted will be paid to the credit of the Central Government. The TDS rate would vary depending on the residential status of the Members and the documents submitted by them and accepted by the Company/RTA in accordance with the applicable provisions of the Income Tax Act, 1961.

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source. For Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For Non deduction of TDS or to avail treaty benefit, the shareholder may submit the above documents (PDF / JPG Format) to RTA through weblink:

<https://ipostatus.integratedregistry.in/TaxExemptionRegistration.aspx>.

The aforesaid declarations and documents need to be submitted by the shareholders on or before Friday, July 11, 2025. A separate email was sent at the registered email id of the Members describing about the detailed process to submit the documents/declarations along with the formats in respect of deduction of tax at source of the final dividend payout. The intimation will also be uploaded on the website of the Company www.shriramfinance.in.

Members are requested to intimate changes, if any pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC etc., to their depository participants in case their shares are held in demat form and to RTA in case the shares are held by them in physical form.

29. Nomination Facility: As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with RTA. In respect of shares held in dematerialised form, the nomination form may be filed with the respective Depository Participant.
30. Non-Resident shareholders: Non-Resident shareholders are requested to immediately notify the following to the Company in respect of shares held in Physical form and to their Depository Participant in respect of shares held in Dematerialised form:
 - Indian address for sending all communications, if not provided so far;
 - Change in their residential status on return to India for permanent settlement;

- Particulars of the Bank Account maintained with a bank in India, if not furnished earlier; and
 - RBI Permission number with date to facilitate prompt credit of dividend in their Bank Accounts.
31. Members are requested to note that, dividends if not encashed for a consecutive period of 7 (seven) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") Authority. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form IEPF-5 available on www.mca.gov.in.
32. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

33. Transfer of unclaimed dividend and shares to Investor Education and Protection Fund

- i. **Transfer of unclaimed dividend to IEPF:-** Pursuant to the provisions of Section 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) as amended from time to time, the dividends which remain unclaimed for a period of 7 (seven) years will be transferred by the Company to the "Investor Education and Protection Fund" (IEPF) established by the Central Government as and when they fall due. The unclaimed dividend includes dividend of erstwhile Shriram City Union Finance Limited (SCUF) consequent to Scheme of Arrangement and Amalgamation coming into effect. Members who have not encashed their dividend warrant/ payment instrument(s) so far are requested to make their claim to the Company's Corporate Office or to Integrated Registry Management Services Private Limited, 2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T Nagar, Chennai - 600017 before transfer to IEPF on the respective dates mentioned below. The intimation in this regard is being sent to the concerned Members.

Year ending on March 31	Dividend to be transferred to IEPF		Year ending on March 31	Dividend to be transferred to IEPF	
	Final Dividend	Interim Dividend		Final Dividend	Interim Dividend
2018	31/08/2025	--	2021 (erstwhile SCUF)	02/09/2028	1. 06/12/2027 2. 29/04/2028
2018 (erstwhile SCUF)	27/08/2025	--	2022	--	1. 04/12/2028 2. 10/04/2029
2019	02/08/2026	30/11/2025	2022 (erstwhile SCUF)	--	1. 02/12/2028 2. 11/04/2029
2019 (erstwhile SCUF)	02/09/2026	29/11/2025	2023	29/07/2030	29/01/2030
2020	--	29/11/2026	2024	04/09/2031	1. 01/12/2030 2. 01/03/2031
2020 (erstwhile SCUF)	--	28/11/2026	2025	--	1. 30/11/2031 2. 01/03/2032
2021	30/07/2028	1. 04/12/2027 2. 30/04/2028			

- ii. **Transfer of Equity Shares to IEPF** – As per Government of India Gazette notification No. REGD. NO. D. L.-33004/99 dated February 28, 2017 issued by Ministry of Corporate Affairs and Pursuant to the provision of IEPF Rules all shares in respect of which dividend remains unclaimed dividend for 7(seven) consecutive years will be transferred to the IEPF Authority. The shares transferred to IEPF includes shares of erstwhile SCUF consequent to Scheme of Arrangement and Amalgamation coming into effect. Accordingly, during the Financial Year 2024-2025, the Company had transferred 49,360 Equity shares of face value of Rs. 10/- each in respect of which the following dividend was not claimed/remained unpaid for 7 (seven) consecutive years as mentioned below:



