

June 17, 2026

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 2025-26 containing Notice of the 47th Annual General Meeting pursuant to Regulations 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 24, 2026, wherein we had informed that the 47th Annual General Meeting (“47th AGM”) of the Company is scheduled to be held on Friday, July 10, 2026 through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM).

In compliance with Regulations 34, 53 and other applicable provisions of the Listing Regulations, please find enclosed herewith the following documents for the Financial Year 2025-26:

1. Notice of the 47th AGM scheduled to be held on Friday, July 10, 2026 at 2:00 p.m. (IST) through VC/ OAVM. The list of businesses proposed to be transacted at the 47th AGM is given in “Annexure A”;
2. Annual Report for the Financial Year 2025-26; and
3. Business Responsibility and Sustainability Report for the Financial Year 2025-26.

In compliance with relevant circulars issued by Ministry of Corporate Affairs from time to time and Regulation 36(1)(a) and 58(1)(a) of the Listing Regulations, soft copy of the 47th Annual Report for the Financial Year 2025- 26 containing the Notice of 47th AGM is being sent by e-mail to all the Members and Debentureholders whose email addresses are registered with the Company/Company’s Registrar to an Issue and Share Transfer Agent, Integrated Registry Management Services Private Limited (“RTA”)/Depository Participant(s) (“DPs”).

Further, in accordance with Regulation 36(1)(b) and 58(1)(b) of the Listing Regulations, a letter containing the web-link, including the exact path, to access the 47th Annual Report 2025-26 (including the Notice of 47th AGM) along with a static Quick Response code is being sent to those Members whose email addresses are not registered with the Company/RTA/DPs.

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 44 485 24 666
Email: secretarial@shriramfinance.in | Website: www.shriramfinance.in | Corporate Identity Number (CIN) — L65191TN1979PLC007874

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

The Notice of 47th AGM and the Annual Report for the Financial Year 2025-26 can also be accessed or downloaded from the web-link – [SFL Annual Report 2025-26](#).

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 7, 2026 (9.00 a.m. IST)** and end on **Thursday, July 9, 2026 (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 3, 2026 i.e. Cut-off Date**, may cast their vote electronically.

The Company will also provide the facility of live webcast of the proceedings of 47th 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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BALASUNDARARAO UPPU
RARAO UPPU Date: 2026.06.17 16:32:47
+05'30'

U Balasundararao

Company Secretary & Chief Compliance Officer

Encl.a/a

Shriram Finance Limited

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Annexure A

List of businesses proposed to be transacted at the 47th AGM of the Company:

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, 2026, 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, 2026, together with the Report of the Auditors thereon
3.	Ordinary Resolution for declaration of final dividend of Rs.6/- per Equity Share of face value of Rs.2/- each fully paid-up and the confirmation of payment of Interim Dividend of Rs.4.80 per Equity Share of face value of Rs.2/- each fully paid-up declared by the Board of Directors at its meeting held on October 31, 2025 for the Financial Year ended March 31, 2026
4.	Ordinary Resolution for re-appointment of Mr. D. V. Ravi (DIN 00171603) 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), one of the Joint Statutory Auditors of the Company.
6.	Ordinary Resolution for fixation of remuneration of M/s M M NISSIM & CO. LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 107122W/W100672), one of the Joint Statutory Auditors of the Company
Special Business:	
7.	Ordinary Resolution for appointment of Mr. Morihiko Fuji (DIN 11544762) as a Non-Executive and Non-Independent Director (Nominee of MUFG Bank Ltd.) of the Company
8.	Ordinary Resolution for appointment of Mr. Shinichi Fujinami (DIN 11545464) as a Non-Executive and Non-Independent Director (Nominee of MUFG Bank Ltd.) of the Company
9.	Ordinary Resolution for re-appointment of Mr. Parag Sharma (DIN 02916744) as Whole Time Director designated as Managing Director & CEO of the Company and payment of remuneration to him
10.	Ordinary Resolution for entering into Material Related Party Transaction(s) with MUFG Bank Ltd.

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Growing through the Power of Partnerships.

Our journey has been shaped by trusted relationships built over four decades, with millions of customers, extensive dealer and OEM networks, lending partners and investors who believe in our vision. These partnerships have enabled us to deepen our reach and expand access to financial solutions across urban, semi-urban, and rural India.

Read more on page 6 to learn about how our partnership with MUFG Bank Ltd, a member of MUFG, a global financial group, is strengthening our growth journey and expanding our ability to serve millions across India.



Read more on page 44 to learn how our Green Financing initiatives are accelerating the adoption of electric mobility, renewable energy, and sustainable infrastructure.



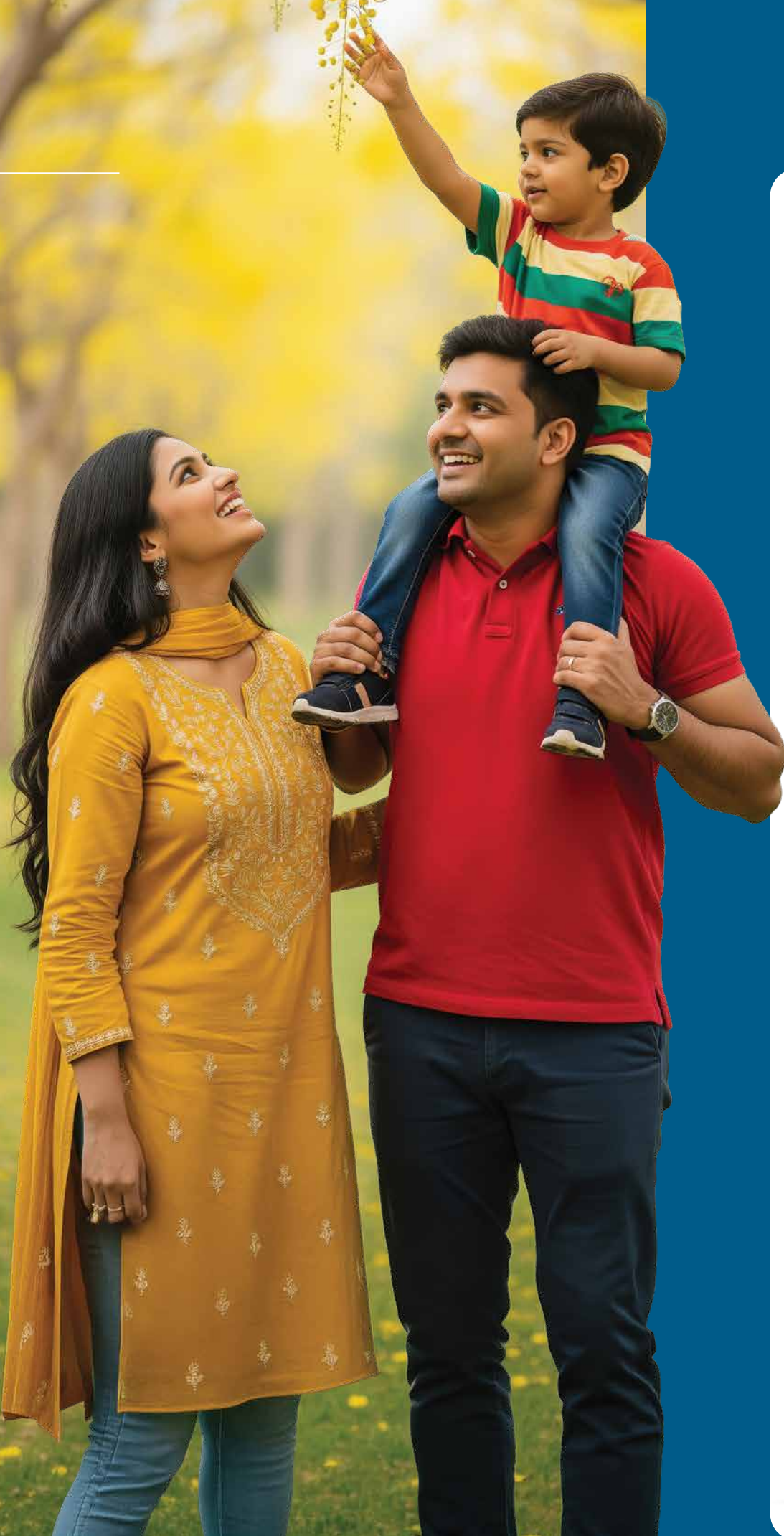
Investor Information

Market Capitalisation (as of March 31, 2026)	Rs. 163,564 Crores
CIN	L65191TN1979PLC007874
BSE Code	511218
NSE Symbol	SHRIRAMFIN
Legal Entity Identifier Code	335800TM2YO24B76XL26
AGM Date	Friday, July 10, 2026 at 2.00 p.m.
AGM Mode	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 ('The Company'). 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.



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Scan the QR Code to access the Annual Report or click here:
<https://www.shriramfinance.in/investors/financials?section=annual-reports>



Collaborative Strength Inclusive Growth.

Over four decades ago at Shriram Finance Limited, we established our foundations where traditional banking fell short. We chose the semi-urban corridors and rural markets, extending credit to first-generation entrepreneurs based on real potential rather than rigid paperwork.

Collaborative Strength

MUFG Bank Ltd, a member of MUFG, a global financial group based out of Japan, invested 20% stake in our business. Beyond the immense scale of this cross-border transaction, the alliance creates a distinct structural advantage. It integrates global institutional sophistication with our crystalline grassroots network, combining international financial expertise with the deep-rooted local trust we have spent decades building.

Inclusive Growth

The capital and capability from this partnership directly reinforce our primary mission. By introducing global governance standards and advanced technology to India's under-banked segments, we provide daily-wage workers and rural enterprises with the secure momentum necessary to achieve genuine economic mobility.

The framework of India's financial services sector is evolving. By anchoring global scale within our local infrastructure, we harness collaborative strength to accelerate inclusive growth across the nation.



Corporate Information

Board of Directors

- Mr. Jugal Kishore Mohapatra**
Chairman (Independent)
- Mr. Umesh Revankar**
Executive Vice-Chairman
- Mr. Y. S. Chakravarti**
Managing Director & CEO
(upto December 4, 2025)
- Mr. Parag Sharma**
Managing Director & CEO
- Mr. S. Sunder**
Joint Managing Director & Chief Financial Officer
- Mr. Pradeep Kumar Panja**
Independent
- Mrs. M. V. Bhanumathi**
Independent
- Mr. S. Ravindran**
Independent
- Mr. Gokul Dixit**
Independent
- Mr. D.V. Ravi**
Non-Executive & Non-Independent
- Mr. Ignatius Michael Viljoen**
Non-Executive & Non-Independent
- Mr. Morihiko Fuji**
Non-Executive & Non-Independent
(w.e.f. April 24, 2026)
- Mr. Shinichi Fujinami**
Non-Executive & Non-Independent
(w.e.f. April 24, 2026)

Senior Management Team

- Mr. R. Chandrasekar**
Joint Managing Director - ESG & Business
Responsibility (upto April 23, 2026)
- Mr. U Balasundararao**
Company Secretary & Chief Compliance Officer
- Mr. Hardeep Singh Tur**
Joint Managing Director & Chief Risk Officer
- Mr. Sudarshan Holla Balnad**
Joint Managing Director & Chief Operating Officer
- Mr. G. M. Jilani**
Joint Managing Director & Chief Operating Officer

Mr. Nilesh Odedara

Joint Managing Director & Chief Sales Officer

Mr. Sanjay K. Mundra

Executive Director - Investor Relations

Mr. A Ganesh

Chief Human Resources Officer

Statutory Auditors

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

M/s. M M NISSIM & CO LLP,
Chartered Accountants

Registrar to an Issue & Share Transfer Agent

Integrated Registry Management Services Private Limited
2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman
Road, T. Nagar, Chennai - 600017
Tel No.: +91 44 28140801/02/03
Fax: +91 44 28142479
Website: www.integratedregistry.in

Debenture Trustees

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400001
Mr. Ritobrata Mitra
Tel No.: +91 22 40807000
Fax: + 91 22 66311776
Email: rmitra@idbitrustee.com/
itsl@idbitrustee.com
Website: <http://www.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 62300451
Fax: +91 22 62300700
Email: debenturetrustee@axistrustee.com/
compliance@axistrustee.in
Website: www.axistrustee.com

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
Email: ComplianceCTL-Mumbai@ctltrustee.com
Website: <https://catalysttrustee.com/>

Registered office

Sri Towers, Plot No.14A, South Phase, Industrial Estate, Guindy,
Chennai - 600032, Tamil Nadu
Tel No.: +91 44 48524666
Fax: +91 44 48525666
Email: companysecretary@shriramfinance.in/
secretarial@shriramfinance.in
Website: www.shriramfinance.in

Corporate Office

Wockhardt Towers, West Wing, Level-3, C-2, G-Block,
Bandra-Kurla Complex, Bandra (East), Mumbai - 400051
Tel No.: +91 22 40959595
Fax: +91 22 40959597

Listed on

National Stock Exchange of India Limited
BSE Limited

List of Banks

Axis Bank Limited
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
Doha Bank
Emirates NBD Bank (P.J.S.C.)
Export-Import Bank of India
HDFC Bank
ICICI Bank
IDBI Bank
Indian Bank

Indian Overseas Bank
IndusInd Bank
Industrial and Commercial Bank of China (ICBC)
Jammu & Kashmir Bank
JP Morgan Chase Bank N.A.
KEB Hana Bank
Kotak Mahindra Bank
Karur Vysya Bank
PT Bank Maybank Indonesia Tbk
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

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)



Partnership Update

Where Global Strength Meets Local Roots



A significant milestone was achieved in the landscape of the Indian financial sector.

Shriram Finance has completed a preferential allotment of **Rs. 47.11 crores** equity shares at **Rs. 840.93 per share to MUFG Bank, a member of MUFG, a global financial group based out of Japan,** valued at **Rs. 39,617.98 crores** (USD 4.4 Billion) for a **20%** stake in the Company on a fully diluted basis and placed Shriram Finance at the centre of one of the largest cross-border financial sector investments India has ever seen.

Numbers of that size can make collaboration sound abstract.

What follows is the specific reality behind them.

Two Institutions, Complementary Strengths

Shriram Finance brings to this partnership over four decades of on-ground experience: 3,225 branches spanning 31 states and UTs, active customers and Assets Under Management (AUM) of more than Rs. 3 Trillion. Our lending model has always been built around relationship, the ability to assess a borrower's intent when paperwork is thin, to stay beside a customer through every repayment cycle and to show up in semi-urban and rural markets where formal credit has been the slowest to arrive.

MUFG Bank brings what complements this depth: global institutional expertise and international best practices across risk, governance and treasury management.

The partnership also includes Board representation for MUFG Bank, which makes this less a financial transaction and more a long-term alignment between two institutions that are, in their different ways, committed to building something that lasts.

Capital that Opens Doors

The investment significantly strengthens our capital position and provides long-term growth capital across key lending segments. With stronger capital adequacy and greater balance sheet flexibility, we are positioned to accelerate portfolio growth in retail lending, MSME financing and mobility solutions, while continuing to invest in the technology, distribution and operational capabilities that scale requires.

As India's economic landscape matures, this collaboration positions Shriram Finance to participate in the country's next phase of growth, extending formal credit further into underserved communities, supporting the shift to cleaner mobility and deepening the financial infrastructure that individual enterprises depends on.



Performance Highlights

The Numbers Behind the Progress

Every figure here is the outcome of a relationship. A transporter who repaid on schedule. A small business owner who expanded. A first-time borrower who built a credit history from nothing. Performance, at Shriram Finance, begins with people.

Disciplined Growth

Rs. 302,274 crores	14.85% YoY	97.3 Lakhs
Assets Under Management	AUM Growth	Active Customers
Rs. 69,480 crores	Rs. 9,998 Crores	8.38%
Deposits	Profit After Tax	Net Interest Margin

Resilient Balance Sheet and Risk Management

20.40%	4.58%	2.33%
Capital Adequacy Ratio	Gross NPA	Net NPA
1.65%	323.17%	
Credit Cost	Liquidity Coverage Ratio	

Delivering Sustainable Returns

3.10%	16.53%
Return On Assets (ROA)	Return On Equity (ROE)
Rs. 1,467.16 crores	Rs. 349.20
Dividend Payout	Book Value per Share



Partnering with Customers

What One Yes Can Build

The Story of Mr. Saif, Chembur Branch, 15 Years

Trust is not built in a single conversation. It is built in their accumulation, in the years when things go well and in the years when they do not, in the moments when a lender shows up not just as a financier but as someone who actually knows you.

Mr. Saif's story with Shriram Finance's Chembur branch spans fifteen years of exactly that kind of trust.

A Beginning with the Odds against It

When Mr. Saif first walked through our door, he was a godown labourer with one specific aspiration: To build a livelihood in the commercial vehicle segment. The challenge was equally specific. Limited documentation. Unstable living conditions. Shared rented accommodation. A profile that most institutions would have turned away at first glance without a second look.

We looked past the paperwork and at the person. We saw intent, discipline and a work ethic that deserved a chance.

One Vehicle. One Beginning.

Our first association was the financing of a pre-owned commercial vehicle, a modest start, but one we made with full commitment. We ensured the process was transparent, respectful and supportive at every step, because we believe that every customer deserves dignity when accessing finance, regardless of where they are starting from.

It is a reminder that sometimes, one opportunity backed by genuine belief in a person can create a lifetime of progress.



Five Trucks and a Thriving Business Later

Mr. Saif repaid with discipline and expanded steadily. What started as a single used vehicle became a logistics business operating five heavy trucks. His financial profile grew, and with it, his access to capital from multiple sources.

Yet today, despite having options, Mr. Saif continues to stay with us. The relationship, he says, extends past lending. It is built on years of trust, understanding and partnership through every stage of his growth.

His story reaffirms a conviction that has not changed in four decades: financial inclusion begins with trust, and trust, once earned, has a loyalty that no competing interest rate can easily undo.



Partnering with Employees

The People Who Built the Business

These two journeys, in their beginnings, reflect the same conviction: that Shriram Finance has always been built by people who believe what the institution believes.

The Story of Mr. V. Muruganandapandian, Deputy Managing Director, Joined as Trainee, 1990

Some careers are about climbing. Mr. V. Muruganandapandian's was about going deeper, into the Tier-2 and Tier-3 towns of Tamil Nadu where the idea of formal credit was, for most borrowers, still theoretical.

He started as a trainee in 1990. What he found was not just a job. He found a philosophy: that no dream is too small to fund, if the person carrying it has the intent and integrity to see it through.

Micro-Loans, Massive Impact

He pioneered micro-loans as small as Rs. 10,000, structured with a manageable daily repayment of Rs. 100, for grassroots collectives whose work was real but whose paperwork was non-existent. These included the Pookattuvor Sangam: flower garland makers whose income arrived in small, daily amounts; and the Poojarigal Sangam: temple priests who served their communities faithfully but held no salary slips.

These were hardworking individuals who lacked the documents traditional lending required. They did not lack the character to repay.

A Rs. 2 Lakhs loan extended years ago nurtured an aspiring entrepreneur into the proud proprietor of the 3-star hotel chain in Tiruvannamalai. Similar trust fuelled the rise of powerloom operators in Tiruppur and established jewellers across the state. Thousands of truckers who came to Shriram with nothing but a drive to succeed now command multi-crore turnovers.

Leading the Way He Was Taught

Today, Mr. Muruganandapandian leads a business unit of 10,000 colleagues. He credits his team for every milestone and ensures accountability and recognition always travel together, because the culture he built his career in is one of shared success, and he has no intention of changing that now.

His advice for those entering the organisation is both simple and demanding: Know Your Customer. Prioritise their welfare over pure business metrics. Communicate constantly, because trust is earned in conversation. And spend real time in sales, because that is exactly where lasting relationships are built.



The Story of Mr. G.M. Jilani, Joint Managing Director & Chief Operating Officer, Joined as Management Trainee, 1992

Mr. G.M. Jilani is an architect of scale. He is also, equally, someone who has never lost sight of the individual customer at the centre of every number he manages.

When he stepped into Shriram Chits as a management trainee in Andhra Pradesh back in 1992, he found an organisation that matched his own sensibilities. He quickly saw that financial instruments at Shriram were never abstract corporate transactions. They were interwoven with human milestones: a daughter's wedding, a child's college admission, the first commercial vehicle a man would call his own.



A Culture of Decentralised Ownership

What captivated him most was how Shriram ran its branches. A branch manager here carried the autonomy and accountability of a localised CEO. Decisions were made by people closest to the customer, not sent down from the centre. That grassroots-up philosophy runs directly through how Mr. Jilani manages operations today. No major strategy is designed in an ivory tower. It is built on real-time inputs from frontline teams who understand the customer's reality better than any dashboard can capture.

Composure as a Leadership Tool

More than three decades of difficult moments have sharpened rather than softened his resolve. His approach in a crisis has never changed: gather complete data, set the ego outside the room, consult the team and calm a frantic environment through composure rather than volume. He has found consistently, that the leader who stays steady in the chaos is the one the team rallies around.

The Legacy He Is Building

Seeing the young professionals he once mentored now leading pivotal roles across Shriram Finance brings him greater satisfaction than any title. His counsel for those entering the field remains consistent: master your sector with absolute rigour, value long-term growth over a flashy starting package and never stop learning. The moment you stop is the precise moment you start falling behind.

Partnering with Communities

When Finance Goes All the Way

Anath's Road Back to Health

Shriram Seva Sankalp Foundation | Mobile Medical Unit Initiative



At 59, Anath Ruidas, a daily-wage driver from Malickpur in West Bengal's Hooghly district, spends long hours on the road to support his wife and two sons. As the sole breadwinner of the family, earning a livelihood often took priority over his own health.

For nearly four years, Anath had been living with Type 2 Diabetes Mellitus and hypertension. Limited financial resources, irregular health monitoring and the distance to medical facilities made consistent treatment difficult. As his symptoms worsened, including persistent skin irritation, managing his condition became increasingly challenging.

Everything changed on October 10, 2025, when Anath noticed a Mobile Medical Unit (MMU) implemented through Shriram Seva Sankalp Foundation (SSSF) while making a delivery in Singur. Learning that the MMU provided free healthcare services for drivers and their families, he decided to visit the camp.

Following a comprehensive health check-up, the MMU team recorded an RBS level of 170 mg/dL and blood pressure of 136/71 mmHg. Along with free medicines, Anath received counselling on diet, exercise and lifestyle changes, supported by regular follow-up visits in his community.

The impact was visible within weeks. His RBS reduced to 154 mg/dL on November 7, 2025 and further improved to 138 mg/dL by November 24, 2025, while his blood pressure remained under control. More importantly, he gained the confidence and support needed to manage his health consistently.

Today, Anath views the MMU as more than a healthcare service. It has enabled him to stay healthy, continue working and provide for his family. His journey reflects how accessible healthcare can restore not only health, but also dignity, confidence and livelihood.

Giving Women the Wheel

A driving training CSR initiative empowering women with skills, independence and sustainable income, from Mathura to Ujjain to Thanjavur, 'Six women. Six journeys.' that illustrate what 'Collaborative Strength. Inclusive Growth.' looks like when it happens at the most personal level.

Shriram Finance built a programme that gave them a steering wheel and the skills to hold it. In their own words:

“

"Before joining the Parkham Training Centre, my life was confined entirely to household responsibilities with no path to financial independence. The programme built both my driving skills and my confidence to operate light motor vehicles safely. Today, I earn Rs. 10,000 per month as a van driver, contributing directly to my family's stability. This journey has inspired me to encourage other women in my village to step out and learn new skills."

Uma Agrawal, Mathura

”

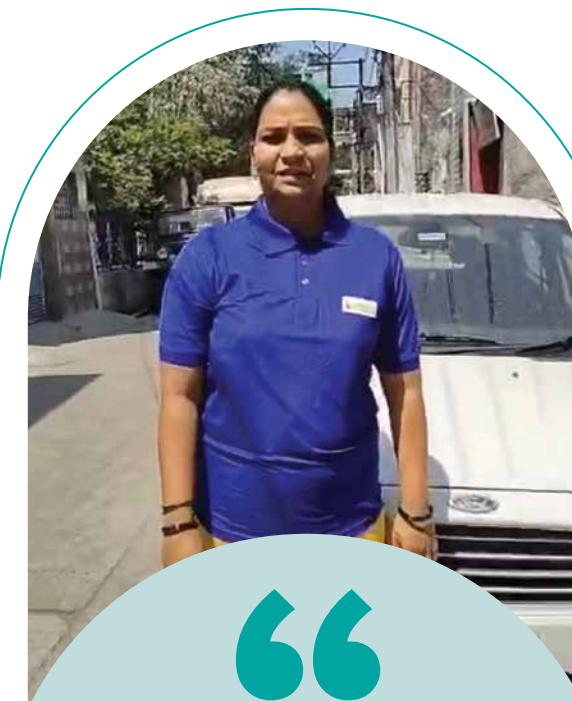


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"I learned about the Shriram Finance driver training program through my local Anganwadi and joined immediately. The two-month course provided excellent training and helped me secure my commercial driving licence. I now drive a rented car independently, earning Rs. 10,000 to Rs. 12,000 per month. I am grateful and hope to see many more women join."

Diksha, Ujjain

”



“

“A newspaper advertisement about the Shriram Finance driving course opened a new career for me. The curriculum moved from traffic rules in theory classes to real confidence in the simulator and on-road sessions. I obtained my driving licence entirely free of cost and secured a driving job. Earning Rs. 8,000 per month has brought a deeply positive change to my life.”

Jothi, Thanjavur

”

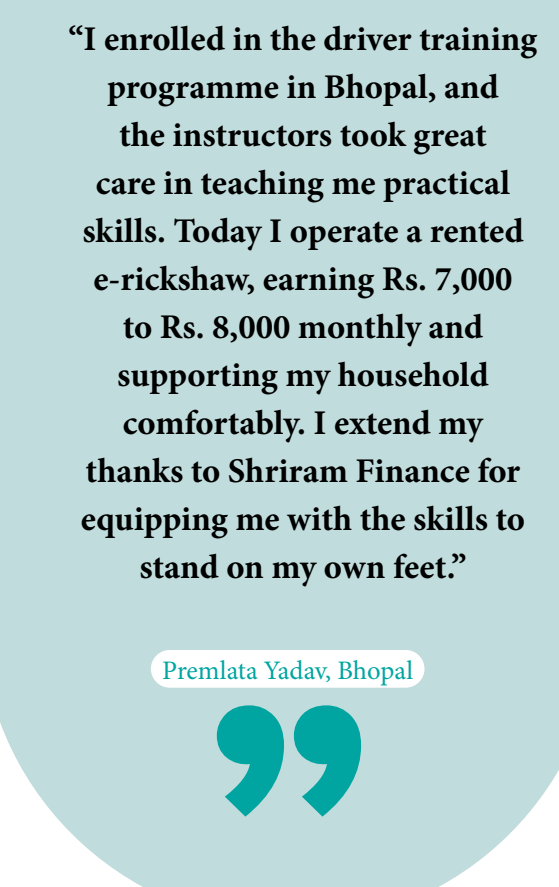


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“I enrolled in the driver training programme in Bhopal, and the instructors took great care in teaching me practical skills. Today I operate a rented e-rickshaw, earning Rs. 7,000 to Rs. 8,000 monthly and supporting my household comfortably. I extend my thanks to Shriram Finance for equipping me with the skills to stand on my own feet.”

Premlata Yadav, Bhopal

”



“

“After my aunt introduced me to this Women Skill development initiative, I spent two months learning every aspect of driving safely. I now drive a rented passenger car, serving local commuters and saving Rs. 11,000 to Rs. 12,000 each month. I hope Shriram Finance continues to support girls and women so we can all keep moving forward.”

Khushi Kapoor, Ujjain

”



“

“A friend told me about the driver training program so I joined the two-month car driving course and found it to be the best choice. The practical curriculum gave me precisely the skills I needed to enter the local transport sector confidently. Today I drive a rented passenger vehicle daily, securing monthly savings of Rs. 8,000 to Rs. 10,000. I am profoundly grateful to Shriram Finance for the platform to achieve self-sufficiency.”

Priyanka Wadiya, Ujjain

”



Who We Are

A Financial Lifeline for Every Indian

Our story is about empowering people to take charge of their financial future. Through every product, every branch and every partnership, Shriram Finance Limited helps millions move closer to their dreams, strengthening India's march towards self-reliance.

Shriram at a Glance

3,225

Branches

31

Presence across States and UTs

76,241

Employees

Core Values

Operational excellence

Integrity

Serving the daily needs of an individual



What We Offer



Commercial Vehicle Loan



Passenger Vehicle Loan



Construction Equipment Loan



Tractor and Farm Equipment Loan



Two-Wheeler Loan



Micro, Small and Medium Enterprise (MSME) Loan



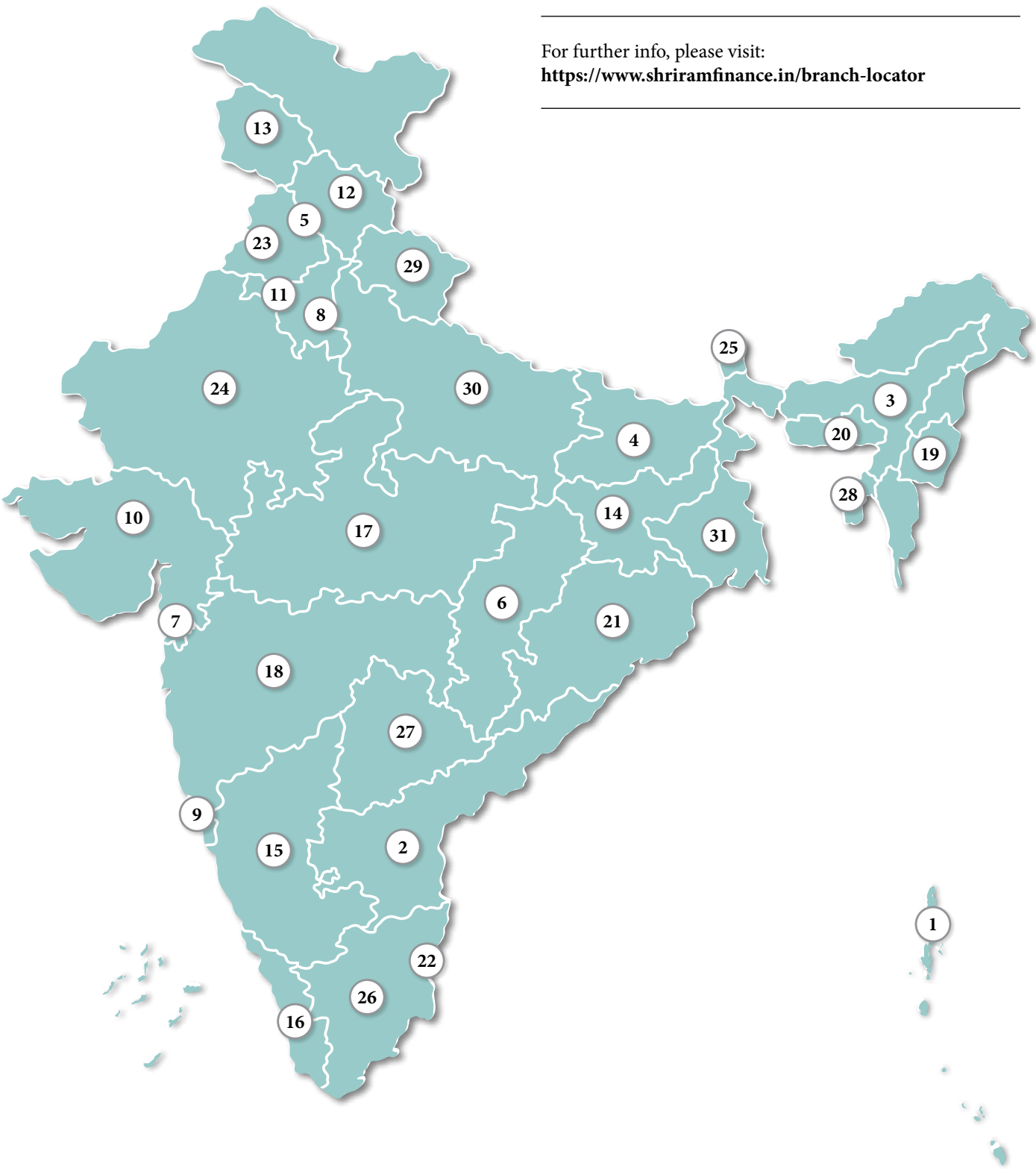
Personal Loan



Gold Loan



Pan-India Footprint



For further info, please visit:

<https://www.shriramfinance.in/branch-locator>

Branch Networks across India (3,225 Branches as of March 31, 2026)

1. Andaman and Nicobar Islands	: 01	12. Himachal Pradesh	: 44	23. Punjab	: 76
2. Andhra Pradesh	: 304	13. Jammu & Kashmir	: 17	24. Rajasthan	: 149
3. Assam	: 31	14. Jharkhand	: 36	25. Sikkim	: 03
4. Bihar	: 93	15. Karnataka	: 225	26. Tamil Nadu	: 775
5. Chandigarh	: 03	16. Kerala	: 124	27. Telangana	: 231
6. Chhattisgarh	: 68	17. Madhya Pradesh	: 197	28. Tripura	: 05
7. Dadra and Nagar Haveli	: 01	18. Maharashtra	: 301	29. Uttarakhand	: 20
8. Delhi	: 20	19. Manipur	: 01	30. Uttar Pradesh	: 182
9. Goa	: 05	20. Meghalaya	: 01	31. West Bengal	: 71
10. Gujarat	: 100	21. Odisha	: 58		
11. Haryana	: 68	22. Puducherry	: 15		



Disclaimer

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

Our Story

From One Truck to a Trillion

1979-2009

1979

- Incorporated Shriram Transport Finance Company Limited (STFC), now known as Shriram Finance Limited

1984

- Launched Initial Public Offering (IPO), marking STFC's debut in the capital markets

1990

- Secured strategic investments from Telco and Ashok Leyland, strengthening industry partnerships

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, followed by Axis Bank and Reliance Capital in 2004

2005-06

- Consolidated operations through the merger of Shriram Investments Limited and Shriram Overseas Finance Limited with STFC

- Investment from ChrysCapital (2005) and TPG (2006) as private equity investors

- PAT crosses Rs.1,000 Million in 2006

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

2010-2019

2010

- Executed securitisation transactions worth Rs. 87.57 Billion in FY 2009-10, reinforcing leadership in the domain
- Expanded into construction equipment financing
- Raised Rs.5.84 Billion through QIP with Domestic and International investors

2011

- Initiated Shriram Automall, a dedicated platform for trading of pre-owned trucks at a fair value

2013

- Crossed Rs. 500 Billion in AUM

2015-16

- Merged Shriram Equipment Finance Co. Limited with STFC
- Upgradation of long term issuer ratings by FITCH & CRISIL

2016-17

- Raised Rs. 13.5 Billion through the issuance of Senior Secured Rupee-Denominated Bonds listed on the Singapore Stock Exchange

2017-18

- Raised Rs. 11.6 Billion through the issuance of Masala Bonds
- Divested a 55.44% controlling stake in Shriram Automall India Limited (SAMIL), a wholly owned subsidiary to MXC Solutions India Pvt. Ltd.

2018-19

- Raised the maximum permissible USD 750 Million through the External Commercial Borrowings (ECB) route
- Surpassed Rs. 1 Trillion in AUM

2020-2023

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, and 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

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

2022-23

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

2024-2026

2023-24

- Exceeded Rs. 2 Trillion in AUM
- 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 the offshore market (Social Bonds), amounting to Rs. 62.32 Billion, under the USD 3.5 Billion GMTN Programme

2024-25

- Approved the sale of Shriram Housing Finance Limited, a subsidiary company, to Warburg Pincus, a renowned global growth investor, for Rs. 3,929 crores
- Issued and allotted USD 500 Million, 6.15% Senior Secured Notes due 2028 in Social Bonds for a sum of Rs.41.84 Billion under USD 3.5 Billion GMTN

2025-26

- Acquired a 100% equity stake in Shriram Overseas Investment Private Limited (SOIPL), which consequently became a wholly owned subsidiary of the Company w.e.f. May 09, 2025
- Crossed Rs. 3 Trillion in AUM
- The Board on December 19, 2025, approved to raise Rs. 396.18 Billion through the preferential allotment of 471.12 Million equity shares with a face value of Rs. 2/- each to MUFG Bank at an issue price of Rs. 840.93 per share, resulting in MUFG Bank holding a 20% stake in the Company on a fully diluted basis



Product Range

Empowering Every Dream with the Right Financial Solutions

We provide a comprehensive range of financial products crafted to support every customer's aspirations. From financing pre-owned vehicles to extending personal, equipment, and farm loans, our offerings are built to enable progress for individuals and enterprises alike.



Commercial Vehicle Loan

Our commercial vehicle loans are designed to empower transporters, fleet owners, and first-time buyers with flexibility, speed and trust at every step.

Performance Snapshot, FY 2025-26

Rs. **141,667** Crores

AUM as of March 2026

46.87%

of Total AUM as of March 2026

Advantages

- Attractive interest rates
- Flexible tenures and easy repayment
- Quick approval and fast disbursal
- Finance for new and used vehicles

Construction Equipment Loan

Easy and affordable financing for new and used construction equipment designed for businesses with flexible repayment plans.

Performance Snapshot, FY 2025-26

Rs. **13,310** Crores

AUM as of March 2026

4.40%

of Total AUM as of March 2026

Advantages

- Competitive rates for new and used equipment
- Flexible repayment options
- Simple, minimal documentation
- Swift approvals and fast disbursals



Passenger Vehicle Loan

We offer customised loan solutions for both new and pre-owned passenger vehicles, with interest rates tailored to your unique requirements.

Performance Snapshot, FY 2025-26

Rs. **64,413** Crores

AUM as of March 2026

21.31%

of Total AUM as of March 2026

Advantages

- Easy, hassle-free loans with minimal paperwork
- Flexible repayment options
- Wide range of eligible vehicle categories

Tractor and Farm Equipment Loan

Convenient and affordable finance for new and pre-owned tractors and farm equipment, built around the specific needs of India's farming communities.

Performance Snapshot, FY 2025-26

Rs. **6,886** Crores

AUM as of March 2026

2.28%

of Total AUM as of March 2026

Advantages

- Attractive interest rates
- Fast approvals and disbursals
- Easy, minimal documentation
- Flexible repayment options





Two-Wheeler Loan

Quick, convenient two-wheeler loans with flexible repayment choices and competitive interest rates.

Performance Snapshot, FY 2025-26

Rs. 17,414 Crores

AUM as of March 2026

5.76%

of Total AUM as of March 2026

Advantages

- Competitive interest rates
- Easy application with minimal documentation and quick approval
- Swift disbursal within 24 hours



Personal Loan

Our personalised financial solutions are designed to make personal loans genuinely simple.

Performance Snapshot, FY 2025-26

Rs. 10,717 Crores

AUM as of March 2026

3.55%

of Total AUM as of March 2026

Advantages

- Competitive interest rates
- Flexible tenures and repayment options
- 100% digital and hassle-free process
- No collateral required



MSME Loan

Secured and unsecured business loans designed to meet the diverse financial needs of small businesses and established enterprises.

Performance Snapshot, FY 2025-26

Rs. 41,245 Crores

AUM as of March 2026

13.64%

of Total AUM as of March 2026

Advantages

- Attractive interest rates
- Flexible repayment options
- Simple, minimal documentation



Gold Loan

We offer secure and reliable gold loan solutions designed to meet our customers' personal and business funding needs.

Performance Snapshot, FY 2025-26

Rs. 6,622 Crores

AUM as of March 2026

2.19%

of Total AUM as of March 2026

Advantages

- Competitive interest rates
- Flexible tenures and repayment options
- Simple and minimal documentation
- Safe and quick disbursals



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Annual Report 2025-26







Shriram Finance Limited

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Why Invest in Shriram

A Compound Engine of Sustainable Returns

We stand among India's leading diversified NBFCs, uniquely positioned at the intersection of financial inclusion and sustainable growth. With a deep-rooted presence across urban, semi-urban and rural India, we continue to create enduring value for all stakeholders through our customer-centric model, prudent risk management and consistent financial performance.

Market Leadership Built on Decades of Trust

We hold a leadership position in commercial vehicle financing, MSME lending and retail credit. Our understanding of India's entrepreneurial ecosystem is not derived from models. It comes from decades of sitting across the table from customers that other institutions passed on, and finding ways to say yes.

A Portfolio that Does Not Break in One Place

Vehicle finance, MSME loans, personal and gold loans, tractor and farm equipment, construction equipment, two-wheelers, a balanced mix that ensures neither a single sector's slowdown nor a single geography's stress can define our year. This diversification is strategic and structural. It has held through multiple economic environments and continues to be the foundation of our consistent performance.

Strong Distribution Network and Deep Reach

Spanning a vast national footprint of 3,225 branches across 31 states and UTs, our field force is deeply embedded, rather than merely deployed, within the communities it serves. This extensive on-ground presence grants us direct access to high-potential markets in semi-urban and rural India that frequently remain invisible to centrally underwritten credit models. Cultivated over four decades, this localised reach establishes a genuine competitive advantage that remains exceptionally difficult to replicate.



Prudent Risk Management and Asset Quality

Our underwriting philosophy starts with a question most lenders do not ask: who is this person, really? Supported by data-driven credit assessment and sustained customer engagement, that philosophy has produced asset quality metrics that hold even in challenging environments. A conservative risk framework ensures we grow without compromising the financial discipline our stakeholders depend on.

Technology that Scales Without Losing the Human Touch

Strategic technology investments continue to enhance operational velocity, delivering clear milestones across onboarding speed, credit evaluation precision, and collection efficiency. This digital architecture acts as an extension of, never a replacement for, our signature relationship model. By prioritising human-centric digital tools, the organisation optimises backend processes to liberate frontline teams, allowing them to focus entirely on serving evolving customer needs.

Inclusion and Governance as Strategic Pillars

The Shriram ethos has always centred on inclusion, transparency and responsible lending. Our governance standards and social initiatives strengthen the trust that makes long-term growth possible. These are not separate from our business strategy. They are integral to it.



Chairman's Message

Collaborative Strength Inclusive Growth



“

Our diversified business model, deep customer understanding and extensive presence across semi-urban and rural India position us strongly to serve segments that remain underserved by traditional credit channels.

”

Dear Stakeholders,

The true identity of Shriram Finance lies in its deep grassroots engagement, over four decades, across India's underserved credit landscape. From the very beginning, the institution was built on a simple belief: traditional lending systems often overlook hardworking individuals and small enterprises when formal documentation does not fit standard institutional expectations and processes. With this understanding, we shaped a relationship-led lending model and built a network of 3,225 branches where entrepreneurial aspirations first take shape.

Our frontline teams work closely with communities every day in semi-urban neighbourhoods where emerging entrepreneurs need lenders who recognise their potential, in rural markets where a tractor loan can transform a farming family's future, and in urban centres where daily-wage earners and small business enterprises gain access to formal credit for the first time. Over the years, this enduring local presence has helped us build a retail credit franchise serving 97.3 Lakhs active customers.

A borrower base of this scale is more than a business milestone; it reflects the power of inclusive growth. It demonstrates how access to finance at the grassroots level can steadily evolve into a resilient and trusted network, capable of supporting communities through changing economic conditions. This strong on-ground momentum also positioned us to actively participate in India's broader economic growth during the financial year.

A Macroeconomic Catalyst for Scale

Globally, the year was marked by persistent inflationary pressures, volatile energy markets, and geopolitical uncertainties, leading global GDP growth to moderate to 3.1%. Despite these external challenges, India continued to demonstrate remarkable economic resilience and remained one of the key drivers of global growth.

Supported by strong public infrastructure investment, healthy domestic consumption, and a steadily formalising economy, India's real GDP expanded by 7.7% in FY 2025-26. These structural strengths created meaningful opportunities for our diversified lending model and enabled us to further bridge the credit gap for underserved communities. Small road transporters, commercial vehicle operators, MSMEs, and self-employed individuals continued to rely on us as a trusted financial partner, contributing collectively to the nation's economic progress.