Financial Year	Type of Dividend	No. of Shares Transferred to IEPF Authority	Filing date of Form IEPF 4
2016-2017	Final Dividend	27,367	17/10/2024
2016-2017 (erstwhile SCUF)	Final Dividend	966	18/10/2024
2017-2018	Interim Dividend	18,591	23/01/2025
2017-2018 (erstwhile SCUF)	Interim Dividend	2,436	27/01/2025

Consequent to Sub-division/ Split of face value of each Equity Share of Rs. 10/- fully paid-up into 5 (five) Equity Shares of face value of Rs. 2/- each, fully paid-up, the Company has transferred 6,782,460 Equity shares of face value of Rs. 2/- each to the IEPF Authority on February 25, 2025 by way of submission of Form No. IEPF-4.

iii. You are requested to claim the following unclaimed amounts:

- Fixed Deposits:** If you have placed any fixed deposit with the Company, you are requested to claim the maturity amount and interest amounts thereon, paid by the Company, if unclaimed/unencashed by you, by sending an e-mail to corpquery@shriramfinance.in.
- Non-Convertible Debentures ("NCDs"):** If you have subscribed to Company's Non-Convertible Debentures, you are requested to claim your unclaimed maturity amount of NCDs and interest thereon if any, paid by the Company, if unclaimed/unencashed by you, by sending a request at stfcipo@integratedindia.in.

The Members who have a claim on above dividends, equity shares, fixed deposits may claim the same from IEPF Authority by submitting an online application in the prescribed Form IEPF-5 and information on the procedures to be followed for claiming the dividend/ shares/ fixed deposits/ debentures are available on the web-link: <https://www.mca.gov.in/content/mca/global/en/mca/iepf-related-services/IEPF-5.html>. No claims shall lie against the Company in respect of the dividend, shares, etc. so transferred.

Nodal Officer and Deputy Nodal Officer (IEPF)

Details of Nodal & Deputy Nodal Officer of the Company appointed in accordance with the provisions of IEPF Rules is available on the website of the Company at <https://www.shriramfinance.in/investors/investor-information>.

Online Dispute Resolution Portal/Mechanism

SEBI vide Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 (updated as on December 28, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circular, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can

initiate dispute resolution through the ODR Portal at <https://smartodr.in/login> and the same can also be accessed through the Company's website at <https://www.shriramfinance.in/investors/investor-information>.

VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Secretarial Standards on General Meetings ('SS-2'), Regulation 44 of the Listing Regulations read with SEBI Master circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 in relation to e-Voting Facility, the Members are provided the facility to cast their vote electronically, through the remote e-voting services and the e-voting facility at the 46th AGM by CDSL, e-voting agency, for voting on all the resolutions set out in this Notice.

The remote e-voting period commences on **Tuesday, July 15, 2025 (9.00 a.m. IST)** and ends on **Thursday, July 17, 2025 (5:00 p.m. IST)**. During this period, Members holding shares either in physical form or in dematerialised form, as on **Friday, July 11, 2025 i.e. Cut-off Date**, may cast their vote electronically. Person who is not a Member as on the Cut-off Date should treat this Notice for information purpose only. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the 46th AGM through VC/ OAVM facility and have not cast their vote on the Resolutions proposed in the Notice of the 46th AGM through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the 46th AGM.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

In terms of SEBI Master circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to the aforesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.



Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
 - 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN for Shriram Finance Limited on which you choose to vote.
- 11) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO

as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 17) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutiniser for verification.
- 18) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.

- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company at the email address viz; sftd.scrutinizer@gmail.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE 46TH AGM THROUGH VC/OAVM & FOR E-VOTING AT THE MEETING ARE AS UNDER:

1. The procedure for attending Meeting & e-Voting at the 46th AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend Meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the 46th AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
6. Please note that shareholders 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.
7. Only those shareholders, who are present in the 46th AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available at the 46th AGM.
8. If any Votes are cast by the shareholders through the e-voting available at the 46th AGM and if the same shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting at the Meeting is available only to the shareholders attending the Meeting.



PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self- attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to einward@integratedindia.in.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending 46th AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911. You may also contact Mr. U Balasundararao, Company Secretary & Compliance Officer of the Company to address the grievances connected with e-Voting at Corporate Office, Tel. No. +91- 022-40959595, Email-id: secretarial@shriramfinance.in.

Instructions for attending /joining the 46th AGM through VC/OAVM are as under:

1. Members will be provided with a facility to attend the 46th AGM through VC/OAVM through the CDSL e-voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e- voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVSN of Company will be displayed.
2. The Members can join the 46th AGM through the VC/OAVM mode 30 minutes before and will remain open for 15 minutes after the scheduled start time of the commencement of the Meeting by following the procedure mentioned in the Notice.
3. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password

may retrieve the same by following the remote e-voting instructions mentioned above.

4. Members are encouraged to join the meeting through Laptops/ IPads with latest version of Google Chrome for better experience.
5. Further, Members will be required to allow camera, if any, and internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Members/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.
7. **AGM Questions prior to 46th AGM:** Members are requested to send their questions in advance from Monday, July 14, 2025 to Wednesday, July 16, 2025 mentioning their name, demat account number/folio number, email ID, mobile number at SFLAGM2025@shriramfinance.in. Such questions by the Members shall be taken up during the Meeting and replied by the Company suitably. Please note that only questions of the Members holding the shares as on Cut-off date will be considered. Members intending to speak at the 46th AGM would require microphone and speakers / headphone.
8. **Speaker Registration during 46th AGM session:** Members who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request in advance between Monday, July 14, 2025 to Wednesday, July 16, 2025 mentioning their name, demat account number/folio number, email ID, mobile number at SFLAGM2025@shriramfinance.in. Only those Members who have registered themselves as speakers will be allowed to express their views/ask questions during the 46th AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the 46th AGM.
9. **Scrutiniser's Report and declaration of results:**
 - i. The Scrutiniser shall, immediately after the conclusion of voting at the 46th AGM, first count the votes cast at the Meeting, thereafter unblock the votes through e-voting and make a consolidated Scrutinisers' report of the total votes cast in favour or against, within 2 (two) working days of the conclusion of the 46th AGM to the Chairman or

Mr. Umesh Revankar, Executive Vice Chairman or Mr. Y. S. Chakravarti, Managing Director & CEO or Mr. Parag Sharma, Managing Director & CFO or Mr. D. V. Ravi, Director or any other person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

- ii. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.shriramfinance.in and on the website of CDSL at www.evotingindia.com immediately after the declaration of results and communicate to the BSE Limited and National Stock Exchange of India Limited. The resolutions shall be deemed to be passed at the 46th AGM of the Company.

By Order of the Board
For **Shriram Finance Limited**

U Balasundararao
Company Secretary & Compliance Officer
Membership No.: FCS 12952

Mumbai

April 25, 2025

CIN: L65191TN1979PLC007874

Regd. Office: Sri Towers, Plot No.14A, South Phase,

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Tel No: +91 44 4852 4666 Fax: +91 44 4852 5666.

Website: www.shriramfinance.in

Email id: balasundar@shriramfinance.in.



ANNEXURE TO NOTICE

Explanatory Statement in respect of Item Nos. 7 to 12 pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”)

ITEM NO. 7

Pursuant to the provisions of Section 204 of the Act and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), every listed company is required to undertake secretarial audit and shall annex with its Board Report a secretarial audit report given by a peer reviewed company secretary in practice in the prescribed format.

Pursuant to the amended Regulation 24A of the Listing Regulations notified by SEBI on December 12, 2024 (‘SEBI Implementation Circular’) effective from April 1, 2025, a listed company on the recommendation of the board of directors shall appoint or re-appoint, with the approval of its Members in its Annual General Meeting:

- (i) an individual as Secretarial Auditor for not more than one term of five consecutive years; or
- (ii) a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years.