Financial Proof of Resilient Expansion

The combination of a strong domestic economy and our time-tested relationship model translated into another year of disciplined and resilient growth. Driven by healthy credit demand across geographies, total Assets Under Management (AUM) crossed the landmark milestone of Rs. 3 Lakh Crores, reaching Rs. 302,274 Crores during the year.

Profitability remained strong, with Profit After Tax rising to Rs. 9,998 Crores and Net Interest Income increasing to Rs. 26,051 Crores. These results reflect our ability to grow responsibly while maintaining pricing discipline and operational efficiency. Asset quality also remained stable, with Gross Stage 3 assets at 4.58% and Net Stage 3 assets at 2.33%. In recognition of this balance sheet strength, our long-term debt instruments received an upgraded AAA/Stable rating from major credit rating agencies.

At the same time, we accelerated our digital transformation journey by strengthening our credit architecture with AI-enabled identity verification and Account Aggregator data integration. These initiatives led to a considerable reduction in underwriting turnaround time (TAT), improvement in agreement execution TAT and reduction in loan disbursement TAT, ensuring that technology continues to enhance, rather than replace, our signature human touch.

The Realisation of Collaborative Strength

This financial year also marked a defining milestone in our journey, where decades of grassroots credibility converged with global institutional partnership.

In a significant alignment of institutional legacies, our decades of domestic execution came together with the rich global banking heritage of MUFG Bank, spanning nearly one hundred and forty-seven years. The preferential allotment of 47.11 crores equity shares of the Company at Rs. 840.93 per share to MUFG Bank was completed on April 08, 2026.

This strategic cross-border investment, valued at approximately Rs. 39,618 Crores (USD 4.4 Billion), resulted in MUFG Bank acquiring a 20% stake in the Company on a fully diluted basis, making it one of the largest strategic transactions in India's financial services sector.

More importantly, the partnership reflects a strong strategic alignment between two institutions with complementary strengths. It brings together global institutional capability and local market understanding, further strengthening our ability to serve customers effectively. Our experience across 31 states and UTs is now complemented by international best practices in governance, risk management, and access to a wider global capital ecosystem.

Together, this partnership creates a stronger and more future-ready financial institution, one that carries the trust of millions of Indian borrowers while benefiting from the confidence and expertise of a leading global banking group. It is a powerful example of global strength meeting local roots.

Advancing the Future of Shared Prosperity

The strategic capital and long-term partnership now position us strongly for the next phase of inclusive growth. We will continue expanding both our physical and digital reach across rural and semi-urban India, ensuring that access to finance remains a meaningful catalyst for livelihoods, mobility, and entrepreneurship.

At the same time, we are steadily scaling our commitment to future-ready mobility solutions. Our green financing portfolio is growing towards a targeted AUM of over Rs. 5,000 Crores, supporting electric commercial vehicles, two-wheelers, and clean energy adoption beyond metropolitan centres, while contributing to India's transition towards a lower-carbon economy.

Although the near-term global environment continues to require caution amid geopolitical and inflationary pressures, our approach remains firmly anchored in prudence, diversification, and balance sheet resilience. With the support of an expanded Board, the dedication of our frontline teams, and the strength of our global partnership, we step into the next chapter with confidence and optimism.

Our commitment remains unchanged to support individual enterprises, strengthen families and communities, and contribute meaningfully to India's entrepreneurial growth story.

With Best Regards,

Jugal Kishore Mohapatra
Chairman

Leadership Perspectives

Three Voices. One Direction.



Building a lending franchise at the scale Shriram Finance operates requires a specific kind of collaboration: with customers who place their trust in you before the numbers have caught up to their ambition, with markets that others will not enter until the economics have been proven, and with capital partners who understand that the returns compound across years. This collaborative approach, applied for more than four decades, produced a franchise that crossed Rs. 302,274 Crores in AUM in FY 2025-26, growing 14.85% YoY across mobility, MSME and rural segments. The MUFG Bank investment of Rs. 39,618 Crores for a 20% stake, one of the largest cross-border investments India's financial services sector has seen, is that same collaborative philosophy expressed at its largest scale yet. Two institutions joining their complementary strengths to serve a single direction: inclusive growth across Indian markets that formal finance has not yet fully reached. That is the next chapter, and it is the most ambitious one we have undertaken.

Umesh Revankar
Executive Vice Chairman



The financial position Shriram Finance enters FY 2026-27 reflects both pillars of our annual theme. Profit After Tax grew 20.87% YoY to Rs. 9,998 Crores in FY 2025-26, alongside a Net Interest Margin of 8.38% and a cost-to-income ratio improved to 27.95%. These are the results of collaborative strength: a large organisation running its financial operations with discipline and genuine coherence across every function. The equity infusion from MUFG Bank has strengthened our capital adequacy considerably, and liquidity coverage remains solid. That capital is what makes inclusive growth scalable. It gives us the financial capacity to extend credit to more customers, in more markets, on the terms our customers need, without compromising the balance between growth, margins and asset quality that this operating environment demands. Optimising borrowing costs and improving productivity remain our immediate priorities, because the efficiency we build today is the capacity for inclusive growth we deploy tomorrow.

Parag Sharma
Managing Director and CEO



Inclusive growth is realised at the ground level through each carefully assessed credit decision. It is enabled by branch teams that understand their markets deeply, technology platforms that process information with speed and precision and a risk function shaped by decades of experience in complex lending, capable of assessing creditworthiness even in the absence of formal income documentation.

In FY 2025-26, Assets under Management crossed Rs. 302,274 crores, while Gross Stage 3 assets remained at 4.58%, reflecting the strength of an operational engine delivering consistent outcomes across 3,225 branches and the diverse customer segments we serve. The seamless collaboration across our distribution network, branch teams, technology platforms, and risk functions is what underpins our ability to scale responsibly, while continuing to provide the responsive, relationship-led service that our customers trust. The opportunity for inclusive growth ahead is larger than any we have served to date, and strengthening the engine that enables it remains our central focus.

S. Sunder
Joint Managing Director and CFO

Awards and Accolades

Awards FY 2025-26



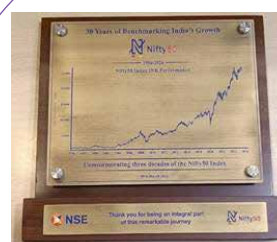
**Top 50
India's Best
Workplaces™ in
BFSI 2026.**



**Best Workplaces™ in
Health & Wellness
for the third
consecutive year.**



**Most Sustainable
Company in Upper
Layer NBFCs
award at Business
Today - India's
Most Sustainable
Companies 2025.**



**NSE's Nifty50
Anniversary
Celebration.**



**Data elevate
award - 'Excellence
in Deploying
Comprehensive,
Enterprise-Wide
Data Security
Architecture.'**



**Received National
Excellence
Award from All
India Council
for Technical
Education.**

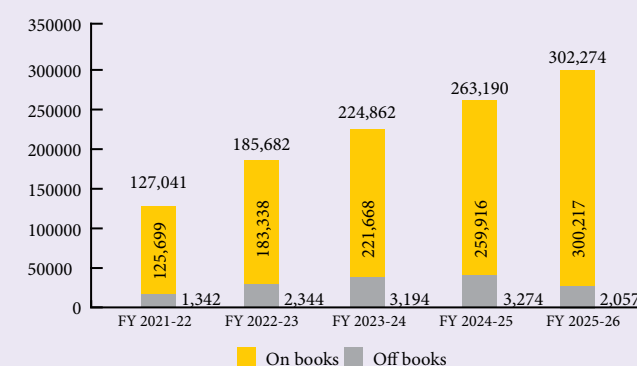
Financial Performance

Proving Our Strength through Performance

The financial performance achieved over the past five years demonstrates the deep durability and steady momentum of our core business model. This sustained trajectory across economic environments stands as a direct consequence of disciplined execution, relationship-led growth, and conservative risk management frameworks.

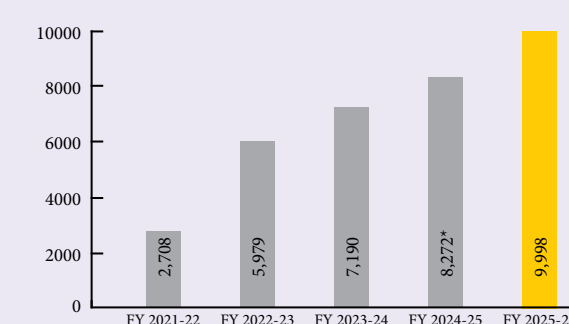


ASSETS UNDER MANAGEMENT (Rs. in crores)



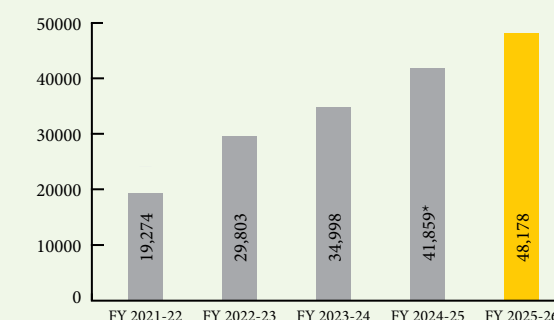
*Off Books pertains to direct assignment portfolio.

NET PROFIT (Rs. in crores)



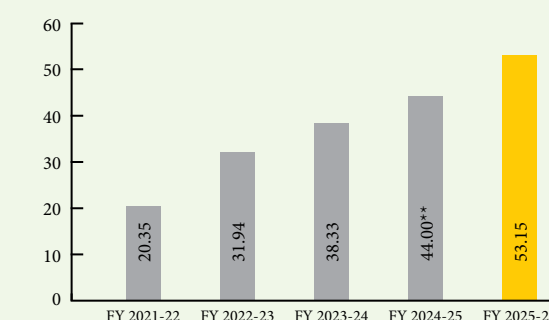
*Excluding exceptional items

TOTAL INCOME (Rs. in crores)



*Excluding exceptional items

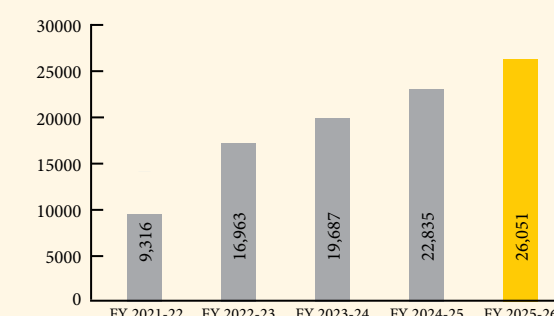
EPS (BASIC) (in Rs.)*



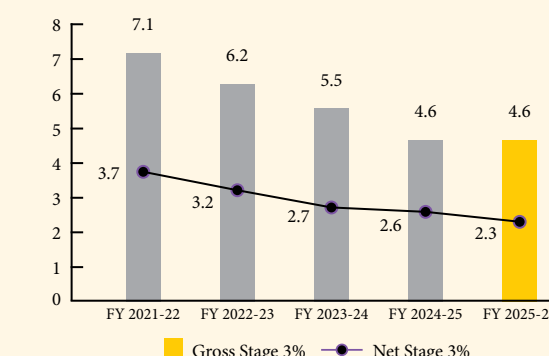
*Restated post share split

**Excluding exceptional items

NET INTEREST INCOME (Rs. in crores)



STAGE 3 (%)



Note: The figures from FY 2022-23 onwards include the effect of merger of transferor Companies (Shriram City Union Finance Limited and Shriram Capital Limited) and are therefore not comparable with figures of previous years.

Customer Experience

Every Step, Designed with the Customer in Mind

We are committed to creating experiences that blend convenience, clarity and care. Every interaction, from the moment a customer first hears about us to the long-term relationship that follows, is designed to be effortless, personalised and trustworthy.

Awareness and Onboarding

We begin by building familiarity and interest before customers even sign up.

- Reaching out through personalised digital communication
- Highlighting key benefits and platform features
- Encouraging early exploration to ease onboarding

Personalised Offer Design

We tailor offers that align with each customer's profile and potential.

- Analysing financial behaviour and credit patterns
- Designing customised, value-driven product propositions
- Ensuring relevance, transparency, and competitive terms

Application Journey

We make the application process fast, clear and guided.

- Offering responsive support through chat, call, and Email
- Simplifying form design for a frictionless experience
- Providing real-time updates and secure verification

Credit Evaluation and Approval

We combine speed with precision to deliver fair and informed decisions.

- Validating identity and documentation efficiently
- Assessing creditworthiness through robust risk models
- Ensuring quick approval and timely disbursement



Value Expansion

We strengthen relationships by anticipating evolving needs.

- Extending relevant, data-led recommendations
- Tracking engagement and satisfaction to drive retention

Sustained Engagement

We stay connected beyond transactions, nurturing ongoing trust.

- Delivering timely updates and proactive assistance
- Offering curated product suggestions and rewards
- Empowering users with convenient self-service tools

Responsible Collections

We approach collections with empathy and effectiveness.

- Monitoring repayments through intelligent systems
- Engaging customers with clear, respectful communication
- Supporting resolution through collaborative solutions

Value Creation Model

How We Create Value that Lasts

Our value creation framework captures the flow: diverse resources coming together through disciplined processes to produce outcomes that matter, for customers, employees, investors and the communities we serve.

Resources We Draw from



Financial Capital

A strong balance sheet and diversified funding mix, the foundation of sustainable growth and prudent capital allocation.

Rs. 65,244 Crores
Net Worth



Human Capital

A workforce that embodies our values of trust, service and integrity. Continuous learning and technology enablement ensure our people drive innovation and excellence rather than just execute process.

76,241
Employees across India



Technology and Infrastructure

Advanced digital platforms, mobile-based onboarding, data analytics and AI-enabled credit assessment tools that improve both customer experience and operational efficiency.

3,225
Branches across India



Social and Relationship Capital

Deep relationships with customers, investors, partners and regulators, built on transparency and reliability over decades. These long-standing bonds enable responsible lending and mutual growth in ways that cannot be manufactured quickly.

97.3 Lakhs
Active Customers Served



How We Create Value

- **Customer Understanding and Market Reach:** Serving India's underbanked through a wide distribution network with genuine accessibility in rural and semi-urban markets
- **Risk Management and Governance:** Time-tested frameworks supported by strong governance and analytics-driven evaluation that ensure sustainable asset quality
- **Product Innovation and Personalisation:** A broad portfolio across commercial vehicles, MSMEs, personal loans, two-wheelers and gold, each designed around the customer's specific aspiration
- **Technology and Digitisation:** Digital channels and CRM platforms that simplify onboarding, accelerate disbursement and improve service at scale
- **Collections and Recovery:** Technology-enabled, customer-sensitive processes that protect asset quality while preserving customer relationships
- **Lifecycle Value and Retention:** Refinancing, top-up loans and need-based solutions that deepen engagement and extend inclusion over time

What are the Impact and Outcomes

Rs. 302,274 crores
Assets Under Management (AUM)

Rs. 26,051 crores
Net Interest Income (NII)

Rs. 9,998 crores
Net Profit

16.53%
Return on Equity (ROE)

Our Commitment to Every Stakeholder



Customers

Enabling aspirations through accessible, responsible, and affordable financing.



Employees

Fostering growth, inclusion, and empowerment at every level.



Investors

Driving consistent value creation through disciplined execution.



Communities

Advancing financial inclusion and livelihood opportunities across India.



Environment

Promoting digital-first and sustainable business practices, including green mobility.

Technology

Technology in Service of the Customer

In a rapidly changing financial landscape, technology is how Shriram Finance grows, serves and sustains. At the core, our digital transformation is not a technology story. It is a customer service story, told through the tools that make service smarter and more accessible.



1.

Driving Operational Efficiency

We have re-engineered our backend operations to run with greater speed and fewer friction points, freeing our teams from administrative burden so they can focus on what Shriram Finance does best: building relationships.

Frictionless Onboarding

Data-driven bank statement analysis has replaced slow manual validation with instant digital checks, cutting processing times significantly and eliminating paperwork at the front end of every loan.

Instant, Paperless Execution

Sign Digital replaced physical paperwork with e-agreements across the network, allowing execution of contracts in time without compromising compliance.

A Logistics Breakthrough

Integration with MoRTH's ULI platform and the VAAHAN API digitised commercial vehicle insights and automated hypothecation removal, eliminating the need for physical RTO visits that once slowed turnaround significantly.

The Impact

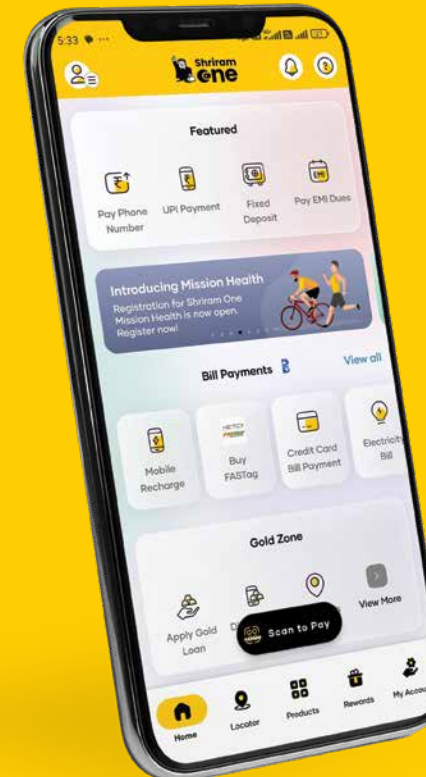
A rapid-response operating model that cuts turnaround times and allows our teams to focus on growth and customer service rather than process administration.



2.

Building for Scale

Modular, platform-driven architecture means we expand our market presence and transaction volumes without proportionate increases in physical infrastructure or operational complexity.



Hyper-Localised B2B Networks

Direct integration of our lead management systems with partners, including the Confederation of All India Traders and Common Services Centres, delivering curated financial products straight to vast trader and transport communities.

Digital Two-Wheeler Marketplace

Customers can discover vehicles and secure funding in a single, unified flow, removing the traditional gap between commerce and financing.

Unified Fixed Deposit Experience

A platform that bridges mobile and web, providing accessible deposit mobilisation across every digital touchpoint.

Shriram One Business App

A dedicated platform for merchants offering instant onboarding and smooth transaction management.

The Impact

A highly adaptable ecosystem built for rapid product expansion and large-volume growth, with infrastructure costs kept proportionate to value created.

3.

Elevating Customer Experience

Customers are at the centre of our digital architecture, not an afterthought to the operational design.

Automated bank analysis has made onboarding fast, secure and genuinely stress-free for customers who have historically found financial institutions difficult to navigate.

Our omni-channel architecture ensures consistent, an intuitive experience across all devices and product categories, whether a customer is buying a two-wheeler or opening a fixed deposit.

The Impact

A modern, transparent and customer-first lifecycle that turns financial transactions into empowering experiences.



A Multi-Dimensional Framework for Digital Credit

Comprehensive Credit Assessment:

Multiple bureau sources evaluated in real time for consistent, data-backed underwriting.

Income Validation via Account Aggregator:

Instant, consent-based bank statement and cash-flow analysis.

Secure CKYC Verification:

OTP-based retrieval of Central KYC profiles.

Fraud Prevention Controls:

Automated face matching and real-time liveliness checks at onboarding.

Address Validation:

Auto-fetch and cross-verification against trusted sources to eliminate discrepancies.

Multi-Layered Risk Framework:

Merging credit, income and identity data into a multi-dimensional risk engine.

Real-Time Decisioning:

Automated checks within core workflows for instant credit decisions with minimal manual intervention.

Auditability and Compliance:

Digital logging of every data point and decision rule for complete traceability.

AI at the Core of Our Credit Architecture



Smarter Underwriting

We moved to digital ingestion of bank statements, enabling automated income and cash flow assessments that improve underwriting accuracy and speed significantly. Integrating bureau checks, credit scores and automated risk frameworks produces real-time, data-backed credit decisions that are consistent and scalable.



Identity Verification and Fraud Prevention

Tech-enabled identity verification during onboarding uses face-match algorithms with photo validation and liveliness checks, ensuring genuine applicant presence and reducing impersonation risk materially.



Location Intelligence

Geospatial insights and distance calculations embedded in our workflows enable smarter, context-aware credit evaluations and more precise operational decisions in the field.

Outcomes Achieved

- Visible reduction in Underwriting TAT
- Significant gain in Agreement Execution TAT
- Considerable reduction in Loan Disbursement TAT



Green Financing

Driving Sustainable Mobility through Green Finance

Green financing is an important part of our long-term growth strategy, supporting sustainable mobility and clean transportation solutions. We continue to build our green financing portfolio with a targeted AUM of over Rs. 5,000 Crores, aligned with India's transition towards lower-carbon mobility and clean energy adoption.

A Focused Portfolio, Purpose-Built

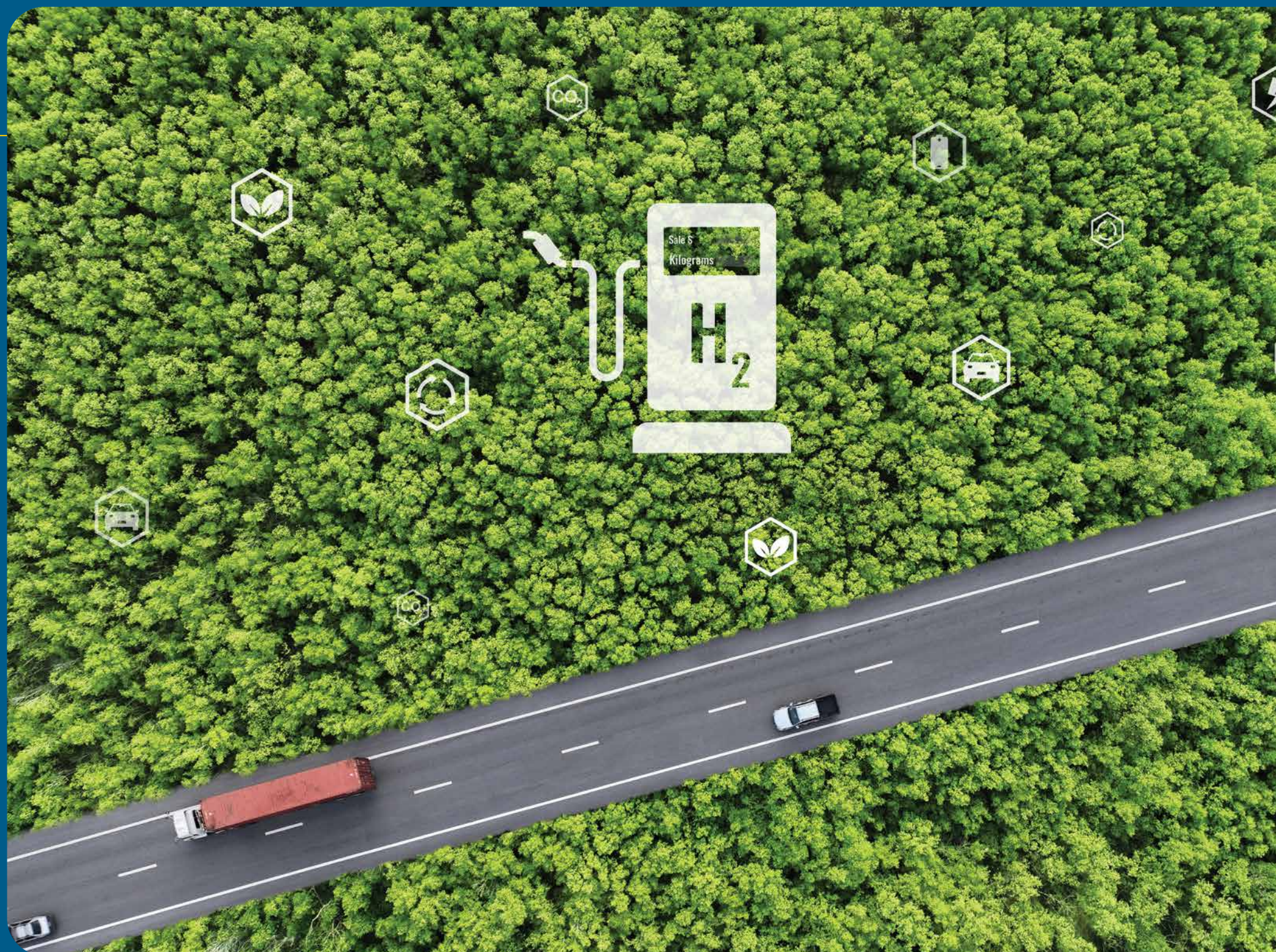
We are expanding financing across electric commercial vehicles, electric two-wheelers, electric three-wheelers, forklifts and industrial machinery, fleet electrification, battery financing, charging infrastructure and solar loans. Renewable energy-linked financing, battery ecosystem financing and sustainable logistics are also emerging as important growth segments within our portfolio.

Strengthening the Green Ecosystem

We continue to strengthen partnerships with EV manufacturers including Tata Motors, MG Motor, Ashok Leyland, Bajaj Auto, Mahindra & Mahindra and TVS Motor Company. Collaborations with battery-swapping companies, charging infrastructure providers and technology partners are improving financing accessibility and building the broader green mobility ecosystem.

Supporting EV Adoption Beyond the Metro

Customer-centric financing solutions, flexible repayment structures and our extensive branch network are enabling EV adoption across urban, semi-urban and rural markets, not just where infrastructure already exists but where it is still being built. Our commercial vehicle financing expertise enables us to support first-time EV buyers, small fleet operators and rural entrepreneurs: the segments that will determine the real pace of India's green mobility transition.



The Road Ahead

Growing environmental awareness, government support, EV technology advancements and rising clean mobility adoption continue to strengthen the outlook for green financing in India. We remain focused on deepening ecosystem partnerships, strengthening customer outreach and expanding our green finance portfolio to support long-term sustainable growth.

Brand Management

Saying What We Mean Where It Matters

Our brand stands on a single, enduring belief: financial support at the right moment can change a person's life. Every campaign, every channel and every customer interaction is built to make that belief visible and felt.

Enhancing Brand Visibility in FY 2025-26

We strengthened our presence through a coordinated combination of mass media outreach, local market engagement, digital visibility and branch transformation. The Shri Aarambh Loans campaign drove strong recall across television and digital platforms. Our association with the Pro Kabaddi League built nationwide recognition across a season watched by millions.

At the grassroots level, on-ground activations across semi-urban and rural markets brought us closer to the communities we serve. Our digital platforms recorded healthy organic growth across social media channels. A systematic branch redesign and signage refresh programme across the network created a more modern and consistent experience for every walk-in customer.

Key Campaigns in FY 2025-26

Shri Aarambh Loans (Commercial Vehicle Finance)

Our flagship campaign for the year. Spanning digital and outdoor media, it championed the reality that Shriram Finance helps its customers succeed, and reinforced our commitment to commercial vehicle operators who rely on consistent, accessible finance for their livelihoods.



Gold Loan Campaign

We refreshed our gold loan campaign to sustain top-of-mind awareness in a competitive market, reminding customers that for immediate financial needs, Shriram Finance remains their most dependable partner.



Pro Kabaddi League Sponsorship

We continued our association with the Pro Kabaddi League, securing strong national brand visibility during broadcasts and connecting with audiences, urban and rural, across India's most widely followed contact sport.



Our Face of Trust

Our ongoing association with Rahul Dravid, former captain of the Indian cricket team, continues to anchor the Shriram brand in the principles of integrity, consistency, and resilience. This alignment extends far beyond a conventional endorsement; it reflects a shared commitment to perseverance, humility, and a quiet determination to support others on their journey rather than command the spotlight. These exact attributes mirror the live experiences of our core customers, self-employed individuals, small business owners, and first-generation earners who build their enterprises step by step. Through the #TogetherWeSoar platform and our broader brand communication, his enduring presence deepens the trust, credibility, and clear emotional connection that define Shriram Finance across every community we serve.



Environment, Social and Governance (ESG) Report

Financing the Transition towards Sustainability

At Shriram Finance Limited ('the Company'), sustainability remains integral to its long-term growth strategy and responsible business approach. Serving over **9.73 Million customers**, the Company operates through a network of **3,225 branches and offices, including 535 rural centres**. It continues to create meaningful economic, social, and environmental value through responsible finance, financial inclusion, sustainable mobility solutions, and community development initiatives. The **Board-level ESG Committee** plays a key role in strengthening ESG oversight, while the ESG Charter reinforces the Company's commitment to embedding responsible and sustainable business practices across its operations.

The Company's sustainability approach is aligned with recognised sustainability standards, frameworks, and global goals, including the **Global Reporting Initiative (GRI) Standards, the Business Responsibility and Sustainability Reporting (BRSR) framework, and the United Nations Sustainable Development Goals (UN SDGs)**. The Company continues to integrate ESG considerations across its operations, value chain, and decision-making processes. This is being achieved through enhanced governance mechanisms, strengthened ESG data management systems, and continuous focus on responsible business practices. The Company conducted a **Double Materiality Assessment (DMA) for FY 2025-26**, strengthening its methodology to identify and prioritize material ESG issues, enabling a comprehensive evaluation of topics from both business and impact perspectives.

The Company remains committed to reducing its environmental footprint and **advancing towards**

carbon neutrality for Scope 1 and Scope 2 emissions through ongoing energy efficiency, renewable energy, and decarbonisation initiatives. During FY 2025-26, the Company achieved reductions in both operational emissions intensity and financed emissions intensity. The Company also expanded its green finance portfolio, which crossed **Rs. 1,400 Crores in Assets Under Management (AUM)**, financing over **50,000 green assets including Electric Vehicle (EV) and Rooftop Solar Systems**, thereby contributing to India's transition towards a low-carbon economy.

During FY 2025-26, the Company reinforced its commitment to financial inclusion by extending accessible and affordable financial solutions to over **38.10 Lakhs customers across rural and semi-urban regions**. The Company positively impacted over **3.90 Lakhs beneficiaries** through its Corporate Social Responsibility (CSR) initiatives focused on education, healthcare, promotion of arts and culture, and training and skill development programmes, including support to over **2.85 Lakhs beneficiaries from rural and underserved communities**. The Company further strengthened its human capital by fostering an inclusive workplace, with women accounting for **37% of its workforce across business support roles**, including an even higher representation of **44% within corporate functions**.

A detailed overview of the Company's sustainability performance and progress will be presented in the Sustainability Report FY 2025-26, to be published separately.



Key ESG Highlights FY 2025-26



~4% Reduction
in **Financed Emissions Intensity**

(Financed Emissions Assessment covers ~80% of the Lending Portfolio)

94 tCO₂e/Rs. Crore of AUM in FY 2025-26 from
98 tCO₂e/Rs. Crore of AUM in FY 2024-25

~13% Reduction

in Scope 1 and Scope 2 Emission Intensity per rupee of Turnover

~10% Reduction

in Energy Intensity per rupee of Turnover



Rs. 5,000 Crores

Targeted AUM under Green Finance Vertical

Rs. 1,400+ Crores

AUM under Green Finance Vertical as on March 31, 2026

50,000+

Green Assets Financed through EV and Rooftop Solar Lending

28,000+ tCO₂e

Emissions Avoided through Growing EV Financing Portfolio



Rs. 183 Crores

Annual CSR Budget Outlay

3.90+ Lakhs

Beneficiaries Impacted through CSR Programmes

2.85+ Lakhs

Individuals Impacted from Rural and Underserved Communities



9.73 Million

Customers Served across India

51.88%

Customers in Rural and Semi-Urban Markets

22.72+ Lakhs

First-Time Borrowers Provided Access to Finance

3.41+ Lakhs

Customers Supported through Social Finance Framework

Rs. 9,000+ Crores

Social Loans Allocated under the Social Finance Framework

11.82+ Lakhs

Women Empowered through Financial Support

11.04+ Lakhs

MSMEs Supported through Financing Solutions

1.72+ Crores

Active Users on Shriram One Super App

5.89+ Lakhs

Customers Onboarded through Digital Processes

Best Social Loan – NBFI India

Awarded by The Asset Triple A Awards 2026 for the USD 1.225 Billion Social Loan



India's Top 50 Best Workplaces in BFSI 2026
Recognised by Great Place to Work®

ESG Training

Conducted for Employees and Value Chain Partners

37%

Women Representation in Business Support Roles

Creche Facility

Supporting Employees with Childcare Needs

~99%

Employees Trained in Skill Upgradation, Human Rights, and Health & Safety



Double Materiality Assessment

Conducted to Drive Strategic Focus on Material ESG Issues

Zero

Incidents of Data Breach, Bribery or Corruption

100%

Board of Directors Participation in Training Programmes

Reasonable Assurance

Obtained for BRSR Core Indicators

ESG Committee

Providing Board-Level Oversight of ESG and Sustainability Matters

100%

Employees Trained on Cybersecurity Awareness

ESG Risks

Integrated into Risk Management Framework

ESG Ratings

The Company has achieved a strong ESG ratings highlighting its deep integration of environmental, social, and governance practices into its core business operations. The rating reflects the Company's commitment to sustainability, inclusive growth, and ethical corporate conduct.

NSE	ICRA	CRISIL	Sustainalytics
ESG Rating	ESG Impact Rating	ESG Ratings	ESG Risk Rating (Scores at the lower end indicate lower ESG risk exposure)
72 Leader (December 8, 2025)	82 Outstanding (March 18, 2026)	65 Strong (July 15, 2025)	20.0 Low Risk (November 19, 2025)



Double Materiality Framework

The Company conducted a Double Materiality Assessment aligned with the **European Sustainability Reporting Standards (ESRS)**, marking an important milestone in its sustainability journey and ESG governance. The assessment enabled the Company to identify and prioritise sustainability matters based on their impact on the economy, environment, and society. It also evaluated their potential influence on the Company's long-term financial performance, resilience, and value creation.

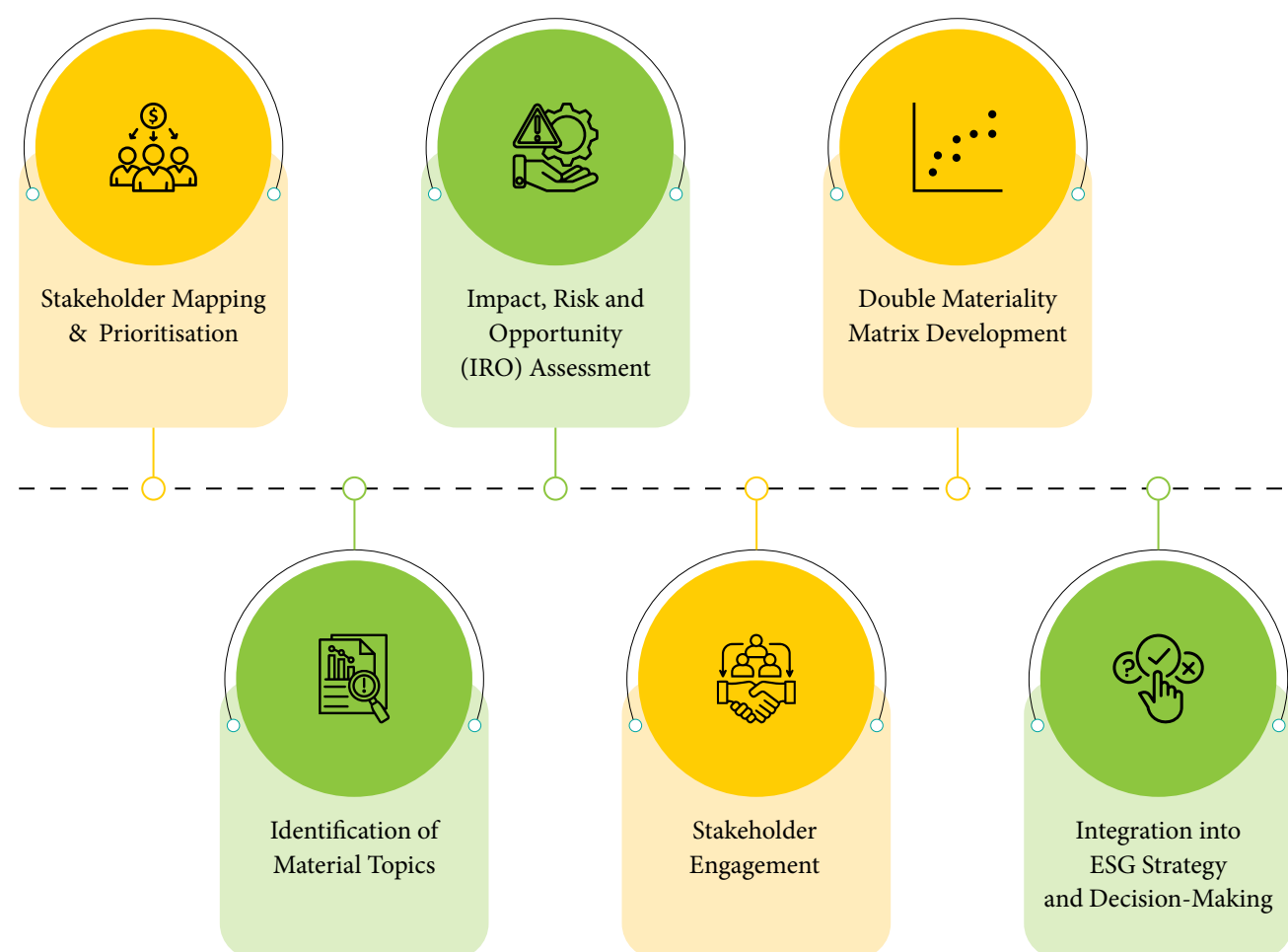
The assessment provided a comprehensive understanding of sustainability-related impacts, risks, and opportunities across the Company's operations, lending portfolio, and value chain. It also strengthened the integration of ESG considerations into business strategy, risk management

and decision-making processes, supporting a proactive and future-focused approach to sustainable growth.

To ensure a robust and balanced evaluation, the assessment was supported by a structured stakeholder engagement process. This process involved the **Directors, Key Managerial Personnel, Senior Management, Employees, Customers, and Suppliers**. Through consultations and feedback mechanisms, the Company gathered insights that reflected diverse stakeholder perspectives. These insights helped identify evolving expectations and emerging sustainability trends while also validating the materiality of key ESG topics. The assessment outcomes provide a strong foundation for enhancing transparency, strengthening ESG performance, and creating long-term value for stakeholders.

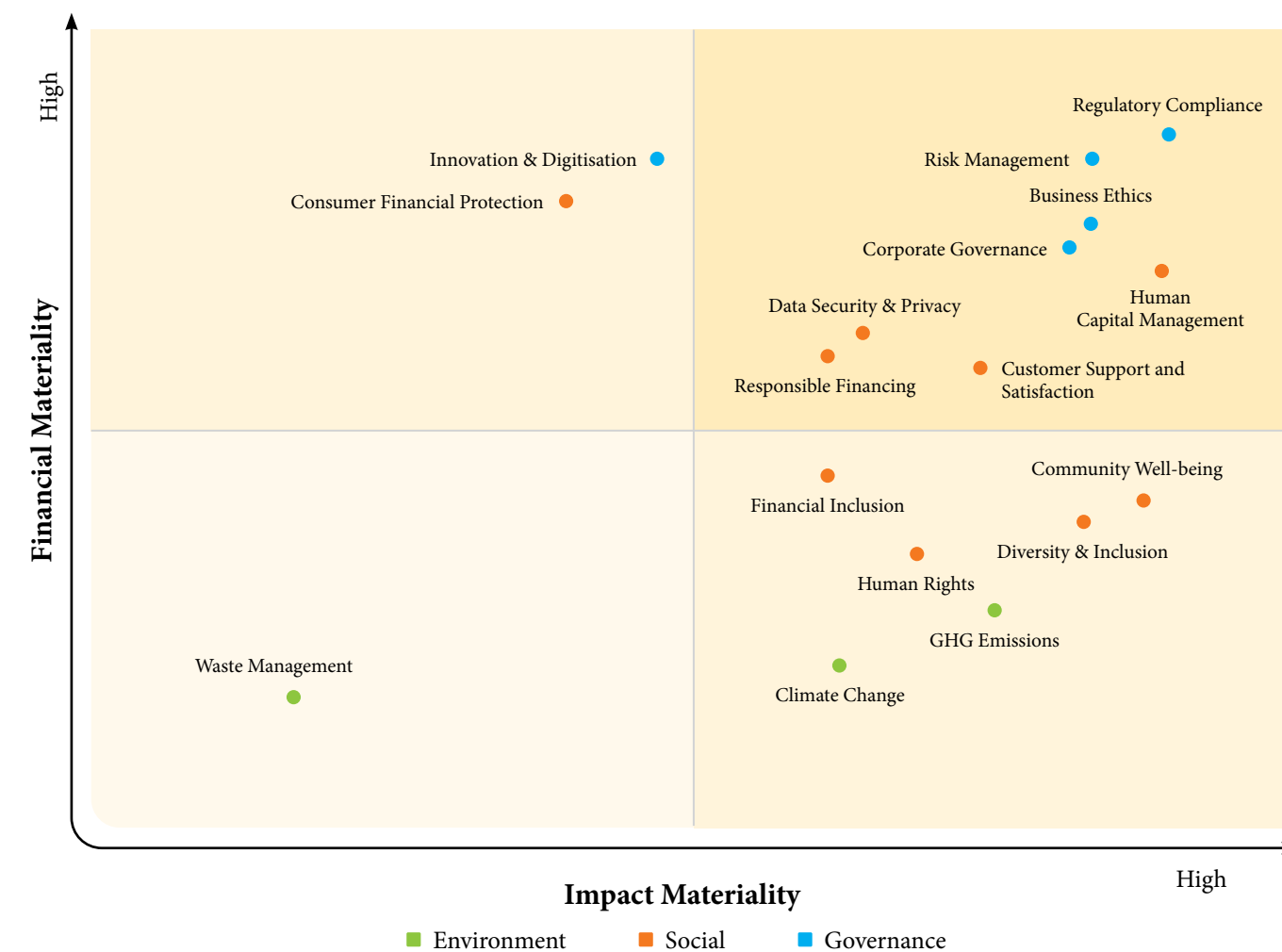
Double Materiality Assessment Process

The Company adopted a structured Double Materiality Assessment process to identify, evaluate, and prioritise sustainability matters that are most significant to its stakeholders and long-term business objectives.



Double Materiality Matrix

The Company has identified **17 material ESG topics** through its Double Materiality Assessment, reflecting their significance from both impact and financial perspectives. Impact Materiality assesses the Company's influence on people and the planet, while Financial Materiality evaluates the potential effects of sustainability-related matters on business performance and long-term value creation.



Advancing the Transition towards Green Finance



Green Financing remains a strategic growth priority for the Company, with a strong focus on sustainable mobility and environmentally responsible financing solutions as a significant opportunity within India's evolving transportation ecosystem. To strengthen its green financing portfolio, the Company is financing electric vehicles across commercial and passenger segments, supporting fleet operators in adopting EV solutions, and expanding financing access for green mobility businesses. It also provides financing for battery charging infrastructure, battery solutions, and solar energy systems. Progressing towards its **Green Finance AUM target of over Rs. 5,000 Crores**, the Company is steadily expanding its green finance portfolio, which crossed **Rs. 1,400 Crores as of FY 2025-26**. Through these efforts, the Company aims to accelerate the adoption of sustainable transportation and clean energy solutions while contributing to India's transition towards a lower-carbon economy.

Leveraging its extensive branch network and expertise in vehicle financing, the Company is enabling wider access to green finance across urban, semi-urban, and rural markets. Its customer-centric financing approach, flexible repayment structures, and understanding of commercial vehicle customers enable it to support first-time EV buyers, small fleet operators, and rural entrepreneurs. The Company also undertakes **customer awareness and engagement programs** to enhance understanding of electric mobility

solutions, address adoption-related concerns, and promote informed decision-making among customers.

To further strengthen the green mobility ecosystem, the Company is building strategic partnerships across the EV value chain. It collaborated with battery-swapping companies such as **SUN Mobility Private Limited and Exponent Energy Private Limited**, along with charging infrastructure providers and technology partners. These collaborations enhance financing accessibility, improve operational efficiency, and strengthen customer confidence in clean mobility solutions.