Further, SEBI vide its circular no. SEBI/HO/CFD/CFDPoD-2 /CIR/P/2024/185 dated December 31, 2024 read with Regulation 24A of the Listing Regulations have inter-alia, prescribed the terms and conditions including eligibility, qualifications and disqualifications with respect to appointment/re-appointment of Secretarial Auditor by the listed company.

After evaluating and considering various factors such as audit experience, list of clientele and size of the firm, independent assessment and in fulfilment of the eligibility criteria and qualification prescribed under the Listing Regulations and SEBI Implementation Circular, the Audit Committee and the Board of Directors of the Company at their respective meetings held on April 24, 2025 and April 25, 2025 approved and recommended to the Members of the Company, the passing of necessary resolution at the ensuing 46th AGM of the Company for the appointment of M/s. V Suresh Associates, Peer Reviewed Firm of Company Secretaries in Practice (Firm Registration No. P2016TN053700 and Peer Review Certificate No. 6366/2025) (“Firm”) as Secretarial Auditor of the Company from the conclusion of 46th Annual General Meeting till the conclusion of 51st Annual General Meeting of the Company to conduct Secretarial Audit of the Company for a term of 5 (five) consecutive financial years ending March 31, 2026, March 31, 2027, March 31, 2028, March 31, 2029 and March 31, 2030.

The Board of Directors have approved that in addition to issuing the Secretarial Audit Report, the Secretarial Auditor shall also issue to the Company (i) the Secretarial Compliance Report pursuant to Regulation 24A(2) of the Listing Regulations and (ii) any other certificates or reports which can be issued by the Secretarial Auditor under applicable laws.

The Company has received the consent & eligibility letter from M/s. V Suresh Associates, Practising Company Secretaries for their appointment. They have confirmed the Company that they are eligible to be appointed as Secretarial Auditor of the Company and also confirmed that their appointment if made, would be within the limit specified by the Institute of Companies Secretaries of India. They have further confirmed that they did not incur any of the disqualifications as specified under Regulation 24A of the Listing Regulations and that they have no conflict of interest.

Furthermore, in terms of the amended Listing Regulations, M/s. V Suresh Associates has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate.

The Firm confirmed that there are no pending proceedings against the Firm and partners and no order has been passed against the Firm and partners by ICSI/SEBI/MCA/any other competent authority/Court, both in India or outside India, in past 5 years.

The remuneration proposed to be paid is reasonable and commensurate with their audit experience and hence, the same is recommended by the Audit Committee and the Board of Directors for approval of Members of the Company.

Additional fees for statutory certifications and other professional services will be determined separately by the management in consultation with M/s. V Suresh Associates, and will be subject to approval by the Board of Directors and/or the Audit Committee.

The Board of Directors may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditor.

The eligibility letter and Peer Review Certificate from M/s. V Suresh Associates shall be available for electronic inspection without any fee by the Members from the date of dispatch of this Notice up to the date of this AGM i.e. Friday, July 18, 2025. The Members seeking to inspect such documents can send an email to secretarial@shriramfinance.in.

The Board of Directors recommend passing of the resolution as set out at Item No.7 of this Notice.

None of the directors, key managerial personnel of the Company nor their relatives are concerned or interested, financially or otherwise, in the said resolution.

Disclosure under Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Proposed Fees	Financial Years	Proposed Fees exclusive of goods and service tax and reimbursement of out of pocket expenses
	2025-26	Rs. 2,50,000/-
	2026-27	Rs. 2,50,000/-
	2027-28	Rs. 2,50,000/-
	2028-29	Rs. 3,00,000/-
	2029-30	Rs. 3,00,000/-
Terms of appointment	M/s. V Suresh Associates, Practising Company Secretaries (Firm Registration No. P2016TN053700), will hold office from the conclusion of 46 th Annual General Meeting till the conclusion of 51 st Annual General Meeting to conduct Secretarial Audit of the Company for a term of 5 (five) consecutive financial years ending March 31, 2026, March 31, 2027, March 31, 2028, March 31, 2029 and March 31, 2030.	
Material change in fee payable to the proposed Secretarial Auditor <i>in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change</i>	Previous Secretarial Auditor - SPNP & Associates, Practicing Company Secretaries, Chennai were paid Rs. 2,00,000/- for conducting Secretarial Audit for the F.Y. 2024-25. There is no material change in fee to be paid to the Secretarial Auditor proposed to be appointed through the ordinary resolution as set out at Item No. 7 of this Notice.	
Basis of recommendation for appointment and auditor credentials	The recommendations made by the Audit Committee and the Board of Directors of the Company for appointment of Secretarial Auditor is based on the evaluation and consideration of various factors such as audit experience, list of clientele and size of the firm, independent assessment and in fulfilment of the eligibility criteria and qualification prescribed under the Listing Regulations. <u>Brief Profile of M/s. V Suresh Associates</u> M/s. V Suresh Associates, Practising Company Secretaries is a distinguished professional services firm offering a comprehensive range of services related to corporate governance, compliance, and legal advisory with more than 20 years of standing. Experienced team of professionals assists businesses in maintaining regulatory compliance and adopting best practices in corporate governance. M/s. V Suresh Associates is established firm of practicing company secretaries in Chennai with good track record. M/s. V Suresh Associates is a peer-reviewed unit (No.: 6366/2025) by the Institute of Company Secretaries of India (ICSI). The firm provides services for ROC, NCLT, SEBI, RBI, Official Liquidator (OL), Stock Exchange compliances and advises on Company Law / SEBI /Capital Market matters.	

ITEM NO.8

The Company has been paying commission to Independent Directors for past several years of an amount decided by the Board of Directors pursuant to the Remuneration policy of the Company within the limits approved by Members from time to time. It is recalled that in this regard the last ordinary resolution authorizing the Board to fix the remuneration of Independent Directors was passed by the Members at the 43rd Annual General Meeting of the Company held on June 23, 2022, whereby the Members of the Company approved the payment of commission to Independent Directors upto Rs. 200 Lakhs for every financial year over the period of three financial years commencing from April 1, 2022 till March 31, 2025 subject to ceiling stipulated under Section 197 of the Companies Act, 2013 i.e. 1% of the net profits of the Company per financial year computed in the manner referred to in Section 198 of the Act.



Accordingly, the Board of Directors approved the payment of following commission to Independent Directors:

Financial Year	Commission paid/ to be paid* to each Independent Director who held office for full financial year	Total Amount of Commission paid/ to be paid* to all Independent Directors in the financial year
FY 2022-23	Rs. 20,00,000/-	Rs. 94,00,000/-
FY 2023-24	Rs. 20,00,000/-	Rs. 91,66,667/-
FY 2024-25	Rs. 20,00,000/-	Rs. 1,21,00,000/-

* Commission for FY 2024-25 will be paid after 46th AGM of the Company.

As per Remuneration policy of the Company, the Independent Directors who were appointed during any financial year were paid commission on pro-rata basis.

Apart from the commission, the Independent Directors are also paid sitting fees (as fixed by the Board from time to time) for attending the meetings of the Board and the Committees in which they are member(s). The sitting fees currently paid to Independent Directors is:

Board Meeting	Rs. 1,00,000/- for each meeting
Audit Committee Meeting	Rs. 75,000/- for each meeting
Other Committee(s) including Independent Directors' Meeting	Rs. 35,000/- for each meeting

The total amount of sitting fees of the Board /Committee meetings paid by the Company to Independent Directors during the last three financial years was as under:

Financial Year	Total Amount of sitting fee
FY 2022-23	Rs. 80,66,000/-
FY 2023-24	Rs. 82,34,950/-
FY 2024-25	Rs. 1,06,55,000/-

The Company has immensely benefited from the expertise, advice and inputs provided by the Independent Directors during the meetings. The Independent Directors also devote their valuable time for meetings with statutory auditors, credit rating agencies and other stake-owners as a part of their role, functions and duties of overseeing the independence of auditors, risk-management, internal financial control, maintaining highest standards of corporate governance and protection of interest of small shareholders. The Independent Directors deliberate with senior management personnel on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advices, suggestion and guidance to the management of the Company from time to time.