The Company continues to embed ESG considerations into its lending and risk management processes through responsible financing, support for sustainable assets, and robust governance practices. As the green financing ecosystem evolves, the Company remains focused on addressing emerging challenges through strategic partnerships, product innovation, customer awareness initiatives, and data-driven decision-making.

The outlook for green financing in India remains highly positive, driven by growing environmental awareness, supportive government initiatives, and rapid advancements in EV technology. The Company remains committed to accelerating sustainable finance adoption and delivering long-term environmental and socio-economic value through its green financing initiatives.

Committed to Lowering Environmental Impact



The Company remains committed to minimising its environmental footprint through improved operational efficiency, resource optimisation, and responsible environmental stewardship.

Carbon Emissions Management

The Company has advanced its environmental reporting and emissions management practices across its operational footprint of 3,225 branches and offices. Supported by enhanced digitised data collection and monitoring systems, the Company has improved visibility, transparency, and reporting efficiency across environmental performance indicators. During FY 2025-26, the Company achieved a **10% reduction in energy intensity per rupee of turnover** and a **13% reduction in Scope 1 and Scope 2 emission intensity per rupee of turnover**. These improvements reflect continued progress towards operational efficiency and lower-carbon operations.

Recognising the significance of value chain emissions within the financial services sector, the Company continues to strengthen Scope 3 emissions assessment and reporting across:

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 Commuting

Category 15: Financed Emissions

The Company reports financed emissions in alignment with the **Partnership for Carbon Accounting Financials (PCAF)** methodology, strengthening transparency and climate-related disclosures across its financing portfolio. During FY 2025-26, the financed emissions assessment covered **over 80%** of the Company's lending portfolio. The financed emission intensity declined by approximately 4%, from **98 tCO₂e/Rs. Crores of AUM** in FY 2024-25 to **94 tCO₂e/Rs. Crores of AUM** in FY 2025-26. This improvement was driven by strong portfolio growth and an increasing allocation of financing towards lower-carbon assets, particularly electric vehicles.

Resource Efficiency

The Company continues to strengthen resource efficiency and environmentally responsible operational practices across its establishments. Increasing adoption of electronic

documentation, e-signature solutions, and paperless processes has contributed to a reduction in paper consumption, supporting more efficient resource utilisation. The Company has also enhanced energy efficiency through deployment of LED lighting systems, high-efficiency air conditioning systems, inverter-based power backup solutions, and use of eco-friendly biodegradable materials for branding and promotional activities. Further strengthening responsible resource management, **water meters** were installed at selected locations to improve monitoring and management of water consumption. In addition, e-waste, battery waste, paper, and cardboard waste streams are channelled through recyclers/resellers, and vendor buy-back arrangements for responsible disposal.

Climate Risk Management and Resilience

The Company recognises climate change as an emerging business risk with the potential to impact customers, operations, and long-term portfolio resilience. To strengthen preparedness, climate-related considerations are progressively integrated into lending and risk assessment processes. The Company is further developing a dedicated Climate Risk Policy to enhance governance and climate risk management practices. It is also strengthening focus on environmentally responsible financing through electric mobility, charging infrastructure, solar financing, and renewable energy solutions. These efforts strengthen the Company's ability to manage emerging environmental risks while enhancing resilience across its financing ecosystem.



People, Culture and Well-being



The Company is committed to fostering an inclusive, equitable, and people-centric workplace culture built on diversity, well-being, continuous learning, and mutual respect. As an equal opportunity employer, the Company continues to strengthen employee engagement, professional growth, and workplace inclusivity across its workforce.

The Company prioritises employee well-being through comprehensive health insurance, accident coverage, maternity benefits, and regular health check-up initiatives aimed at promoting preventive healthcare and employee wellness. The Company also continues to undertake employee engagement and wellness initiatives, including domestic and international travel programmes, workplace safety campaigns, and team engagement activities. These initiatives promote employee motivation, collaboration, and mental well-being. Further strengthening its people-focused approach, the Company introduced creche facilities in FY 2025-26 to support female employees with children aged 6 months to 6 years. Managed through an experienced service provider, the facility offers a safe and nurturing environment with trained caregivers, play and rest areas, clean drinking water facilities, and CCTV-monitored premises. These measures reflect the Company's commitment towards employee well-being and work-life balance.

Reinforcing its people-first philosophy, the Company focuses on continuous learning, leadership development, and employee capability building through a range of targeted initiatives. These include the MyCoach Self-Learning Portal, SME upskilling programmes in collaboration with Manipal University, academic partnerships with Bharath University and Symbiosis University, and the in-house Management Education

Scheme (MES). During FY 2025-26, the Company achieved approximately 99% employee training coverage across skill upgradation, health and safety, and human rights initiatives, while around 90% of employees were covered under performance and career development reviews. Employee engagement and workplace culture were further strengthened through initiatives such as *Swachh Shriram*, promoting sustainability awareness and responsible community practices. The Company also recognised employees for inspiring contributions through social work, community service, and personal achievements under the *Shining Star* programme. The Company's continued investment in employee well-being and workplace excellence has been recognised through its ranking among the **India's Top 50 Best Workplaces in BFSI 2026**. The Company also received the best workplaces in **Health & Wellness from Great Place to Work® for three consecutive years**.

The Company remains committed to upholding human rights and fostering a safe, respectful, and inclusive workplace built on the principles of equal opportunity, diversity, fairness, and mutual respect. This commitment is reinforced through robust people practices, workplace policies, awareness and sensitisation initiatives, and effective grievance management mechanisms, including the Internal Complaints Committee (ICC), to protect employee rights and well-being. Further strengthening employee trust and workplace satisfaction, the HRMS portal provides a confidential platform for employees to raise concerns and seek support, ensuring strong Grievance Redressal Mechanism. Each matter is directly monitored by the Chief Human Resources Officer (CHRO), ensuring timely resolution and effective redressal.



Building Inclusive and Customer-Centric Growth



Rs. 25,000+ Crores
Financing Extended to
Empower Women Borrowers

Rs. 73,000+ Crores
Financing Extended for
MSME Growth

Customers remain the cornerstone of the Company's growth journey, with **over 9.73 million customers** served across diverse geographies and segments. The Company is committed to advancing financial inclusion through accessible, affordable, and responsive financial solutions for underserved and underbanked communities across urban, semi-urban, and rural markets. Through simplified lending processes, seamless onboarding, and relationship-driven service delivery, the Company continues to strengthen customer trust and long-term engagement.

Leveraging its extensive market presence, digital capabilities, and deep understanding of customer needs, the Company enhances customer experience across the lending lifecycle. Its focus on personalised engagement, service efficiency, and digital innovation enables convenient access to products and services. Through platforms such as the **Shriram One Super App**, customers are able to access financial products, repayment facilities and other value-added services through a unified digital interface.

To strengthen customer confidence and service excellence, the Company has established a robust grievance redressal framework supported by a centralised Customer Service Management System (CSMS). The platform enables efficient recording, tracking, and resolution of customer complaints received through multiple channels, including branches, call centres, websites, mobile applications, email, and social media platforms. Supported by a structured escalation mechanism and oversight from the Grievance Redressal Officer (GRO), the framework ensures timely resolution of grievances. It enhances accountability and transparency, contributing to improved customer satisfaction across operations.

Social Finance Framework

The Company has established a Social Finance Framework to facilitate the issuance of Social Finance Instruments and channel capital towards projects that generate measurable social impact. The framework is aligned with the International Capital Market Association (ICMA) Social Bond Principles and is supported by independent external review. Through this framework, the Company reinforces

its commitment to responsible financing while expanding access to formal financial services for underserved segments of society.

Essential Elements of the Social Finance Framework

Eligible Projects

Projects that promote financial inclusion, support livelihood creation, generate employment opportunities, and contribute to broader socio-economic development.

Eligibility Criteria

Financing extended to underserved road transport operators, women borrowers, MSMEs, and low-income communities, while excluding activities and sectors restricted under the Social Finance Framework.

Target Population

Underserved and underbanked segments, including first-time borrowers, women borrowers, MSMEs, low-income groups, and economically weaker sections with limited access to financial services.

Social Finance Working Group (SFWG)

Oversees project evaluation, allocation of proceeds, monitoring, and reporting, ensuring alignment with the Social Finance Framework, ESG risk considerations, and transparency requirements.



Fostering Digital Innovation

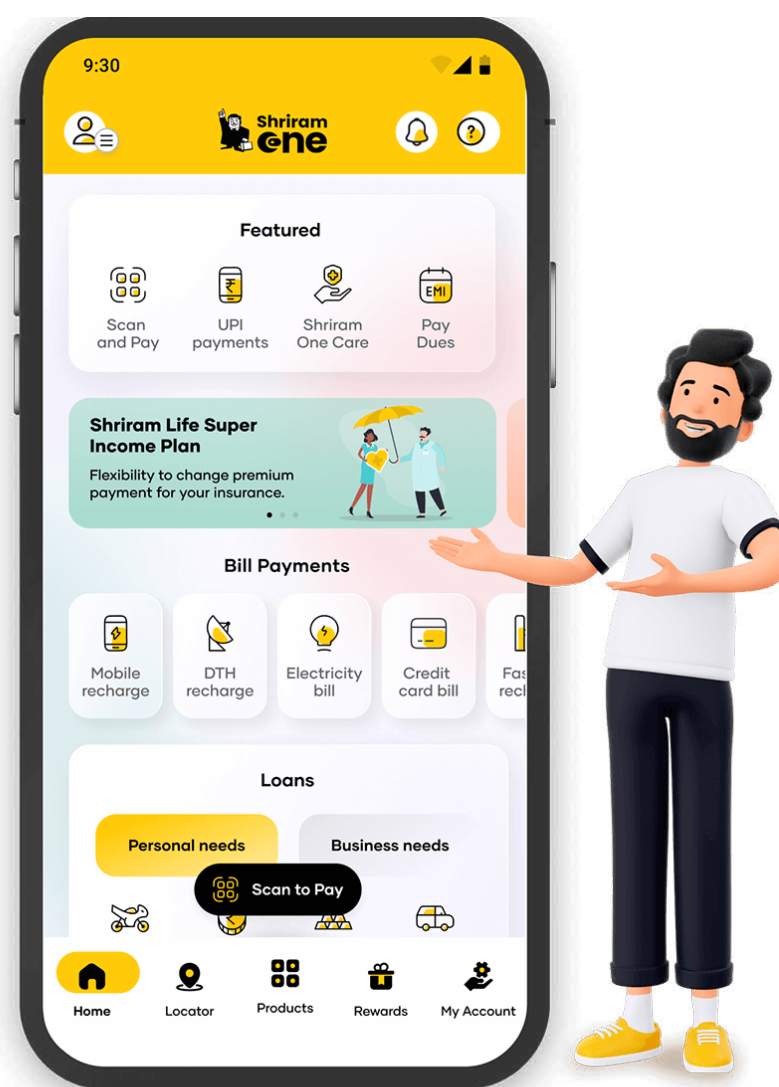
As a technology-led organisation, the Company continues to leverage digital innovation to enhance customer experience, strengthen operational efficiency, and drive scalable growth. The Company has significantly advanced its digital capabilities through the adoption of Artificial Intelligence (AI), Machine Learning (ML), advanced analytics, cloud computing, and integrated digital platforms. This has enabled faster decision-making, improved service delivery, and personalised customer engagement across the lending lifecycle.

A notable milestone in this journey was the launch of India's first Blockchain-assured Digital Fixed Deposit Certificates, strengthening transaction security, transparency, and customer confidence through advanced cryptographic safeguards. The Company has also deepened integration with the financial and public digital infrastructure through India Stack. It has deployed technology-enabled solutions such as Video KYC, digital consent management implemented across various touchpoints and automated field investigation allocation to simplify customer onboarding and improve operational agility. During FY 2025-26, **over 5.89 Lakhs** customers were onboarded through digital processes, strengthening access to financial services through faster, simpler, and technology-enabled customer journeys.

Further strengthening its digital ecosystem, the Company leverages AI-enabled customer service platforms, smart CRM systems, automated lead management solutions, and the **Shriram One Super App** to deliver seamless, paperless, and responsive customer experiences. Guided by its 'First-Time-Right' philosophy and same-day disbursal

capabilities, the Company continues to reduce manual interventions and improve turnaround times. Parallely, it is also expanding digital accessibility while enabling a more intelligent, efficient, and customer-centric lending ecosystem.

In FY 2025-26, the Company reported zero material data breaches and achieved **100% cybersecurity training** coverage across its workforce.



Empowering Communities and Livelihoods

Through its CSR programmes, the Company continues to create meaningful and long-term social impact across education, healthcare, promotion of arts and culture, and training and skill development. These programmes empower underserved and vulnerable communities through sustainable and outcome-driven interventions. They enhance access to quality education, healthcare, technical training, financial and digital literacy, interpersonal skills and livelihood opportunities, thereby fostering inclusive and resilient communities.



Regular Scholarship Program

Overview

The Regular Scholarship Program supports children from transport-industry families by enabling uninterrupted education from Classes 8 to 12 through financial assistance linked to academic performance and family income. This program aims to reduce financial barriers to education, encourage academic continuity, and improve educational aspirations among economically disadvantaged households. This program contributes to the achievement of Sustainable Development Goals 4 and 10, aiming to promote quality education to children from transport-industry families.

Impact Highlights

This scholarship program delivered significant educational impact by addressing financial barriers to education and improving learning outcomes among beneficiaries. Prior to receiving the scholarship, 73% of students reported challenges in managing education-related expenses; however, the support enabled 100% of beneficiaries to continue their school education. Additionally, 85% of students reported improvement in academic performance, while 87% of respondents observed increased participation of girls in continuing their schooling. This program also strengthens long-term educational aspirations by encouraging students to pursue higher education and future career opportunities, thereby promoting greater educational access.



Mobile Medical Unit (MMU) Program

Overview

The Mobile Medical Unit program (MMU) provides accessible primary healthcare services to truck drivers, their families, and underserved communities through mobile medical units stationed at key transport hubs. This program offers free consultations, diagnostic services, medicines, preventive healthcare awareness sessions, and continuity of care support through trained healthcare professionals and digital health systems.

Impact Highlights

This program delivered significant healthcare impact within the trucking community by improving access to quality healthcare services and strengthening health outcomes. This program achieved over 96.7% beneficiary satisfaction, while 91.3% of truck drivers reported a reduction in out-of-pocket healthcare expenditure. This program also contributed to improved management of chronic conditions, with 84.6% of beneficiaries reporting reduced severity of chronic conditions. Further, 74.7% of beneficiaries experienced significant relief from illnesses, reflecting enhanced healthcare accessibility, continuity of care, and improved health-seeking behaviour among the trucking community.



Two Wheeler Automotive Program

Overview

The Two-Wheeler Automotive Program provides employability and livelihood through placement-linked vocational training programs for youth from disadvantaged backgrounds. The program focuses on practical technical training in two-wheeler repair and servicing, workplace readiness, communication skills, financial literacy, and placement support to create sustainable employment opportunities in the automotive sector.

Impact Highlights

The program delivered strong livelihood and employability outcomes, with 78.22% of participants securing employment and 87.1% obtaining placements within three months of training completion. Further, 90.26% reported successful job conversion, while 66.8% continued working within the automotive sector, demonstrating the sustained relevance and applicability of the skills acquired. The program also contributed to improved socio-economic well-being. Notably, 83.67% of trainees reported an enhanced ability to financially support their families and 84% reported significant improvement in practical technical skills, strengthening workplace readiness and long-term livelihood opportunities.



Light Motor Vehicle (LMV) Driver Training Program

The LMV Women Driver Training Program represents a powerful step toward gender equity in India's mobility landscape. In a sector where women make up less than 1% of the commercial driving workforce, this initiative challenges stereotypes, breaks barriers, and creates pathways for women to enter a traditionally male-dominated profession. The program not only equips women with technical driving skills but also empowers them socially and economically.

The program is structured across 45–60 days and follows the Skill India Certification framework. Women receive instructor-led theory and practical training, complemented by supervised on-road practice. The curriculum covers defensive driving, traffic rules, safety protocols, documentation assistance, vehicle maintenance, eco-driving techniques, and personal wellness.

Many women who join the program come from vulnerable, low-income families, often with limited education or mobility exposure. The training becomes not just a livelihood opportunity but a turning point for dignity and independence.

Impact
1,600+
Beneficiaries



Heavy Motor Vehicle (HMV) Driving Training Program

The HMV Driver Training Program plays a critical role in narrowing the gap of shortage of heavy commercial vehicles drivers by equipping existing LMV drivers with the skills and certification from the Logistics sector skill council (LSC).

The program follows a structured 45–60-day training schedule, combining hours of theory and practical learning with supervised on-road HMV driving. Modules cover essential topics such as road safety, handling of heavy vehicles, documentation and licensing, traffic regulations, vehicle fitness, eco-friendly driving, and long-distance driving readiness.

The program also integrates wellness components, including Truck Aasanas, nutrition guidance, rest and sleep hygiene, and financial literacy- recognizing that a healthy driver is a safer and more productive driver. This holistic approach ensures that participants develop both technical competence and personal resilience.

Impact
300+
Beneficiaries



Refresher Driver Training Program

The Refresher Driver Training & Certification Program addresses these systemic challenges by offering a structured, CSR-aligned one-day intensive upskilling intervention. The program is designed to strengthen driver safety, enhance technical competence, and promote holistic well-being through a curriculum aligned with national Skill India certification.

Drivers receive focused instruction in crucial areas such as updated traffic regulations, responsible driving behaviour, defensive driving techniques, Truck Aasanas and the dangers associated with alcohol consumption on the road. Additionally, modules on vehicle maintenance and basic self-repair empower drivers to independently manage breakdowns and enhance vehicle longevity—an essential skill for those who rely on their vehicles for daily earning.

Implemented across multiple training locations nationwide, this program has emerged as a scalable, impactful initiative aimed at improving road safety standards and empowering drivers with modern-day skills. By transforming mindset, upgrading knowledge, and instilling discipline, the Refresher Program ensures that India's vast driver community is safer, more aware, and better equipped to navigate the evolving demands of the transportation industry.

Impact
56,000+
Beneficiaries



ESG Governance and Ethical Business Conduct



At the Company, strong governance remains fundamental to responsible growth, stakeholder trust, and long-term value creation. Guided by an experienced Board and leadership team, the Company continues to strengthen governance oversight, risk management, transparency, and regulatory compliance across its operations. This governance framework is further supported by specialised Board Committees that oversee key strategic, operational, risk, and corporate governance matters, ensuring effective accountability and informed decision-making.

ESG Oversight

The Company continues to integrate environmental, social, and governance considerations into its governance and decision-making framework through its **Board-level ESG Committee**. The ESG Committee provides strategic oversight of the Company's sustainability agenda by recommending ESG strategy and priorities to the Board. It oversees ESG-related policies, practices, performance, and the Social Finance Framework. The Committee also reviews ESG disclosures and reporting standards and approves the ESG Report.

Business Ethics

Ethical conduct remains central to the Company's governance culture. It is reinforced through the Company's Code of Conduct, governance policies, and compliance frameworks that promote integrity, transparency, accountability, and responsible business behaviour across all business activities. The Company maintains a zero-tolerance approach towards bribery, corruption, unethical practices, and anti-competitive behaviour, supported by robust internal controls, due diligence processes, and whistleblower mechanisms. The Company's commitment to responsible governance drives the integration of sustainability principles across its operations. Regular training and awareness programs on ethics, compliance, and responsible business conduct reinforce employee accountability, transparency and strengthen a culture of integrity throughout the Company.



Board of Directors

The Council Anchors of Our Long-term Intent



Mr. Jugal Kishore Mohapatra
Chairman, Independent Director



Mr. Umesh Revankar
Executive Vice Chairman



Mr. Parag Sharma
Managing Director & Chief Executive Officer



Mr. Gokul Subramanian Dixit
Independent Director



Mrs. Bhanumathi Viswanathan Melattur
Independent Director



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



Mr. S. Sunder
Joint Managing Director & Chief Financial Officer



Mr. Pradeep Kumar Panja
Independent Director



Mr. Ravindran Shunmugakani
Independent Director



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



Mr. Morihiko Fuji
Non-Executive & Non-Independent Director



Mr. Shinichi Fujinami
Non-Executive & Non-Independent Director



MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMIC OVERVIEW

Global growth is estimated at 3.4% in 2025, with a slight moderation to 3.1% in 2026 before stabilising at 3.2% in 2027. This reflects a phase of steady expansion, supported by easing inflation and sustained investments in technology, even as trade policy uncertainties and evolving geopolitical dynamics continue to shape the broader economic landscape. Despite ongoing global challenges, growth remains resilient, supported by policy measures and continued momentum in private sector investment.

Navigating an Uncertain Landscape

The prolonged Russia-Ukraine conflict continued to unsettle energy markets, commodity flows, and agricultural trade, particularly affecting Europe’s energy dynamics. The Middle East witnessed escalating tensions since late February, with the conflict around Iran disrupting shipping through the Strait of Hormuz and raising concerns over other critical trade corridors, including Red Sea routes. Meanwhile, strategic rivalry between the United States and China resulted in tariff wars, tighter technology controls, and competition over critical minerals. This accelerated supply chain restructuring through friend-shoring and near-shoring strategies.

Beyond major power rivalries, instability across several emerging markets is compounding pressures on global trade, investment, and capital flows. Sanctions are changing trade dynamics, increased defence expenditure is redefining priorities, and shifting global alliances are reshaping engagements. In this environment, businesses are promptly evaluating their sourcing models, investment strategies, and long-term geographic exposure. Moreover, the realignment of the geopolitical landscape is driving economies to boost domestic manufacturing capabilities, expand clean energy initiatives, strengthen electric mobility ecosystems, and accelerate digital infrastructure, as new trajectories evolve for medium-term growth.

Gradual Easing of Inflation

Inflationary pressures are easing, reinforcing the outlook for stable expansion. Global headline inflation is expected to decline from 4.1% in 2025 to 3.8% in 2026 and further to 3.4% by 2027. This trend is supported by moderating commodity prices, particularly energy and easing supply-side constraints. However, the pace of disinflation is expected to remain uneven, with some major economies returning to target levels more gradually than others.

Road Ahead

Global economic conditions are expected to remain steady over the near term, supported by stable domestic demand in several economies and easing inflationary trends. The IMF projects global growth at 3.1% in CY 2026 and 3.2% in CY 2027, while inflation is expected to moderate further from 4.1% in CY 2025 to 3.8% in CY 2026 and 3.4% in CY 2027.

However, the pace of expansion is likely to remain below long-term trends, reflecting the continued impact of trade policy changes, tariff-related developments and geopolitical factors on global trade and investment flows. The trajectory of growth and inflation will remain dependent on the stability of energy prices, evolving policy responses and the absence of significant supply-side disruptions, shaping the overall economic environment in the coming period.

INDIAN ECONOMIC OVERVIEW

India continued to stand out as a key anchor of global growth, registering a GDP of 7.7% in FY 2025-26. The strength of the economy remains rooted in domestic demand, with consumption and investment together providing a stable growth base. Private consumption remains the primary driver, supported by rising real incomes, stable employment conditions, and improving rural and urban demand. Favourable agricultural output and policy measures, including tax rationalisation, have further strengthened household spending, enabling consumption to remain steady despite external uncertainties.

Investment Momentum and Infrastructure Push

Investment activity has remained firm, with Gross Fixed Capital Formation, holding at a healthy share of GDP. Public capital expenditure, particularly in infrastructure, continues to crowd in private sector participation and reinforce medium-term growth. Additionally, improving business sentiment and capacity expansion across sectors are also reinforcing this momentum.

Easing Inflation and Monetary Support

India’s macroeconomic environment has become increasingly supportive of growth. Inflationary pressures have eased significantly, with headline CPI inflation averaging around 1.7% during April-December, FY 2025-26, aided by softer food prices and stable supply conditions. In response, the Reserve Bank of India kept the repo rate unchanged at 5.25% as of June 2026, reflecting a calibrated approach to supporting growth while keeping inflationary pressures under watch. This moderation has provided room for a more accommodative monetary stance, with policy measures aimed at supporting liquidity, lowering borrowing costs, and enhancing credit flow across sectors.

Prudent Fiscal Management

Fiscal management has remained disciplined and growth-oriented. Strong tax collections, continued progress

in GST implementation, and calibrated expenditure have enabled the Government to sustain capital spending while maintaining fiscal discipline. Alongside a stable financial sector and ongoing structural reforms, these factors are reinforcing confidence and supporting broad-based growth. Even amid a challenging global backdrop marked by trade disruptions and financial volatility, India’s domestically driven growth model, supported by policy stability and structural strength, continues to provide resilience and visibility to the outlook.

GDP Growth Rate

(in %)				
FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
8.7	7.0	7.2	6.5	7.7

Sector-wise Performance in FY 2025-26

Agriculture and Allied Sectors: Agriculture and allied sectors is estimated to grow by 3.1% in FY 2025–26, supported by favourable monsoon conditions and the steady performance of allied segments such as livestock and fisheries. The rising contribution of these relatively stable activities is strengthening overall sector resilience, helping cushion the impact of periodic variability in crop output.

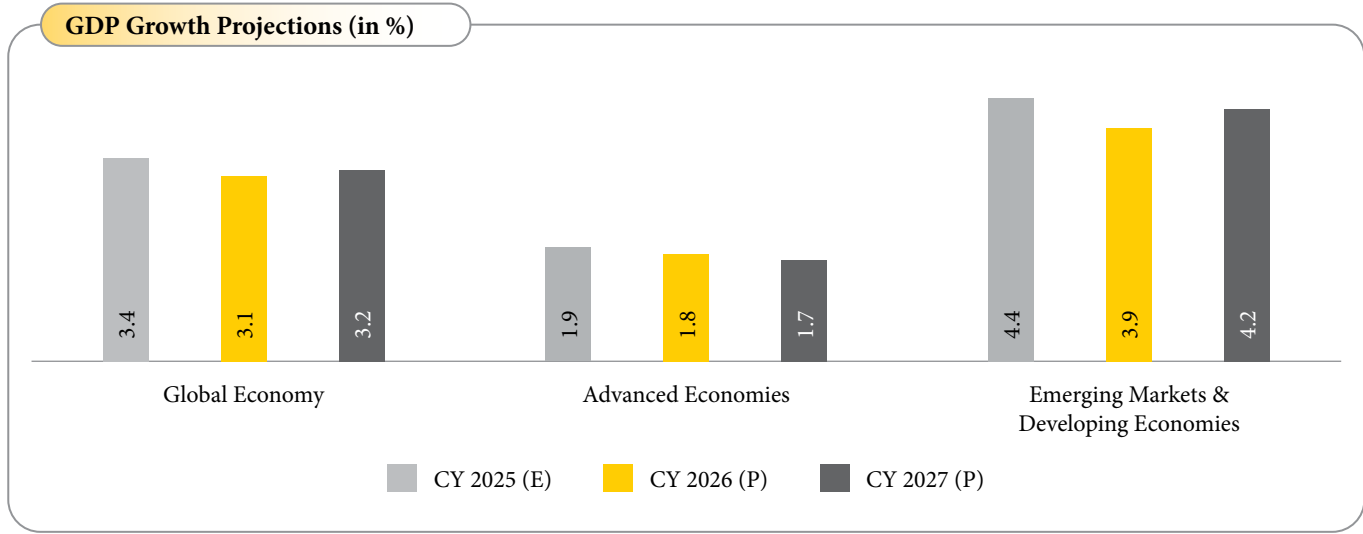
Industry: The industrial sector is estimated to grow by 6.2% in FY 2025–26, reflecting improving momentum across key segments. Construction activity continues to remain robust, supported by sustained public capital expenditure and ongoing infrastructure investments. Strong demand for core materials such as steel and cement further indicates continued traction in infrastructure and real estate development.

Services: The services sector is estimated to grow by 9.1% in FY 2025–26, maintaining its position as the primary driver of economic growth. The expansion reflects broad-based strength across service segments, supported by rising demand, increasing formalisation, and continued digital adoption, reinforcing its contribution to overall economic activity.

Union Budget, FY 2026-27

The Union Budget for FY 2026–27 outlines a calibrated approach to sustaining economic momentum while reinforcing fiscal prudence. Total government expenditure is pegged at approximately Rs. 53.47 Lakh Crores, with infrastructure remaining the centrepiece of the spending plan. Capital expenditure (CapEx) has been raised to around Rs. 12.2 Lakh Crores, up from Rs. 11.2 Lakh Crores in the previous year. This underscores the Government’s commitment to infrastructure-led growth through targeted investments in transport, energy, digital connectivity and urban development.

Complementing public spending, initiatives such as the Infrastructure Risk Guarantee Fund aim to crowd in private



E: Estimated
P: Projected
(Sources: World Economic Outlook, April 2026)



investment and enhance project viability. The Budget also supports agriculture, healthcare and manufacturing, while advancing India's ambition to emerge as a global hub for production and innovation. At the same time, it follows a clear fiscal consolidation path, with gradual reduction in the fiscal deficit and debt levels to support macroeconomic stability alongside investment-led expansion.

(Source: <https://newsonair.gov.in/rbi-keeps-repo-rate-unchanged-at-5-25-retains-neutral-stance/>, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219907>, https://www.indiabudget.gov.in/doc/budget_speech.pdf, <https://dbtbarhat.gov.in/>, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2269518®=3&lang=1>, https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&lang=1*=3&utm_, https://www.mospi.gov.in/uploads/latestReleases/latest_release_1767781372753_1380ce82-f5a5-440d-99e6-e6b35af0deb5_GDP_Press_Note_on_FAE_2025-26.pdf, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2220800®=3&lang=1>)

INDIAN FINANCIAL SERVICES SECTOR OVERVIEW

India's financial services sector entered FY 2025–26 on a stronger and more stable footing, underpinned by resilient economic activity, sustained credit demand and a more balanced interest rate environment. The central bank has highlighted that the banking system remains well-capitalised and adequately liquid, even as credit and deposit growth normalised from the elevated levels seen in the previous year.

Financial Inclusion Driving Expansion

Structural drivers such as financial inclusion and digital adoption continued to reinforce sectoral momentum. The RBI's Financial Inclusion Index improved to 67 in 2025, reflecting broader access to formal financial services. At the same time, India's digital payments ecosystem maintained its rapid expansion, with total transactions reaching 22,831 Crores in FY 2024–25. UPI remained a key enabler of this transformation, recording 20,394 Million transactions in February 2026 alone, underscoring its central role in everyday financial activity and the ongoing shift towards a less-cash economy.

Additionally, the sector maintained a strong focus on prudence and risk management.

Policy Support with Regulatory Vigilance

Policy discussions around enhancing credit access for small businesses, including proposals to increase collateral-free loan limits, signal continued support for inclusive growth. However, regulatory guidance and supervisory assessments also emphasised the need for caution in select lending segments, particularly within non-bank financial institutions where pockets of stress have emerged. Overall, India's financial services sector continues to play a pivotal role in supporting economic expansion, while adapting to evolving

credit dynamics, accelerating digital transformation and a progressively strengthening regulatory framework.

(Source: <https://data.rbi.org.in/DBIE/>, <https://www.reuters.com/world/india/india-central-bank-holds-policy-rate-expected-2026-02-06/>, <https://www.reuters.com/world/india/india-central-bank-cuts-repo-rate-by-25-bps-widely-expected-2025-12-05/>, <https://economictimes.indiatimes.com/tech/technology/upi-transactions-surge-27-annually-at-20-39-billion-in-february-npci/articleshow/128906902.cms?from=mdr>, <https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154980&ModuleId=3®=3&lang=1>, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213154®=48&lang=2>)

INDUSTRY SCENARIO AND FINANCING

The Non-Banking Financial Company (NBFC) sector has emerged as a vital pillar of India's financial ecosystem, complementing the traditional banking system by expanding credit access across underserved and niche segments. Over the past two decades, NBFCs have demonstrated strong and sustained growth in assets under management (AUM) and credit disbursement, driven by rising demand across retail, MSME, infrastructure and consumer financing. By 2025, the sector's total assets had reached approximately Rs. 45 Trillion, reflecting its deepening role in India's credit landscape and its increasing relevance in bridging structural financing gaps.

Sustained Growth Momentum

NBFCs are expected to continue outpacing traditional bank credit growth, with loan books projected to expand at a healthy 15–17% through FY 2025–26. This growth momentum is underpinned by their ability to operate in specialised niches, adopt agile underwriting models, and leverage digital distribution channels to penetrate deeper into underbanked markets. Their focus on segments such as small business financing, vehicle loans, consumer credit, microfinance and co-lending partnerships with banks and fintech players has significantly strengthened financial inclusion across rural, semi-urban and urban geographies.

The integration of technology, particularly through digital lending platforms, has further accelerated credit delivery, enabling faster onboarding and broadening access to formal finance for millions of borrowers. However, the sector's rapid expansion, particularly in unsecured lending segments such as small-ticket personal loans, fintech-originated credit and certain microfinance portfolios have introduced emerging asset quality pressures. Rising delinquencies in these segments highlight the need for calibrated growth and stronger risk frameworks. In response, the regulatory landscape has evolved significantly, with the Reserve Bank of India introducing the Scale-Based Regulatory (SBR) framework to enhance oversight, strengthen governance standards, and align prudential norms with the systemic importance of NBFCs. This framework ensures that larger

and more complex entities maintain robust capital adequacy, liquidity buffers and risk management practices, while also extending supervisory attention to smaller NBFCs.

Way Forward

The medium-term outlook for the sector remains constructive yet balanced. As per CRISIL, NBFC AUM is expected to grow at a mid-teen rate through FY 2026–27, potentially surpassing Rs. 50 trillion, supported by strong consumption demand and the ongoing formalisation of credit in the economy. At the same time, factors such as elevated funding costs, intensifying competition and tighter regulatory compliance requirements may exert pressure on margins. Continued investments by corporates and fintech players in digital lending ecosystems are also likely to reshape the competitive landscape. Overall, while the Indian NBFC sector remains structurally resilient and well-positioned for growth, its long-term sustainability will depend on disciplined underwriting, prudent capital management and close alignment with an evolving regulatory environment.

(Source: https://www.business-standard.com/industry/news/nbfc-face-funding-pressure-despite-healthy-outlook-crisil-ratings-125112400780_1.html?utm_, <https://bfsl.eletsonline.com/indias-top100-nbfc-ranking-2025/>, https://www.business-standard.com/finance/news/nbfc-loans-to-grow-15-17-in-fy26-on-gst-reforms-liquidity-boost-icra-125091001373_1.html)

COMMERCIAL VEHICLE (CV)

The Indian Commercial Vehicle segment achieved its highest-ever sales of 1.08 Million units in FY 2025–26, recording growth of 12.6% year-on-year, supported by robust freight demand, lower financing costs following repo rate reductions, GST 2.0 reforms, and sustained public infrastructure spending. Export momentum remained strong, with volumes rising 17.4% to 0.095 Million units, driven by continued demand from neighbouring countries and the Middle East. Beyond volume growth, the automotive sector is also undergoing a structural transformation, with increasing emphasis on efficiency, reliability, safety and technological advancement. A pivotal trigger came in September 2025 with the reduction in GST rates from 28% to 18%, which lowered upfront vehicle costs and unlocked deferred fleet purchases.

(Source: <https://www.siam.in/news-&-updates/press-releases/auto-industry-performance-of-q4-jan--march-2026-fy-2025-26/605>)

PASSENGER VEHICLE (PV)

The Passenger Vehicle segment achieved its highest-ever sales of 4.64 Million units in FY 2025–26, registering growth of 7.9% year-on-year, supported by GST rationalisation, personal income tax relief, lower financing costs following RBI repo rate cuts, and improving consumer sentiment. Export performance was equally strong, reaching a record 0.90 Million units, up 17.5%, driven by sustained demand

across key international markets, including the Middle East, Africa and Latin America.

(Source: <https://www.siam.in/news-&-updates/press-releases/auto-industry-performance-of-q4-jan--march-2026-fy-2025-26/605>)

TWO-WHEELER (2W) AND THREE WHEELER (3W)

The Two-Wheeler segment surpassed its previous peak to achieve record sales of 21.7 Million units in FY 2025–26, registering growth of 10.7%, supported by improving urban consumption, rising discretionary spending, GST 2.0 reforms, and increasing electric vehicle adoption. Export performance remained equally strong, with volumes reaching an all-time high of 5.18 Million units, up 23.4% over FY 2024–25, driven by expanding product portfolios, growing global acceptance of Indian brands, strong product quality and favourable currency dynamics. Three Wheelers recorded domestic sales of 836,231 units in FY 2025-26, registering a 12.79% year-on-year growth.

The growth trajectory, however, has been uneven across the year, with strong spikes during festive and seasonal periods and softer retail trends in some months due to weather disruptions and purchase deferment. Structurally, scooters and entry-level motorcycles continued to anchor volumes, while electric two-wheelers saw gradual but steady adoption, indicating a transition phase rather than rapid disruption. Overall, FY 2025-26 can be characterised as a stable growth year with improving fundamentals, though the pace remains moderate and partly policy-supported rather than a full cyclical boom.

(Source: <https://www.siam.in/news-&-updates/press-releases/auto-industry-performance-of-q4-jan--march-2026-fy-2025-26/605>)

TRACTOR AND FARM EQUIPMENT

India's tractor and farm equipment sector has witnessed a strong upswing in FY 2025–26, underpinned by robust demand fundamentals and favourable policy support. Tractors achieved domestic sales of 1,050,077 units in FY 2025-26 against 883,095 units in FY 2024-25, reflecting an 18.95% year-on-year increase. According to ICRA, the industry's wholesale volume growth outlook has been sharply revised upward to 15–17%, compared to an earlier estimate of 8–10%. The momentum marks a significant acceleration from the modest 7% growth recorded in FY 2024–25, reflecting a broad-based recovery in rural demand and farm sector sentiment.

The growth has been supported by a combination of policy interventions and favourable agricultural conditions. The reduction in GST on tractors to 5% has played a pivotal role in improving affordability, leading to price reductions of approximately Rs. 40,000 to Rs. 100,000 across horsepower categories and thereby stimulating demand. Additionally,

the 2025 southwest monsoon, which recorded rainfall at 108% of the long-period average, has strengthened crop output prospects and enhanced farm incomes despite some regional disparities. Looking ahead, the sector is also expected to benefit from pre-buying activity ahead of the implementation of TREM V emission norms from April 1, 2026, as customers and dealers advance purchases to avoid potential cost increases.

(Source: <https://www.autocarpro.in/news/vertis-infrastructure-launches-truck-mounted-attenuator-for-highway-safety-130315>, <https://tractorguru.in/news/tractor-news/retail-tractor-sales-report-fy-2025-26>, <https://www.icra.in/Research/ViewResearchReport/rural-tailwinds-and-gst-rationalisation-lifts-industry-volumes-to-record-highs/6711>)

CONSTRUCTION EQUIPMENT

India’s construction equipment (CE) segment is expected to expand from USD 8.55 Billion in 2025 to USD 9.24 Billion in 2026, reaching approximately USD 13.61 Billion by 2031, implying a CAGR of about 8.05% over 2026–2031. This growth trajectory is primarily supported by large-scale public infrastructure programmes, particularly the National Infrastructure Pipeline (NIP), a multi-trillion-dollar initiative driving demand across earthmoving, road construction and material handling equipment. According to the Indian Construction Equipment Manufacturers’ Association (ICEMA), construction equipment sales moderated in FY 2025-26, declining by approximately 2% year-on-year to 136,995 units from 140,191 units in FY 2024-25. At the same time, the implementation of stricter CEV Stage V emission norms from 2025 is accelerating the shift towards cleaner and more efficient machinery, while localisation efforts are helping reduce supply chain dependencies and moderate import costs.

The National Infrastructure Pipeline spans thousands of projects across transport, energy, and urban infrastructure, creating a strong and sustained equipment demand pipeline. This has already translated into tangible industry growth, with equipment sales rising sharply in FY 2023–24, led by earthmoving machinery and road construction equipment. Large infrastructure corridors such as the Delhi-Mumbai Industrial Corridor and Bharatmala Phase I continue to anchor demand, particularly for excavators, backhoe loaders, and compactors, given their central role in highway and logistics network expansion. The broad-based nature of these investments ensures demand visibility across multiple equipment categories and geographies.

Policy-driven initiatives like Bharatmala Pariyojana and PM Gati Shakti have further transformed the sector by accelerating project execution and improving inter-ministerial coordination. The rapid rollout of highway construction

under Bharatmala, alongside synchronised infrastructure planning under PM Gati Shakti, has significantly boosted demand for specialised road construction equipment such as asphalt pavers and motor graders. Additionally, regional shifts in infrastructure spending, particularly towards the North-East, along with mining sector reforms and the rise of equipment rental platforms are expanding market access and supporting long-term growth across both large contractors and smaller players.

(Source: <https://www.mordorintelligence.com/industry-reports/india-construction-equipment-market>, <https://www.autocarpro.in/news/indian-construction-equipment-industry-sees-2-sales-decline-in-fy26-amid-slower-infrastructure-execution-132488>)

MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES)

Micro, Small and Medium Enterprises (MSMEs) form a vital pillar of India’s economic base, driving employment, production, and exports. With over 7.47 Crore enterprises employing around 32.82 Crore people, the sector is the second largest contributor after agriculture and remains central to livelihoods, particularly in rural and semi-urban areas. As per the Union Budget 2026–27, MSMEs contribute about 35.4% of manufacturing output, 48.58% of exports, and 31.1% of GDP, highlighting their importance in industrial growth, trade competitiveness, and balanced regional development.

To boost the sector’s growth, the Government has focused on improving formalisation, credit access, and market integration through initiatives such as credit guarantee schemes, digital lending, and Udyam registration. Additional support via export promotion, cluster development, and production-linked incentives is helping MSMEs scale and integrate into value chains. Alongside this, increasing adoption of technology, digital tools, and skill development is enhancing productivity and innovation, positioning MSMEs as key drivers of inclusive and sustainable economic growth.

(Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2228306&utm>)

GOLD LOAN

India’s gold market underwent a structural shift in FY 2025-26 as elevated prices reshaped demand patterns and moved the market away from its traditional consumption-led model. According to the World Gold Council, total gold demand declined by around 11% to nearly 711 tonnes in 2025, primarily due to weaker jewellery purchases in price-sensitive segments. Despite lower volumes, the overall value of demand remained strong, supported by sharply higher prices. Additionally, gold imports rose 1.6% year-on-year to about USD 58.9 Billion, reflecting resilient underlying demand.

Global factors played a pivotal role in this reset. The Economic Survey of India noted a nearly 98% surge in gold prices during 2025, driven by a weaker US dollar, low real interest rates, and heightened geopolitical uncertainties. That environment boosted gold’s appeal as a safe-haven asset, with investment demand accounting for over 40% of total consumption. FY 2025–26 therefore marked recalibration rather than contraction, with the Indian gold market transitioning towards a more balanced mix of consumption and investment-led demand.

(Source: <https://www.reuters.com/world/india/why-india-may-increase-duties-gold-silver-imports-2026-01-28/>, <https://economictimes.indiatimes.com/wealth/invest/will-gold-price-rally-continue-in-2026-economic-survey-explains-record-surge-and-future-outlook-of-yellow-metal-rates/articleshow/127800439.cms?from=mdr>, https://gjepec.org/news_detail.php?news=india-s-q4-jewellery-demand-retreats-as-gold-hits-new-peaks-1&utm, <https://theprint.in/economy/record-high-prices-pull-india-gold-demand-down-11-pc-in-2025-wgc/2839637/>)

COMPANY OVERVIEW

Shriram Finance Limited (‘Shriram Finance’, ‘The Company’ or ‘We’) is among India’s leading retail-focussed non-banking financial companies, with a presence built across semi-urban and underpenetrated markets where access to formal credit remains uneven. Over time, the Company has shaped a diversified lending platform spanning commercial vehicles, two-wheelers, passenger vehicles, construction and farm equipment, MSME financing, gold loans, personal loans and working capital solutions, reflecting the breadth of credit demand across the Indian economy.

At the centre of this platform is an embedded distribution network, reinforced by long-standing customer relationships. Together, they allow the Company to scale with consistency, while remaining closely aligned with its retail lending

orientation and the broader objective of financial inclusion. Shriram Finance’s operating approach continues to be anchored in proximity-led lending and domain understanding across asset classes, enabling disciplined execution in underserved segments.

Operating Scale at a Glance

- Customer Base: 97.33 Lakhs
- Branch Network: 3,225 Branches
- Assets Under Management (AUM): Rs. 302,273.75 Crores (All numbers are as of March 31, 2026)

A Defining Capital Partnership

The Company entered into a strategic partnership with MUFG Bank Ltd, a member of Mitsubishi UFJ Financial Group, a global financial group, marking a meaningful step in strengthening its capital positioning and long-term growth visibility.

Transaction Snapshot

- Stake Acquired: ~20%
- Transaction Size: USD 4.4 Billion
- Structure: Primary Capital Infusion

What this Partnership Enables

- Growth Trajectory: ~18-20%
- Funding Access: Expanded Reach into Global Capital Markets, particularly Japan
- Cost Efficiency: Gradual Improvement in Cost of Funds
- Capability Enhancement: Governance, Risk Management and Co-lending Opportunities

Moreover, operational control will remain with Shriram Finance, reinforcing its positioning as a well-capitalised, growth-oriented NBFC with enhanced funding flexibility and global institutional backing.

Portfolio Composition across Asset Classes

(Rs. in Crores)	
Segment of the Business Portfolio	AUM as of March 31, 2026
Commercial Vehicles	141,666.60
Passenger Vehicles	64,413.09
Construction Equipment	13,309.51
Farm Equipment	6,886.52
MSME	41,244.61
Two-wheelers	17,413.98
Gold Loans	6,622.48
Personal Loans	10,716.96
Total	302,273.75

Delivered strong growth in FY 2025-26, driven by robust performance across gold loans, farm equipment loans, commercial vehicle loans and passenger vehicle loans



SWOT ANALYSIS

Strengths

Largest Pre-Owned Vehicle Financier: Market leadership in pre-owned vehicle financing, backed by deep domain expertise and a wide distribution network.

Strong customer reach across geographies enables sustained growth and portfolio resilience.

Strong Established Relationship Model of More Than Four Decades with Customers: Trusted customer relationships built over four decades through a relationship-driven approach.

Deep customer understanding drives loyalty, repeat business, and long-term value creation.

Long-serving Trusted Employee Base with Seasoned Leadership: Experienced leadership and a committed workforce provide stability and execution excellence.

Strong institutional knowledge supports consistent performance across business cycles.

Robust Technology and Digital Platforms: Advanced technology platforms enhance efficiency, agility, and customer experience. Digital capabilities enable faster decisions, seamless service delivery, and scalable growth.

Deep Retail Franchise: Strong positioning across commercial vehicles, two-wheelers, MSME, gold loans and personal loans, with established presence in semi-urban and rural markets enabling broad borrower access.

Extensive Distribution Network: Extensive branch footprint and long-standing customer relationships enable sourcing strength, collection efficiency, and market reach.

Diversified Lending Portfolio: Exposure across vehicle finance, MSME, consumer lending reduces dependence on any single asset class and supports balanced growth.

Disciplined Asset Quality Management: Underwriting discipline, collection strength and monitored lending practices support portfolio stability and credit risk management.

Established Brand Trust: Strong recall among self-employed, small business and transport customers supports customer acquisition and retention.

Weaknesses

Low Exposure to New Vehicle Market: The Company's portfolio remains predominantly focused on the pre-owned commercial vehicle segment, with relatively lower participation in the new vehicle financing market. This may limit its ability to fully capture growth opportunities arising from strong new vehicle sales cycles.

Exposure to Cyclical Segments: A meaningful part of the loan book remains linked to commercial vehicles and related

end-user demand, which can move with freight activity, infrastructure cycles and broader economic conditions.

Higher Borrowing Cost Structure: As an NBFC, the Company generally operates with a higher cost of funds than banks, which can affect spreads and profitability in a competitive rate environment.

Concentration in Domestic Markets: The business remains largely India-focused, which limits geographic diversification compared to more globally diversified financial institutions.

Sensitivity to Small-Ticket Collections: Retail-heavy portfolios require sustained collection efficiency and field execution, especially in customer segments where cash-flow patterns may be uneven.

AI Maturity Journey Still Underway: While digital capabilities have strengthened significantly, enterprise-wide AI adoption is still at a developing stage. Further integration of AI-driven analytics and automation can unlock additional efficiency, productivity, and customer experience gains.

Opportunities

Credit Expansion in Underpenetrated Markets: Rising formal credit access in rural and semi-urban India continues to create room for growth in retail lending and small business financing.

MSME Financing Demand: Rising need for working capital, equipment finance and business expansion funding supports portfolio expansion.

Cross-Sell within Existing Customer Base: Product adjacency across vehicle finance, personal loans, gold loans and business loans can improve customer lifetime value.

Digital Transformation: Wider use of digital sourcing, underwriting, servicing and collection tools can improve operating efficiency, customer experience and turnaround times.

Sharper Strategic Focus Post Restructuring: Streamlined Group structure enables more focused capital allocation and management attention on core lending businesses.

Threats

Regulatory Changes: Changes in RBI norms, provisioning requirements, capital rules or lending-related compliance expectations may increase operational complexity and cost.

Interest Rate Movement: Higher borrowing costs or volatility in the rate environment can compress margins and affect profitability if lending yields do not adjust at the same pace.

Intensifying Competition: Competition from banks, NBFCs and digital lenders may place pressure on pricing, customer acquisition and market share, particularly in profitable retail segments.

Macroeconomic Slowdown: Any moderation in economic activity, freight movement, MSME demand or rural income levels may affect disbursement momentum and repayment behaviour.

Asset Quality Pressure in Vulnerable Segments: Retail borrowers in cyclical or income-sensitive categories may face repayment stress in a softer operating environment, requiring stronger monitoring and collections.

FINANCIAL PERFORMANCE

(Rs. in Crores, unless otherwise stated)			
Particulars	FY 2025-26	FY 2024-25*	% Change
Total Income (Including Exceptional Items)	48,177.98	43,783.52	10.04
Net Interest Income	26,051.44	22,835.09	14.09
Assets Under Management	302,273.75	2,63,190.27	14.85
Securitisation/Direct Assignment Done During the Year	22,427.18	29,362.74	(23.62)
Net Worth	65,244.09	56,708.53	15.05
Profit After Tax	9,998.15	9,761.00	2.43
Earnings per Share (Rs.)	53.15	51.92	2.37
Capital Adequacy Ratio (%)	20.40	20.66	(1.26)
Return on Total Assets (%)	3.10	3.51	(11.68)
Debt-Equity Ratio (times)	3.82	4.16	(8.17)
Net Interest Margin (%)	8.38	8.55	(1.99)
Interest Coverage Ratio (times)	2.22	2.25	(1.33)
Net Profit Margin (%)	20.75	22.29	(6.91)
Return on Net Worth (%)	16.53	18.58	(11.03)
Gross Stage 3 (%)	4.58	4.55	0.66
Net Stage 3 (%)	2.33	2.64	(11.74)
Return on Equity (%)	16.53	18.58	(11.03)

(*)Includes exceptional gain on sale of stake in subsidiary Shriram Housing Finance Limited (SHFL) now renamed as Truhome Finance Limited.

There were no material changes in key financial ratios during FY 2025-26 compared to the previous year 2024-26.

Return on Net Worth increased from 15.75% (excluding exceptional gain for FY 2024-25) to 16.53%, an increase of 4.95% due to higher AUM growth.

HUMAN RESOURCES

Human capital remains integral to Shriram Finance's operating model, given its focus on retail and field-led lending. The workforce is aligned with on-ground customer engagement, credit assessment, and collections, supporting consistent execution across a geographically diverse network and enabling effective service delivery in semi-urban and underserved markets.

Workforce and Capability Development

During the year, the Company continued to align its workforce with evolving business requirements, with emphasis on role-based capability building

- **Role-based Training:** Programmes aligned with functional needs
- **Skill Development:** Ongoing capability enhancement.
- **Digital Enablement:** Tools across Sourcing, Assessment and Servicing

Workplace Framework

The work environment is supported by established governance frameworks and policies covering workplace conduct, employee well-being, safety, and grievance redressal, along with ongoing communication across the branch network.

Performance and People Strategy

Performance management remains aligned with business outcomes, linking individual objectives to organisational priorities to drive accountability and execution. As the Company scales its people strategy remains focused on:

- Attracting relevant talent
- Strengthening managerial depth
- Ensuring consistency in frontline delivery

This is supported by a balanced approach to development and retention.

Workforce Snapshot (As of March 31, 2026)

Total Employees: 76,241

RISK MANAGEMENT

Risk management is integral to Shriram Finance's operating framework, supporting sustainable growth while protecting stakeholder interests. The Company has established a comprehensive risk management architecture aligned with global best practices, underpinned by structured controls and defined governance mechanisms.



Enterprise Risk Coverage

- **Credit**
- **Market**
- **Operational**
- **Liquidity**
- **Regulatory**
- **Technology**
- **Cybersecurity**

Oversight rests with the Risk Management Committee, which monitors a broad spectrum of risks. The Company adopts a proactive approach through ongoing assessment, monitoring, and mitigation to address evolving business and external challenges.

A risk-aware culture is embedded across the organisation through clearly defined policies, operating guidelines, and internal controls, with oversight from the Board and its

committees. This framework strengthens resilience and supports financial stability and long-term sustainability.

RISK MANAGEMENT FRAMEWORK

- **Risk Identification:** Identify potential risks through systematic analysis, assess underlying drivers and evaluate impact.
- **Risk Assessment:** Evaluate risks across scenarios to determine likelihood and severity.
- **Risk Mitigation and Response:** Implement appropriate strategies to mitigate, transfer, accept, or eliminate risks.
- **Continuous Monitoring:** Track the risk environment to detect emerging threats and ensure timely action.
- **Process Enhancement:** Continuously refine frameworks to improve effectiveness and adapt to evolving conditions.

Risk Type and Definition	Mitigation
Credit Risk Represents the possibility of borrowers or counterparties failing to meet repayment obligations and remains inherent to retail-focused lending.	- Follow a structured credit evaluation framework supported by underwriting standards, bureau insights, and cash flow assessments - Monitor portfolios through periodic reviews, early warning indicators, and collection tracking - Maintain diversification across asset classes, geographies, and borrower segments - Undertake periodic stress testing and scenario analysis to enable timely corrective actions
Market Risk Arises from fluctuations in interest rates, credit spreads, and macroeconomic factors impacting borrowing costs, portfolio yields, and financial performance.	- Managed through an asset-liability management (ALM) under Asset Liability Management Committee (ALCO) oversight - Monitor interest rates, funding mix, and liquidity conditions to maintain balance between assets and liabilities - Actively manage funding and pricing strategies - Conduct regular scenario analysis and stress testing to support decision-making
Operational Risk Stems from failures in processes, systems, human resources, or external events.	- Maintain defined procedures supported by internal controls, audits and governance oversight - Embed risk management through standardised processes, periodic reviews, and ongoing compliance monitoring - Implement business continuity and disaster recovery frameworks - Establish data protection protocols and system safeguards to enhance operational resilience across its network
MSME Finance Risk MSME finance risk relates to the potential for variation in borrower repayment capacity due to business performance, cash flow variability, regulatory changes and broader economic conditions.	- Adopts a calibrated credit assessment approach for MSME lending, combining financial analysis, cash flow evaluation, and bureau insights - Diversifies exposure across sectors, geographies, and borrower segments to maintain portfolio balance and limit concentration risk - Conducts ongoing portfolio monitoring through periodic reviews and collection tracking mechanisms - Enables early identification of stress and facilitates timely corrective actions

Risk Type and Definition	Mitigation
Interest Rate Risk Interest rate risk arises from movements in borrowing costs and lending yields, which may affect margins, profitability and overall financial performance.	- Manage interest rate risk through a structured asset-liability management (ALM) framework - Conduct periodic evaluation of rate-sensitive assets and liabilities - Implement repricing strategies and adjust the funding mix to maintain alignment between assets and liabilities - Monitor market movements on an ongoing basis to support timely decision-making and preserve margin stability
Liquidity Risk Liquidity risk refers to the possibility of constraints in meeting financial obligations as they fall due, arising from mismatches in cash flows or funding availability.	- Manage liquidity risk through a structured asset-liability management (ALM) framework - Maintain a diversified funding profile across banks, capital markets, and public deposits - Hold adequate liquidity buffers to meet short-term obligations - Conduct periodic maturity profiling and stress testing to assess funding requirements - Implement contingency planning frameworks to address potential liquidity disruptions
Cash Management Risk Cash management risk relates to challenges in collection efficiency and the timely realisation of borrower repayments across a distributed retail network.	- Leverage digital collection platforms and multiple payment channels to streamline repayment processes and enhance customer convenience - Implement standardised controls, including mandate-based collections and daily reconciliation systems, to ensure accuracy and consistency - Maintain process uniformity across branches through structured collection frameworks - Continuously monitor collection efficiency to enable timely identification of gaps and prompt corrective action
Climate Risk Climate risk relates to the potential impact of environmental changes and evolving sustainability expectations on business operations, asset quality and long-term financial performance.	- Integrate sustainability considerations into its operating framework, supported by defined ESG practices and governance oversight - Undertake initiatives focused on resource efficiency, energy optimisation, and responsible operations to align with environmental objectives - Embed environmental considerations into business processes and operational decision-making - Conduct ongoing evaluation of climate-related factors to identify and incorporate relevant risks
Information Technology Risk Information technology risk arises from potential disruptions due to system failures, data breaches or limitations in IT infrastructure, which may affect operational continuity and data integrity.	- Maintain a structured IT risk management framework supported by defined controls, continuous system monitoring, and regular audits - Invest in technology infrastructure and platform resilience to ensure stable and secure operations - Conduct periodic system testing to identify vulnerabilities and strengthen system reliability - Provide employee training to enhance awareness of IT risks and security practices - Implement defined recovery protocols to ensure continuity of critical functions and minimise disruption risks
Cybersecurity Risk Cybersecurity risk pertains to potential threats from unauthorised access, cyber-attacks or data compromise, given increasing reliance on digital platforms and interconnected systems.	- Follow a comprehensive cybersecurity framework aligned with industry standards - Implement continuous system monitoring and advanced threat detection mechanisms - Conduct regular security assessments and vulnerability testing to strengthen defence systems - Promote employee awareness programmes to enhance cybersecurity preparedness - Invest in advanced security infrastructure to safeguard systems and data - Maintain defined response protocols to enable timely detection and mitigation of cyber threats

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

At Shriram Finance, internal controls drive disciplined execution, regulatory compliance, and reliable financial reporting. The control environment is anchored in defined processes, checks and balances, and clear authority structures across key activities such as lending, collections, financial reporting, and compliance monitoring.

The framework uses system-driven controls, real-time monitoring, and periodic validations to detect deviations and enable corrective action. Its aligns with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and undergoes regular management review, with a focus on high-risk areas.

Governance and Assurance

- Risk-based Audit
- Closure Tracking
- Audit Committee Oversight

FUTURE STRATEGY

- **Strategic Partnership & Capital Strength:** The Company has entered into a strategic partnership with MUFG Bank Ltd, a member of Mitsubishi UFJ Financial Group Inc., one of the world’s leading financial groups with a strong global presence, involving the acquisition of an approximately 20% stake through a ~USD 4.4 capital infusion. This strengthens the balance sheet and provides a strong foundation to support accelerated growth while maintaining a conservative risk profile.
- **Capital Deployment & Leverage Management:** The enhanced capital base is expected to drive long-term expansion, with immediate deleveraging to ~2.6x and a calibrated increase towards an optimal leverage level of ~4.5x over the medium term (5–6 years).
- **AUM Growth Acceleration:** The Company aims to increase its AUM growth trajectory to ~18–20% up from earlier levels of ~16–17%, aligning with its strengthened capital position and expanding market opportunities.
- **Market Share Expansion in Vehicle Finance:** A key strategic priority is to double market share in the new vehicle financing segment over the next three years, leveraging its strong distribution network and customer franchise.

- **Alignment with Macro Credit Growth:** Growth strategy remains aligned with India’s broader credit expansion cycle, which is expected to grow at approximately 2.5 times GDP, positioning the Company to benefit from structural tailwinds.
- **Cost of Funds Optimisation:** Supported by a stronger balance sheet and potential credit rating upgrades, the Company targets a reduction in borrowing costs of ~100 basis points over the next three years.
- **Profitability Enhancement:** The strategy includes improving profitability metrics, with a long-term Return on Assets (ROA) target of ~3.6% and gradual normalisation of Return on Equity (ROE) over time.
- **Focused Lending & Geographic Expansion:** The Company will continue to emphasise secured lending segments such as MSME and gold finance, while expanding its presence in underpenetrated regions including North, Central, and East India.
- **Multi-Product & Cross-Sell Strategy:** Leveraging its branch network, the Company aims to deepen customer engagement through a multi-product approach, cross-selling offerings across vehicle finance, MSME loans, and gold financing.
- **Digital Transformation & Strategic Synergies:** The Company plans to enhance its digital capabilities through the adoption of MUFG’s technology platforms and by leveraging cross-market knowledge sharing to drive operational efficiencies and improve customer experience.

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 the 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 to herein 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 the Forty-Seventh Annual Report and the Audited Statements of Accounts for the Financial Year ended March 31, 2026.

FINANCIAL HIGHLIGHTS

(Rs. in crores)		
Particulars	F.Y. 2025-26	F.Y. 2024-25
Profit Before Depreciation and Taxation	13,991.01	13,251.34
Less: Depreciation, amortization and impairment	698.75	645.32
Profit Before Tax	13,292.26	12,606.02
Less: Provision for taxation	3,294.11	2,845.02
Profit After Tax	9,998.15	9,761.00
Add: Balance brought forward from previous year	24,051.94	19,065.20
Balance available for appropriation	34,050.09	28,826.20
Appropriations		
General Reserve	(999.82)	(976.10)
Statutory Reserve	(1,999.63)	(1,952.20)
Debenture Redemption Reserve	(17.85)	15.23
Dividend on equity shares of face value of Rs. 2/- each fully paid up	(1,467.16)	(1,861.19)
Balance carried to Balance Sheet	29,565.63	24,051.94

DIVIDEND

Your Directors at their meeting held on October 31, 2025 declared interim dividend of Rs. 4.80 per equity share on 188,11,08,190 equity shares of face value of Rs. 2/- each fully paid-up (i.e. 240%) for the Financial Year 2025-26. The interim dividend was paid to eligible Members on November 17, 2025 involving a cash outflow of Rs. 902.93 crores, subject to deduction of tax at source as per the applicable rate.

The Board of Directors at its meeting held on April 24, 2026 has recommended a final dividend of Rs. 6/- per equity share of face value of Rs. 2/- each fully paid-up (i.e. 300%), for the Financial Year 2025-26 subject to declaration by Members at the ensuing 47th Annual General Meeting (“47th AGM”) of the Company.

The final dividend on equity shares, subject to the approval of the Members at the ensuing 47th AGM to be held on July 10, 2026, will be paid before August 9, 2026 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 3, 2026 (“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 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.

The Company has in place Dividend Distribution Policy formulated in accordance with the Companies Act, 2013 (the “Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025. As stipulated in Regulation 43A of the Listing



Regulations, the Dividend Distribution Policy forms part of the Report on Corporate Governance and is also available on the website of the Company at <https://cdn.shriramfinance.in/Dividend Distribution Policy>.

SHARE CAPITAL
Preferential issue of Equity Shares

The Board of Directors of the Company at its meeting held on December 19, 2025 approved (i) the issuance of 471,121,055 fully paid-up equity shares of face value Rs. 2/- each of the Company (equivalent to 20% of the post-preferential equity share capital of the Company on a fully diluted basis) for cash at an issue price of Rs. 840.93 per Equity Share (including a premium of Rs. 838.93 per Equity Share), aggregating up to Rs. 39,617.98 crores through preferential issue on a private placement basis to a non-promoter investor i.e. MUFG Bank Ltd., a company incorporated under the laws of Japan (“MUFG”), subject to the approval of the Members, Reserve Bank of India (“RBI”), Competition Commission of India (“CCI”) and other applicable regulatory approvals (“Preferential Issue”).

In this connection, the Company and MUFG had entered into the Investment Agreement on December 19, 2025 for recording the terms and conditions of the issue of the subscription shares on preferential basis to MUFG.

Pursuant to the special resolutions, the Members at its Extra-ordinary General Meeting held on January 14, 2026 (i) approved the issuance of the Preferential Issue of Equity Shares to MUFG and (ii) granted certain identified rights to MUFG in accordance with the terms of the Investment Agreement.

Upon receipt of necessary statutory and regulatory approvals, the Board of Directors of the Company at its Meeting held on April 8, 2026 allotted 471,121,055 fully paid-up equity shares of face value of Rs. 2/- each fully paid-up to MUFG on receipt of the subscription amount of Rs. 39,617.98 crores, ranking pari-passu with the existing equity shares and are entitled to receive the dividend. Pursuant to the allotment of equity shares, MUFG has become a public shareholder of the Company representing 20% equity stake on a fully diluted basis.

The Preferential Issue has further strengthened the Company’s capital base and has immediately benefitted the Company in terms of improvement its credit profile and credit ratings of instruments issued by the Company (the details of which are given under the subsequent paragraph titled ‘Credit Rating/ ESG Rating’).

Post Preferential Issue, the paid-up equity share capital of the Company stood increased on April 8, 2026 from Rs. 3,763,130,742/- comprising of 188,15,65,371 equity shares of Rs. 2/- each fully paid up to Rs. 4,705,372,852/- comprising of 235,26,86,426 equity shares of Rs. 2/- each fully paid up. The proceeds are being utilised as per the objects of the Preferential Issue. Hence, there is no deviation/ variation in use of proceeds as per Regulation 32 of the Listing Regulations.

Authorised Share Capital

During the Financial year under review, there was no change in the Authorised Share Capital of the Company. As on March 31, 2026, the Authorised Share Capital of the Company stood at Rs. 42,655,000,000/- divided into 14,877,500,000 Equity Shares of face value of Rs. 2/- each amounting to Rs. 29,755,000,000/- and 129,000,000 Preference Shares of face value of Rs. 100/- each amounting to Rs. 12,900,000,000/-.

Issued, Subscribed and Paid-up 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 11,81,491 equity shares of face value of Rs. 2/- each fully paid up 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, 2026 stood at Rs. 3,763,130,742/- comprising of 188,15,65,371 Equity Shares 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.

CREDIT RATING/ESG RATING

Following the approval by the Board of Directors for strategic equity investment by MUFG Bank Ltd., CARE Ratings Limited (“CARE”) upgraded the Company’s Long Term Instruments Rating to “**CARE AAA**” from “CARE AA+” with Stable Outlook and assigned **CARE AAA**; Stable to the Company’s Fixed Deposit Programme.

In addition, S&P Global Ratings upgraded the Company’s rating and senior secured debt ratings to “**BBB-/Stable/A-3**” from “BB+/Stable/B”. Other rating agencies placed the Company’s instruments on “Watch with Positive Implications” or revised the outlook to “Positive”. Further, CRISIL assigned “CRISIL AA+/Watch Positive” rating to the Company’s Fixed Deposit Programme.

Consequent to the strategic equity investment in the Company by MUFG Bank Ltd. on April 8, 2026, the Company’s credit profile has significantly strengthened as reflected in the upgrades of its credit ratings and instruments by Credit Rating Agencies including ICRA Limited (“ICRA”), CRISIL Ratings Limited (“CRISIL”) and India Ratings and Research (“India Ratings”).

The details of credit ratings affirmed, reaffirmed or newly assigned for the Company’s securities, instruments, loans, credit facilities and other borrowings together with ESG ratings as of March 31, 2026 and as of the date of this Report i.e. April 24, 2026, are given below:

Name of Rating Agency	Securities/Instruments/Loans, Credit Facilities and other Borrowings	Ratings as on March 31, 2026	Ratings as on the date of this Report i.e. April 24, 2026
CRISIL	Commercial Paper	CRISIL A1+	CRISIL A1+
	Bank Loan Short-Term	CRISIL A1+	CRISIL A1+
	Bank Loan Long-Term	CRISIL AA+/Watch Positive (Placed on ‘Rating Watch with Positive Implications’)	CRISIL AAA/Stable
	Non-Convertible Debentures	CRISIL AA+/Watch Positive (Placed on ‘Rating Watch with Positive Implications’)	CRISIL AAA/Stable
	Subordinated Debt	CRISIL AA+/Watch Positive (Placed on ‘Rating Watch with Positive Implications’)	CRISIL AAA/Stable
	Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA+/Watch Positive (Placed on ‘Rating Watch with Positive Implications’)	CRISIL PPMLD AAA/Stable
	Fixed Deposits	CRISIL AA+/Watch Positive (Placed on ‘Rating Watch with Positive Implications’)	CRISIL AAA/Stable
India Ratings & Research Private Limited	Commercial Paper	IND A1+	IND A1+
	Bank Loan Short-Term	IND A1+	IND A1+
	Bank Loan Long-Term	IND AA+/Positive	IND AAA/Stable
	Non-Convertible Debentures	IND AA+/Positive	IND AAA/Stable
	Subordinated Debt	IND AA+/Positive	IND AAA/Stable
	Fixed Deposits	IND AA+/Positive	IND AAA/Stable
	Principal protected market link debentures	IND PP-MLD AA+/Positive	IND PP-MLD AAA/Stable
CARE	Commercial Paper	CARE A1+	CARE A1+
	Bank Loan Short-Term	CARE A1+	CARE A1+
	Bank Loan Long-Term	CARE AAA/Stable	CARE AAA/Stable
	Non-Convertible Debentures	CARE AAA/Stable	CARE AAA/Stable
	Subordinated Debt	CARE AAA/Stable	CARE AAA/Stable
	Fixed Deposits	CARE AAA/Stable	CARE AAA/Stable
ICRA	Fixed Deposits	[ICRA]AA+; placed on Watch with Positive Implications	[ICRA]AAA/Stable
	Non-Convertible Debentures	[ICRA]AA+; placed on Watch with Positive Implications	[ICRA]AAA/Stable
Standard & Poor’s Ratings	Long-Term Issuer Credit Rating	BBB-/Stable	BBB-/Stable
	Short-Term Issuer Credit Rating	A-3	A-3
	Senior Secured Notes	BBB-	BBB-

Name of Rating Agency	Securities/Instruments/Loans, Credit Facilities and other Borrowings	Ratings as on March 31, 2026	Ratings as on the date of this Report i.e. April 24, 2026
Fitch Ratings	Long-Term Foreign Issuer Default Rating	BB+ Rating Watch Positive	BBB-/Stable
	Short-Term Issuer Default Rating	B Rating Watch Positive	F3
	Local Currency Long Term Issuer Default Rating	BB+ Rating Watch Positive	BBB-/Stable
	Senior Secured Notes	BB+ Rating Watch Positive	BBB-
Moody's Ratings	Long-term corporate family rating (CFR)	Ba1 with Positive Outlook	Ba1 with Positive Outlook
Japan Credit Rating Agency, Ltd (JCR)	Foreign Currency Long-term Issuer Rating	BBB+/Stable	BBB+/Stable
ICRA ESG Ratings	ESG Impact Rating	82/Outstanding	82/Outstanding
NSE Sustainability Ratings & Analytics Limited	ESG Rating Score	ESG Rating Score 71	ESG Rating Score 71

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. 1,999.63 crores to Statutory Reserve.

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

CAPITAL ADEQUACY RATIO

As on March 31, 2026, your Company’s Capital Adequacy Ratio (CAR) stood at 20.40% 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%, reflecting its strong capital position.

The Tier 1 Ratio and Tier 2 Ratio as on March 31, 2026 were 19.80% and 0.60% respectively. Your Company’s overall gearing (Debt/Tangible Net-worth) as on March 31, 2026 marginally decreased to 4.31x as compared to 4.68x as on March 31, 2025, indicating a strengthening of the balance sheet.

OPERATIONS AND COMPANY’S PERFORMANCE

The Company’s total Assets Under Management stood at Rs. 302,273.75 crores as on March 31, 2026 as compared to

Rs. 263,190.27 crores as on March 31, 2025, reflecting healthy growth during the year.

As on March 31, 2026, the Company operated through a large network of 3,225 branch offices and 535 rural centres across India, ensuring wide reach and accessibility to both urban and rural customers.

For the Financial Year ended March 31, 2026, your Company earned Profit Before Tax of Rs. 13,292.26 crores as against Rs. 12,606.02 crores in the previous Financial Year ended March 31, 2025. The Profit After Tax for the Financial Year ended March 31, 2026 was Rs. 9,998.15 crores as against Rs. 9,761.00 crores in the previous Financial Year. The total income for the year under consideration was Rs. 48,177.98 crores and total expenditure was Rs. 34,885.72 crores. The details of income & expenditure and financial ratios are given in the Management Discussion and Analysis Report forming part of this Annual Report.

The Company continued to follow prudent liquidity management practices, maintaining an adequate liquidity buffer throughout the Financial Year 2025–26. This ensured timely availability of funds for onward lending, smooth servicing of liabilities and reinforced the trust and confidence of customers, lenders, creditors, fixed deposit holders, and security holders. During the year under review, the Company successfully mobilised funds from both domestic and international markets in a seamless manner, further strengthening its financial flexibility.

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

Sr. No.	Particulars	(Rs. in crores)	
		F.Y. 2025-26	F.Y. 2024-25
1	Term loan/cash credit from Banks	26,732.66	33,788.79
2	Term Loans from Financial Institutions/Corporates	1,850.00	4,992.98
3	Constituent's Subsidiary General Ledger loan (CSGL loan)	-	1,222.58
4	Fixed Deposits	27,952.65	23,317.82
5	Non-Convertible Debentures – Institutional	4,997.50	14,176.60
6	External Commercial Borrowings (Loans)	2,381.88	19,955.64
7	External Commercial Borrowings (U.S. Dollar Senior Secured Notes)	-	4,183.50
8	Securitisation	22,427.17	27,664.98
9	Commercial Papers	-	5,025.00
10	Subordinated Debts	-	550.00

Loans from Banks and Institutions

During the Financial Year ended March 31, 2026, the Company mobilised Rs. 26,732.66 crores through term loans and cash credit facilities from a diverse array of banks including public sector, private sector and foreign banks. In addition, the Company secured Rs. 1,850 crores in loans from financial institutions and corporate entities. These achievements reflect the Company’s robust and enduring relationships with its lending partners, who continue to extend consistent support, thereby reinforcing the Company’s ability to access funds seamlessly for its business operations.

Fixed Deposits

The mobilisation of fixed deposits during the Financial Year ended March 31, 2026 remained strong, reflecting the sustained popularity of the Company’s Fixed Deposit Schemes. This continued investor confidence is attributable to the Company’s established track record of offering attractive returns, ensuring the safety of investments and delivering efficient, customer-centric service to deposit holders.

During the Financial Year ended March 31, 2026, the Company mobilised Rs. 27,952.65 crores from fixed deposits, higher than Rs. 23,317.82 crores in the Financial Year ended March 31, 2025.

In accordance with the Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025, the Company has created a floating charge on statutory liquid assets comprising of investment in government securities (face value) to the extent of Rs. 10,294.21 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, making fixed deposits a preferred option for securing customers’ financial future. Periodic communications are sent to depositors via SMS,

e-mail, post and courier, including reminders to those whose TDS is likely to be deducted before any payout/accrual. Your Company also provides a digital platform such as website and Shriram One app for online application/renewal of deposits, submission of Forms 15G/15H/Form 121 by all eligible Depositors, generation of TDS certificates and seamless investment process for its customers.

Non-Convertible Debentures

During the year under review, the Company raised Rs. 4,997.50 crores through the issuance of privately placed, rated, listed, secured, redeemable Non-Convertible Debentures (NCDs). The proceeds from the issue were utilised for financing across all asset classes, refinancing of existing debt and for other general corporate purposes of the Company.

External Commercial Borrowings (‘ECB’)

Commitment towards socio-economic advancement is at the core of the Company’s business. Your Company plays a pivotal role in promoting financial inclusion by catering to the needs of Millions of customers, 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 for pre-owned commercial vehicles, construction equipment, tractors and farm equipment loans which accounted for 74.86% of the Company’s lending portfolio as on March 31, 2026.

The Company has in place the Social Finance Framework that 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). Further details are provided in the ESG Report forming part of the Annual Report and the Social

Finance Framework is available on the Company’s website at: <https://cdn.shriramfinance.in/files/SFL-Social-Finance-Framework.pdf>

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

During the year under review, the Company availed ECB Loans of USD 125 Million, JPY 15,000 Million and EUR 40 Million under its Social Finance Framework. The proceeds were utilised to finance investments in Eligible Social Projects in accordance with LMA, APLMA and the LSTA Social Loan Principles (2023) as permitted by the ECB Guidelines. All External Commercial Borrowings are fully hedged to mitigate risk arising from exchange rate volatility.

Securitisation

During the Financial Year 2025-26, the Company securitized assets amounting to Rs. 22,427.17 crores (accounting for 7.42% of the total Assets Under Management as on March 31, 2026). Through securitisation, the Company has been able to strengthen its borrowing profile, thereby reducing interest liabilities, particularly owing to its lending exposure to the priority sector.

As on March 31, 2026, the outstanding direct assignment portfolio stood at Rs. 2,057.40 crores.

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, 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 M/s. V Suresh Associates, Secretarial Auditor of the Company for the Financial Year 2025-26, certifying that the SFL ESOS 2023 (No.1) has been implemented in accordance with the SBEB & SE Regulations, will be made available for inspection by the Members through electronic mode at the ensuing 47th AGM.

Disclosure pursuant to the provisions of Regulation 14 of the SBEB & SE Regulations as at March 31, 2026 is hosted on the website of the Company at <https://www.shriramfinance.in/investors/financials?section=annual-reports>

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/executive 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/executive directors which will lead to long term wealth creation;
- create a sense of ownership and participation amongst the employees/executive directors or otherwise increase their proprietary interest; and
- provide additional deferred rewards to the employees/ executive 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.

During the year under review, the Nomination and Remuneration Committee vested 3,20,000 SAR Units and granted 17,79,000 SAR Units to the eligible employees under the PSAR Plan and in line with the Remuneration Policy. For more details, refer to the Note 50 to the financial statements.

DIRECTORS

Completion of tenure of Mr. Y. S. Chakravarti as Managing Director & CEO

Mr. Y. S. Chakravarti (DIN 00052308) ceased to be a Director of the Company with effect from December 5, 2025 consequent to the completion of his tenure as Managing Director & CEO on December 4, 2025. The Company and the Board placed on record their appreciation of immense contribution and valuable services rendered by him during his tenure as Director of the Company.

Re-designation of Mr. Parag Sharma as Managing Director & CEO

It is recalled that the Members of the Company through Postal Ballot on December 2, 2025 re-designated Mr. Parag Sharma (DIN 02916744) as Managing Director & CEO of the Company w.e.f. December 5, 2025 on the same remuneration for the remainder tenure of present term of his appointment i.e. up to December 12, 2026.

Re-appointment of Independent Director

Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Members of the Company re-appointed Mr. Jugal Kishore Mohapatra (DIN 03190289) as an Independent Director of the Company for a second term of 3 (three) consecutive years commencing from December 4, 2025 upto December 3, 2028 by way of passing Special Resolution through Postal ballot on December 2, 2025.

In the opinion of the Board, Mr. Jugal Kishore Mohapatra is a person of integrity, possess requisite expertise, experience and relevant proficiency.

Appointment of Whole Time Director

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee at its meeting held on October 31, 2025 appointed Mr. S. Sunder (DIN 08189901) (designated as Joint Managing Director, not being part of the Board) as an Additional Director and subject to approval of Members of the Company, as a Whole Time Director for a period of 5 (five) years with effect from October 31, 2025, liable to retire by rotation and to be designated as Joint Managing Director & Chief Financial Officer of the Company with effect from December 5, 2025. On December 2, 2025, the Members of the Company approved the appointment of Mr. S. Sunder as Whole Time Director of the Company and payment of remuneration to him by way of passing the Ordinary Resolution through Postal Ballot.

Re-appointment of Mr. Parag Sharma as Whole Time Director designated as “Managing Director & CEO”

The tenure of Mr. Parag Sharma (DIN 02916744) as a Managing Director & CEO of the Company will expire on December 12, 2026. Based on recommendation of the Nomination and Remuneration Committee and subject to approval of Members at the ensuing 47th AGM, the Board of Directors at its meeting held on April 24, 2026 approved the re-appointment of Mr. Parag Sharma as Whole Time Director designated as Managing Director & CEO for a further period of 5 years with effect from December 13, 2026 upto December 12, 2031, not liable to retire by rotation.

The Company has received the notice pursuant to Section 160 of the Act signifying his intention to propose candidature of Mr. Parag Sharma for his appointment as Managing Director & CEO of the Company at the ensuing 47th AGM.

Re-appointment of Director retiring by rotation

Mr. D. V. Ravi (DIN 00171603), Non-Executive and Non-Independent Director of the Company will retire by rotation at the ensuing 47th 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 22, 2026 and April 24, 2026 considered and recommended to the Members the re-appointment

of Mr. D. V. Ravi as Non-Executive and Non-Independent 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 47th AGM.

Appointment of Directors, Nominees of MUFG Bank Ltd.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on April 24, 2026 appointed Mr. Morihiko Fuji (DIN 11544762) and Mr. Shinichi Fujinami (DIN 11545464), Nominees of MUFG Bank Ltd. as Additional Directors in the category of Non-Executive and Non-Independent Directors with effect from April 24, 2026, liable to retire by rotation, subject to approval of Members of the Company.

The Notice of the ensuing 47th Annual General Meeting, *inter-alia*, contains the ordinary resolutions for (i) re-appointment of Mr. Parag Sharma as Whole Time Director designated as Managing Director & CEO of the Company and payment of remuneration to him, (ii) re-appointment of Mr. D. V. Ravi as director retiring by rotation and (iii) appointment of Mr. Morihiko Fuji and Mr. Shinichi Fujinami as Non-Executive and Non-Independent Directors together with requisite disclosures as set out in the Explanatory Statement to the Notice of the 47th AGM. The Board recommends to the Members passing of the said resolutions.

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 IV of the Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 (“RBI Governance Directions”). They have further confirmed 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 continues to benefit from the guidance, support and mature advice of the members of the Board of Directors, who also serve on various committees.

The Board comprises Directors with diverse skills and rich experience, thereby enhancing the quality of its performance.

The Company has adopted a Policy on Board Diversity formulated by the Nomination and Remuneration Committee, to ensure a balanced mix of competencies and perspectives. 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 the RBI Governance Directions. 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 to ensure continuity and smooth functioning of the Company.

Number of Meetings of the Board

During the Financial Year 2025-26, 8 (Eight) meetings of the Board of Directors were held on April 25, 2025, May 6, 2025, July 18, 2025, July 25, 2025, October 31, 2025, December 19, 2025, January 23, 2026 and March 30, 2026.

The details of the Board and various Committee meetings including their attendance are given in the Report on Corporate Governance forming part of the Annual Report.

Performance evaluation at Board and Independent Directors' Meetings

The Board, the Committees of the Board and Independent Directors continuously strive to enhance the efficiency of their functioning and to strengthen corporate governance practices. A formal performance evaluation was carried out at the meeting of the Board of Directors held on March 30, 2026 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 2025-26 on the basis of a structured questionnaire on performance criteria. The Policy on performance evaluation is available on the Company's website at <https://www.shriramfinance.in/investors/governance>. 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 highlighted the cohesiveness among Directors, the openness of Management in sharing information, and the effective manner in which proposals were placed before the Board for consideration and approval.

The Independent Directors met on March 30, 2026 without the presence of other directors or members of the Management.

All the Independent Directors were present at the meeting. In the meeting, the Independent Directors reviewed the 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 24, 2026 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.

Further, Independent Directors actively contributed to Board and Committee deliberations. The members of the Audit Committee without the presence of members of Management had separate meetings with the (i) Joint Statutory Auditors, (ii) credit rating agencies, and (iii) Head of internal audit.

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:

- In the preparation of the annual accounts for the Financial Year ended March 31, 2026, the applicable accounting standards have been followed and there are no material departures;
- 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, 2026 and of the profit of the Company for the year ended on that date;
- 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;
- The annual accounts for the Financial Year ended March 31, 2026 have been prepared on a going concern basis;

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

KEY MANAGERIAL PERSONNEL

As per Section 2(51) of the Act, the following were the Key Managerial Personnel including Whole Time Directors, as on the date of this Report:

- Mr. Umesh Revankar - Executive Vice-Chairman
- Mr. Parag Sharma - Managing Director & Chief Executive Officer
- Mr. S. Sunder - Joint Managing Director & Chief Financial Officer
- Mr. U Balasundararao - Company Secretary & Chief Compliance Officer
- Mr. Hardeep Singh Tur - Joint Managing Director & Chief Risk Officer (not being part of the Board)
- Mr. Sudarshan Holla Balnad - Joint Managing Director & Chief Operating Officer (not being part of the Board)
- Mr. G. M. Jilani - Joint Managing Director & Chief Operating Officer (not being part of the Board)
- Mr. Nilesh Odedara - Joint Managing Director & Chief Sales Officer (not being part of the Board)

Changes in Key Managerial Personnel including Whole Time Directors during the F.Y. 2025-26 and till the date of this Report

Upon completion of tenure as Managing Director & CEO on December 4, 2025, Mr. Y. S. Chakravarti ceased to be a Director and KMP of the Company with effect from December 5, 2025.

Further, with a view to maintain organisational effectiveness in a dynamic and competitive business environment, the Whole Time Directors assisted by the core management team, periodically review matters relating to smooth conduct of operations, optimum utilisation of resources, and leadership development. In continuation of these reviews and a part of succession planning, the Board, based on the recommendations of the Nomination and Remuneration Committee, approved changes in the roles and responsibilities of Key Managerial Personnel ("KMP"), including Whole-Time Directors, during the year.

The following changes in the KMP including Whole-Time Directors of your Company pursuant to Section 2(51) of the

Act, took place as on the date of this Report:

- Mr. Parag Sharma, Managing Director & CFO was re-designated as Managing Director & CEO of the Company with effect from December 5, 2025 upon expiry of tenure of Mr. Y. S. Chakravarti as Managing Director & CEO on December 4, 2025.
- Mr. S. Sunder, Joint Managing Director (a KMP not being part of the Board) was appointed as a Whole Time Director with effect from October 31, 2025 and was designated as Joint Managing Director and Chief Financial Officer of the Company with effect from December 5, 2025 in the role of Chief Financial Officer upon elevation/re-designation of Mr. Parag Sharma as Managing Director & CEO.
- Mr. Hardeep Singh Tur, Chief Risk Officer was elevated and re-designated as Joint Managing Director & Chief Risk Officer of the Company with effect from October 31, 2025. He is re-appointed as Chief Risk Officer for a further period of 3 (three) years with effect from December 5, 2025.
- Mr. Sudarshan Holla Balnad and Mr. G. M. Jilani, Joint Managing Directors were appointed as Chief Operating Officers with effect from October 31, 2025 and designated them as KMP of the Company.
- Mr. Nilesh Odedara, Joint Managing Director was appointed as Chief Sales Officer with effect from October 31, 2025 and designated him as a Key Managerial Person of the Company.
- Mr. U Balasundararao, Company Secretary & Compliance Officer was appointed as Chief Compliance Officer for a period of 5 (five) years with effect from December 5, 2025 and was re-designated as Company Secretary & Chief Compliance Officer.
- Mr. R. Chandrasekar was re-designated as Joint Managing Director - ESG & Business Responsibility of the Company with effect from December 5, 2025 upon completion of his tenure as a Chief Compliance Officer on December 4, 2025. Further, consequent to his transfer to a new role within the Shriram Group, he ceased to be Key Management Person of the Company with effect from April 24, 2026.

RBI GUIDELINES

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

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

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

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.