The Company is one of the largest listed non-banking financial company with assets under management of Rs. 2,63,190.27 crores as on March 31, 2025. Taking into account of the roles and manifold increase in responsibilities of Independent Directors in the dynamic regulatory and economic environment, complexity and large scale of business operations, increasing expectations of stakeholders and regulators emanating from pursuit to achieve the highest standards of corporate governance, the skill, expertise and competence possessed by the Independent Directors, the Board of Directors of the Company at its meeting held on April 25, 2025 have recommended Members to approve the payment of commission to Independent Directors for the Financial Years commencing from April 1, 2025 to March 31,

2028 within the a ceiling of Rs. 250 Lakhs out of profits of the Company for a financial year subject to the ceiling prescribed in Section 197 of the Act as set out in the resolution. The resolution seeks approval of the Members to authorise the Board of Directors to decide the actual amount of commission to be paid to the individual Independent Director within the above ceiling as per remuneration policy of the Company.

The Board of Directors consider that the commission proposed to be paid to Independent Directors is reasonable and commensurate with size of the Company and the experience, expertise, skills and time devoted by Independent Directors for the business affairs of the Company and recommends passing of the resolution as set out in item No.8 of the Notice.

Mr. Jugal Kishore Mohapatra, Mr. Pradeep Kumar Panja, Mr. S. Ravindran, Mr. Gokul Dixit and Mrs. M. V. Bhanumathi being Independent Directors and their relatives may be considered as concerned or interested to the extent the commission is payable to them in accordance with the proposed resolution. None of the other directors, key managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise in the proposed resolution.

ITEM NOS.9 and 10

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, as amended ('the Act'), the Board of Directors of

the Company cannot borrow moneys in excess of the amount of the paid-up share capital, free reserves and securities premium reserve, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), without the approval of the Members, by way of a special resolution.

The Members of the Company by way of special resolutions passed at the 45th Annual General Meeting of the Company held on July 30, 2024 had authorised the Board of Directors to borrow monies upto Rs. 2,35,000 crores outstanding at any point of time for the purpose of business of the Company and also authorised the Board to create security in favour of the lenders, financial institutions, banks, debenture trustee in connection with the borrowing for an amount not exceeding Rs. 2,93,750 crores.

The Company being a non-banking financial company primarily engaged in the business of retail financing, it is required to raise funds in the ordinary course of its business from time to time for the purpose of on-lending to its customers. The outstanding borrowings of the Company as at March 31, 2025 amounted to Rs. 1,96,145.17 crores. The Board of Directors considered that the increase in mobilisation of funds is necessary for the Company's growing business.

The Company's Capital Adequacy Ratio (CAR), as on March 31, 2025 stood at 20.66 % of the aggregate risk weighted assets on balance sheet and risk adjusted value of the off-balance sheet items, which is well above the regulatory requirement of minimum 15%.

Considering the aforesaid budgeted projections, it is necessary to delegate powers to the Board of Directors for enhancing the limit of borrowings of the Company (apart from temporary loans obtained/to be obtained by the Company from its bankers in the ordinary course of business) from existing Rs. 2,35,000 crores to Rs. 2,95,000 crores as per the proposal as set out in the Item No.9 of this Notice.

In connections with the secured borrowings, the Company in the ordinary course of its business is required to create security by way of mortgage /charge /hypothecation of receivables and movable or immovable properties of the Company, both present and future, in favour of the bank(s), financial institutions(s), debenture trustees, security trustee, fixed deposits trustees or any other person (lenders) in such form, manner and ranking as may be required by the lenders including modification/perfection thereof from time to time. This may involve disposal of whole or substantially whole of the Company's undertaking.