In accordance with the Listing Regulations and the Company’s commitment to transparency in Environmental, Social and Governance (ESG) disclosures, the Company has appointed FAP Solutions Private Limited to provide Reasonable Assurance on the Key Performance Indicators (KPIs) included in the BRSR Core indicators. The Assurance Report issued in this regard also forms part of BRSR for the Financial Year ended March 31, 2026.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As on March 31, 2026, the CSR Committee comprised of directors namely, Mr. Umesh Revankar – Chairman, Mr. Pradeep Kumar Panja and Mr. Parag Sharma as members.

On April 24, 2026, the CSR Committee was reconstituted with Mr. Umesh Revankar – Chairman, Mr. S. Ravindran, Mr. Parag Sharma and Mr. Shinichi Fujinami as members.

The CSR Report for the Financial Year 2025-26 is annexed to this Report as **Annexure - I**. 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://cdn.shriramfinance.in/sfl-kalam/files/2023-08/4.Corporate%20Social%20Responsibility%20Policy%20_0.pdf.

ANNUAL RETURN

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

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

The information in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act read

with Rule (8)(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure - II**.

PARTICULARS OF 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 these investments, refer to Note 13 of the financial statements, forming part of the Annual Report.

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 49 to the financial statements.

As required under RBI Directions 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/Policy-On-Materiality-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 Company intends to enter into Material Related Party Transactions with MUFG Bank Ltd. for which the approval of Members is being sought at the ensuing 47th AGM.

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/files/Whistle-Blower-Vigil-Mechanism-Policy.pdf>

FINANCIAL SUMMARY/HIGHLIGHTS

Income for the Financial Year 2025-26 increased by 10.04% to Rs. 48,177.98 crores as compared to Rs. 43,783.52 crores (including exceptional items) in the previous Financial Year 2024-25;

Income from operations for the Financial Year 2025-26 was Rs. 48,117.89 crores as compared to Rs. 41,834.42 crores (including exceptional items) in the previous Financial Year 2024-25, a growth of 15.02%;

Profit before tax for the Financial Year 2025-26 was Rs. 13,292.26 crores as compared to Rs. 12,606.02 crores (including exceptional items) in the previous Financial Year 2024-25;

Profit after tax for the Financial Year 2025-26 was Rs. 9,998.15 crores as compared to Rs. 9,761.00 crores (including exceptional items) in the previous Financial Year 2024-25.

Interest income increased by 15.72% from Rs. 40,307.64 crores for the year ended March 31, 2025 to Rs. 46,644.04 crores for the year ended March 31, 2026.

Finance costs increased by 16.61% from Rs. 18,454.58 crores for the year ended March 31, 2025 to Rs. 21,520.41 crores for the year ended March 31, 2026.

Other expenses increased from Rs. 2,275.04 crores for the year ended March 31, 2025 to Rs. 2,604.94 crores for the year ended March 31, 2026.

Fees and commission expenses for the Financial Year 2025-26 was Rs. 596.54 crores as compared to Rs. 572.46 crores in Financial Year 2024-25.

RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROL SYSTEM

The Company’s Risk Management Policy provides a structured approach for identifying, assessing, mitigating, and monitoring risks across all functions and operations. A detailed discussion on risk management practices and key risk factors is provided in 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.

The Internal Auditor continuously monitors the effectiveness of the internal control framework and submits reports to the Audit Committee, which reviews these reports and provides guidance for further strengthening of controls. This layered approach ensures that risks are proactively managed and that the Company maintains high standards of governance, operational efficiency and financial discipline.

COMPOSITION OF AUDIT COMMITTEE

As on March 31, 2026, the Audit Committee comprised of Independent Directors namely, Mr. Pradeep Kumar Panja – Chairman, Mr. S. Ravindran, Mr. Gokul Dixit, Mrs. M. V. Bhanumathi. Subsequently, on April 24, 2026, Mr. Shinichi Fujinami, a Non-Executive and Non-Independent Director was inducted as a member of the Committee.

The composition of Audit Committee is in compliance with the minimum requirement prescribed under the Act, Listing Regulations and the Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 of having a minimum of two-thirds of independent directors, including the chairperson. All members of the Committee are non-executive directors with financial literacy and the Committee collectively possesses accounting and financial management expertise in terms of the Listing Regulations, thereby ensuring effective oversight of the Company’s financial reporting and internal control processes.

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

FRAUD MONITORING AND REPORTING

Pursuant to the Reserve Bank of India (Fraud Risk Management in NBFCs) Directions, 2024 (“Master Directions”), the Company has constituted a Special Committee of the Board for Monitoring and Follow up of Cases of Frauds (SCBMF)



to oversee the effectiveness of fraud risk management. The Committee monitors fraud cases, undertakes root cause analysis, recommends mitigating measures and strengthens the internal controls and risk management framework to prevent or minimize the incidence of frauds.

The Company has implemented a Framework for Early Warning Signals (EWS) to establish a robust system for early detection and prevention of fraud. The framework outlines governance structures, key indicators and reporting mechanisms to ensure timely identification and mitigation of fraudulent activities. In addition, the Company also has in place a Fraud Risk Management and Prevention Policy, which provides a structured approach to fraud detection, reporting and control.

In addition, the Company has strengthened its fraud risk management framework by educating customers on safe payment practices, mandating robust KYC verification and promoting secure digital payment channels. Regular re-KYC, Digi Locker integration and surprise internal audits are undertaken to prevent identity misuse and detect collusion. Strict protocols, including telephonic, on field verification for every loan and mandatory documentation for claims, have been implemented, with disciplinary action taken against employees or associates found engaged in fraudulent activities. In addition to negate occurrences of fraud the customers are also explained in detail the terms of agreement and the repayment mechanism in the language of their comfort which is also in line with Fair Practice Code.

Audit Committee reviews incidents of fraud quarterly. During the year under review, instances of frauds were detected and reported by the Management to SCBMF and 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. 5.42 crores in aggregate out of which around Rs. 1.67 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 exceeding Rs. 1 crore committed by the employees of the Company was reported by the Joint Statutory Auditors to the Audit Committee and the Central Government. The nature of these frauds covered documentation fraud, identity theft and embezzlement of cash.

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 has adopted ISO 27001:2022 and PCI DSS 4.0.1 standards, ensuring global best practices in information security. Disaster recovery centres across multiple zones (on premise and cloud) with redundant infrastructure, periodic upgrades and advanced technologies safeguard against breaches and technological lapses.

On regular basis different types of system audits are conducted by the external and internal auditors, with findings overseen by the Board constituted IT Strategy Committee, ensuring governance and compliance.

To strengthen cybersecurity, the Company continues to invest in technology upgrades, IT security implementations, employee training and awareness programs. The Zero-Trust Security model is followed to protect all users and devices without compromising performance.

During the year under review, new initiatives were undertaken in Digital Platform Security, API Security, Email Security and Attack Surface Management. The Company has also institutionalized continuous Vulnerability Assessment and Penetration Testing (VAPT) to proactively protect all digital assets.

During the year under review, the Company has prioritized strengthening third-party and supply chain security, enhancing cloud security posture and regulatory compliance, embedding data privacy by design aligned with global frameworks (GDPR, CCPA), integrating real-time threat intelligence for proactive defense and establishing measurable KPIs to track detection and response times, patch cycles and ROI of cybersecurity investments, with regular reporting to the Board.

MATERIAL CHANGES AND COMMITMENTS

There were no other material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year of the Company and the date of this Report except those reported above with reference to the Preferential Issue of equity shares to MUFG Bank Ltd.

DISCLOSURE OF MATERNITY BENEFIT COMPLIANCE

Your Company has complied with the provisions of Maternity Benefits Act, 1961/the Code on Social Security, 2020 during the year under review.

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

The Company has a policy for prevention of Sexual Harassment for Women at Workplace. Internal Complaints Committee has been duly constituted in line with the POSH Act to address complaints in the nature of sexual harassment. Appropriate reporting mechanisms are in place ensuring protection against sexual harassment and to uphold the right to work with dignity.

On February 20, 2026, the Company organized an online training workshop under the POSH Act at a PAN India level, to sensitise the Internal Complaints Committee members on the provisions of the POSH Act. The session was conducted by renowned Advocates of Bombay High Court.

The Company also has in place a e-learning module on "PREVENTION OF SEXUAL HARASSMENT IN WORKPLACE" (POSH) in - MyCoach E-Learning Platform to create awareness among employees.

The following is a summary of Sexual Harassment complaint(s) received and disposed of during the Financial Year 2025-26, pursuant to the POSH Act and Rules framed thereunder:

- Number of complaint(s) of Sexual Harassment received during F.Y. 2025-26: 3 (Three)
- Number of complaint(s) disposed off during F.Y. 2025-26: 3 (Three)
- Number of cases pending for more than 90 days: Nil
- Number of cases pending as on March 31, 2026: Nil
- Nature of action taken by the Company: All the reported cases fell under the purview of POSH Act and they were upheld after investigation. The concerned employees were terminated from the services of the Company.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In terms of the provisions of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), during the year under review, the Company has transferred an amount of Rs. 1.06 crores being the unclaimed dividend for F.Y. 2017-18 (Final) and F.Y. 2018-19 (Interim) to IEPF. The details of total amount(s) lying in unpaid dividend account of the Company for last seven years and due to be transferred to IEPF is mentioned in the Report on Corporate Governance forming part of the Annual Report.

Unclaimed Fixed Deposits

As on March 31, 2026, there were 7,293 fixed deposits aggregating to Rs. 123.83 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 5,421 deposits amounting to Rs. 66.37 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 Company has undertaken several proactive measures to minimise unclaimed amounts pertaining to fixed deposits:

- Advance Communication** – Intimations regarding the maturity of deposits, debentures, and subordinated debt are sent to depositors/investors at least two months prior to the date of maturity.
- Regular Follow-up** – Customers are reminded of upcoming maturities through letters, e-mails, and SMS.
- Broker and Branch Outreach** – Lists of depositors/investors are shared with brokers and branch officials through whom retail debt was placed, enabling them to personally approach customers and inform them of the maturity of their investments.
- Call Centre Support** – The Company's call centre contacts investors directly using the phone numbers provided, to notify them of matured investments.
- Awareness Campaigns** – Messages are disseminated through social media platforms to increase awareness among depositors.
- Website Disclosure** – A list of unclaimed accounts, including details such as name, address, and amount, is updated annually on the Company's website.
- Auto Renewal/Refund Options** – Depositors are provided with the option of auto renewal or auto refund at the time of application. Deposits marked for auto renewal continue to be renewed on maturity, subject to valid KYC, in accordance with the depositor's instructions.
- Digital Renewal/Refund Facilities** – Investors are offered multiple online options to renew or refund their deposits through the Company's website, e-mail, and WhatsApp, ensuring convenience and accessibility.

Pursuant to Section 125 of 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 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 under review, the Company transferred Rs. 0.50 crores towards unclaimed matured fixed deposits and Rs. 0.09 crores towards unclaimed/unpaid interest accrued on such deposits to the IEPF.

The concerned depositor(s) 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>.

OTHER DISCLOSURES

- There were no significant and material orders passed by the regulators or courts or tribunals during the year impacting the going concern status and the Company's operations in future. For other orders, please refer to Note 54 of the financial statement containing details of the contingent liabilities.
- There was no change in the nature of business of the Company.
- Disclosure regarding details relating to deposits covered under Chapter V of the Act is not applicable since our Company is a Non-Banking Financial Company regulated by Reserve Bank of India. The Company accepts deposits as per the Reserve Bank of India (Non-Banking Financial Companies - Acceptance of Public Deposits) Directions, 2025.
- 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 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, unless provided in the Directors' Report form part of the notes to the standalone financial statements and Report on Corporate Governance.

SUBSIDIARY AND ASSOCIATE

Shriram Overseas Investments Limited, wholly owned subsidiary

During the Financial Year 2025-26, upon receipt of approval from RBI on April 1, 2025 and subject to compliance with conditions specified therein, your Company on May 9, 2025 acquired the entire equity stake in Shriram Overseas Investments Private Limited (now Shriram Overseas Investments Limited) from Shriram Investments Holdings Private Limited for the total consideration of Rs. 50.12 crores. Shriram Overseas Investments Private Limited ("Shriram Overseas") had one subsidiary viz; Bharath Investments Pte. Limited in Singapore (Bharath) representing 81.63% equity stake. Bharath had one Associate viz; Armour Insurance Services WLL (Armour Insurance) in Bahrain representing 40% equity stake.

Accordingly, Shriram Overseas Investments Private Limited became wholly owned subsidiary of the Company, Bharath became a step-down subsidiary of the Company and Armour Insurance indirectly became an associate of the Company w.e.f. May 9, 2025.

The name of Shriram Overseas Investments Private Limited was changed to Shriram Overseas Investments Limited ("Shriram Overseas") consequent upon conversion into public company with effect from June 4, 2025.

Mr. Umesh Revankar, Executive Vice Chairman and Mr. Parag Sharma, Managing Director & CEO of the Company were appointed as Non-Executive and Non-Independent Directors on the Board of Shriram Overseas.

On September 26, 2025, your Company made a further investment of Rs. 3,000,052,250/- by subscribing 1,90,25,000 equity shares of face value of Rs. 10/- each at a premium of Rs. 147.69 per equity shares of Shriram Overseas through rights issue with an objective to strengthen capital base of Shriram Overseas. Consequently, the shareholding of the Company in Shriram Overseas increased from 31,66,500 equity shares to 2,21,91,500 equity shares of face value of Rs. 10/- each.

Shriram Overseas divested its entire stake of 81.63% in Bharath on March 11, 2026. Consequent to the divestment, Bharath ceased to be a subsidiary of Shriram Overseas and a step down subsidiary of the Company. As a result, Armour Insurance also ceased to be an associate of Shriram Overseas and of the Company.

Shriram Overseas is primarily 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. As per the audited consolidated financial statements of Shriram Overseas for the Financial Year ended March 31, 2026, Profit Before Tax was Rs. 7.77 crores as against Rs. 3.20 crores in the previous Financial Year ended March 31, 2025. The Profit After Tax for the Financial Year ended March 31, 2026 was Rs. 5.77 crores as against Rs. 3.07 crores in the previous Financial Year. For the Financial Year ended March 31, 2026, the total income was Rs. 17.40 crores and total expenditure was Rs. 9.01 crores.

On April 15, 2026, Shriram Overseas has received in-principle approval from RBI for undertaking Primary Dealer (PD) business, subject to compliance with the conditions specified therein. Shriram Overseas is in the process to comply with conditions specified therein.

Shriram Overseas is not a material subsidiary within the meaning of the Listing Regulations. The Company's policy for determination of material subsidiary, as adopted by the Board of Directors, in conformity with Regulation 16 of the Listing Regulations, can be accessed on the Company's website at <https://cdn.shriramfinance.in/files/Policy-on-Material-Subsidiaries.pdf>

Provision of Regulation 24 of the Listing Regulations relating to subsidiary companies, to the extent applicable, have been duly complied with.

Associate - Shriram Automall India Limited

Shriram Automall India Limited (CIN-U50100TN2010PLC074572) ("SAMIL"), an associate of the Company and an ISO 9001:2015 & Great Place To Work® certified company engaged in facilitating buying and selling of pre-owned 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, 2026, SAMIL has 135+ well-structured 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, 2026, its total income from operations and Net Profit was Rs. 259.31 crores and Rs. 46.01 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 (Shriram Overseas) are placed on the Company's website at <https://www.shriramfinance.in/investors/financials>

There was no other entity which became or ceased to be subsidiary, joint venture or associate of the Company, during the Financial Year 2025-26.

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 particulars of top ten employees and the employees drawing remuneration in excess of limits 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 is an annexure forming part of this Report. 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. The said statement is available for inspection with the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary at secretarial@shriramfinance.in

shriramfinance.in/companysecretary@shriramfinance.in

The Managing Director & CEO of the Company as per the terms of his appointment, does not draw any commission or remuneration from Shriram Overseas, wholly owned subsidiary company. Hence, no disclosure as required under section 197(14) of the Act has been made.

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 47th AGM of the Company is being sought for fixation of remuneration of Joint Statutory Auditors of the Company for the Financial Year 2026-27 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 hold a valid peer review certificate as prescribed under the 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 24, 2026 for the Financial Year 2025-26 which has been filed with RBI. There were no comments or adverse remarks in the said report as well.

SECRETARIAL AUDIT

The Members of the Company at its 46th Annual General Meeting held on July 18, 2025 appointed M/s. V Suresh Associates, Practising Company Secretaries (Firm Registration Number: P2016TN053700) (Peer Review No.:6366/2025) 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, pursuant to amended 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 Secretarial Auditor have confirmed that they are not disqualified to continue as a Secretarial Auditor and are eligible to hold office as Secretarial Auditor of your Company.

Pursuant to the provisions of Section 204 (1) of the Act, the Secretarial Audit Report for the Financial Year 2025-26 issued by Secretarial Auditor is annexed to this Report as **Annexure - IV**. The report does not contain any qualification, reservation or adverse remark.

CORPORATE GOVERNANCE

Pursuant to Schedule V of 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 Joint Managing Director & Chief Financial Officer on the Financial Statements of the Company for the year ended March 31, 2026 as submitted to the Board of Directors at its meeting held on April 24, 2026;
- 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

- Recognised by Great Place to Work as India’s Best Workplaces in BFSI - Top 50.
- Recognised by Great Place to Work as India’s Best Workplaces in Health & Wellness for the third consecutive year.

Business

- Recognized at NSE’s Nifty50 Anniversary Celebration.

Sustainability

- Honoured with the prestigious ‘Most Sustainable Company in Upper Layer NBFCs’ award at Business Today India’s Most Sustainable Companies 2025.

Information Technology

- Awarded by Forcepoint ‘2025 Data Elevate’ for excellence in deploying comprehensive, enterprise-wide data security architecture.
- Winner of ‘Kautilya Award’ in the category of National Excellence Award-2025 by All India Council for Technical Education (AICTE).

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

Mumbai
April 24, 2026

Chairman
(DIN 03190289)



ANNEXURE – I

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FINANCIAL YEAR 2025 – 2026

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	Executive Vice Chairman	3	3
2	Mr. Pradeep Kumar Panja	Non-Executive Independent Director	3	3
3	Mr. Parag Sharma (*)	Managing Director & CEO	1	1
4	Mr. Y. S. Chakravarti (**)	Managing Director & CEO	2	2

(*) The Board of Directors in its meeting held on October 31, 2025 inducted Mr. Parag Sharma, as a Member in the CSR Committee with effect from October 31, 2025.

(**) Mr. Y.S. Chakravarti ceased to be the Member of the Committee with effect from December 05, 2025.

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 Company had engaged M/s. Sattva Consulting, M/s. Social Lens Consulting Private Limited and M/s. Soulace Consulting Private Limited independent agencies to carry out the impact assessment with respect to following 3 CSR projects/programmes/activities alongwith the executive summary and weblink for the CSR project/programmes/activities is annexed as an Annexure to this Report.

The details of the Impact Assessment, can be accessed on the Company's website is given in the link below:

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

Executive Summary of Impact Assessment Reports:-

• Regular Scholarship Program

The Regular Scholarship Program aimed to support children from transport-industry families to continue uninterrupted schooling from Classes 8 to 12. The program provides annual financial assistance for education expenses, based on academic performance and family income. Eligible students scoring above 60% can receive continued support till Class 12. The program contributes to the achievement of Sustainable Development Goals 4 and 10 through its CSR initiatives, aiming to promote quality education for all and reduced inequalities.

The program contributes to measurable academic progress, increased motivation, and improved confidence among students. The program supports children from low-income households (monthly family income not exceeding Rs.25,000) to continue their education without disruption, provided they meet the minimum academic requirement of at least 60% marks.

• Mobile Medical Unit (MMU) Program

The Mobile Medical Unit (MMU) Program aimed to provide comprehensive primary healthcare support to truck drivers, their families, and underserved communities. Through mobile medical units stationed at key transport hubs, beneficiaries received access to free consultations, diagnostic services, and essential medicines delivered directly to their locations. Each unit is equipped with trained healthcare professionals and supported by digital health systems that enable efficient, personalised care and continuity of treatment. Additionally, the program includes regular health screening camps and awareness sessions on preventive healthcare, hygiene, nutrition, and substance use, empowering beneficiaries to adopt healthier lifestyles. By integrating curative, preventive, and promotive healthcare services, the program ensures improved access, early detection of diseases, and overall well-being of the target population.

The program improves the overall health and well-being of the trucker community by providing accessible and quality primary healthcare services.

• Two-Wheeler Automotive Program

The Two- Wheeler Automotive Program aimed to train youth from disadvantaged backgrounds in the field of Automotive Two-Wheeler repair and service. The program is designed to deliver technical and soft skills training, aiming to enhance participants' employability, market opportunities, and overall quality of life. The program was implemented in collaboration with Pratham Foundation to provide underprivileged and unemployed youth between the ages of 18 to 25 years with industry-relevant skill training in Automotive Two-Wheeler servicing, enabling them to access sustainable livelihood opportunities.

After completion of training, the students are placed across authorised service centres, dealer workshops and local garages.

The program is inclusive and gender-neutral, offering equitable opportunities to all adults seeking to enhance their skill sets, irrespective of socio-economic background. By equipping workers with transferable technical skills and professional conduct standards, the Automotive Program improves employability, promotes income stability, and enhances the overall standard of living of the youth. Furthermore, the program also fosters community networks and contributes to a broader upliftment of local economies.

5. (a) Average net profit of the Company as per section 135(5):- **Rs. 9,148.74 crores**
- (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135:- **Rs. 182.97 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. 182.97 crores**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):- **Rs. 1,812,984,034.46/-**

i) Details of CSR amount spent against ongoing projects for the Financial Year 2025-26

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 2025-26 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 and Secondary Education	Education	Yes	Pan India	Pan India	4 years April 2024 - March 2028	740,000,000.00	740,571,270.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR00001315
2	Ongoing Project	Support to Schools and Students for Education	Education	Yes	Tamil Nadu	Chennai	4 years April 2024 - March 2028	35,500,000.00	35,733,900.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR00001315
3	Ongoing Project	Pramal Foundation for Education Leadership	Education	No	Madhya Pradesh, Rajasthan, Jharkhand, Odisha, Jammu and Kashmir and Ladakh	Bhopal, Dindori, Narmadapuram, Jabalpur, Mandla, Khargone, Alirajpur, Anuppur, Chhindwara, Indore, Balaghat, Barwani, Betul, Bind, Burhanpur, Chhatarpur, Ashoknagar, Damoh, Dattia, Dewas, Dhar, East Nimar, Guna, Gwalior, Harda, Jhabua, Katni, Mandasaur, 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, Anoop Garh, Balotara, Banswara, Baran, Barmer, Beawer, Bharatpur, Bhilwara, Bikaner, Bundi, Chittorgarh, Churu, Dausa, Deedwana, Bokoaro, Chatra, Deoghar, Dhanbad, Dumka, East Singhbhum, Garhwa, Giridih, Godda, Gumla, Hazaribagh, Jamtara, Khunti, Koderna, Latehar, Lohardaga, Pakur, Palamu, Ramgarh, Ranchi, Sahebganj, Saraikela Kharsawan, Simdega, West Singhbhum, Angul, Balangir, Balasore, Bargarh, Bhadrak, Boudh, Cuttack, Deogarh, Dhenkanal, Gajapati, Ganjam, Jagatsinghapur, Jajpur, Jharsuguda, Kalahandi, Kandhamal, Kendrapara, Kendujhar (Keonjhar), Khordha, Koraput, Malkangiri, Mayurbhanj, Nabarangapur, Nayagarh, Nuapada, Puri, Rayagada, Sambalpur, Sonepur, Sundargarh, Baramulla, Kupwara, Srinagar, pulwama, shopian, kulgam, Anantnag, budgam, ganderbal, Bandipora, Jammu, Leh, Kargil	2 Years Feb 2024 - March-2026	112,500,000.00	112,500,000.00	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 2025-26 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	Utar 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, Bijapur, Dantewada, Kanker, Kondagaon, Korba, Mahasamund, Mohla Manpur Chouki (Rajnandgaon), Narayanpur, Sukma, Gajapati, Kandhamal, Malkangiri, Rayagada, Baran, Guna, Raigarh, Vidisha, Jaislmer, Sirohi, Firozpur, Moga, Kumuram Bheem Asifabad, Jayashankar Bhupalpally, Alluri Sitarama Raju, Parvathipuram Manyam, Namsai, Soreng, Dhalai, Haridwar, Udhham Singh Nagar and Yadgir	2 Years Feb 2024 - March-2026	137,500,000.00	137,500,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR00001315
5	Ongoing Project	Promoting Research in Mathematics and Computer Science	Education	Yes	Tamil Nadu	Chennai	3 Years April 2024 - March 2027	100,000,000.00	100,000,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR00001315
6	Ongoing Project	Project Gift a Smile	Education	No	Assam, Maharashtra, Odisha, Tripura and West Bengal	Tinsukia, Cachar, Bongaigaon, Sangh, Solapur, Dhenkanal, Ganjam, Khowai, Gomati, North Dhanichara, Durgapur Sabang and Bagdah	4 years April 2025 – March 2029	10,000,000.00	10,000,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR00001315
7	Ongoing Project	Up-Skilling Driver Training Program	Training and Skilling Development	Yes	Tripura, Gujarat, Odisha, Chhattisgarh, West Bengal, Madhya Pradesh, Maharashtra, Jharkhand, Rajasthan, Uttar Pradesh, Tamil Nadu, Himachal Pradesh, Puducherry and Andhra Pradesh.	Agartala, Ahmedabad, Bakroal, Barbil, Bhilai, Bilaspur, Birbhum, Chhatia, Dhanbad, Dhar, Dhule, Haldia, Hazaribagh, Indore, Jaipur, Jamshedpur, Kanpur, Kharagpur, Khordha, Korba, Kotputli, Lucknow, Madhavaram, Maihar, Mugalsara, Mylavaram, Nalagarh, Paradip, Puducherry, Rajkot, Sangagiri, Sikar, Singawal, Sundargarh, Surat, Talcher, Tirunelveli, Tripura, Udaipur and Villupuram.	3 Years July 2022 - March 2026	314,329,969.00	314,329,969.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR00001315
8	Ongoing Project	Women Driver Training Program	Training and Skilling Development	Yes	Madhya Pradesh, Bihar, Andhra Pradesh, Puducherry, Rajasthan, Assam, Gujarat, Karnataka and Tamil Nadu	Bhopal, Chennai, Chhatarpur, Chhindwara, Indore, Itarsi, Jabalpur, Motihari, Nagari, Nashik, Pondy, Sangagiri, Sehore, Singawal, Tezpur, Thanjavur, Tirunelveli, Udupi, Ujjain and Vadnagar.	3 Years April 2024 - March 2027	46,500,000.00	46,654,491.00	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 2025-26 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
9	Ongoing Project	Pre licencing Driver training Program_HMV	Training and Skilling Development	Yes	Gujarat, Madhya Pradesh, Tamil Nadu, Rajasthan and Andhra Pradesh.	Banaskantha, Bhopal, Namakkal, Singawal, Thanjavur, Vadnagar, Chanasma and Mylavaram	3 Years April 2024 - March 2027	31,500,000.00	31,860,420.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
10	Ongoing Project	Pratham Foundation- 2 Wheeler Automotive Program	Training and Skilling Development	Yes	Maharashtra, Chattisgarh, Madhya Pradesh, Uttar Pradesh, Bihar and Tamil Nadu	Aurangabad, Bilaspur, Jabalpur, Kanpur, Muzaffarpur and Salem	3 Years April 2023 - March 2026	28,500,000.00	28,825,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
11	Ongoing Project	RamaKrishna Mission	Training and Skilling Development	Yes	Tamil Nadu	Chennai	3 Years April 2023 - March 2026	13,000,000.00	13,000,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
12	Ongoing Project	Mobile Medical Unit, Health Clinic and Other health initiative	Preventive Health Care	Yes	Rajasthan, Maharashtra, Andhra Pradesh, Gujarat, Jharkhand, Assam, West Bengal, Bihar, Odisha, Tamil Nadu, Karnataka and Telangana	Jaipur, Nagpur, Vishakhapatnam, Vapi, Ranchi, Silchar, Guwahati, Kolkata, Hooghly, Patna, Bhubaneswar, Chennai and Bangalore	4 years April 2024 - March 2027	65,000,000.00	66,651,864.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
13	Ongoing Project	Cancer Care	Preventive Health Care	Yes	Tamil Nadu	Chennai	4 Years April 2023 - March 2027	5,000,000.00	5,000,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
14	Ongoing Project	South India Club	Preservation of Art, Culture and Heritage	No	New Delhi	New Delhi	4 years April 2024 - March 2028	32,500,000.00	32,737,559.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
15	Ongoing Project	Sri Shanmukhananda Nadaswara Fellowship in Music.	Preservation of Art, Culture and Heritage	No	Maharashtra	Mumbai	3 Years April 2023 - March 2026	5,000,000.00	5,000,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
		Total						1,676,500,000.00	1,680,364,473.00				

ii) Details of CSR amount spent against other than ongoing projects for the Financial Year 2025-26

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 2025-26 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	Support to Schools and Students for Education	Education	Yes	Tamil Nadu, Karnataka, Andhra Pradesh	Krishnagiri, Mangalore, Vijaywada, Mylapore and Tambaram	15,500,000.00	15,779,440.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
2	Other Project	The Association of People with Disability	Education	No	Karnataka	Bangalore	6,000,000.00	6,160,722.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
3	Other Project	Shraddha Manu Foundation	Education	Yes	Tamil Nadu	Chennai	7,500,000.00	7,500,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
4	Other Project	Maraimalai Adigal Government Higher Secondary School	Education	Yes	Tamil Nadu	Pallavaram	2,500,000.00	2,793,768.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
5	Other Project	Give Life Trust and PAN IIT Alumni Reach for India Foundation.	Training and Skilling Development	Yes	Tamil Nadu, Jharkhand and Madhya Pradesh	Chennai, Dhar and Sardarpur	11,500,000.00	11,900,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
6	Other Project	Other Health Care Initiative	Preventive Health Care	No	New Delhi and Andhra Pradesh	New Delhi and Bapatla	3,500,000.00	3,637,248.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
7	Other Project	Traditional Art and Culture	Preservation of Art Culture and Heritage	Yes	Tamil Nadu	Chennai	8,000,000.00	8,345,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
8	Other Project	Chennai International Trust	Preservation of Art Culture and Heritage	Yes	Tamil Nadu	Chennai	30,000,000.00	30,000,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
9	Other Project	Shri Shanmukhananda Fine Arts and Sangeetha Sabha (Wounded Warrior)	Measures for the benefit of Armed Forces Veterans, War Widows and their Dependents.	No	Maharashtra	Mumbai	4,000,000.00	4,000,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
10	Other Project	Shri Shanmukhananda Fine Arts and Sangeetha Sabha International Women's Day	International Women's Day	No	Maharashtra	Mumbai	300,000.00	300,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
11	Other Project	Training to promote Olympic Sport	Promotion of Olympic Sport	No	Karnataka	Bangalore	20,000,000.00	20,000,000.00	Not Applicable	Yes	Shriram Seva Sankalp Foundation	CSR000001315
		Miscellaneous - Expenses					44,400,000.00	22,203,383.46				
		Total					153,200,000.00	132,619,561.46				



- (b) Amount spent in Administrative Overheads: **Rs. 14,643,845.00**
- (c) Amount spent on Impact Assessment, if applicable: **Rs.2,484,452.24**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs 1,830,112,331.70**
- (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. 183.01 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	182.97 crores
ii)	Total amount spent for the Financial Year	183.01 crores
iii)	Excess amount spent for the financial year [(ii)-(i)]	0.04 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)]	0.04 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 sub-section (6) of section 135 (in Rs.)	Balance amount in unspent CSR account under sub-section (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in Rs.)	Deficiency if any
					Amount (in Rs.)	Date of transfer		
1.	FY 2024-25	Nil	Nil	Nil	Nil	Not Applicable	Nil	Nil
2.	FY 2023-24	Nil	Nil	Nil	Nil	Not Applicable	Nil	Nil
3.	FY 2022-23	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. 183.01 crores during the financial year 2025-26 as against the prescribed CSR obligation of Rs. 182.97 crores.

For and on behalf of the Board of Directors
Umesh Revankar
Executive Vice Chairman
(Chairman, CSR Committee)
(DIN:00141189)

Parag Sharma
Managing Director & CEO
(DIN: 02916744)

Place: Mumbai
Date: April 24, 2026

ANNEXURE TO REPORT ON CSR PROJECT/PROGRAMS/ACTIVITIES EXECUTIVE SUMMARY ALONGWITH WEB-LINK OF IMPACT ASSESSMENT REPORTS

Sr. No	Name of the Project	Duration of the Project	Impact Assessment Agency	Key Objectives	Impact	Web-links where complete report is available
1.	Regular Scholarship Program	April 2021 – March 2024	Sattva Consulting	- To Support students from economically disadvantaged transport-industry households in continuing their secondary and higher secondary education without financial disruption. - To promote- access to educational opportunities, assistance to students from families with a monthly income of up to Rs.25,000, reducing financial barriers to education. - The Program aims to encourage, motivate, and recognise academically deserving students in Classes 8–12. By supporting those who achieve a minimum of 60% marks, it empowers them to continue their learning journey and pursue future career aspirations. - The Program has reduced financial stress and uncertainty for parents from transport sector families. By alleviating this burden, it fosters motivation, builds confidence, and inspires students to pursue higher education	73% students reporting that managing school-related expenses was difficult before the scholarship. - Financial aid (49%) and motivation to continue studies (43%) emerge as the top drivers for scholarship applications. - The scholarship demonstrates strong operational effectiveness, with 97% of respondents reporting an easy application process and timely fund disbursement. - The scholarship is driving tangible academic results. 85% of students reported that their grades have improved since receiving the scholarship program. 100% of the respondents were able to continue their school education, 87% of respondents also noticed more girls continuing their schooling specifically because of this scholarship. - Students’ expectations for the future show a shift from “immediate survival” to “career building.” A high majority (77%) are looking for higher education support, as well as mentorship on future careers.	https://cdn.shriramfinance.in/sfl-kalam/files/2026-04/IAR-Sattva-Consulting-Scholarship-Program.pdf
2.	Mobile Medical Unit (MMU) Program	April 2022 – March 2024	Soulace Consulting Private Limited	- To improve the overall health and well-being of the trucker community by providing accessible and quality primary healthcare services. - To promote health-seeking behaviour among truck drivers by increasing awareness about non-communicable diseases and encouraging adherence to treatment, including utilisation of follow-up services at nearby public health facilities such as PHCs and Health & Wellness Centres.	74.7% of the beneficiaries reported great relief from illnesses following the MMU treatment. 84.6% of the drivers reported reduced severity of chronic conditions due to regular monitoring. 58.3% of the drivers and the family members reduced alcohol/tobacco consumption demonstrating that health awareness session led to a measurable reduction in substance use. 91.3% of the truck drivers reported that the MMU program substantially reduced out of pocket expenses due to free treatment cost.	https://cdn.shriramfinance.in/sfl-kalam/files/2026-04/IAR-Soulace-Consulting-MMU-Programme.pdf

Sr. No	Name of the Project	Duration of the Project	Impact Assessment Agency	Key Objectives	Impact	Web-links where complete report is available
					- The program significantly improved access to consistent, quality primary healthcare directly at transport hubs - The program cultivated a culture of proactive healthcare, encouraging regular check-ups and timely treatment.	
3.	Two-wheeler Automotive Program	April 2020-March 2023	Social Lens Consulting Private Limited	- To provide underprivileged and unemployed youth with industry-relevant skill training in Automotive Two-Wheeler servicing, enabling them to access sustainable livelihood opportunities. - To strengthen technical knowledge and industrial specific skills across core module (oil filtration, engine work, clutch plate) and self-assessed skill improvement post-training. - To improve employability and workplace readiness of youth through training in communication skills, interpersonal skills, financial literacy, digital literacy code of conduct and workplace behaviour. - To create livelihood pathways for youth from underserved local communities, particularly from Tier 2 and Tier 3 cities, through placement-linked vocational training and support them in securing dignified employment within the automotive sector. - To bridge the gap between industry demand and availability of skilled manpower in the automotive sector by developing industry-ready youth. - To support income enhancement and long-term career mobility of trained youth through placement support, employment retention and sectoral continuity within the two-wheeler industry. - To encourage participation of women in the automotive sector through female enrolment, dedicated mobilisation efforts and supportive training environments.	87.1% of placed participants secured jobs within the first three months, indicating that the program is well-aligned with industry demand and enables quick workforce entry. 90.26% reported successful job conversion, reinforcing the effectiveness of placement linkages and training-to-job transition support. 66.8% continue to work within the automotive sector, suggesting sustained relevance of skills acquired. 83.67% reported improved ability to financially support their families, that highlights the program broader socio-economic contribution within the communities it serves. 84% of trainees reported strong improvement in practical, hands-on skills, particularly in servicing and repair functions. 72% of respondents provided positive feedback reflecting a strong endorsement of the programme’s overall delivery, training, and its role in facilitating the transition into and sustenance of employment to further strengthen the initiative.	https://cdn.shriramfinance.in/sfl-kalam/files/2026-04/IAR-Social-Lens-Two-Wheeler-Automotive-Program.pdf



ANNEXURE – II

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

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

a. Conservation of Energy

Your Company's operations are not energy intensive. The Company continues its initiatives for conservation of energy, the details of which are given in Environment, Social and Governance Report.

b. Technology absorption

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

During the year under review, the Company implemented several technology-driven initiatives to strengthen digital capabilities, enhance ecosystem integrations and improve customer journeys across lending and deposit products. Key initiatives included:

1. Account Aggregator-based bank statement analysis for hassle-free DIY journeys.
2. Secure CKYC retrieval using OTP-based authentication via CERSAI.
3. Partner ecosystem enablement with CAIT, CSC, and OEMs for expanded reach and seamless lead acquisition.
4. Adoption of Vahan API and MoRTH integration with RBiH on the ULI ecosystem for digital hypothecation removal marking a first-of-its-kind implementation among NBFCs.
5. Launch of a digital two-wheeler marketplace for integrated discovery and financing.
6. Omnichannel enablement for Fixed Deposits across app and web.
7. Unified consent management framework for stronger data governance.
8. Launch of the Shriram One Business App for merchant onboarding and transaction management.
9. Digitization of agreements through e-agreements across multiple products.

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

1. **Improved Underwriting Quality:** Enhanced credit evaluation through bureau data integration, automated income assessment and validation checks.
2. **Fraud Prevention & Risk Controls:** AI-enabled verification (face matching, liveness checks, CKYC) reduced identity fraud risks.
3. **Faster Decision-Making:** Real-time access to verified data and automated workflows accelerated loan approvals.
4. **Enhanced Data Accuracy:** Automated validation improved reliability and reduced rework.
5. **Operational Efficiency:** Digitization minimized manual intervention, reducing costs and risks.
6. **Consistency in Credit Policy:** Codified rules ensured uniform application across geographies.
7. **Customer Trust & Experience:** Consent-driven, transparent digital journeys improved confidence and reduced friction.
8. **Governance & Compliance:** End-to-end digital tracking strengthened auditability and regulatory compliance.

Efficiency Improvements

- a. Automation of bank statement analysis and CKYC retrieval reduced manual effort.
- b. E-agreements eliminated paperwork, accelerating loan processing.
- c. Digital hypothecation removal streamlined a time-intensive process.

Scalability Enhancements

- a. API-led integrations enabled seamless partner onboarding and rapid expansion.
- b. Modular architecture supported quick rollout of new products.
- c. Merchant ecosystem expansion via *Shriram One Business App* facilitated scalable growth.

Customer Experience Improvements

- a. Omnichannel FD journeys ensured convenience across platforms.
- b. Two-wheeler marketplace simplified discovery and financing.
- c. Secure OTP-based CKYC flows enhanced trust and ease of onboarding.
- d. Unified consent management improved transparency and control.
- e. Digital-first interactions delivered faster processing and frictionless journeys.

These initiatives collectively enabled faster turnaround times, improved accessibility to financial products and delivered a seamless, secure and customer-centric digital experience for customers and partners.

Key Pillars of Digital Strategy

Omni-channel orchestration, AI-driven personalization, transition from Super App to Super Store, automated customer service, SEO-optimized digital assets and data-driven lending & expansion. This structured plan positions the Company at the forefront of digital financial services and customer engagement 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. Foreign exchange earnings and Outgo

1. Foreign Exchange Earnings: Rs. 1.84 crores.
2. Outgo under Foreign Exchange: Rs. 81.38 crores.

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, 2026

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 2025-26
1	Mr. Jugal Kishore Mohapatra	Chairman, Independent Director	12.02	0
2	Mr. Umesh Revankar	Executive Vice Chairman	72.44	7.47
3	Mr. Y. S. Chakravarti	Managing Director & CEO (Upto December 4, 2025) ³	58.68	Refer note 3
4	Mr. Parag Sharma	Managing Director & CEO ⁴	40.68	5.15
5	Mr. S. Sunder	Joint Managing Director & Chief Financial Officer ⁵	40.68	Refer note 5
6	Mr. Pradeep Kumar Panja	Independent Director	14.34	0
7	Mr. S. Ravindran	Independent Director	14.14	0
8	Mrs. M V Bhanumathi	Independent Director	13.84	0
9	Mr. Gokul Dixit	Independent Director	14.14	0
10	Mr. D.V. Ravi	Non-Executive and Non-Independent Director	-	NA
11	Mr. Ignatius Michael Viljoen	Non-Executive and Non-Independent Director	-	NA
12	Mr. U Balasundararao	Company Secretary & Chief Compliance Officer ¹²	NA	7.47

Notes for Sr.No.:

- 3 Not comparable since Mr. Y. S. Chakravarti ceased to be a Director of the Company w.e.f. December 5, 2025 consequent to the completion of his tenure as Managing Director & CEO on December 4, 2025. He was paid Leave encashment of Rs. 2,837,472/- and Gratuity of Rs. 2,000,000/-.
- 4 Mr. Parag Sharma, Managing Director & Chief Financial Officer was re-designated as Managing Director & CEO of the Company w.e.f. December 5, 2025 for the remainder term of his tenure i.e. upto December 12, 2026.
- 5 Not comparable since Mr. S. Sunder was appointed as a Whole Time Director of the Company for a period of 5 (five) years commencing from October 31, 2025 and designated as Joint Managing Director and Chief Financial Officer w.e.f. December 5, 2025. His total remuneration for financial year 2025-26 was Rs.15,341,740/- out of which Rs.6,230,006/- remuneration was paid for his appointment as Whole Time Director during the period October 31, 2025 to March 31, 2026.
- 12 Mr. U Balasundararao was re-designated as Company Secretary & Chief Compliance Officer w.e.f. December 5, 2025.

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 2025-26, there was an increase of 6.58.% in the median remuneration of the employees.
- II There were 76,241 permanent employees on the role of Company as on March 31, 2026.
- III For employees other than Managerial Personnel who were in employment for whole of the Financial Year 2024-25 and Financial Year 2025-26, the average increase in the remuneration was 12.72%. The average increase in remuneration for Managerial Personnel in Financial year 2025-26 was 10.50%.

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

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To

The Members,

SHRIRAM FINANCE LIMITED,

CIN: L65191TN1979PLC007874,

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

Industrial Estate, Guindy,

Chennai – 600032.

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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 authorized representatives during the conduct of secretarial audit, We hereby report that in Our opinion, the Company has during the audit period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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 and amendments from time to time.
 - g. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and
 - h. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- 6) The Reserve Bank of India Act, 1934;
 - 7) Master Direction - Reserve Bank of India (Non-Banking Financial Company – Governance) Directions, 2025.
 - 8) Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2025.
 - 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.
 - 13) Master Director - Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021.
 - 14) RBI Digital Lending Directions

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing 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.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a 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.

We have examined the systems and processes of the Company in place to ensure the compliance with applicable general laws like Labour Laws/Code, 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.

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

We 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. except the following:

- i. 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 (‘SIHPL’),



- 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. The Board of Directors in its meeting held on May 06, 2025 has inter-alia approved payment of total consideration of Rs. 501,193,620/- for acquiring 3,166,500 equity shares of face value of Rs.10/- each fully paid-up of SOIPL at Rs.158.28 per equity share from SIHPL and infusion of further equity share capital in SOIPL of upto Rs.500 crores in a phased manner to strengthen its capital base. SOIPL became wholly owned subsidiary of the Company with effect from May 09, 2025. On June 04, 2025 the name of SOIPL has been changed to Shriram Overseas Investments Limited (SOIL) upon conversion into public company. Subsequently, on September 26, 2025 the Company has made further investment of Rs. 3,000,052,250/- i.e. in SOIL by subscribing 19,025,000 equity shares of face value of Rs. 10/- each at a premium of Rs. 147.69 per equity share through Rights Issue.
- ii. During the period under review, the Company has received a Speaking Order dated July 08, 2025 from Reserve Bank of India for non-compliance with certain provisions of RBI Digital Lending Directions observed during statutory inspection with reference to the financial position of the Company as on March 31, 2024 and levied a penalty of Rs. 2.70 lakhs. On July 16, 2025, the Company has paid the penalty amount of Rs.2.70 lakhs to RBI. This penalty has no material impact on financial, operations or other activities of the Company.
- iii. The Board of Directors of the Company at its meeting held on December 19, 2025 has, approved the issuance of 471,121,055 fully paid-up equity shares of face value of Rs.2/- each by way of Preferential Issue on a Private Placement Basis to MUFG Bank Ltd, a company incorporated under the laws of Japan at a price of Rs.840.93 per share (including a premium of Rs.838.93 per share).The Members of the Company in its Extra-ordinary General Meeting held on January 14, 2026 has passed the resolutions with requisite majority. The Company has obtained in principle approvals from BSE Limited and the National Stock Exchange of India Limited on February 03, 2026. The Board of Directors of the Company at its meeting held on April 08, 2026 has approved the allotment of 471,121,055 fully paid-up Equity Shares of face value of Rs.2/- each at an issue price on a preferential basis to MUFG Bank Ltd. on receipt of the subscription amount aggregating to Rs.396,179,828,781.15 in terms of the Investment Agreement dated December 19, 2025 executed between, among others, the Company and MUFG Bank Ltd.

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: F002969H000194820

Place: Chennai
Date: April 24, 2026

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

Annexure A
To
The Members,
Shriram Finance Limited,

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

For V Suresh Associates
Practising Company Secretaries

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

Peer Review Cert. No: 6366/2025.
UDIN: F002969H000194820

Place: Chennai
Date: April 24, 2026



ANNEXURE - V

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) READ WITH PARA E OF SCHEDULE V OF SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
SHRIRAM FINANCE LIMITED,
CIN: L65191TN1979PLC007874,
Sri Towers, Plot No. 14A, South Phase,
Industrial Estate, Guindy,
Chennai – 600032.

We have examined the compliance of conditions of Corporate Governance by **Shriram Finance Limited** (‘the Company’), for the year ended March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

MANAGEMENT RESPONSIBILITY:

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

AUDITORS RESPONSIBILITY:

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for

ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records and documents maintained by the Company in accordance with the certification of Corporate Governance as per the Listing Regulations.

OPINION:

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Management, 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 paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2026.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For V Suresh Associates
Practising Company Secretaries

V Suresh
Senior Partner
FCS No. 2969
C.P.No. 6032
Peer Review Cert. No: 6366/2025.
UDIN: F002969H000194875

Place: Chennai
Date: April 24, 2026

REPORT ON CORPORATE GOVERNANCE

The Report for the Financial Year ended March 31, 2026 on compliance by the Company with respect to the Corporate Governance provisions as prescribed under Regulation 34 read with Para (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, the Managing Director & CEO and Joint 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 had 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 the 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 atleast seven days before the date of the Board Meeting except for the meetings which were convened at a shorter notice to transact urgent business matter. The financial results were tabled at the Board meeting. The Board reviewed and approved the 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 submitted to the Board, the updates on status of implementation of important matters reviewed at the previous Board Meetings. The calendar of the quarterly Board meetings were finalised in advance. During the year under review, eight meetings of the Board of Directors were held on April 25, 2025, May 06, 2025, July 18, 2025, July 25, 2025, October 31, 2025, December 19, 2025, January 23, 2026 and March 30, 2026.

The maximum gap between any two consecutive meetings was not more than one hundred and twenty days. None of the Independent Directors of the Company served as an Independent Director in more than seven listed entities as of March 31, 2026, pursuant to proviso under Regulation 17A (1) of the Listing Regulations and the Companies Act, 2013. 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 2025-26 and at the last Annual General Meeting (AGM), number of Memberships/Chairmanships of Directors in other Boards and Committees of the 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 the Board 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 Financial Year 2025-26	Whether attended the last AGM held on July 18, 2025	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)	8	Yes	1	1	0	Nil
Mr. Umesh Revankar Executive Vice Chairman (DIN: 00141189)	8	Yes	3	1	0	Nil
Mr. Yalamati Srinivasa Chakravarti (#) Managing Director and Chief Executive Officer (upto December 04,2025) (DIN: 00052308)	5	Yes	0	0	0	Nil
Mr. Parag Sharma (\$) Managing Director and Chief Executive Officer (w.e.f December 05,2025) (DIN: 02916744)	8	Yes	1	0	1	Nil
Mr. Pradeep Kumar Panja Non-Executive Independent Director (DIN: 03614568)	8	Yes	2	1	1	Non-Executive Independent Director: 1. Brigade Enterprises Limited 2. The Karnataka Bank Limited
Mr. Ravindran Shunmugakani Non-Executive Independent Director (DIN: 09778966)	8	Yes	1	0	1	Nil
Mr. Gokul Subramanian Dixit Non-Executive Independent Director (DIN: 00357170)	8	Yes	1	1	1	Non-Executive Independent Director: 1. Loyal Textile Mills Limited
Mrs. Bhanumathi Viswanathan Melattur Non-Executive Independent Director (DIN: 10172983)	8	Yes	5	3	2	Non-Executive Independent Director: 1. Adani Ports and Special Economic Zone Limited 2. UPL Limited 3. IIFL Home Finance Limited^
Mr. Ravi Devaki Venkataraman Non-Executive Non Independent Director (DIN: 00171603)	5	Yes	0	0	0	Nil
Mr. Ignatius Michael Viljoen Non-Executive Non-Independent Director (Nominee Director) (DIN: 08452443)	8	Yes	0	0	0	Nil
Mr. S. Sunder (^) Joint Managing Director and Chief Financial Officer (w. e. f. December 05, 2025) (DIN: 08189901)	4	-	1	0	0	Nil

^ High Value Debt Listed Entity

Notes:

- 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.
- The Memberships and Chairmanships of Directors in Committees do not include their Memberships and Chairmanships in the Company.
- None of the above Directors are related inter- se.
- Mr. Ravi Devaki Venkataraman, Non-Executive Non-Independent Director of the Company holds 100 shares in the Company.
- (@) Mr. Jugal Kishore Mohapatra was re-appointed as Non-Executive Independent Director of the Company for the second term of 3 (three) consecutive years commencing from December 04, 2025 upto December 03, 2028 vide Special Resolution passed by the Shareholders of the Company through Postal Ballot on December 02, 2025.
- (#) Mr. Yalamati Srinivasa Chakravarti had completed his term as Managing Director and Chief Executive Officer of the Company and consequently ceased to be the Director of the Company with effect from December 05, 2025.
- (\$) Mr. Parag Sharma Managing Director and Chief Financial Officer of the Company was re-designated as Managing Director and Chief Executive Officer commencing from December 05, 2025 for the remainder of his tenure i.e. up to December 12, 2026 vide Ordinary Resolution passed by the Shareholders of the Company through Postal Ballot on December 02, 2025.
- (^) Mr. S.Sunder was appointed as a Whole Time Director of the Company for a period of 5(five) years commencing from October 31, 2025 to October 30, 2030 and designated as Joint Managing Director and Chief Financial Officer with effect from December 05, 2025 vide Ordinary Resolution passed by the Shareholders of the Company through Postal Ballot on December 02, 2025.

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 and currently available with the Board pursuant to Regulation 34(3) read with Schedule V Para (C) (2)(h) of Listing Regulations.

Name of Director	Skills/Expertise/Competence and ability of Directors ability relevant to the Company's business and affairs						
	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	✓	✓	✓	✓	✓	✓	✓
Mr. Yalamati Srinivasa Chakravarti Managing Director & CEO (upto December 04, 2025)	✓	✓	✓	✓	✓	✓	✓
Mr. Parag Sharma Managing Director & CEO (w.e.f. December 05, 2025)	✓	✓	✓	✓	✓	✓	✓
Mr. Pradeep Kumar Panja Independent Director	✓	✓	✓	✓	-	✓	✓
Mr. Ravindran Shunmugakani Independent Director	✓	-	✓	✓	✓	✓	-
Mr. Gokul Subramanian Dixit Independent Director	✓	✓	✓	✓	✓	✓	✓

Name of Director	Skills/Expertise/Competence and ability of Directors ability relevant to the Company's business and affairs						
	Leadership knowledge of Financial Service and Banking Industry	Strategic & Business Planning	Governance, Ethics & Regulatory Oversight	Audit & Risk Management	Sustainability	Human Resource	Information Technology knowledge
Mrs. 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. S. Sunder Joint Managing Director & CFO (w. e. f. December 05,2025)	✓	✓	✓	✓	✓	✓	✓

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 Para (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 has resigned during the Financial Year before expiry of their tenure.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors held a meeting on March 30, 2026 without the presence of the Non-Independent Directors and Members of Senior Management. The Independent Directors reviewed performance of Non- Independent Directors, performance of the Board as a whole and performance of the 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 judgements, 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.

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 2025-2026 and the time spent by Independent Directors was in the range of 10 hours 10 minutes. The cumulative programs/meetings conducted till date were 100 and the time spent by Independent Directors was in the range of 91-93 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/2026-04/SFL_Familiarisation-Programme-2026.pdf

POLICY FOR PROHIBITION OF INSIDER TRADING

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 (PIT Regulations), as amended, the Company has adopted the Prohibition of Insider Trading Code and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. In accordance with the Code, designated persons and their immediate relatives shall obtain pre-clearance approval from the Compliance Officer before trading in securities of the Company, if the transaction exceeds the prescribed threshold limit. Pursuant to provisions of Regulation 3(5) and 3(6) of 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 Committees are reviewed and updated from time to time depending upon business needs. The Board reviewed the terms of reference of various Committees, in line with requirement of applicable laws and to facilitate ease of doing business, and amended the terms of reference of the Committees as applicable, during the Financial Year. The minutes of the Committee meetings were placed before the Board meeting.

AUDIT COMMITTEE

The Audit Committee of the Company was 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 the fields of Banking & Finance, Accounts, Regulatory and Financial service industry.

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 the 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 2025-26, 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/Directions on Digital Lending, KYC, Financial Statements and the Company's readiness to implement the same, National Financial Reporting Authority (NFRA) Circular on Those Charged with Governance (TCWG), amendments by SEBI in relation to provisions of Related Party Transactions, material events and various disclosure under Listing Regulations, duplicate share certificate, ESG Ratings & ESG Disclosures etc.

The external experts were invited to give presentation and updates on 1. Session of Financial Statements 2. IT & Cyber security Awareness and 3. DPDP Readiness/DPDP Competitive Analysis.

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.

Terms of reference:

The terms of reference of the Audit Committee include the following:

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; and
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, ten meetings were held on April 24, 2025, April 25, 2025, May 06, 2025, July 24, 2025, July 25, 2025, October 30, 2025, October 31, 2025, January 22, 2026, January 23, 2026 and March 30, 2026. The gap between any two consecutive 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. Pradeep Kumar Panja	Chairman	10
Mr. Ravindran Shunmugakani	Member	10
Mr. Gokul Subramanian Dixit	Member	10
Mrs. Bhanumathi Viswanathan Melattur	Member	10

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

On March 30, 2026, 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) was constituted by the Board as per the requirements of the provisions of Section 178 of the Act and Regulation 19 read with Para A of Part D of the Schedule II of the Listing Regulations.

Terms of reference:

The terms of reference of the NRC, include the following:

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;

- 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; and
 - 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); and
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 under review the Committee met three times on April 24, 2025, October 30, 2025 and March 30, 2026.

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. Ravindran Shunmugakani	Chairman	3
Mr. Jugal Kishore Mohapatra	Member	3
Mr. Ravi Devaki Venkataraman	Member	2
Mrs. Bhanumathi Viswanathan Melattur	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 of Rs. 1,00,000/- for every meeting of the Board, Rs. 75,000/- for every 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 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. The Shareholders of the Company in the 46th Annual General Meeting held on July 18, 2025 had approved payment of commission to all Independent Directors of the Company for an aggregate amount not exceeding Rs. 250 lakhs for every Financial Year over the

period for three financial years commencing from April 01, 2025 and ending March 31, 2028 subject to the statutory limits. The Board on April 24, 2026, had approved the commission to be paid to each Independent Director for the Financial Year ended March 31, 2026 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, consisting 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 at the end of the Financial Year.

Notes:

- Mr. Umesh Revankar, Executive – Vice Chairman of the Company, his remuneration includes Salary of Rs. 22,498,320/- contribution to Provident Fund of Rs. 1,713,252/- and NPS of Rs. 1,427,712/-.
- Mr. Yalamati Srinivasa Chakravarti, Managing Director and Chief Executive Officer of the Company (completed term on December 04, 2025), his remuneration includes Salary of Rs.10,804,593 /-, perquisites of Rs. 1,077,289 /-, contribution to Provident Fund of Rs.629,071/- and retiral benefits i.e. Leave Encashment of Rs.2,837,472/- ,Gratuity of Rs. 2,000,000/- .and benefits under PSAR Plan of Rs.4,051,913/-.
- Mr. Parag Sharma, Managing Director and Chief Executive Officer of the Company with effect from December 05, 2025, his remuneration includes Salary of Rs. 13,286,380/-, contribution to Provident Fund of Rs.943,644/- and NPS of Rs. 1,100,916/-.
- Mr. S. Sunder, Joint Managing Director (KMP not being part of the Board) was appointed as Whole-Time Director for a period of five years commencing from October 31, 2025 to October 30, 2030 and designated as Joint Managing Director and Chief Financial Officer with effect from December 05, 2025. His total remuneration for Financial Year 2025-26 was Rs.15,341,740/- out of which Rs.6,230,006/- was paid for his appointment as Whole-Time Director during the period October 31, 2025 to March 31, 2026.
- 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.
- 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/Remuneratio-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 granted Phantom Stock Appreciation Rights (PSAR) on March 30, 2026 under the Shriram Finance Limited Employees Phantom Stock Appreciation Rights Plan 2024 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 was constituted in line with the provisions of Section 178 (5) of the Companies Act, 2013, Regulation 20 and Para B of Part D of Schedule II of Listing Regulations. 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.

Terms of reference :

The terms of reference of the Stakeholders Relationship Committee include the following:

- 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;
- To oversee the demat conversion request of securities in the Depository system issued in lieu of original share

certificate(s) reported lost, defaced or destroyed as per the laid down procedure and to resolve the grievances of security holders/claimant (s) of the Company;

3. Attending to complaints of security holders routed by SEBI (SCORES)/SMART ODR Portal/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. Review of measures taken for effective exercise of voting rights by shareholders;
7. Review of adherence to the service standards adopted by the listed entity in respect of various services being

THE DETAILS OF SITTING FEES/REMUNERATION PAID TO THE DIRECTORS DURING THE FINANCIAL YEAR 2025 -26 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)	1,255,000.00	-	3,000,000.00	-	4,255,000.00
2	Mr. Umesh Revankar (Executive Vice Chairman)	-	25,639,284.00	-	-	25,639,284.00
3	Mr. Yalamati Srinivasa Chakravarti (Managing Director & CEO) (completed term on December 04, 2025)	-	20,323,049.00	-	1,077,289.00	21,400,338.00
4	Mr. Parag Sharma (Managing Director and Chief Executive Officer) (w.e.f December 05, 2025)	-	15,330,940.00	-	10,800.00	15,341,740.00
5	Mr. Pradeep Kumar Panja, (Independent Director)	2,075,000.00	-	3,000,000.00	-	5,075,000.00
6	Mr. Ravindran Shunmugakani (Independent Director)	2,005,000.00	-	3,000,000.00	-	5,005,000.00
7	Mr. Gokul Subramanian Dixit (Independent Director)	2,005,000.00	-	3,000,000.00	-	5,005,000.00
8	Mrs. Bhanumathi Viswanathan Melattur (Independent Director)	1,900,000.00	-	3,000,000.00	-	4,900,000.00
9	Mr. Ravi Devaki Venkataraman (Non-executive and Non-Independent Director)	-	-	-	-	-
10	Mr. Ignatius Michael Viljoen (Non-executive and Non-Independent Director)	-	-	-	-	-
11	Mr. S. Sunder (Joint Managing Director and Chief Financial Officer) (w.e.f. December 05, 2025)	-	15,330,940.00	-	10,800.00	15,341,740.00
GST on sitting fees paid to the Directors		831,600.00	-	-	-	-

rendered by the Registrar to an Issue and Share Transfer Agent;

8. 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;
9. To resolve grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants;
10. Review of Investor Grievance Redressal reports on a periodic basis pertaining to grievances/complaints received by the Company; and
11. Such other matters as may be assigned by the Board of Directors or prescribed under any of the notifications, circulars, or guidelines issued by Securities and Exchange Board of India or otherwise directed by them, from time to time that can facilitate better stakeholder services and relations.

During the year under review the Committee met four times on April 24, 2025, July 24, 2025, October 30, 2025 and January 22, 2026. The necessary quorum was present for all 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 (completed term on December 04, 2025)	Member	3
Mr. Parag Sharma (w.e.f. October 31, 2025)	Member	1

Mr. U Balasundararao, Company Secretary also acts as the Chief 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, 2025	Nil	1

Particulars	No. of Complaints	
	Equity Shares	Non-Convertible Debentures
Complaints received during the period April 01, 2025 to March 31, 2026.	8	3
Complaints identified and reported under Regulation 13(3) of Listing Regulations.	8	3
Complaints disposed off during the year ended March 31, 2026.	7	4
Complaints unresolved as of March 31, 2026.	1*	Nil

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 28, 2026 from the shareholder regarding non-receipt of shares and dividend lying with the Investor Education and Protection Fund (IEPF) Authority. The Company has clarified to the shareholder in this regard.

Investor Correspondences:

The Company's Registrar to an Issue and Share Transfer Agent, Integrated Registry Management Services Private Limited, had received 3397 investor correspondences during the Financial Year 2025-26 from the investors of the Company. These correspondences were related to KYC updation, procedures for transmission, loss of share certificates, request for KYC updation, refund claims for shares/dividend/interest/redemption amounts from the IEPF Authority etc.

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. The 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.

SEBI has 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 (further updated as on December 20, 2023) 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>.

In compliance with SEBI Circular, the Company had sent email communication to the Shareholders intimating them on 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> or on the website of RTA <https://www.integratedregistry.in/investorcharter.aspx>

The Company, vide SEBI Circular dated November 18, 2024, has implemented 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.

Pursuant to Clause (5) of Para B of Part D of Schedule II of the Listing Regulations and as per the terms of reference of the Stakeholders Relationship Committee, reviews regularly the grievances of the debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants received by the Company and the Debenture Trustees of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee was 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 include the following:

- 1) Formulating and recommending to the Board of Directors the CSR Policy and monitoring the same from time to time;
- 2) To review and evaluate the sustainability agenda, suggest modifications, discuss and recommend action plan to take the CSR activities forward; and

- 3) To monitor the amount spent 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 three times on April 24, 2025, October 30, 2025 and January 22, 2026.

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	3
Mr. Pradeep Kumar Panja	Member	3
Mr. Yalamati Srinivasa Chakravarti (completed term on December 04, 2025)	Member	2
Mr. Parag Sharma (w.e.f. October 31, 2025)	Member	1

RISK MANAGEMENT COMMITTEE

The Risk Management Committee was constituted in line with the Regulation 21 read with Para C of Part D of Schedule II of Listing Regulations.

Terms of reference:

The terms of reference of the Risk Management Committee include the following:

- 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; and
 - 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; and
- 11) Such other matters as may be prescribed, from time to time.

During the year under review, the Committee met three times on June 18, 2025, October 30, 2025 and January 22, 2026. The gap between any two consecutive meetings was not more than two hundred and ten days. 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. Yalamati Srinivasa Chakravarti (completed term on December 04, 2025)	Member	2
Mr. Parag Sharma (w.e.f. October 31, 2025)	Member	1
Mr. S. Sunder	Member	3
Mr. Hardeep Singh, Joint Managing Director and Chief Risk Officer (not a Member of the Board)	Member	3
Mr. Gokul Subramanian Dixit	Member	3

Pursuant to Reserve Bank of India Circular No. DNBR(PD) CC.No.099/03.10.001/2018-19 dated May 16, 2019, the Company elevated and re-designated Mr. Hardeep Singh as Joint Managing Director & Chief Risk Officer (CRO) with effect from October 31, 2025. He was re-appointed as the Chief Risk Officer (CRO) for a further period of 3 years, with effect from December 05, 2025 to December 04, 2028 to continue to carry out all functions

and discharge all responsibilities as CRO of the Company pursuant to Part D of Chapter IV of the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025.

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 the following:

1. Liquidity risk management;
2. Management of market risks;
3. Funding and capital planning;
4. Profit planning and growth projection; and
5. Forecasting and analysing future business, environment and preparation of contingency plans.

During the year under review, the Committee met four times on April 25, 2025, July 25, 2025, October 31, 2025 and January 23, 2026. 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 (completed term on December 04, 2025)	Chairman	3
Mr. Parag Sharma (w.e.f. December 05, 2025)	Chairman	4
Mr. Pradeep Kumar Panja	Member	4
Mr. Umesh Revankar	Member	4
Mr. S. Sunder (w.e.f. October 31, 2025)	Member	2
Mr. Hardeep Singh, Joint Managing Director and Chief Risk Officer (not a Member of the Board)	Member	4

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 include the following:

1. Opening, operating and closing of Bank, Demat and Trading Accounts including any change in authorised signatories for the existing Accounts;

2. Issuance of Non-Convertible Debentures/Subordinated Debentures on Private Placement basis, Commercial Paper or any other instrument(s);
3. 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, Foreign Currency Term Loan, FCNR, External Commercial Borrowings (ECB), securities and assignment or;
4. Securitization 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.;
5. Securitization of receivables by way of sell down through PTC/Direct Assignment;
6. Inter Corporate Deposit(s);
7. Applying for any license/affiliation for business purpose;
8. 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.;
9. 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);
10. Revision in Terms and Conditions including interest rates of Fixed Deposit/Recurring Deposit Scheme;
11. To give approval/authorization for the matters required for day to day management of the affairs of the Company;
12. 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;
13. To approve the buy-back of Non-Convertible Debentures, Commercial Paper or any other instrument(s);
14. Enter into derivative transactions & execute the required documents thereof;
15. 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;

16. Appointment of valuers under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 and others, if any;
17. To evaluate and implement expansion plans for the Gold Loan business either through existing branches or by opening new branches and to identify locations, approve opening of new branches, approve budgets, approve execution of lease and/or other agreements, incur necessary capital and operational expenditure and ensure compliance with the Company’s policies and all applicable laws; and
18. To evaluate and implement expansion plans by opening new branches and to identify locations, approve opening of new branches, approve budgets, approve execution of lease and/or other agreements, incur necessary capital and operational expenditure and ensure compliance with the Company’s policies and all applicable laws.

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 (completed term on December 04, 2025)	Chairman	66
Mr. Parag Sharma (w.e.f. December 05, 2025)	Chairman	118
Mr. Umesh Revankar	Member	100
Mr. S. Sunder	Member	116

IT STRATEGY COMMITTEE

In compliance with the requirements of Reserve Bank of India (“RBI”) Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices for NBFC sector dated November 07, 2023, the board constituted the IT Strategy Committee for reviewing and approving key IT Policies including those related to Data Privacy, Cyber

Security, Risk Management, Business Continuity Plan and Disaster Recovery.

Terms of reference:

The terms of reference of the IT Strategy Committee include the following:

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; and
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 18, 2025, September 24, 2025, December 24, 2025 and March 27, 2026. The necessary quorum was present for all the meetings.

Composition of IT Strategy Committee:

Name of the Member	Status	No. of Meetings Attended
Mr. Gokul Subramanian Dixit	Chairman	4
Mr. Umesh Revankar	Member	4
Mr. Yalamati Srinivasa Chakravarti (completed term on December 04, 2025)	Member	2
Mr. Parag Sharma (w.e.f. October 31, 2025)	Member	2
Mr. Gayadhar Behera	Member	4
Mr. Prashant N Deshpande	Member	4
Mr. S. Varadachary	Member	4
Mr. Karthikeyan M. (w.e.f. January 23, 2026)	Member	1

ENVIRONMENTAL AND SOCIAL GOVERNANCE (ESG) COMMITTEE

The Board had constituted the ESG Committee to oversee the Companies policies and performance with respect to ESG matters and Social Finance Framework.

Terms of reference:

The terms of Reference of the ESG Committee include the following:

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; and
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 24, 2025 and October 29, 2025.

The necessary quorum was present for all the meetings.

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
Mrs. Bhanumathi Viswanathan Melattur	Member	2
Mr. Umesh Revankar	Member	2
Mr. Yalamati Srinivasa Chakravarti (completed term on December 04, 2025)	Member	2
Mr. Parag Sharma	Member	2
Mr. S. Sunder	Member	2

SPECIAL COMMITTEE OF THE BOARD FOR MONITORING AND FOLLOW-UP OF CASES OF FRAUDS (SCBMF)

In terms of Reserve Bank of India (Fraud Risk Management in NBFCs) Directions, 2024 issued by Reserve Bank of India (RBI) on July 15, 2024, the Board had constituted the Special Committee of the Board for Monitoring and Follow-up Cases of Frauds (SCBMF).

Terms of reference:

The terms of Reference of the SCBMF include the following:

1. To oversee the effectiveness of the fraud risk management in the Company; and
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 minimizing the incidence of frauds.

During the year under review, the Committee met four times on April 24, 2025, July 24, 2025, October 29, 2025, January 22, 2026. The necessary quorum was present for all the meetings.

Composition of Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds (SCBMF):

Name of the Member	Status	No. of Meetings Attended
Mrs. Bhanumathi Viswanathan Melattur	Chairperson	4
Mr. Gokul Subramanian Dixit	Member	4
Mr. Umesh Revankar	Member	4
Mr. Yalamati Srinivasa Chakravarti (completed term on December 04, 2025)	Member	3
Mr. Parag Sharma	Member	4
Mr. S. Sunder	Member	4

Review Committee for treatment of Wilful Defaulters**(RCTWD)**

In terms of Reserve Bank of India (Treatment of Wilful Defaulters and Large Defaulters) Directions, 2024, issued by the RBI on July 30, 2024 (now known as the Reserve Bank of India (Non-Banking Financial Companies – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025, issued by the RBI on November 28, 2025), the Company had constituted the Review Committee for treatment of Wilful Defaulters.

Terms of reference:

The terms of Review Committee for treatment of Wilful Defaulters include the following:

1. Review the proposal of Identification Committee along with the written representation to the Committee for classification of borrower as a Wilful Defaulter;
2. To provide an opportunity for a personal hearing also to the borrower/guarantor/promoter/director/persons who are in charge and responsible for the management of the affairs of the entity. However, if the opportunity is not availed or if the personal hearing is not attended by the borrower/guarantor/promoter/director/persons who are in charge and responsible for the management of the affairs of the entity, the Committee shall, after assessing the facts or material on record, including written representation, if any, consider the proposal of the Identification Committee and take a decision; and
3. Pass a reasoned order and the same shall be communicated to the Wilful Defaulter.

During the year under review, the Committee met two times on May 30, 2025 and October 29, 2025. The necessary quorum was present for all the meetings.

Composition of Review Committee for treatment of Wilful Defaulters:

Name of the Member	Status	No. of Meetings Attended
Mr. Yalamati Srinivasa Chakravarti (completed term on December 04, 2025)	Chairman	2
Mr. Parag Sharma (w.e.f. December 05, 2025)	Chairman	0
Mr. Gokul Subramanian Dixit	Member	2

CUSTOMER SERVICE COMMITTEE

The Customer Service Committee was constituted in compliance with the requirements of Reserve Bank of India for redressal of customer grievances, improvement in the quality of services rendered to customers and enhancing customer satisfaction.

Terms of reference:

The terms of reference of the Customer Service Committee include the following:

1. To oversee and guide implementation of service enhancement initiatives across the Company;
2. To review grievance redressal and issues bearing on the quality of services rendered by the Company to its customers, adherence to Fair Practices Code, Review of awards under Ombudsman scheme and implementation of internal ombudsman policy forming part of Fair Practices Code and adherence to Fair Practices Code;
3. To review the steps taken for the repayment of the amounts due to the depositors remaining unclaimed or undisbursed;
4. Any specific observation from RBI in the inspection reports pertaining to Customer Service, remediation plan regarding to Customer Service and any other directions and guidelines from RBI;
5. To review and determine the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman; and
6. Such other matters as may be assigned by the Board of Directors or prescribed under any of the directions, circulars, or guidelines issued by Reserve Bank of India or otherwise directed by them, from time to time.

During the year under review, the Committee met three times on July 24, 2025, October 30, 2025 and January 22, 2026. The necessary quorum was present for all the meetings.

Composition of Customer Service Committee:

Name of the Member	Status	No. of Meetings Attended
Mr. Jugal Kishore Mohapatra	Chairman	3
Mr. Pradeep Kumar Panja	Member	3
Mr. Ravindran Shunmugakani	Member	3
Mr. Umesh Revankar	Member	3
Mr. Yalamati Srinivasa Chakravarti (completed term on December 04, 2025)	Member	2
Mr. Parag Sharma (w.e.f. October 31, 2025)	Member	1

The Internal Ombudsman is a permanent invitee to the meetings of the Customer Service Committee.

CUSTOMER GRIEVANCES

The Internal Ombudsman conducted review meetings with the Grievances Redressal Team of the Company and analysed the nature and trends of the various complaints/grievances received during the Financial Year ended March 31, 2026.

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 (superseded by the Reserve Bank of India (Non-Banking Financial Companies – Internal Ombudsman) Directions, 2026, issued by the RBI on January 14, 2026), the Board had appointed Mr. K. Ravi (General Manager (Retd.) of Reserve Bank of India) as Internal Ombudsman for a period of 5 (five) years with effect from January 01, 2025.

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 during the Financial Year.

The RBI had issued a notification dated January 17, 2025, emphasizing the benefits of nomination facility for fixed deposit holders. Accordingly, the Company has implemented proactive measures to reach out to depositors/joint depositors to emphasize the importance of nomination(s) to simplify the claim settlement in the event of the depositor's death.

The Company had initiated the “DAKSH” customer awareness campaign through key initiatives such as awareness on cyber-crime reporting, promoting safe banking practices/digital fraud awareness, observing Grievance Redressal Day etc, by leveraging social media, SMS, email, website and Branch network. The Company reviews and monitors the status of nomination coverage on an ongoing basis and reports the progress quarterly, through DAKSH Portal.

The Company has laid down comprehensive Customer Grievance Redressal Mechanism Policy, duly approved by the Board, which provides a robust framework for the effective and timely resolution of customer grievances. This policy is accessible to customers through the Company's website, mobile application and branch network.

An effective grievance redressal mechanism has been implemented, supported by multiple online and offline customer touchpoints to enable seamless complaint registration and resolution. All customer complaints and service requests received through various channels are systematically recorded, tracked and monitored to ensure timely resolution and enhance customer experience. A specialized team manages customer complaints with diligence and impartiality, ensuring that unresolved issues are escalated through successive levels of oversight, thereby strengthening governance and accountability. Complaints received through various channels are also reported on the RBI's CMS portal in line with regulatory guidelines.

Customers may initially approach the frontline grievance team, which is empowered to resolve most issues promptly. Matters requiring further review are escalated to the Grievance

Redressal Officer, ensuring transparency, structured handling and resolution in accordance with statutory requirements.

In line with the guidelines prescribed by the Reserve Bank of India (RBI), the Company has incorporated the roles of the Internal Ombudsman within its grievance redressal framework. The Internal Ombudsman independently reviews customer grievances that are partly or wholly rejected before the final decision is communicated to the customer. Pursuant to the Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026 the Company remains compliant with the RBI's Internal Ombudsman Scheme and continues to strengthen fairness in grievance handling processes.

Customer grievances are periodically reviewed with a focus on identifying root causes, implementing corrective action plans and enhancing customer service initiatives.

The Company further strengthened its grievance redressal mechanism through structured employee engagement and training initiatives. Periodic review calls, EDM-based learning modules and dedicated sessions were conducted

with the Internal Ombudsman reinforced adherence to the Fair Practices Code and contributed to improved turnaround time (TAT) and quality of resolutions. The Senior Management undertakes monthly reviews of grievance redressal operations, including region-wise analysis of complaint trends and root causes, to drive continuous improvement and service excellence.

On the customer engagement front, the Company undertook several awareness initiatives through SMS and email campaigns, social media outreach and the observance of “Grievance Redressal Day” on the second Saturday of every month. These initiatives have enhanced customer awareness, improved transparency, strengthened customer connect and reaffirmed the Company's commitment to fair, responsive and effective grievance redressal practices.

As a part of customer awareness initiatives, the Company also reached out to customers without registered nominations for their fixed deposits through SMS and email campaigns. Additionally, efforts were made to contact customers with unclaimed deposits through SMS, social media posts and call centre outreach.

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
Financial Year 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.
Financial Year 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 Mrs. 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/securitize receivables by the Board.

Year	AGM	Location	Date & Time	Details of Special Resolutions passed
Financial Year 2024-25	46 th AGM	The Company conducted the AGM through video conferencing (VC)/ other audio-visual means (OAVM) pursuant to the MCA circular.	July 18, 2025 at 2.00 P.M	(i) Enhancement of limits of borrowing by the Board (ii) Enhancement of limits for creation of security by the Board on the Company’s assets with respect to borrowing (iii) Enhancement of limit to sell/assign/securitise receivables by the Board (iv) Alteration of the Main Object Clause (Clause III A) of the Memorandum of Association of the Company

(ii) Extraordinary General Meeting

The Shareholders of the Company had passed two special resolutions at the Extraordinary General Meeting (EGM) of the Company held on January 14, 2026 through video conferencing (VC)/other audio-visual means (OAVM):

Special Resolution:

- a) For Issuance of Equity Shares by way of Preferential Issue on a Private Placement Basis.
- b) For approve special rights granted to the Investor in accordance with Regulation 31B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board on December 19, 2025 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/e-Voting at EGM in a fair and transparent manner.

The details of voting pattern of the Special Resolutions passed through EGM are as follows:

Issuance of Equity Shares by way of Preferential Issue on a Private Placement Basis.

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	1,627,595,341	1,603,114,556	98.50	24,480,785	1.50
Votes cast through Physical Mode	0	0	0.00	0	0.00
Total	1,627,595,341	1,603,114,556	98.50	24,480,785	1.50

The Special Resolution was passed with requisite majority.

Approve special rights granted to the Investor in accordance with Regulation 31B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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	1,627,213,919	1,618,367,140	99.46	8,846,779	0.54
Votes cast through Physical Mode	0	0	0.00	0	0.00
Total	1,627,213,919	1,618,367,140	99.46	8,846,779	0.54

The Special Resolution was passed with requisite majority.

The procedure for EGM/e-Voting for aforesaid special resolutions was mentioned in the said EGM Notice dated December 19, 2025.

(iii) Postal Ballot

The Shareholders of the Company had passed two special resolutions on December 02, 2025 vide Postal Ballot Notice dated October 31, 2025:

Special Resolution:

- a) For re-appointment of Mr. Jugal Kishore Mohapatra (DIN 03190289) as an Independent Director of the Company for the second term.
- b) For renewal of limit to issue Debentures on private placement basis by the Board.

Special Resolutions were passed by Shareholders with requisite majority on December 02, 2025 through Postal Ballot Notice dated October 31, 2025.

The Board, on October 31, 2025, had appointed SPNP & Associates, Practicing Company Secretaries, Chennai represented by Mr. P. Sriram (Membership No. FCS 4862), Practicing Company Secretary (CP No. 3310) as the Scrutinizer to scrutinise the remote e-Voting/Postal Ballot process in a fair and transparent manner for conducting the 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 Resolutions passed through Postal Ballot are as follows-

Re-appointment of Mr. Jugal Kishore Mohapatra (DIN 03190289) as an Independent Director of the Company for the second term

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	1,621,505,664	1,575,542,009	97.17	45,963,655	2.83
Votes cast through Physical Mode	0	0	0.00	0	0.00
Total	1,621,505,664	1,575,542,009	97.17	45,963,655	2.83

The Special Resolution was passed with requisite majority.

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	1,621,552,336	1,604,512,648	98.95	17,039,688	1.05
Votes cast through Physical Mode	0	0	0.00	0	0.00
Total	1,621,552,336	1,604,512,648	98.95	17,039,688	1.05

The Special Resolution was passed with requisite majority.

The procedure for Postal Ballot/electronic voting (e-Voting) for aforesaid special resolutions was mentioned in the Postal Ballot Notice dated October 31, 2025.

No Special Resolution is proposed to be passed through Postal Ballot as of the date of this Report. Further, none of the businesses proposed to be transacted at the ensuing AGM requires passing of a Special Resolution through Postal Ballot.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and the Rules thereunder read with Regulation 24A of the Listing Regulations, M/s V Suresh Associates, Practicing Company Secretaries, was appointed as the Secretarial Auditor of the Company, vide the Ordinary Resolution passed by the Shareholders of the Company at the 46th AGM held on July 18, 2025, to conduct Secretarial Audit for a term of 5 consecutive Financial Years ending March 31, 2026 to March 31, 2030.

SHARE CAPITAL

As on March 31,2026 the Authorised Capital of the Company 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. The Issued, Subscribed and Paid-Up Equity Share Capital of the Company is Rs. 3,763,130,742/- consisting of 1,881,565,371 equity shares of face value of Rs. 2/- each fully paid-up. For further details, please refer to the section in “Directors Report”.

SHRIRAM FINANCE LIMITED EMPLOYEE STOCK OPTION SCHEME 2023 (NO.1)

The Company had 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, in its various meetings held during the Financial Year, had allotted 1,181,491 Equity Shares to the eligible employees. (For details refer Note 50 of Standalone Financial Statements)

RECONCILIATION OF 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 the Share 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 & CHIEF EXECUTIVE OFFICER AND JOINT MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER

In terms of Listing Regulations, the certification by the Managing Director & Chief Executive Officer and the Joint Managing Director & Chief Financial Officer is annexed to this Corporate Governance 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 gives a report of financial results and progress and responds to questions and issues raised in a timely and consistent manner. The Company follows a robust process of communicating with its investors. The unaudited quarterly & half yearly financial results and the audited annual financial 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, debenture holders and fixed deposit holders whose email addresses are registered with the Company/RTA. The Company sends various communications through SMS, email, letters, etc. to those shareholders who have not updated their KYC and have not claimed their dividends, requesting them to update their KYC details with the Company/RTA/Depository Participants and ascertain the position of unclaimed dividend/interest/maturity amounts from website of the Company at <https://www.shriramfinance.in/investors/investor-information> by visiting the website from time to time and claim the dividend/interest/maturity amounts, 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, investors/earning conference calls made to institutional investors 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>

The aforesaid financial results are disseminated to the Stock Exchanges within thirty minutes from the conclusion of the meetings of the Board at which these are considered and approved. Investors 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 had registered their email ids. The 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) and BSE Listing Centre. The Company has also intimated its investors about deduction of TDS from the Interest on Non- Convertible Debentures (NCDs) from Financial Year 2023-24.

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.

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, letters and SMS to help Shareholders convert their physical shares into demat mode. Further, the Company had also reached out to the Shareholders by visiting the address registered with the Company/RTA with the help of various branches of the Company.

The Company sends several reminders to its Shareholders to claim their dividend and also to update their Permanent Account Number (PAN), bank account details, signatures, nomination, registration of email addresses or other important details that may affect their shareholding. Investors can claim their shares/dividends/interest/redemption amount transferred to the Investor Education Protection Fund (IEPF) by following the prescribed procedure under the IEPF Rules. The investor/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 for processing the claims.

Special Window for re-lodgement of transfer requests of physical shares

Pursuant to the SEBI Circular dated July 02, 2025, a Special Window was opened from July 07, 2025 to January 06, 2026 encouraging relevant Shareholders to re-lodge the transfer deeds, lodged before April 01, 2019 but were rejected, returned due to documentation deficiencies. During this period, the Company/RTA received 4(four) requests from relevant Shareholders for re-lodgment of transfer of physical shares. Upon detailed scrutiny, the RTA observed that none of the relevant Shareholders furnished authentic documentary proof of their beneficial ownership of the shares of the Company such as Broker Contract Note, proof of payment of purchase consideration by way of cheque payment details/bank statements etc. Accordingly, the Company had complied with the requirements by submitting RTA's report to BSE and NSE vide its letter dated January 09,2026.

In terms of SEBI Circular dated January 30, 2026, another Special Window is open for a period of one year, from February 5, 2026 to February 4, 2027 for effecting transfers under this facility, with shares to be credited only in dematerialized form to the account of the transferee. Such securities will be subject to a mandatory lock in of one year from the date of registration of transfer, during which they

cannot be transferred, lien marked or pledged. The RTA will process only those cases that are complete in all respects and compliant with SEBI guidelines.

Saksham Niveshak Programme

The IEPF Authority launched a 100 days campaign titled "Saksham Niveshak Programme" from July 28, 2025 to November 06, 2025 to facilitate updation of KYC, Bank account details, investor awareness and to expedite resolution of pending matters relating to unclaimed dividends, shares transferred to IEPF Authority. The campaign aimed to proactively encourage Shareholders to claim their rightful dividends and update KYC details well before their dividends and the underlying shares are transferred to the IEPF Authority. In support of this initiative, the Company published newspaper advertisements, sent SMS alerts and

physical letters in English and Tamil version and emailed Shareholders who had registered email ids with the Company/RTA/Depository Participants. The campaign was also published on the website of the Company and through social media channels. As part of this campaign, dividends outstanding for multiple quarters was successfully paid to Shareholders who updated their bank details.

Policy on Disclosure of Material Events/ Information

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/2023-08/9.Policy%20on%20disclosure%20of%20material%20events_0.pdf

GENERAL SHAREHOLDER INFORMATION

47TH Annual General Meeting (47th AGM)

Particulars	As on March 31, 2026
a. Day and Date	Friday, July 10, 2026
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 47 th AGM.
d. Financial Year	FY 2025-26
e. Dividend Payment Date	i) The Board of Directors had declared Interim dividend for Financial Year 2025- 26 of Rs.4.80 per equity share face value of Rs. 2/- each fully paid-up (240%) at its meeting held on October 31, 2025. The Interim dividend is already paid to the eligible Members on November 17, 2025 after deducting tax at source at applicable rate(s). ii) The Board of Directors had recommended a Final dividend of Rs.6/- per equity share of face value of Rs.2/- each fully paid up (i.e. 300%) for the Financial Year ended March 31, 2026. Subject to Shareholders approval at the ensuing 47th AGM, the said Final dividend will be paid before Sunday, August 09, 2026, subject to deduction of tax at source, as per the applicable rate(s) to the eligible Shareholders. With this, the total dividend for the Financial Year 2025-26 will be Rs. 10.80 per equity share of face value of Rs.2/- each, fully paid-up. iii) Book Closure: The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 04, 2026 to Friday, July 10, 2026 (both days inclusive) for taking record of the Members of the Company for the purpose of 47th 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, 5 th Floor, Plot no. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051 The Company had paid the annual listing and custodian fees for Financial Year 2025-26 to the Stock Exchanges and Depositories.
g. Stock Code	
BSE Limited	511218
National Stock Exchange of India Limited	SHRIRAMFIN



Particulars	As on March 31, 2026
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

The Company's Non-Convertible Debentures (NCDs) offered for subscription to public under the Shelf Prospectus dated June 22, 2018 (NCD 8) 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 Shelf Prospectus dated July 09, 2019 (NCD 9) 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	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% per annum available to Category III and IV investors provided the NCDs issued under the NCD 8 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.
- (\$)- 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

- 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 standardizing process of unclaimed amounts associated with Non-Convertible Debentures and manner of claiming such amounts by the Debenture holders. The said policy on claiming of unclaimed amounts by Debenture 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, 2026, there were 6 eligible Shareholders holding 4,570 shares allotted through Rights Issue on August 06, 2020 who did not furnish the demat account details to the Registrar to an Issue and Share Transfer Agent/the Company. Hence, the said rights shares are lying in separate demat account "SFL Rights Allotment Demat Suspense Account" of the Company.