In line with the proposal for enhancement of the borrowing powers of the Board as aforesaid, it is necessary to also delegate powers to the Board of Directors for enhancing the

limits for the charges created/ to be created by the Company in connection with the borrowings in favour of its lenders from existing Rs. 2,93,750 crores to Rs. 3,54,000 crores as set out in the Item No. 10 of this Notice.

The Board of Directors recommends passing of the resolutions as set out in the Item Nos.9 and 10 of this Notice.

None of the directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in the said resolutions.

ITEM NO.11

Section 180(1)(a) of the Companies Act, 2013 (hereinafter referred to as the "Act"), provides that the Board of Directors of a company shall not except with the consent of the Company by way of Special Resolution, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company. Explanation of "undertaking" for the purpose of Section 180(1)(a) of the Act shall mean an undertaking in which the investment of the Company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the Company during the previous financial year.

In the ordinary course of its business, the Company has been raising funds by way of securitisation of receivables by way of sale /assignment, which is cost effective. As on March 31, 2025, the outstanding Securitisation assets portfolio of the Company was Rs. 36,728.9 crores and outstanding direct assigned portfolio stood at Rs. 3,274.4 crores. The Members of the Company by way of special resolution passed on July 30, 2024 in its 45th Annual General Meeting had authorised the Board of Directors to securitise receivables by way of sale / assignment from time to time provided that outstanding amounts of such securitisation at any point of time shall not exceed Rs. 50,000 crores.

During the current Financial Year 2025-26, the Company will continuously review its borrowing options for optimisation of borrowing costs, maintaining good liquidity for its business growth and timely servicing of liabilities. Therefore, depending upon the market conditions, the Board of Directors of the Company may require higher limits for securitisation than the existing limit of Rs. 50,000 crore. The limit of Rs. 75,000 crores as proposed in the Special Resolution at Item No.11 of the Notice will give adequate flexibility to the Board of Directors of the Company to change its borrowing profile depending upon market conditions. With securitisation, the Company ensures better borrowing profile, leading to lower interest liability owing to its lending to priority sector as per Reserve Bank of India. The securitisation of receivables may result into disposal of undertaking as defined in the Explanation to Section 180(1)(a) of the Act.



The resolution proposed at Item No.11 is to seek the permission of the Members for enhancement of limits for selling, assigning, securitising Receivables under Section 180(1)(a) of the Act by the Board of Directors of the Company or its Committee as may be authorised by the Board of Directors. The Board of Directors recommends passing of the said resolution.

None of the directors, key managerial personnel of the Company nor their relatives are concerned or interested, financially or otherwise in the said resolution.

ITEM NO.12

The Company proposes to offer payment services and simplified financial solutions by leveraging Prepaid Payment Instruments, pursuant to Reserve Bank of India ("RBI") Master Direction No. RBI/DPSS/2021-22/82CO.DPSS.POLC.No.S-479/ 02.14.006/2021-22 dated August 27, 2021 on Prepaid Payment Instruments ("PPIs") as amended from time to time. The initiation and implementation of these services shall be subject to receipt of necessary approval(s) from RBI in accordance with the RBI's Master Directions on PPI, receipt of authorisation as a Payment System Operator, in accordance with the Payments and Settlement Systems Act, 2007 ("PSSA") and receipt of approvals from other statutory authorities, as may be required.

Further, as per Circular No. RBI/DPSS/2019-20/174DPSS.CO.PD.No.1810 /02.14.008/2019-20 dated March 17, 2020 (Guidelines on Regulation of Payment Aggregators and Payment Gateways), the Company also intends to act as a Payment Aggregator ("PA") and Payment Gateway ("PG"), in accordance with the Guidelines on Regulation of Payment Aggregator and Payment Gateway, amended from time to

time, and providing Unified Payments Interface ("UPI") services.

As a pre-requisite to seek RBI approval for the PPI License and offering other services as aforesaid, the Company would be required to alter its Objects Clause of the Memorandum of Association ("MOA") to include specific authorisation to enable the issuance of PPI, offer simplified financial solutions by leveraging PPI, provide payment services through cards, UPI and other permitted modes, PA, PG, obtain affiliation of authorised card networks and authorisation to enable the Company to obtain necessary statutory approvals in this regard. In view of the same, it is proposed to alter the Main Objects Clause (Clause III A) of the MOA of the Company so as to enable Company to provide various payment services and simplified financial solutions as aforesaid.

Pursuant to the provisions of Section 13 of the Act and the Rules made thereunder, as applicable, any amendment in the Memorandum of Association requires approval of the Members of the Company by way of a special resolution. The alteration shall have effect once registered by the Registrar of Companies as per the applicable provisions of the Act.

A draft copy of the altered Memorandum of Association of the Company would be available for inspection without any fee by the Members of the Company from the date of dispatch of this Notice up to the date of this AGM i.e. Friday, July 18, 2025. Members seeking to inspect such documents can send an e-mail to secretarial@shriramfinance.in.

The Board of Directors recommends passing of the resolutions as set out in the Item Nos.12 of this Notice.

None of the directors, key managerial personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

By Order of the Board
 For **Shriram Finance Limited**

U Balasundararao
 Company Secretary & Compliance Officer
 Membership No.: FCS 12952

Mumbai

April 25, 2025

CIN: L65191TN1979PLC007874

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Email id: balasundar@shriramfinance.in.



DISCLOSURE PURSUANT TO PROVISION OF REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Name of Director	Mr. Ignatius Michael Viljoen
Date of Birth and Age	January 14, 1973 and 52 years
Directors Identification Number (DIN)	08452443
Date of first appointment on the Board	May 14, 2019
Nationality	South African
Expertise in specific functional areas	Credit risk and credit portfolio management aspects across the various entities owned by the Sanlam Group outside of the Republic of South Africa
Profile of Director	Mr. Ignatius Michael Viljoen is a Head of Credit-Sanlam Pan Africa Portfolio Management, South Africa and is responsible for a range of credit risk and credit portfolio management aspects across the various entities owned by the Sanlam Group outside of the Republic of South Africa. He has been associated with Sanlam Group since September 2003. Sanlam is more than 100 year old company with strong financials, management and culture in South Africa. Sanlam is a diversified financial services group, headquartered in South Africa, operating across number of selected global markets. Mr. Ignatius Michael Viljoen is a nominee of Sanlam.
Qualifications	Master's degree in Economics with distinction from the University of the Free State, South Africa
Directorship held in other companies	Foreign Companies: i. Sanlam Credit Fund Advisor (Pty) Limited ii. African Life Holdings Limited iii. African Life Financial Services Zambia Limited iv. Aflife Properties Limited v. Sanlam Africa Real Estate Advisor Proprietary Limited
Membership/ Chairmanship of Committees of such companies	None
Name of listed entities from which the person has resigned in the past three years	Nil
Shareholdings in the Company including shareholding as a beneficial owner	Nil
Disclosure of relationships between directors/ Key Managerial Personnel inter-se	There is no inter-se relationship between Mr. Ignatius Michael Viljoen, other members of the Board of Directors and Key Managerial Personnel of the Company.
Remuneration received from the Company in the F.Y. 2024-25 and F.Y. 2025-26	Nil. The Company does not pay any remuneration, sitting fees or commission to Non-Executive, Non- Independent Directors.
Terms and conditions of re-appointment/ appointment along with details of remuneration sought to be paid	Mr. Ignatius Michael Viljoen, Director is liable to retirement by rotation and offers himself for re-appointment. No remuneration, sitting fees or commission is proposed to be paid to him.
Number of Meetings of the Board attended during the F.Y. 2024-25 and F.Y. 2025-26	F.Y. 2024-25 Attended 9 out of 9 Board Meetings held during F.Y. 2024-25 Current F.Y. 2025-26 Attended 1 out of 1 Board Meeting held till the date of this Notice during the current Financial Year 2025-26.



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Corporate Office:

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Wockhardt Towers
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