DIVIDEND DISTRIBUTION POLICY

The dividend distribution policy is appended to this Report and the same is also available on the website. For details click on the link: <https://cdn.shriramfinance.in/sfl-kalam/files/2026-03/Dividend-Distribution-Policy-12March2026.pdf>

- No securities were suspended from trading during Financial Year 2025-26 except on account of corporate action or otherwise.
- Registrar to an Issue and Share Transfer Agents**
Integrated Registry Management Services Private Limited
2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T Nagar, Chennai - 600 017
Telephone: 044 - 2814 0801 - 03 Fax no: 044 – 28142479
Email: einward@integratedindia.in Website: <https://www.integratedregistry.in/>
- 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

- Security Trustee: Axis Trustee Services Limited, the Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400028

k. Share 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, direct credit of shares into the demat account of Shareholders in lieu of original share certificates reported as lost/stolen/misplaced by the Shareholders of the Company.

In terms of Regulation 40(1) of Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialised form. However, physical share certificate(s) sold/purchased prior to April 01, 2019 shall be registered for transfer as per the conditions specified by SEBI. Pursuant to SEBI Master Circular dated February 06, 2026, the listed companies shall issue the securities in dematerialised form only, for processing any service requests from Shareholders viz., endorsement, transmission, transposition, etc.

Further, SEBI vide it Circular No. HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated January 30, 2026, has simplified the process for issuance and transfer of securities by dispensing with the requirement of issuing Letter of Confirmation. With effect from April 02, 2026, shares shall be credited directly into the demat account of the Shareholder(s) in lieu of issuance of letter of confirmation for various investor service requests such as issuance of duplicate securities certificates, transmission, transposition, claim from unclaimed suspense account, corporate actions, etc.

The Committee generally meets on a periodic basis to ensure that all security holders service requests are considered and actioned within the prescribed timelines.

I. Distribution of shareholding as on March 31, 2026

Sr. No	No. of Equity Shares	No of Shareholders	% of Shareholders	No of Shares Held	% of Shareholding
1	1 – 500	316,804	91.19	23,275,899	1.24
2	501 – 1,000	12,622	3.63	9,338,061	0.50
3	1,001 – 2,000	7,186	2.07	10,298,342	0.55
4	2,001 – 3,000	3,399	0.98	8,463,295	0.45
5	3,001 – 4,000	1,755	0.51	6,143,130	0.33
6	4,001 – 5,000	1,073	0.31	4,941,735	0.26
7	5,001 – 10,000	1,797	0.52	12,577,672	0.67
8	10,001 and above	2,770	0.80	1,806,527,237	96.01
	Total	347,406	100.00	1,881,565,371	100.00

m. Categories of Shareholders as on March 31, 2026

Sr. No.	Category	Total	
		No. of Shares Held	% of Shareholding
1	Promoter & Promoter Group	477,630,880	25.38
2	Mutual Funds	307,453,780	16.34
3	Alternative Investment Funds	13,728,005	0.73
4	Banks	2,103,093	0.11
5	Insurance Companies	70,909,684	3.77
6	Provident Funds/ Pension Funds	43,541,666	2.31
7	FII/ Foreign Portfolio Investor (Category I and II)	849,481,230	45.15
8	Directors and their relatives/Key Managerial Personnel	345,151	0.02
9	Resident Individuals and NRIs	97,009,506	5.16
10	Any Others	19,362,376	1.03
	Grand Total	1,881,565,371	100.00

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, Company's Registrar to an Issue and Share Transfer Agent. As on March 31, 2026, a total of 1,876,326,366 equity shares constituting 99.72% of the paid-up capital, were dematerialised. Pursuant to the Listing Regulations and various Circulars issued by SEBI, the Company during the Financial Year 2025-26 had taken various initiatives to reduce number of physical Shareholders, by sending communications through post, emails, SMS alerts and conducted personal visits to facilitate the conversion of physical shareholdings into dematerialised form. With the initiatives undertaken, the Company was successful in reducing the number of physical Shareholders from 4,048 as of end of previous Financial Year to 3,265 as on March 31, 2026.

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 the 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. 20 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, equity.service@shriramfinance.in and companysecretary@shriramfinance.in;
- For Public Issue of Non-Convertible Debentures 2018 Shelf and Tranche I 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 Shelf and 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;

The aforesaid email ids have been displayed on the Company's website

s. The list of all credit ratings along with affirmations/revisions during Financial Year 2025-26 for all debt instruments, fixed deposit, U.S. Dollar senior secured notes, for details refer Directors' Report and Note 83.12 to the financial statements.

t. The Company has Mr. Sanjay K. Mundra, Senior Management Person, designated as Executive Director - Investor Relations. During the year ended March 31, 2026, Mr. A Ganesh, President, Senior Management Person of the Company has been elevated and re-designated as Chief Human Resources Officer with effect from October 31, 2025.

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 during the Financial Year 2025-26, 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/2026-02/Policy-On-Materiality-Related-Party-Transactions-Feb2026.pdf>.

B. None of the Directors have 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 penalty imposed on the Company during the Financial Year 2025-26 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 <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 Financial Year 2025-26 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/yearly financial results are published in the newspapers of wide circulation and sent to individual Shareholders through email to those Shareholders who registered their email ids with the Company/ RTA/Depository Participants. Financial Results are also available on the website of the Company <https://www.shriramfinance.in/investors/financials>, BSE Limited (www.bseindia.com) and the 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 Financial Year 2025-26 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 has Shriram Overseas Investments Limited (formerly known as Shriram Overseas Investments Private Limited), a wholly owned subsidiary, with effect from May 9, 2025. 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/2026-02/Policy-On-Materiality-Related-Party-Transactions-Feb2026.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 M/s. V Suresh 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 Financial Year 2025-26 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	1.93
Fees for other services	0.14
Total	2.07

The details of total fees for all services paid by Shriram Overseas Investments Limited (formerly known as Shriram Overseas Investments Private Limited), Subsidiary of the Company (w.e.f., May 09, 2025) to its Statutory Auditor (M/s. Sundaram & Srinivasan, 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	0.11 *
Fees for other services	0.01 #
Total	0.12

*Includes Statutory Audit Fees of Rs 0.003 crores of previous Statutory Auditors (M/s Kalyanasundaram & Co. Chartered Accountants) upto the 30th AGM of Subsidiary of the Company, i.e., September 17, 2025.

#Includes Fees for other services of Rs 0.003 crores of previous Statutory Auditors - M/s Kalyanasundaram & Co. Chartered Accountants.

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 web link of <https://cdn.shriramfinance.in/sfl-kalam/files/2024-01/Code-Of-Conduct.pdf>

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, 2026, 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 as specified under Regulation 32 (7A):

The Board of Directors, in its meeting held on December 19, 2025, approved the raising of funds of Rs. 396,179,828,781.15 (Rupees Three Hundred Ninety Six Billion One Hundred Seventy Nine Million Eight Hundred Twenty Eight Thousand Seven Hundred and Eighty One and Fifteen Paise Only) from MUFG Bank Ltd by way of issuance of 471,121,055 fully paid up equity shares of face value of Rs.2/- each at a price of Rs. 840.93 per share through preferential issue on a private placement basis. An Investment Agreement in this regard was executed between among others, the Company and MUFG Bank Ltd on December 19, 2025. The requisite resolutions were approved by the Members at the Extraordinary General Meeting held on January 14, 2026. For more details, refer Directors' Report.

w. Equity Shares in the Suspense Account

As required under Regulation 39 (4) and Schedule VI of Listing Regulations, the Company has opened "SFL- 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, 2026, there were 593,860 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, 2025.	594	699,540*
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, 2025 to March 31, 2026.	49	69,540
Less: 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, 2025 to March 31, 2026.	49	69,540

Particulars	No. of Shareholders	No. of Shares
Less: 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), for the period from April 01, 2025 to March 31, 2026.	38	36,140
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Securities Suspense Account as on March 31, 2026.	507	593,860

* 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. 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).

Unclaimed Dividend and Shares transferred to IEPF Authority

In accordance with the provisions of Sections 124 (5) and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends which remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the IEPF Authority.

During the Financial Year 2025-26, the Company has transferred unclaimed dividends amounting to Rs.10,626,272/- (including dividend declared by erstwhile SCUF) to the IEPF Authority out of the dividends declared in Financial Year 2017-18 (Final) and Financial Year 2018-19 (Interim) respectively.

Pursuant to the provisions of Section 124(6) of the Act read with the IEPF Rules, all shares in respect of which dividends have not been claimed for a period of 7 (seven) consecutive years was also transferred to the IEPF Authority. During the Financial Year 2025-26, the Company has transferred 461,310 Equity shares (including shares of erstwhile SCUF) to the IEPF Authority.

Details of Unclaimed Dividend amounts due for transfer to IEPF Authority

The following table provides dates on which unclaimed dividend and their corresponding shares would become liable to be transferred to the IEPF Authority:

Year ending on March 31	Dividend to be transferred to IEPF Authority		Year ending on March 31	Dividend to be transferred to IEPF Authority	
	Final Dividend	Interim Dividend		Final Dividend	Interim Dividend
2019	August 2, 2026	--	2022	--	December 4, 2028 and April 10, 2029
2019 (erstwhile SCUF)	September 2, 2026	--	2022 (erstwhile SCUF)	--	December 2, 2028 and April 11, 2029
2020	--	November 29, 2026	2023	July 29, 2030	January 29, 2030
2020 (erstwhile SCUF)	--	November 28, 2026	2024	September 4, 2031	December 1, 2030 and March 1, 2031
2021	July 30, 2028	December 4, 2027 and April 30, 2028	2025	August 23, 2032	November 30, 2031 and March 1, 2032
2021 (erstwhile SCUF)	September 2, 2028	December 6, 2027 and April 29, 2028	2026	--	December 6, 2032

The Company has complied with all the disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of 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 finalization 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 shareholders 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 -

- Current financial year's profit:
 - 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.
 - 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.
- The profits for any previous financial year(s):
 - after providing for depreciation in accordance with law;
 - remaining undistributed; or
- out of i) & ii) both.
- 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 requirements for each of the last three financial years including the financial year for which the dividend is proposed: CRAR – - Minimum capital ratio consisting of Tier I and Tier II capital of not less than 15 percent 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 per cent. - The Tier 2 capital of the Company, at any point of time, shall not exceed 100 per cent of Tier 1 capital. CET1 Capital – Minimum Common Equity Tier 1 (CET1) capital of 9 per cent of the aggregate RWAs.
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

- i) Profits earned during the year;
- ii) Present and future capital requirements of the existing businesses;/capital expenditures and the Company’s debt position;
- iii) Business Acquisitions opportunities;
- iv) Expansion/Modernization of existing businesses;/growth opportunities available to the Company;
- v) Long term growth plans of the Company;
- vi) Additional investments in subsidiaries/associates of the Company;
- vii) Fresh investments into external businesses;
- viii) Cash flow from operations;
- ix) Cost of raising funds;

- x) Providing for unforeseen events and contingencies with financial implication;
- xi) Quality of assets and NPA;
- xii) 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 three 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 percent 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.

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 utilization 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 I of Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025 issued by RBI on November 28, 2025, 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 Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025 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.

The Policy was last reviewed on January 23, 2026.



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 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, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Designation	Original Date of appointment in Company	Date of appointment in the current Designation
1	Mr. Jugal Kishore Mohapatra (@)	03190289	Non-Executive Independent Director and Chairperson	December 04, 2022	December 04, 2025
2	Mr. Umesh Govind Revankar	00141189	Executive Vice Chairman	October 25, 2016	October 26, 2024
3	Mr. Parag Sharma (#)	02916744	Managing Director & Chief Executive officer	December 13, 2021	December 05, 2025
4	Mr. Panja Pradeep Kumar	03614568	Non-Executive Independent Director	October 25, 2018	October 25, 2023
5	Mr. Ravindran Shunmugakani	09778966	Non-Executive - Independent Director	August 31, 2023	October 05, 2023
6	Mr. Gokul Subramanian Dixit	00357170	Non-Executive - Independent Director	June 01, 2024	July 30, 2024
7	Mrs. Bhanumathi Viswanathan Melattur	10172983	Non-Executive - Independent Director	June 01, 2024	July 30, 2024
8	Mr. Ravi Devaki Venkataraman	00171603	Non-Executive Non-Independent Director	June 18, 2015	July 31, 2015
9	Mr. Ignatius Michael Viljoen	08452443	Non-Executive Non-Independent Director	May 14, 2019	June 27, 2019
10	Mr. S. Sunder (\$)	08189901	Joint Managing Director and Chief Financial Officer	October 31, 2025	October 31, 2025

(@) Mr. Jugal Kishore Mohapatra was re-appointed as the Independent Director of the Company for a second term of 3 (three) consecutive years commencing from December 04, 2025 upto December 03, 2028 vide Special Resolution passed by the Members of the Company on December 02, 2025 through Postal Ballot.

(#) 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 01, 2024 for the remainder of his tenure i.e. up to December 12, 2026 vide Ordinary Resolution passed by the Members of the Company at its 45th AGM held on July 30, 2024. Subsequently, he was re-designated as the Managing Director and Chief Executive Officer of the Company w.e.f., December 05, 2025, upon completion of tenure of Mr. Y. S. Chakravarti (DIN 00052308) as Managing Director & CEO of the Company on December 04, 2025, for the remainder of his tenure i.e., upto December 12, 2026 vide Ordinary Resolution passed by the Members of the Company on December 02, 2025 through Postal Ballot.

(\$) Mr. S. Sunder was appointed as the Whole-Time Director of the Company designated as Joint Managing Director and Chief Financial Officer of the Company with effect from October 31, 2025 for a period of 5 (five) years to October 30, 2030 vide Ordinary Resolution passed by the Members of the Company on December 02, 2025 through Postal Ballot.

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 V Suresh Associates
Practising Company Secretaries

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

Peer Review Cert. No: 6366/2025.
UDIN: F002969H000194864

Place: Chennai
Date: April 24, 2026

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, 2026 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.

Parag Sharma

Managing Director & CEO

Place: Mumbai

Date: April 24, 2026

S. Sunder

Joint 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, 2026.

Place: Mumbai

Date: April 24, 2026

Parag Sharma

Managing Director & CEO

SECRETARIAL COMPLIANCE REPORT OF SHRIRAM FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2026

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Shriram Finance Limited** (hereinafter referred as 'the listed entity'), having its Registered Office at Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai – 600032. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the financial year ended on 31.03.2026 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

We, V Suresh Associates, Practising Company Secretaries 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, 2026 ("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;

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	Remarks
NIL										

(b) The listed entity has taken the following actions to comply with the observations made in previous report as disclosed in **Annexure I:**

ADDITIONAL DISCLOSURES:

We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
1.	Secretarial Standards: 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.	Adoption and timely updation of the Policies: All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities.	Yes	Nil
	All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI.	Yes	Nil
3.	Maintenance and disclosures on Website: - 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) are accurate and specific which re- directs to the relevant document(s)/section of the website.	Yes Yes Yes	Nil Nil Nil
4.	Disqualification of Director: None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	Nil

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: (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 of Directors, in its meeting held on May 06, 2025 approved the payment of total consideration of Rs.50,11,93,620/- for acquiring 31,66,500 equity shares of face value of Rs.10/- each fully paid-up of Shriram Overseas Investments Private Limited (SOIPL) at Rs.158.28 per equity share from Shriram Investments Holdings Private Limited. Subsequently, on May 09, 2025, the Company had completed the acquisition of 100% equity stake in SOIPL. Consequent to conversion into public company with effect from June 04, 2025, the name of SOIPL has changed to Shriram Overseas Investments Limited ('SOIL'). 2. The Board of Directors, in its meeting held on May 06, 2025 approved infusion of further equity share capital of up to Rs. 500 crores in its Wholly-Owned Subsidiary in a phased manner to further strengthen its capital base. Subsequently, on September 26, 2025, the Company made further investment of Rs. 300,00,52,250/- by subscribing 1,90,25,000 Equity Shares of SOIL.
6.	Preservation of Documents: 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.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	Nil



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
8.	Related Party Transactions: (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 NA	Since all the related party transactions were entered into by the Company only with prior approval of the Audit Committee, point (b) is not applicable.
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	Nil
11.	Actions taken by SEBI or Stock Exchange(s), if any: 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	Nil
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and/or its material subsidiary(ies) has/ have 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 45 th Annual General Meeting till the conclusion of 48 th 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 45 th Annual General Meeting.
13.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	NA	There are no non-compliances observed during the financial year ended March 31, 2026.

ANNEXURE-1

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 the fine amount on August 30, 2024 for the delayed disclosure pertaining to month of August 2021.	For the Financial Year ended March 31, 2025.	Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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).	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 has levied a penalty of Rs.21,600/- (net off TDS) and the Company has paid the same on August 30,2024.	The Company has in place proper systems for timely compliance of the Listing Regulations and the delay was completely inadvertent and un-intentional.	The corrective measures have been taken.
2	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.	For the Financial Year ended March 31, 2025.	Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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.	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 has levied a penalty of Rs.2160/- (net off TDS) and the Company has paid the same on August 30,2024.	The Company has in place proper systems for timely compliance of the Listing Regulations and the delay was completely inadvertent and unintentional.	The corrective measures have been taken.

We further, report that the listed entity is in compliance/~~not 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 V Suresh Associates
Practising Company Secretaries

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

Peer Review Cert. No: 6366/2025
UDIN: F002969H000194853

Place: Chennai
Date: April 24, 2026

BUSINESS RESPONSIBILITY AND
SUSTAINABILITY REPORT (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	
1	Corporate Identity Number (CIN) of the Listed Entity	L65191TN1979PLC007874
2	Name of the Listed Entity	Shriram Finance Limited (SFL)
3	Year of incorporation	June 30, 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	FY 2025-26
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. 3,76,31,30,742
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 & Chief 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 assessment or assurance provider	FAP Solutions Private Limited
15	Type of assessment or 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 goods 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.	93.40%

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*	93.40%

*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	3,225	3,225
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?	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 underbanked and underserved communities, particularly across semi-urban and rural areas. Its core mission is to provide dependable and affordable financial solutions to Small Road Transport Operators (SRTOs), First-Time Buyers (FTBs) of commercial vehicles, low-income groups, and women customers, many of whom come from economically weaker backgrounds. Beyond vehicle financing, the Company offers loans for construction equipment, farm equipment, and business expansion, helping individuals and small businesses grow. The Company's services further extend to financial support for small and medium enterprises, along with a wide range of products including two-wheeler, three-wheeler, 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 (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1	Permanent (D)	76,241	65,688	86.16%	10,553	13.84%
2	Other than Permanent (E)*	0	0	0%	0	0%
3	Total employees (D+E)	76,241	65,688	86.16%	10,553	13.84%
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 reflects a significantly stronger gender-diverse workforce in its business support and corporate functions, with women representing 37% of employees in business support roles. Within corporate functions, female representation is even stronger, with 44% of employees being women.

*The Company does not have employees under the "Other than Permanent" category; accordingly, the subsequent questions in the BRSR pertaining to this category are not applicable.

**The Company, being an NBFC engaged in providing financial services, does not engage any "Workers" as defined under the BRSR framework; accordingly, the subsequent questions in the BRSR pertaining to this category are not applicable.

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees						
1	Permanent (D)	76	64	84.21%	12	15.79%
2	Other than Permanent (E)	0	0	0%	0	0%
3	Total differently abled employees (D+E)	76	64	84.21%	12	15.79%
Differently Abled Workers						
4	Permanent (F)	0	0	0%	0	0%
5	Other than Permanent (G)	0	0	0%	0	0%
6	Total differently abled workers (F+G)	0	0	0%	0	0%

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)*	9	0	0%

*The BoDs and KMPs are considered as on March 31, 2026.

*3 KMPs (Mr. Umesh Revankar, Executive Vice Chairman; Mr. Parag Sharma, Managing Director & CEO and Mr. S. Sunder, Joint Managing Director & 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 2025-26			FY 2024-25			FY 2023-24		
	(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	30.86%	33.16%	31.17%	30.35%	34.33%	30.86%	29.71%	33.07%	30.09%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

The higher employee turnover rate is primarily attributable to employees transitioning out of the organisation within their first year of employment.

*The turnover rate calculated as per the BRSR guidelines = [No. of persons who have left the employment in the FY/(No. of persons employed at the beginning of FY + No. of persons employed at the end of FY)/2] *100

22.1. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)**:

Particular	FY 2025-26			FY 2024-25			FY 2023-24		
	(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	24.07%	24.98%	24.19%	22.81%	24.16%	22.99%	21.77%	22.40%	21.85%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

**Turnover rate calculated as per Company's internal guidelines = [No. of persons who have left the employment in the FY/(No. of persons employed at the beginning of FY + No. of persons added during the FY)] *100

V. Holding, Subsidiary and Associate Companies (Including Joint Ventures)

23. (a) Name 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 Overseas Investments Limited	Wholly Owned Subsidiary	100%	No
2	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
(ii) Turnover (in Rs.)	4,81,77,97,71,445.59
(iii) Net worth (in Rs.)	6,52,44,09,43,485.29

VII. Transparency and Disclosure 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). (If yes, then provide web-link for grievance redress policy)	FY 2025-26 (Current Financial Year)			FY 2024-25 (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 https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Business-Responsibility-Policy.pdf	0	0	NA	0	0	NA
Investors (other than shareholders)*	Yes https://www.shriramfinance.in/investors/investor-information	3	0	NA	3	1	The pending complaint was duly resolved as on the date of the Report.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No). (If yes, then provide web-link for grievance redress policy)	FY 2025-26 (Current Financial Year)			FY 2024-25 (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
Shareholders	Yes https://www.shriramfinance.in/investors/investor-information	8	1	The Company has received the complaint on March 27, 2026 & the complaint was redressed as on the date of this Report.	18	0	NA
Employees and workers	Yes https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Whistle-Blower-Vigil-Mechanism-Policy-2025.pdf	63	0	NA	44	0	NA
Customers	Yes https://cdn.shriramfinance.in/sfl-kalam/files/2026-05/Customer-Grievances-Redressal-Mechanism-Policy-Mar2026.pdf	81,159**	954	All complaints were redressed as on the date of this Report.	51,271	92	One complaint was pending as on date of the Report.
Value Chain Partners	Yes https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Business-Responsibility-Policy.pdf	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.

**The increase in customer grievances during FY 2025-26 was primarily driven by a surge in complaints received through emails and credit bureau portals, reflecting customers' growing reliance on help platforms and credit advisory agencies for grievance escalation. Additionally, the rise in grievances through Centralized Public Grievance Redress and Monitoring System (CPGRAMS) and RBI Complaint Management System (CMS) portals is likely driven by awareness campaigns.

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:

The Company conducted a Double Materiality Assessment (DMA) involving both internal and external stakeholders to evaluate sustainability topics from both Impact Materiality and Financial Materiality perspectives. The assessment identified 17 material topics that present potential risks, opportunities, and impacts for the business and its stakeholders.

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 and Opportunity	The Company's operations involve electricity consumption across offices and fuel usage for employee commute and business travel, contributing to GHG emissions. Further, financed emissions from lending activities constitute a significant part of the Company's overall carbon footprint. The Company continues to strengthen its focus on sustainable financing solutions, including electric vehicle financing, solar finance, and renewable energy project financing, enabling it to support the transition towards a lower-carbon economy while expanding its green portfolio.	The Company focuses on improving energy efficiency and promoting responsible resource consumption across its operations to manage GHG emissions. The Company has also strengthened the assessment and reporting of financed emissions across key asset classes and has observed a reduction in emission intensity over time. Further, the Company continues to strengthen its sustainable financing portfolio as part of its commitment towards environmentally responsible growth.	Negative/Positive
2	Climate Change	Risk and Opportunity	Climate change may impact the Company's operations and lending portfolio through extreme weather events, changing environmental conditions, evolving market expectations, and disruptions affecting customers and asset performance. It also presents opportunities for the Company to strengthen sustainable financing solutions and advance environmentally responsible growth.	The Company seeks to strengthen resilience against climate-related risks by assessing potential impacts on customers, operations, and asset performance. The Company is also integrating climate risk considerations into its lending practices and is in the process of developing a Climate Risk Policy to strengthen its climate risk management approach. Further, the Company continues to strengthen its sustainable financing portfolio to support long-term sustainable growth.	Negative/Positive
3	Waste Management	Opportunity	The Company supports waste reduction and resource efficiency through financing of pre-owned vehicles and equipment, which extends asset life and reduces demand for new manufacturing. Further, increased adoption of digital processes and documentation reduces paper consumption and overall resource use, thereby lowering environmental impact.	NA	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)
4	Human Capital Management	Opportunity	The Company focuses on employee training, skill development, and leadership capabilities to enhance productivity, customer service, and risk management across its operations. Further, emphasis on workplace practices and employee well-being strengthens morale, job satisfaction, and talent retention in a competitive financial services environment.	NA	Positive
5	Diversity & Inclusion	Opportunity	The Company promotes diversity and inclusion across its workforce to strengthen employee engagement, collaboration, and an inclusive workplace culture where employees feel valued, respected, and a sense of belonging. Further, emphasis on equitable workplace practices and support for diverse groups strengthens organisational culture, encourages varied perspectives, and reinforces the Company's reputation as a responsible and equitable employer.	NA	Positive
6	Human Rights	Opportunity	Upholding human rights through fair treatment, safe working conditions, and respect for employee rights enables the Company to build trust, reduce legal and reputational risks, and maintain a stable workforce. Strong human rights practices also support ethical operations and responsible workplace practices across the Company's widespread branch network.	NA	Positive
7	Customer Support & Satisfaction	Risk & Opportunity	In the financial services sector, customer support and satisfaction are critical for maintaining customer trust, service quality, and long-term business growth. Poor service quality, delays, or unresolved grievances may lead to customer attrition, reputational impact, and regulatory scrutiny. Conversely, strong customer engagement, responsive grievance redressal mechanisms, and positive customer experiences strengthen trust, loyalty, and customer retention.	The Company focuses on clear communication, personalised services, and prompt grievance redressal through robust customer support and complaint management mechanisms. Regular customer satisfaction surveys, continuous feedback mechanisms, employee training, and adherence to regulatory standards further help enhance customer experience, service quality, and customer trust.	Negative/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)
8	Community Well being	Opportunity	The Company contributes to community well-being through financial inclusion, livelihood generation, and social development initiatives, particularly across underserved and rural communities. Its community-focused approach helps to strengthen the socio-economic development, improve access to financial services, and reinforce stakeholder trust and long-term social impact.	NA	Positive
9	Financial Inclusion	Opportunity	Financial inclusion remains a key focus area for the Company as expanding access to formal financial services across underserved and underbanked communities supports entrepreneurship and economic participation, particularly in rural and semi-urban areas. It contributes to reducing economic inequality, improving financial stability, and strengthening financial literacy, while enabling expansion into new customer segments and broader customer outreach.	NA	Positive
10	Responsible Financing	Opportunity	Responsible financing enables the Company to integrate environmental and social considerations into its lending practices while supporting sustainable and inclusive economic growth. It also supports financial stability, protects borrower rights, reduces the risk of over-indebtedness, and strengthens portfolio quality, customer trust, regulatory compliance, and long-term business resilience.	NA	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)
11	Data Security & Privacy	Risk	The Company handles large volumes of sensitive customer and business data, exposing it to risks such as cyberattacks, data breaches, unauthorised access, and misuse of information. Increasing digitalisation and technology-driven operations further heighten these risks, which may lead to financial losses, operational disruptions, legal penalties, and loss of customer trust and reputation.	The Company prioritises data privacy and information security through robust cybersecurity measures, including strict access controls, encryption of sensitive information, regular security assessments, and employee awareness on responsible data handling practices. Oversight from the Board-level IT Strategy Committee further strengthens governance of technology and cybersecurity risks. The Company is also certified under ISO/IEC 27001:2022 standards, reinforcing its commitment towards information security and data protection.	Negative
12	Consumer Financial Protection	Risk & Opportunity	Consumer financial protection ensures fair lending practices, transparent communication, responsible recovery mechanisms, and protection of customer interests. Weak customer protection practices may lead to regulatory scrutiny, reputational impact, and customer dissatisfaction, while strong consumer protection practices strengthen customer trust, responsible lending, and long-term customer relationships.	The Company strengthens consumer financial protection through fair lending practices, transparent communication, responsible recovery mechanisms, and robust grievance redressal processes. Regular employee training, customer awareness initiatives, and adherence to regulatory requirements further support responsible customer engagement and protection of customer interests.	Negative/Positive
13	Corporate Governance	Risk & Opportunity	Corporate governance is critical for ensuring ethical business practices, regulatory compliance, accountability, financial transparency, and stakeholder trust. Weak governance practices may lead to regulatory, operational, and reputational risks, while strong governance frameworks and oversight mechanisms strengthen risk management, investor confidence, transparency, and long-term business resilience.	The Company addresses corporate governance risks through a well-defined governance framework comprising Board and Committee oversight, strong internal controls, regular audits, compliance monitoring, and structured governance policies and processes. Continuous focus on regulatory adherence, responsible business conduct, and effective risk oversight further strengthens governance practices and stakeholder confidence.	Negative/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)
14	Business Ethics	Risk	Ethical business practices are essential for maintaining integrity, fair conduct, and stakeholder confidence across the Company's operations. Exposure to risks such as fraud, corruption, money laundering, executive misconduct, unethical recovery practices, and violations of applicable laws may lead to regulatory action, financial losses, operational disruptions, and reputational damage.	The Company addresses business ethics risks through strong governance mechanisms, regulatory compliance frameworks, internal controls, and robust due diligence processes. Regular employee training, whistleblower mechanisms, and adherence to ethical business practices further support responsible conduct and stakeholder trust.	Negative
15	Regulatory Compliance	Risk	The Company continuously needs to align its operations with evolving regulatory requirements and industry standards to maintain responsible and legally compliant business practices. Failure to comply with regulatory requirements may result in penalties, litigation, regulatory action, operational restrictions, and reputational impact, affecting customer trust and business continuity.	The Company addresses regulatory risks through robust compliance frameworks, regular internal audits, continuous monitoring mechanisms, and timely updates to policies and processes in line with evolving regulatory requirements. Periodic Board and management oversight, ongoing employee training, and engagement with relevant authorities further strengthen governance and adherence across operations.	Negative
16	Risk Management	Risk	Managing risks effectively is essential for maintaining portfolio quality, liquidity position, operational resilience, and stakeholder confidence. Exposure to credit risk, liquidity risk, operational risk, and market-related uncertainties may result in financial losses, asset quality deterioration, business disruptions, and reputational impact.	The Company manages risks through established risk management frameworks, periodic risk assessments, portfolio monitoring mechanisms, and internal control systems. Regular review of credit, liquidity, operational, and market-related risks, along with oversight from the Board-level Risk Management Committee and senior management, helps strengthen business resilience and informed decision-making across operations.	Negative
17	Innovation & Digitisation	Opportunity	Adoption of digital technologies and innovation enhances operational efficiency, service delivery, and data-driven decision-making across the Company's operations. It also supports cost optimisation, broader customer outreach, scalability, and responsiveness to evolving customer expectations in a rapidly evolving financial landscape.	NA	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.

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
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/2026-04/SFL-Anti-Bribery-And-Anti-Corruption-Policy-Mar2026.pdf 3. https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Whistle-Blower-Vigil-Mechanism-Policy-2025.pdf 4. 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 & 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.	Environmental stewardship, remains a key focus area for the Company to achieve carbon neutrality for Scope 1 and Scope 2 emissions and strengthen the measurement, disclosure, and management of Scope 3 emissions, including financed emissions. The Company is focused on improving operational energy efficiency, integrating climate risk considerations into lending and financing practices, and accelerating digitisation across operations to reduce paper consumption and enhance resource efficiency. Further strengthening its sustainable finance portfolio, the Company has set a target to achieve Rs. 5,000 crores AUM under the Green Finance vertical, with a strong focus on electric mobility, renewable energy, and clean technologies.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	On social front, the Company remains committed to fostering an inclusive, diverse, and people-centric workplace by strengthening employee well-being, learning and development, and equal opportunity practices across the organisation. Enhancing gender diversity and improving accessibility and inclusion for differently abled employees across offices and branches continue to remain key priorities. The Company is also focused on strengthening employee engagement, workplace safety, and a culture anchored in respect, ethics, integrity, and zero tolerance towards discrimination and harassment. Further, the Company continues to advance financial inclusion and expand community development initiatives centred on education, healthcare, livelihood generation, and skill development, with the objective of creating long-term and sustainable social impact across underserved and underbanked communities. The Company remains committed to strengthening its governance framework through robust Board and leadership oversight of ESG priorities and their integration into long-term business strategy and decision-making processes. The Company continues to reinforce a culture of ethical conduct, transparency, accountability, and regulatory compliance across its operations, while further enhancing sustainability disclosures and embedding ESG considerations into risk management frameworks, lending practices, policies, and operational processes.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. The Company strengthened its environmental performance during FY2025-26 through enhanced GHG emissions assessment, including Scope 3 financed emissions covering over 80% of its lending portfolio. The Company recorded an approximate 10% reduction in energy intensity per rupee of turnover along with around 13% reduction in Scope 1 and Scope 2 emission intensity per rupee of turnover compared to previous FY 2024-25. Accelerated digitisation across operations has resulted in a reduction in paper consumption through increased adoption of electronic documentation and paperless processes. Further, the Company advanced resource efficiency initiatives, including installation of water meters at selected locations, initiating the development of a Climate Risk Policy to integrate climate considerations into lending practices. The Company also expanded financing towards Electric Vehicles (EVs), rooftop solar systems, and other green assets, with its Green Finance portfolio reaching over Rs. 1400 Crores as of March 31, 2026. The Company has been recognized among India's Top 50 Best Workplaces in BFSI 2026. The Company also received the best workplaces in Health & Wellness from Great Place to Work® for three consecutive years, a testament to the Company's strong people practices and inclusive culture. During FY 2025-26, around 99% of employees were covered under training programmes related to health & safety, skill upgradation, and human rights. The Company reflects a diverse workforce, with women representing 37% of employees across business support roles, including an even higher representation of 44% within corporate functions. Further strengthening workplace inclusivity and employee well-being, the Company introduced creche facilities near office premises to support employees with young children and promote better work-life balance.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	The Company advanced financial inclusion at scale, serving over 9.73 million customers, with more than 51% of its overall customer base located in rural and semi-urban regions, reflecting its strong reach across underserved and emerging markets. The Company's CSR initiatives collectively impacted more than 3.90 lakhs beneficiaries, supported over 2.85 lakhs individuals across rural and underserved communities, and empowered 1,807 women. The Company reinforced its governance practices through enhanced oversight by the ESG Committee, strengthened sustainability disclosures, and robust integration of ESG considerations into lending and risk management processes. During FY2025-26, the Company conducted a Double Materiality Assessment through extensive engagement with internal and external stakeholders to identify and prioritise material ESG risks, opportunities, and stakeholder expectations, enabling stronger alignment of sustainability priorities with long-term business strategy and value creation.								
	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) I am pleased to present the BRSR of Shriram Finance Limited (SFL) for FY2025-26, reflecting our continued commitment towards responsible growth, sustainable finance, and inclusive development. As one of India's leading NBFCs, we remain focused on delivering accessible and dependable financial solutions across commercial vehicles, passenger vehicles, two-wheelers, MSME finance, gold loans, personal loans, and other retail lending segments, particularly catering to underserved and underbanked communities across the country. We recognise our responsibility to promote sustainable finance while reducing the environmental impact of our operations. In line with this commitment, the Company continues to strengthen financing towards alternate fuel vehicles, electric vehicles, rooftop solar systems, renewable energy technologies, and other green assets. We have also accelerated digitisation across operations to reduce paper consumption, adopted energy-efficient infrastructure including LED lighting and efficient air-conditioning systems, and implemented resource conservation initiatives such as water-saving measures at selected locations. Further, the Company continues to strengthen its assessment of financed emissions and integrate climate considerations into its business practices to support a more sustainable future. At Shriram Finance Limited, 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 4,96,000 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 16,25,000 trucking community at large. In addition, we have trained and upskilled more than 1,60,000 truck drivers and 6,600 youth from disadvantaged backgrounds were trained in the field of Automotive Two-Wheeler repair & services. Strong governance practices continue to remain central to our business approach. We are committed to maintaining high standards of ethics, transparency, accountability, and responsible business conduct through robust governance frameworks, effective risk management practices, and strong compliance mechanisms. Our commitment to employee well-being is reflected through comprehensive benefits, including life, health, and accidental insurance, along with continuous learning and development opportunities. During FY2025-26, we undertook a Double Materiality Assessment to identify and prioritise key ESG issues based on both their financial impact on the business and the Company's impact on society and the environment. As we move ahead, we remain steadfast in our commitment to integrating ESG principles into our strategy and operations while creating long-term value for all stakeholders. We believe that responsible financing, inclusive growth, and sustainable business practices will continue to guide our journey towards building a resilient and future-ready organisation.								



Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
	I extend my sincere gratitude to our customers, employees, investors, partners, regulators, and communities for their continued trust and support in this journey. Sincerely, Mr. Parag Sharma Managing Director & CEO Shriram Finance Limited									
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).		1. Mr. Parag Sharma, Managing Director & CEO (DIN – 02916744) is responsible for the implementation and oversight of the Business Responsibility policy. 2. Mr. S. Sunder, Joint Managing Director & CFO (DIN – 08189901) is Business Responsibility Head of the Company.							
9	Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details. Yes. The Company has constituted an Environmental, Social and Governance (“ESG”) Committee to oversee sustainability-related matters and support integration of ESG considerations into business operations and strategy. The Committee is responsible for overseeing ESG strategy, policies, initiatives, and performance, while ensuring alignment with domestic and global reporting frameworks. The details of the composition of the ESG Committee are provided below as on March 31, 2026:									
	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					
	Mrs. M. V. Bhanumathi		10172983		Member, Independent Director					
	Mr. Umesh G. Revankar		00141189		Member, Executive Vice Chairman					
	Mr. Parag Sharma		02916744		Member, Managing Director & CEO					
	Mr. S. Sunder		08189901		Member, Joint Managing Director & CFO					

10. Details of Review of NGRBCs by the Company:

Subject of Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action	ESG Committee									Annually									
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Managing Director and CEO									Quarterly									
					P1	P2	P3	P4	P5	P6	P7	P8	P9						
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	Yes	Yes	Yes	Yes	Yes	
If yes, provide name of the agency					CARE Analytics and Advisory 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:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	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)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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	1. Detailed presentation which included micro and macroeconomic factors impacting the industry in general 2. Special Session of Financial Statements 3. Related Party Transactions 4. Functioning of various Committees of the Board and business and operations of the Company, risk management, IT strategies, internal control system etc. 5. Redressal of customers and investors complaints, risk management framework, quarterly and financial results through the Board/Committee meetings 6. Updates on BRSR Reporting 7. Matters related to ESG and Sustainability Report 8. Discussion on operational procedures, regulatory requirements, impact on the Company’s financials, ESG Ratings, TCWG 9. IT & Cyber security Awareness and 10. Digital Personal Data Protection (DPDP) Readiness/ DPDP Competitive Analysis Impact: Training initiatives strengthened understanding of organisational priorities, governance expectations, and strategic responsibilities, enabling informed oversight and effective decision-making.	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)	13	- Detailed presentation which included micro and macroeconomic factors impacting the industry in general - Special Session of Financial Statements - Related Party Transactions - 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 operational procedures, regulatory requirements, impact on the Company's financials, ESG Ratings - IT & Cyber security Awareness - DPDP Readiness/DPDP Competitive Analysis - Training on compliances under the Company's Prohibition of Insider Trading Code - Discussion on new avenues for raising funds - Updates on CSR Reporting Impact: Role-specific learning and leadership-focused programmes enhanced operational efficiency, decision-making, and overall competency across key management functions.	100%
Employees other than BoD and KMPs	5,055	- 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 Impact: Induction and role-based training programmes strengthened foundational understanding, improved productivity and accuracy, supported smoother integration, and contributed to enhanced customer service and higher satisfaction levels.	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.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	P1	Reserve Bank of India (RBI)	2,70,000	The said penalty order was received by the Company dated July 11, 2025, for the non-compliance with certain provisions of the "Reserve Bank of India (RBI) (Digital Lending) Directions, 2025" issued by RBI for RBI Inspection FY 2023-24. The Company has taken necessary corrective actions in this respect.	No
Settlement				Nil	
Compounding fee				Nil	

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			Nil	
Punishment			Nil	

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

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

Yes, the Company has established an Anti-Bribery and Anti-Corruption Policy that reflects its commitment to maintaining the highest standards of integrity, transparency, and ethical conduct across all business operations. The policy adopts a zero-tolerance approach towards bribery, corruption, and any form of unethical practices, and is applicable to all employees, directors, and associated parties. It outlines clear guidelines to prevent, detect, and address any instances of bribery or corruption, along with defined roles for oversight, reporting, and investigation.

The policy also mandates adherence to applicable anti-corruption laws and requires employees to report any suspected violations through established mechanisms. Non-compliance is treated seriously and may lead to disciplinary action, reinforcing accountability and ethical behaviour across the organisation.

Link: https://cdn.shriramfinance.in/sfl-kalam/files/2026-04/SFL_Anti-Bribery-And-Anti-Corruption_Policy_Mar2026.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 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

Particular	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
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:

There were no cases of corruption and conflicts of interest in the FY 2025-26, hence no corrective action was undertaken.

8. Number of days of accounts payables (Accounts payable *365)/Cost of goods/services procured) in the following format:

	FY2025-26* (Current Financial Year)	FY2024-25** (Previous Financial Year)
Number of days of accounts payables	38	32

*The increase in number of days of accounts payables in FY 2025-26 is primarily driven by a lower proportion of foreign services procured compared to previous FY 2024-25, resulting in a lower cost of services procured used in the calculation of the metric.

**FY2024-25 figure has been updated due to revised methodology for calculating cost of goods/services procured, to better align with the best practices.

9. Open-ness of business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
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
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

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Shares of RPTs in	a. Purchases (Purchases with related parties/total purchases)	26.35%	24.02%**
	b. Sales (Sales to related parties/total sales)	0.56%	0.71%
	c. Loans & advances (Loans & advances given to related parties/total loans and advances)	0	0
	d. Investments (Investments in related parties/total investments made)	2.73%	0.15%

*Due to the nature of the Company's business, there are no purchases from trading houses.

**FY2024-25 figure has been updated due to revised methodology for calculating total purchases, to better align with the best practices.

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	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Awareness programme covered key topics related to Environmental, Social, and Governance (ESG) principles, including the Company's ESG expectations from vendors, global sustainability best practices, responsible business conduct, and an overview of the BRSR and BRSR Core frameworks.	23.37%*

*The coverage for the awareness programme included the vendors based on the value of total purchases undertaken with such vendors during FY2025-26.

2. Does the entity have processes in place to avoid/mage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same:

Yes, the Company has established processes to identify, disclose, and manage conflicts of interest involving members of the Board and Senior Management Personnel through its Code of Conduct for Board of Directors and Senior Management Personnel. The Code requires Directors and Senior Management Personnel to disclose any potential conflicts of interest and abstain from discussions or decision-making on matters where such conflicts may arise. Further, the Company obtains annual affirmations confirming compliance with the Code and undertakes periodic internal reviews to promote accountability, transparency, and ethical conduct across the organisation.

Link: <https://cdn.shriramfinance.in/sfl-kalam/files/2024-05/Code-of-Conduct-for-Board-of-Directors-and-Senior-Management-Personnel.pdf?VersionId=2ABENRnbZZ29CJaAf1l9nf4WCQ5p6Cef>

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 Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

Particular	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	Details of improvements in environmental and social impacts
R & D	0	0	NA*
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):

The Company has initiated sustainable sourcing practices across certain operational activities. Materials with recycled content are considered during renovation activities, and green housekeeping chemicals are procured at the Head Office during regular operations. The Company is also in the process of further strengthening its monitoring and quantification mechanisms for sustainable sourcing practices.

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*

*The Company is engaged in providing financial services and does not manufacture any product that needs to be reclaimed for reusing, recycling and disposing at the end of life. Hence, this disclosure is not applicable.

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*

*The Company is engaged in providing financial services and does not manufacture, sell, or distribute any physical products. Hence, this disclosure is not applicable.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details 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, providethe web-link.
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Given the nature of the Company's financial services operations, there are no material products or services that qualify for Life Cycle Perspective/Assessments (LCA).

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:

Name of Product/Service	Description of the risk/concern	Action Taken
Given the nature of the Company's financial services operations, there are no material products or services that qualify for LCA.		

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):

Indicate input material	Recycled or re-used input material to total material
	FY 2025-26 (Current Financial Year) FY 2024-25 (Previous Financial Year)
Nil	

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:

Particular	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA*			NA*		
E-waste						
Hazardous waste						
Other waste						

*The Company is engaged in providing financial services and does not manufacture any product that needs to be reclaimed for reusing, recycling and disposing at the end of life. Hence, this disclosure is not applicable.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA*	

*The Company is engaged in providing financial services and does not manufacture any product that needs to be reclaimed. Hence, this disclosure is not applicable.

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	65,688	65,688	100%	65,688	100%	NA	NA	0	0%	0	0%
Female	10,553	10,553	100%	10,553	100%	10,553	100%	NA	NA	10553	100%
Total	76,241	76,241	100%	76,241	100%	10,553*	100%	0	0%	10553	14%
Other than Permanent employees											
Male	NA										
Female											
Total											

*Maternity leave benefit covers all female employees of the Company.

**Creche facility was introduced during the FY 2025-26 to support the well-being of female employees and promote an inclusive workplace.

b. Details of measures for the well-being of workers:

Category	% of workers 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											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particular	FY 2025-26 (Current Financial Year)*	FY 2024-25 (Previous Financial Year)**
Cost incurred on well-being measures as a % of total revenue of the Company	0.22%	0.25%

*In FY 2025-26, the Company enhanced its investment in employee well-being measures; however, the percentage contribution moderated on account of strong revenue growth.

**The cost on well-being measures for FY 2024-25 has been updated due to revised methodology to better align with the best practices.

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

Benefits	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	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/N.A.)	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/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI*	89.40%	NA	Yes	57%	NA	Yes
Others	0	0	0	0	0	0

*ESI is given to 100% of eligible personnel. The increase in FY 2025-26 is pertaining to the revised definition of wages as per the New Labour Code.

3. Accessibility of workplaces:

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company remains committed to fostering an inclusive and accessible workplace for employees with disabilities. In line with the requirements of the Rights of Persons with Disabilities Act, 2016, the Company strives to ensure that its premises and office facilities are accessible, safe, and supportive, thereby enabling equal opportunity, dignity, and participation for differently abled employees across its operations.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

Yes, the Company has established an Equal Opportunity Policy that reinforces its commitment to providing a fair, inclusive, and non-discriminatory workplace. The policy promotes equal employment opportunities across recruitment, training, promotions, compensation, and career development, irrespective of gender, disability, religion, race, age, sexual orientation, or any other protected characteristic. It also emphasises equal pay, accessibility for persons with disabilities, and fostering a diverse and inclusive work environment.

Link: <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	91.48%	66.10%	NA	NA
Total	91.48%	66.10%	NA	NA

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 Company has established a structured grievance redressal mechanism through its Human Resources Management System (HRMS) portal, enabling employees to raise concerns and grievances in a secure and accessible manner. The mechanism is overseen by the Chief Human Resources Officer (CHRO), ensuring confidentiality, impartial review, and timely resolution of all matters. The Company remains committed to fostering a transparent, respectful, and employee-centric workplace environment.
Other than Permanent Employees	NA

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	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	76,241	0	0%	79,872	0	0%
Male	65,688	0	0%	69,258	0	0%
Female	10,553	0	0%	10,614	0	0%
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	65,688	65,135	99.16%	65,135	99.16%	69,258	67,158	96.97%	67,158	96.97%
Female	10,553	10,493	99.43%	10,493	99.43%	10,614	10,340	97.42%	10,340	97.42%
Total	76,241	75,628	99.20%	75,628	99.20%	79,872	77,498	97.03%	77,498	97.03%
Workers										
Male	NA									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	65,688	59,168	90.07%	69,258	58,142	83.95%
Female	10,553	9,165	86.85%	10,614	8,402	79.16%
Total	76,241	68,333	89.63%	79,872	66,544	83.31%
Workers						
Male	NA					
Female						
Total						

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?**
Yes, As an NBFC, the Company's operations do not involve significant occupational health and safety risks. However, the Company remains committed to ensuring a safe and healthy workplace for its employees. First aid kits are maintained across all office locations, and regular awareness initiatives and training programs are conducted to promote employee well-being and road safety, including helmet usage awareness.
- 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 established processes to identify and assess workplace-related risks through regular workplace reviews, employee feedback mechanisms, and safety monitoring practices. Any identified concerns are promptly reported to the management, and necessary corrective actions are undertaken in a timely manner. Further, all office premises are equipped with appropriate fire safety systems, and periodic fire drills and safety awareness initiatives are conducted to ensure employee preparedness and maintain a safe working environment.
- c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)**
The Company, being a NBFC engaged in financial services activities, does not engage any workers as defined under the BRSR framework; accordingly, this disclosure is not applicable to the Company.
- d. **Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**
Yes, the Company provides employees with access to non-occupational medical and healthcare services, including medical insurance coverage, health check-up programs, and wellness support initiatives.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
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

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

The Company places strong emphasis on ensuring a safe, healthy, and secure workplace for its employees and their families. To support employee well-being, the Company provides comprehensive health insurance coverage, including family medical insurance, term life insurance, and personal accident insurance to all employees.

The Company also undertakes various workplace safety and awareness initiatives across its offices and branch locations. Field staff are regularly encouraged to follow safe driving and road safety practices through periodic awareness communications via SMS and emails. In addition, all office premises are equipped with fire safety systems and fire extinguishers, and periodic fire safety drills are conducted to strengthen emergency preparedness and maintain a safe working environment.

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	1	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments 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 of the Company is regularly visited by senior officials and internal auditors. As part of these visits, working conditions and health and safety practices are carefully observed and reviewed.

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:

There were no incidents reported during the FY 2025-26.

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

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 ensures that all statutory payment challans from the preceding month are consistently attached to the current month's invoices for regular vendors. This practice underscores the Company's commitment to transparency, accountability, and regulatory compliance in its 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 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 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees	0	0	0	0
Workers	NA	NA	NA	NA

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. The Company supports continued employability through ongoing learning and development programmes that enhance employees' skills and capabilities throughout their careers.

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 continues to strengthen responsible business practices across its value chain through its existing supplier governance mechanisms. As part of these efforts, all suppliers are required to adhere to the Supplier Code of Conduct, which includes compliance with applicable human rights, working conditions, and health & safety requirements.

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:

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 recognises stakeholder identification as a critical element of its operational strategy. This process involves a comprehensive analysis of its activities to accurately identify key stakeholders, including employees, customers, investors, shareholders, suppliers, vendors, government bodies, and regulatory authorities. In addition, the Company acknowledges the significance of the local communities in which it operates, considering them integral to its engagement efforts. By understanding the expectations and concerns of these diverse groups, the Company proactively manages risks, fosters trust, and cultivates long-term, sustainable relationships. Its commitment to continuous stakeholder engagement ensures responsiveness, agility, and alignment with evolving stakeholder 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	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 follows a structured stakeholder engagement and consultation approach to identify, assess, and address key economic, environmental, and social topics relevant to its business and stakeholders. Stakeholder consultations are undertaken through regular interactions, meetings, feedback mechanisms, surveys, and engagement forums involving employees, customers, investors, regulators, lenders, and other key stakeholders.

These engagements are actively overseen by the senior management team, with key observations, emerging concerns, and material matters periodically communicated to the ESG Committee and the Board, as applicable. The insights gathered through these consultations facilitate informed decision-making, strengthen governance oversight, and support the alignment of the Company's sustainability priorities and business strategies with stakeholder expectations.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:

Yes. Stakeholder consultation forms an integral part of the Company's approach towards identifying, assessing, and managing material environmental and social topics. During the FY 2025-26, the Company conducted a Double Materiality Assessment, engaging a diverse group of internal and external stakeholders, including Board of Directors, KMPs, senior management, employees and customers. The insights gathered through this process enabled the Company to identify and prioritise key material ESG topics based on their business relevance and stakeholder impact, thereby supporting informed decision-making and strengthening the Company's focus on sustainable and responsible business practices.

Further, stakeholder engagement and community interactions play an important role in shaping the Company’s CSR initiatives and social impact programmes. The Company undertakes periodic assessments and reviews of its CSR interventions to evaluate their effectiveness, improve programme implementation, and ensure the creation of meaningful and long-term value for communities and beneficiaries.

Continuous engagement with stakeholders also enables the Company to strengthen its policies, governance mechanisms, and operational practices in line with evolving stakeholder expectations. Feedback received through consultations is considered in the Company’s decision-making processes to support responsible and sustainable business practices.

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) initiatives, the Company undertakes various programs focused on supporting and empowering marginalized, vulnerable, and underserved communities. To assess the effectiveness and outcomes of its programs, the Company has undertaken comprehensive CSR impact assessments for the following:

(A) Regular Scholarship Program

Description: The program provides merit-based financial assistance to students from transport-industry families to support uninterrupted education from Classes 8 to 12.

Impact: The scholarship program addressed a critical financial need for students from economically vulnerable households, enabling continued access to education and improved academic outcomes. Around 85% of beneficiaries reported improvement in academic performance, while 100% of students were able to continue their schooling after receiving the scholarship. The program also contributed towards greater educational inclusion, with 87% of respondents observing increased participation of girls in continuing their education.

Sustainability: The program promotes long-term educational continuity and enhanced career opportunities for students from economically vulnerable households, contributing to sustained socio-economic development.

(B) Mobile Medical Unit (MMU) Program

Description: The MMU Program provides accessible primary healthcare services, including consultations, diagnostics, medicines, health screenings, and awareness program to the drivers of the trucking community and their families through mobile healthcare units deployed at key transport hubs.

Impact: The program significantly enhanced healthcare accessibility and health outcomes within the trucking community. Beneficiaries reported high levels of satisfaction with the services, reduced out-of-pocket healthcare expenditure, and improved management of chronic health conditions, highlighting the programme’s role in promoting preventive healthcare and continuity of care.

Sustainability: The program promotes sustained health and well-being through improved access to primary healthcare, preventive health awareness, early diagnosis and management of chronic conditions, contributing to enhanced quality of life for the trucking community and their families.

(C) Two Wheeler Automotive Program

Description: The program provides industry-relevant skill training in two-wheeler repair and servicing to underprivileged and unemployed youth, along with placement support to enhance employability and sustainable livelihood opportunities in the automotive sector.

Impact: The program delivered strong employability and livelihood outcomes, with 78.22% of participants securing employment and 87.1% obtaining placements within three months of training completion. Participants also reported significant improvement in practical and hand-on skills, particularly in servicing and repair functions, enhancing workplace readiness and resulting in long-term livelihood opportunities. The program has made early progress through women only batches and dedicated mobilizations efforts and female enrolment grown steadily over the years.

Sustainability: The program promotes long-term economic empowerment by developing practical skills and creating sustainable employment pathways, enabling youth from underserved communities to achieve economic self-reliance and career growth.

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

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	76,241	75,628	99.20%	79,872	77,498	97.03%
Other than permanent	NA	NA	NA	NA	NA	NA
Total Employees	76,241	75,628	99.20%	79,872	77,498	97.03%
Workers						
Permanent	NA					
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	65,688	3,316	5.05%	62,372	94.95%	69,258	4,085	5.90%	65,173	94.10%
Female	10,553	1,936	18.35%	8,617	81.65%	10,614	1,806	17.02%	8,808	82.98%
Total	76,241	5,252	6.89%	70,989	93.11%	79,872	5,891	7.38%	73,981	92.62%
Other than permanent										
Male	NA									
Female										
Total										
Workers										
Permanent										
Male	NA									
Female										
Total										
Other than permanent										
Male	NA									
Female										
Total										

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages:

Particular	Male		Female	
	Number	Median remuneration/salary/wages of respective category (in Rs.)	Number	Median remuneration/salary/wages of respective category (in Rs.)
Board of Directors (BoD)*	10	50,40,000	1	49,00,000
Key Managerial Personnel**	6	1,32,71,605	0	0
Employees other than BoD and KMP	65,679	3,69,146	10,553	2,90,508
Workers	NA	NA	NA	NA

*The remuneration of Board of Directors includes the remuneration paid to Executive Directors. For Independent Directors, it includes the sitting fees paid for attending Board and Committee meetings and the commission to be paid.

*Includes remuneration pertaining to Mr. Y. S. Chakravarti, Managing Director and CEO of the Company, who ceased to be a member of the Board with effect from December 4, 2025.

**Excluding 3 KMPs already covered under Board of Directors.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Gross wages paid to females as % of total wages	10.09%	9.48%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No):

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

The Company maintains dedicated State-level Internal Complaints Committees (ICC) to uphold workplace safety and to redress grievances related to sexual harassment, in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Each ICC comprises a Presiding Officer, three internal members, and one external member to ensure an impartial and effective grievance redressal process. The Company is committed to ensuring confidentiality, fair investigation, and timely resolution of grievances, with all cases addressed within 30 days of receipt. In addition, the Company continues to promote a respectful, safe, and inclusive workplace environment through regular employee awareness and sensitisation programmes, supported by necessary training.

The Prevention of Sexual Harassment (POSH) in the Workplace module, accessible through the MyCoach E-Learning Platform, equips all staff with the knowledge required to maintain a safe and inclusive environment. Furthermore, an online orientation programme for ICC members strengthens their capacity to uphold workplace safety. The Company provides a safe and respectful working environment where employees are treated fairly, free from discrimination, and protected under a zero-tolerance policy towards harassment.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	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	3	0	NA	4	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary	0	0	NA	0	0	NA
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 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	3	4
Complaints on POSH as a % of female employees/workers	0.03%	0.04%
Complaints on POSH upheld	3	1

8. Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases:

The Company is committed to ensuring a safe, respectful, and inclusive workplace environment and maintains strict confidentiality and fair investigation throughout the grievance resolution process. To support this, the Company has established state-specific Internal Complaints Committees (ICCs) under its POSH Policy, in accordance with the Prevention of Sexual Harassment (POSH) Act, 2013, to address workplace harassment concerns, while other employee grievances are managed through a dedicated employee portal overseen by the Chief Human Resources Officer (CHRO). Appropriate mechanisms are also in place to safeguard complainants against retaliation, victimisation, or discrimination arising from the reporting of concerns.

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	-

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above:

No significant risks or material concerns were identified during the reporting year that required corrective action.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints:

No significant human rights grievances were reported during the reporting FY 2025-26 that required modification of existing business processes. However, as part of its commitment to maintaining a safe, respectful, and inclusive workplace, the Company continues to strengthen its grievance redressal and employee awareness mechanisms. POSH awareness has been integrated as a mandatory component of employee training programmes, while employee grievances can also be reported through dedicated grievance redressal channels overseen by the Human Resources function.

2. Details of the scope and coverage of any Human rights due-diligence conducted:

The Company undertakes human rights due diligence through its employee grievance redressal and monitoring mechanisms covering all employees across the organisation. The Human Resources Management System (HRMS) Portal, accessible to all employees, enables the reporting, recording, monitoring, and timely resolution of workplace-related concerns, including matters related to employee well-being, harassment, and discrimination, thereby supporting a safe and inclusive work environment.

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 is committed to providing an accessible and inclusive workplace environment and strives to ensure that its office premises are aligned with the requirements of the Rights of Persons with Disabilities Act, 2016. It continues to enhance accessibility measures across its facilities to support ease of access and convenience for differently abled visitors and employees.

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%

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above:

No significant risks or material concerns were identified in the above-mentioned areas during the year under review, and 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: (Giga Joules) (GJ):

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
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)	1,25,307.21	1,22,127.85
Total fuel consumption (E)	3,463.96	2,860.01*
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	1,28,771.17	1,24,987.86*
Total energy consumed (A+B+C+D+E+F)	1,28,771.17	1,24,987.86*
Energy intensity per rupee of turnover [Total energy consumed (in GJ)/Revenue from operations (in rupees)]	0.0000002673	0.0000002986*
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]**	0.0000054365	0.0000061689*
Energy intensity in terms of physical output [Total energy consumed (in GJ)/Full Time Equivalent (FTE)]	1.6890015697	1.5648520555*
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency Yes, FAP Solutions Private Limited

*FY 2024-25 total fuel consumption figure has been updated due to revised methodology; hence the total energy consumption and intensity-based calculations have been updated accordingly.

**The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factors of 20.34 and 20.66, as published by the International Monetary Fund (IMF) for India for the FY2025-26 and FY2024-25, respectively.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

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 2025-26 (Current Financial Year)	FY 2024-25* (Previous Financial Year)
Water withdrawal by source (in kilolitres) (KL)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	10,29,253.50	10,78,272.00
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	10,29,253.50	10,78,272.00
Total volume of water consumption (in kilolitres)	10,29,253.50	10,78,272.00
Water intensity per rupee of turnover [Total water consumption (in KL)/Revenue from operations (in rupees)]	0.0000021364	0.0000025759
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]**	0.0000434535	0.0000532188
Water intensity in terms of physical output [Total water consumption (in KL)/Full Time Equivalent (FTE)]	13.50	13.50
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency Yes, FAP Solutions Private Limited

*The estimated water consumption for all offices is taken as 45 litres per head per 300 working days as per Industry Standards on BRSR Core by SEBI and is included in third party water. FY 2024-25 figures have been updated to align with the best practices.

**The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factors of 20.34 and 20.66, as published by the International Monetary Fund (IMF) for India for the FY2025-26 and FY2024-25, respectively.

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25* (Previous Financial Year)
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

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25* (Previous Financial Year)
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	8,23,402.80	8,62,617.60
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	8,23,402.80	8,62,617.60

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency Yes, FAP Solutions Private Limited

*The total volume for water consumed reported in Question 3 above has been considered, assuming 80% water is discharged through third parties and 20% is consumed to align with the best practices. FY 2024-25 figures have been updated accordingly.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

No. Zero Liquid Discharge is not applicable to the Company given the nature of its operations as an NBFC, 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 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	Nil	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) If yes, name of the external agency NA

*The Company, being a financial services entity, does not have significant air emissions from its operations.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
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 (MTCO ₂ e)	319.79	261.29**
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 (MTCO ₂ e)	24,713.37	24,663.04
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	Total Scope 1 and Scope 2 Emissions (in MTCO ₂ e)/ Revenue from operations (in rupees)	0.0000000520	0.0000000595**

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity PPP)*** (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations adjusted for PPP)	Total Scope 1 and Scope 2 Emissions (in MTCO ₂ e)/ Revenue from operations in rupees adjusted for PPP	0.0000010569	0.0000012302**
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emissions/ Full Time Equivalent)	Total Scope 1 and Scope 2 Emissions (in MTCO ₂ e)/Full Time Equivalent (FTE)	0.3283423839	0.3120534635**
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, FAP Solutions Private Limited

*Scope 1 emissions have been calculated using the emission factors from UK Department for Environment, Food & Rural Affairs (DEFRA), while Scope 2 emissions have been calculated using the Central Electricity Authority (CEA) grid emission factors.

**FY2024-25 Scope 1 emissions data has been revised due to updated fuel consumption methodology and inclusion of fugitive emissions, resulting in corresponding updates to total GHG emissions and intensity-based calculations.

***The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factors of 20.34 and 20.66, as published by the International Monetary Fund (IMF) for India for the FY2025-26 and FY2024-25, respectively.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details:

Yes, the Company has undertaken several initiatives to drive meaningful and system-driven reductions in Greenhouse Gas (GHG) emission intensity. The key initiatives include:

- Transition towards paperless operations through digital workflows, electronic documentation, e-signature solutions, and increased adoption of digital agreements and contracts to reduce paper consumption.
- Improvement in energy efficiency across offices through installation of LED lighting systems and high-efficiency air conditioning systems.
- Adoption of inverter-based power backup systems in place of conventional diesel generators to promote cleaner and more energy-efficient operations.
- Use of eco-friendly biodegradable flex banners for branding and communication activities to support sustainable practices and reduce waste generation.
- Launch of “Shriram Green Finance” to support financing of Electric Vehicles (EVs), EV charging infrastructure, renewable energy technologies, and energy-efficient machinery.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes) (MT)		
Plastic waste (A)	0	0.42
E-waste (B)	61.53	255.00
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	63.68	28.63
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	171.00	330.06
(H.1) Paper*	160.99	311.79
(H.2) Cardboard	9.93	17.54
(H.3) Metal	0.08	0.73
Total (A+B + C + D + E + F + G + H)	296.21	614.11
Waste intensity per rupee of turnover [Total waste generated (in MT)/Revenue from operations (in rupees)]	0.0000000006	0.0000000015
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]**	0.0000000125	0.0000000303
Waste intensity in terms of physical output [Total waste generated (in MT)/Full Time Equivalent]	0.0038851799	0.0076886769
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations***	296.21	614.11
Total	296.21	614.11

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, FAP Solutions Private Limited
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*The paper shredding activity is undertaken based on the availability of records identified for shredding in accordance with the Company's disposal policy. Shredding is carried out periodically depending on the volume of records and scrap available.

**The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factors of 20.34 and 20.66, as published by the International Monetary Fund (IMF) for India for the FY2025-26 and FY2024-25, respectively.

***A portion of the e-waste and battery waste generated by the Company is managed through vendor buy-back arrangements, while other recyclable waste streams such as paper and cardboard are sent to recyclers/resellers. Accordingly, FY2024-25 figures have been recategorized.

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:

As an NBFC, the Company's operations are predominantly office-based and do not involve manufacturing activities or significant use of hazardous and toxic chemicals. Waste generated from the Company's operations primarily includes paper, plastic, cardboard, metal, and e-waste arising from day-to-day office activities. The Company promotes responsible waste management practices through waste segregation, recycling initiatives, and appropriate disposal practices across its

establishments. Further, a portion of the e-waste and battery waste generated by the Company is managed through vendor buy-back arrangements, while recyclable waste streams such as paper and cardboard are sent to recyclers/resellers for further processing.

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.
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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
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The Company has not conducted EIA during FY 2025-26.

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	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
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Yes, the Company remains fully compliant with all applicable statutory and regulatory requirements.

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 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater/desalinated water		NA*
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
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) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into 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)		

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 NA*

*The offices are generally not situated in any water stress regions. Hence, this disclosure is not applicable.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter*	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
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)	Metric tonnes of CO ₂ (MTCO ₂ e)	2,27,61,119.00	2,03,84,358.75
Total Scope 3 emissions per rupee of turnover	Total Scope 3 Emissions (MTCO ₂ e)/Revenue from operations (in rupees)	0.0000472438	0.0000486971
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency No

*In FY 2025–26, the Company enhanced its Scope 3 emissions reporting across 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), and Category 7 (Employee commuting). In addition, Category 15 (Financed emissions) has been reported for the first time in BRSR FY 2025–26. Accordingly, FY 2024-25 figures have been revised to reflect the expanded reporting coverage.

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:

The Company does not have any operations in ecologically sensitive areas and therefore, this indicator is not applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, 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
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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? Give details in 100 words/web link:

Yes. The Company has implemented a robust Business Continuity Plan (BCP) and disaster management framework that outlines measures across people, processes, and technology to ensure continuity of critical business operations during unforeseen disruptions. The framework covers potential risks arising from natural disasters, operational disruptions, and damage to critical IT infrastructure, and includes business continuity and disaster recovery procedures to minimise operational impact and enable timely recovery of systems and processes. The Company periodically assesses potential risks and reviews its continuity mechanisms to strengthen operational resilience and preparedness.

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:

There were no Green Credits generated or procured during the FY2025-26.

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)
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 anticompetitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
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
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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
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The Company has not undertaken any SIA of projects in the current financial year. However, the Company has conducted Impact Assessment of their CSR Projects/Programs/Activities.

Link: <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 INR)
No such projects were undertaken by the Company.						

3. Describe the mechanisms to receive and redress grievances of the community:

The Company follows a structured two-tier mechanism for addressing community-related CSR grievances.

Step 1: Grievances are initially handled by implementing partners at the operational level, serving as the first point of resolution.

Step 2: In cases where concerns remain unresolved, beneficiaries may escalate the matter to the Company's Corporate Social Responsibility (CSR) function or approach the nearest branch office for further assistance.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25* (Previous Financial Year)
Directly sourced from MSMEs/small producers	18.93%	17.44%
Directly from within India	97.50%	83.98%

*FY2024-25 figures have been revised to reflect the broader scope of input material including products & services and capex procurement items.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost:

Location*	FY 2025-26 (Current Financial Year)	FY 2024-25** (Previous Financial Year)
Rural	5.86%	5.69%
Semi-urban	39.90%	38.65%
Urban	27.53%	31.36%
Metropolitan	26.71%	24.30%

*The Company has categorised the places based on RBI's classification system - rural/semi-urban/urban/metropolitan.

**FY2024-25 figures have been updated to reflect the revised categorisation of the locations, to better align with the best practices.

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
NA	

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	Jharkhand	Ranchi	44,87,641
2	Jharkhand	Hazaribagh	69,91,296
3	Chhattisgarh	Korba	12,71,654

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
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There were no such intellectual properties owned or acquired during the FY2025-26.

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
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No corrective actions pertaining to above mentioned parameters were necessitated by the Company during the FY2025-26.

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	Preventive Health care Program	1,98,817	53.35%
2	Shriram Matriculation School	584	67%
3	Shriram High School	401	59%
4	Support for Higher Education	15	100%
5	P. S. Hr. Sec. School	5	0%
6	Project Gift a Smile	7,961	100%
7	Primary & Secondary education Scholarship	1,07,968	100%
8	Upskilling Driver training program	56,966	78.50%
9	Women's LMV Driver training program	1,625	84.18%
10	HMV Driver training program	363	91.20%
11	2Wheeler Mechanic training program	1,100	89.27%
12	Preservation of Arts & Culture	50	0%
13	Promotion of Olympic Sports	184	0%
14	Give life - Project Hope	14,815	100%
15	Providing support to Cancer patients	273	100%
16	Ramakrishna Mission student Home - Training & Skill Development	367	100%

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:

The Company has established a comprehensive grievance redressal framework to effectively manage customer complaints and feedback.

Nature of Complaints:

Customer grievances generally relate to matters such as non-receipt of deposit/debenture certificates, non-credit of interest amounts, discrepancies in investor details, non-updation of address, non-receipt of dividends or maturity proceeds, non-receipt of account statements or No Objection Certificates (NOCs), and other related concerns. Complaints pertaining to services provided by agents or intermediaries engaged by the Company are also addressed under this framework, with appropriate oversight maintained on Lending Service Provider and other service providers.

Complaint Management System:

The Company utilises a centralised Customer Service Management System (CSMS) to record, track, and resolve customer grievances received through multiple channels, including call centres, branch offices, head office, official website, and the Company's mobile application. All customer interactions and issues are systematically logged in to the CSMS for timely action and resolution.

Modes of Lodging Complaints:

Customers may register their complaints or service requests through the following channels:

- Telephonic communication with the call center, branches, or offices
- Email to designated customer care or grievance redressal email IDs
- Submission through the Company's official website or mobile application

Redressal Process and Escalation Mechanism:

All complaints received through various channels are recorded in the CSMS and addressed by the respective regional teams. In the event of delays or unsatisfactory resolution, an escalation framework is in place:

- **Level 1:** Regional Team Leader
- **Level 2:** Zonal Team Leader
- **Level 3:** Head – Geographical Units (Commercial)

Grievance Redressal Oversight:

The Grievance Redressal Officer (GRO) oversees the complaint resolution process. The Company endeavors to resolve all customer complaints within a maximum period of 30 days from the date of receipt.

If a customer does not receive a response within the stipulated timeframe or is dissatisfied with the resolution provided, they may escalate the matter to the Reserve Bank of India (RBI) through the RBI CMS Portal or the RBI Contact Centre.

Complaints received from regulatory authorities, including the RBI, are routed to designated Nodal Officers for resolution.

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	
Recycling and/or safe disposal	

*The Company is engaged in providing financial services and does not manufacture any product; hence, this is not applicable.

3. Number of consumer complaints in respect of the following:

Particular	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	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	81,159	954	All complaints were redressed as on the date of this Report.	51,271	92	One complaint was pending as on date of the Report.

4. Details of instances of product recalls on account of safety issues:

Particular	Number	Reasons for recall
Voluntary recalls	0	NA*
Forced recalls	0	NA*

*The Company is primarily engaged in providing financial services and does not manufacture any products; hence it is not applicable.

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Yes, the Company has established frameworks and policies on cyber security and data privacy, including measures relating to information security, access controls, and protection of customer data.

Link: <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:

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	Nil
b. Percentage of data breaches involving personally identifiable information of customers	Nil
c. Impact, if any, of the data breaches	NA

Leadership Indicators

1. Channels/Platforms where information on products and services of the entity can be accessed (provide web link, if available):

The Company provides product and service-related information through multiple customer access channels, including its official website, “Shriram One” Super App, physical branch network, and digital and social media platforms. Key product-related web links are provided below:

<https://www.shriramfinance.in/fixed-deposit>

<https://www.shriramfinance.in/fixed-deposit-types>

<https://www.shriramfinance.in/fixed-investment-plan>

<https://www.shriramfinance.in/loans#personal-use>

<https://www.shriramfinance.in/loans#commercial-use>

https://play.google.com/store/apps/details?id=com.shriram.one&hl=en_IN

https://play.google.com/store/apps/details?id=com.shriramone.businessandroid&hl=en_IN

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:

The Company undertakes multiple initiatives to inform and educate customers on responsible usage of its financial products and services. Product and service-related information is readily accessible through the Company’s website, branch network, “Shriram One” Super App, and digital platforms. Customers can raise enquiries and grievances through multiple channels including call centres, email support - customersupport@shriramfinance.in, social media platforms, and web portals. The Company also promotes transparent customer engagement through disclosure of its Board-approved Fair Practice Code on the website and across branches. Further, digital communication channels, customer support mechanisms, and online service facilities such as digital loan repayments and fixed deposit investments help improve customer awareness, accessibility, and informed financial decision-making.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

The Company has established communication mechanisms to inform customers of any potential disruption or discontinuation of essential services. Customer notifications are disseminated through multiple channels, including SMS, email, WhatsApp, website updates, and telephonic communication, enabling timely information sharing and minimising customer inconvenience.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable):

a) If yes, provide details in brief:

Yes. The Company provides comprehensive information on its products and services beyond the requirements prescribed under applicable laws. Product-related information is made available across branch locations, the official website, and the “Shriram One” Super App, enabling customers to conveniently access loan-related details, service information, and other relevant disclosures.

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 undertakes periodic customer satisfaction surveys and feedback mechanisms to assess service quality, customer experience, and satisfaction levels across its products, services, and key locations of operation.

VALUE CHAIN ASSESSMENT - BRSR CORE REPORTING FOR VALUE CHAIN PARTNERS

BRSR Core Indicators	Unit of Measurement	FY 2025-26 Consolidated Metric Value
1. Green-House Gas (GHG) Footprint		
Total Scope 1 emissions	Metric tonnes of CO ₂ equivalent (MTCO ₂ e)	51.62
Total Scope 2 emissions	Metric tonnes of CO ₂ equivalent (MTCO ₂ e)	2,269.21
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover	[Total Scope 1 and Scope 2 GHG emissions (in MTCO ₂ e)/Revenue from operations (in rupees)]	0.0000002491
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]	0.0000050661
Total Scope 1 and Scope 2 emission intensity in terms of physical output	[Total Scope 1 and Scope 2 GHG emissions (in MTCO ₂ e/Full Time Equivalent (FTE)]	0.5986146313
2. Water Footprint		
Water withdrawal by source [in kilolitres (KL)]:		
Total volume of water consumption	KL	43,790.72
Water intensity per rupee of turnover	[Total water consumption (in KL)/Revenue from operations (in rupees)]	0.0000046996
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]	0.0000955895
Water intensity in terms of physical output	[Total water consumption (in KL)/Full Time Equivalent (FTE)]	11.30
Water discharge by destination and level of treatment:		
Sent to third-parties		
No treatment	KL	35,032.57
With treatment – please specify level of treatment	KL	0
Total water discharged (in kilolitres)	KL	35,032.57
3. Energy Footprint		
Total energy consumed	Giga Joules (GJ)	12,221.84
% of energy consumed from renewable sources	Percentage	0%
Energy intensity per rupee of turnover	[Total energy consumed (in GJ)/Revenue from operations (in rupees)]	0.0000013116
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]	0.0000266787
Energy intensity in terms of physical output	[Total energy consumed (in GJ)/Full Time Equivalent (FTE)]	3.1523962695
4. Embracing circularity details related to waste management by the entity		
Total Waste generated [in metric tonnes (MT)]:		
Plastic waste (A)	MT	0
E-waste (B)	MT	2.24
Bio-medical waste (C)	MT	0
Construction and demolition waste (D)	MT	0
Battery waste (E)	MT	0
Radioactive waste (F)	MT	0
Other Hazardous waste. Please specify, if any. (G)	MT	0

BRSR Core Indicators	Unit of Measurement	FY 2025-26 Consolidated Metric Value
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	MT	0.27
Total (A+B + C + D + E + F + G + H)	MT	2.51
Waste intensity per rupee of turnover	[Total waste generated (in MT)/Revenue from operations (in rupees)]	0.0000000003
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]	0.0000000055
Waste intensity in terms of physical output	[Total waste generated (in MT)/Full Time Equivalent (FTE)]	0.0006484395
For each category of waste generated, total waste disposed by nature of disposal method:		
Category of waste		
(i) Incineration	MT	0
(ii) Landfilling	MT	0
(iii) Other disposal operations	MT	2.51
Total	MT	2.51
5. Enhancing employee wellbeing and safety		
Spending on measures towards well-being of employees and workers:		
Cost incurred on well-being measures as a % of total revenue of the company	Percentage	0.31%
Details of safety related incidents:		
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Ratio	0
Total recordable work-related injuries	Number	0
No. of fatalities	Number	0
High consequence work-related injury or ill-health (excluding fatalities)	Number	0
6. Enabling Gender Diversity in Business		
Gross wages paid to females:		
Gross wages paid to females as % of total wages	Percentage	28.75%
Complaints on POSH:		
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Number	0
Complaints on POSH as a % of female employees/workers	Percentage	0%
Complaints on POSH upheld	Number	0
7. Enabling Inclusive Development		
Percentage of input material (inputs to total inputs by value) sourced from suppliers:		
Directly sourced from MSMEs/small producers	Percentage	-
Directly from within India	Percentage	100.00%
Job creation in smaller towns – Wages paid to persons employed in:		
Rural	Percentage	0%

BRSR Core Indicators	Unit of Measurement	FY 2025-26 Consolidated Metric Value
Semi-urban	Percentage	0%
Urban	Percentage	0%
Metropolitan	Percentage	100.00%
8. Fairness in Engaging with Customers and Suppliers		
Data breaches:		
a. Number of instances of data breaches	Number	0
b. Percentage of data breaches involving personally identifiable information of customers	Number	0
c. Impact, if any, of the data breaches	Qualitative	NA
Accounts Payable:		
Number of days of accounts payable	Number	48
9. Open-ness of business		
Concentration of Purchases:		
a. Purchases from trading houses as % of total purchases	Percentage	0%
b. Number of trading houses where purchases are made from	Number	0
c. Purchases from top 10 trading houses as % of total purchases from trading houses	Percentage	0%
Concentration of Sales:		
a. Sales to dealers/distributors as % of total sales	Percentage	0%
b. Number of dealers/distributors to whom sales are made	Number	0
c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	Percentage	0%
Share of RPTs in:		
a. Purchases (Purchases with related parties/total purchases)	Percentage	1.28%
b. Sales (Sales to related parties/total sales)	Percentage	92.62%
c. Loans & advances (Loans & advances given to related parties/ total loans and advances)	Percentage	99.18%
d. Investments in related parties as % of total investments made	Percentage	100.00%

Note: In accordance with the SEBI BRSR Core framework for value chain disclosures, the Company has voluntarily undertaken value chain reporting for FY 2025–26 and identified the value chain partners as per the prescribed threshold of 2% or more of total purchases or sales (by value). Based on the nature of the Company’s business and diversified customer base, no downstream value chain partners were identified as per the prescribed sales threshold. On the upstream side, three suppliers were identified as per the prescribed purchases threshold, of which disclosures for two suppliers (representing 23% of the Company’s total purchases) have been reported herein and accordingly one supplier has been excluded from the current reporting scope due to the unavailability of India-specific data, as the required information was neither provided by the entity nor available in the public domain.

INDEPENDENT REASONABLE ASSURANCE REPORT ON KEY PERFORMANCE INDICATORS INCLUDED IN THE BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR CORE) OF SHRIRAM FINANCE LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026.

To
The Board of Directors
Shriram Finance Limited
Corporate Office:
Wockhardt Towers,
West Wing, Level-3, C-2, G-Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400051

1. **Engagement and Scope:**

We have undertaken a Reasonable Assurance engagement, for Shriram Finance Limited (the “Company” or “SFL”) 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, 2026. This engagement was conducted by our multidisciplinary team comprising assurance practitioners and subject matter specialists.

Our Reasonable Assurance engagement is restricted to the BRSR Core. We have not performed any procedures with respect to other disclosures forming part of the BRSR and, accordingly, do not express any opinion or conclusion thereon.

2. **BRSR Core indicators:**

Our scope of Reasonable Assurance consists of the BRSR Core indicators listed in the Annexure 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 pertains solely to the information for the financial year ended March 31, 2026. We have not performed any procedures with respect to the information reported for the earlier periods and any elements thereto and, therefore, do not express any opinion, conclusion, or assurance thereon.

3. **Criteria:**

The Criteria used by the Company to prepare the BRSR Core indicators 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 (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015 by Listed Entities’ dated January 30, 2026, 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 Management of SFL is responsible for:

- identification of key aspects of BRSR in line with stakeholder expectations;
- preparation and presentation of the BRSR in accordance with the aforesaid SEBI Circulars;
- design, implementation, and maintenance of adequate internal controls relevant to the preparation and reporting of KPIs, ensuring that such information is free from material misstatement, whether due to fraud or error; and
- overseeing the Company’s compliance with the requirements of SEBI LODR Regulations and the SEBI Circulars in relation to the BRSR Core.

5. **Inherent Limitations:**

Non-financial information, including ESG metrics, is subject to inherent limitations due to the absence of a universally accepted body of established practices governing its measurement, evaluation, and reporting. Accordingly, different but acceptable measurement techniques may be adopted, which can affect comparability across entities.



Further, quantification of **Greenhouse Gas (GHG)** emissions is subject to inherent uncertainty arising from limitations in scientific knowledge, emission factors, and methodologies used to aggregate emissions of different gases.

Since there is use of judgment and selective testing of data, there are possibilities that material misstatements in the sustainability information of the Report may remain undetected.

6. **Independence and Ethical Compliance:**

We confirm that no member of the assurance team has any business relationship with SFL, its Directors, or its management beyond that required for the purpose of this engagement.

We have conducted this engagement independently and in compliance with applicable ethical requirements, including the fundamental principles of **integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.**

7. **Our Responsibility:**

Our responsibility is to express a **Reasonable Assurance opinion** on the KPIs based on the procedures performed and the evidence obtained.

We conducted our engagement in accordance with:

- **International Standard on Assurance Engagements (ISAE) 3000 (Revised)** – Assurance Engagements other than Audits or Reviews of Historical Financial Information; and
 - **ISAE 3410** – Assurance Engagements on Greenhouse Gas Statements, issued by the **International Auditing and Assurance Standards Board (IAASB).**
- These standards require that we plan and perform the engagement to obtain **Reasonable Assurance** as to whether the KPIs are prepared, in all material respects, in accordance with the applicable reporting criteria.

A Reasonable Assurance engagement involves assessing the risks of material misstatement of the KPIs, whether due to fraud or error, and responding to those risks through appropriate procedures.

8. **Procedures Performed for Reasonable Assurance:**

Our procedures were based on our professional judgement and included inquiries, observation, inspection, evaluation, and analytical procedures. In particular, we:

- obtained an understanding of the KPIs and related disclosures;
- evaluated the suitability of the criteria used for measurement and reporting of the KPIs;
- made inquiries of SFL's management, including personnel responsible for Sustainability, ESG, and Human Resources;
- obtained an understanding and evaluated the design of key systems, processes, and controls for capturing, recording, and reporting KPIs data;
- determined the nature, timing, and extent of further procedures based on risk assessment and the likelihood of material misstatement;
- verified consolidation of data across branches and offices within the reporting boundary to assess completeness;
- performed substantive testing, on a sample basis, at the Corporate Office level to verify measurement, recording, collation, and reporting of KPIs data;
- inspected underlying records and performed recalculations to establish an audit trail;
- assessed compliance with the SEBI Circulars read with applicable Industry Standards Forum (ISF) guidance and internally defined criteria;
- performed analytical procedures to identify any material inconsistencies or anomalies between reported KPIs and underlying data; and
- obtained written representations from Management, where considered necessary.

9. **Exclusions:**

Our scope of work excludes the following, and accordingly, we do not express any assurance thereon:

- testing the operating effectiveness of internal controls;
- procedures over information or operations not forming part of the defined scope of BRSR Core;
- review of the ‘economic and/or financial performance indicators’ included in the Report or on which reporting is based, specifically, some of the financial indicators and intensity metrics of BRSR which are derived using Company’s audited financial information, and we relied on such audited records shared to us by the Company;
- verification of qualitative disclosures outside the KPIs framework; and
- evaluation of forward-looking statements, including expressions of opinion, belief, aspiration, expectation, or future intent.

10. **Reasonable Assurance Opinion:**

Based on the procedures we have performed, and the evidence we have obtained, in our opinion, the Company’s **Key Performance Indicators (KPIs)** forming part of the **BRSR Core**, as listed in Annexure I, for the financial year ended **March 31, 2026** are prepared, in all material respects, in accordance with the Criteria specified in the aforesaid SEBI Circulars.

11. **Restriction on Use:**

This Reasonable Assurance Report has been prepared solely for submission to the **Board of Directors of Shriram Finance Limited** and for use by the Company and its stakeholders in compliance with the aforesaid SEBI Circulars.

Accordingly, this Report should not be used, referred to, or distributed for any other purpose or by any person other than SFL without our prior written consent. We do not accept or assume any duty, responsibility or liability to any other party other than SFL in connection with this Report.

For **FAP Solutions Private Limited**

Sekar Ananthanarayan
 Director
 DIN: 00045500

Place: Mumbai
 Date: June 06, 2026
 Encl: Annexure I



Annexure I
Scope of BRSR Core 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	- Total Scope 1 emissions - Total Scope 2 emissions - GHG Emission Intensity (Scope 1 +2): - Total Scope 1 and Scope 2 emissions intensity per rupee of turnover - Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) - Total Scope 1 and Scope 2 emissions intensity in terms of physical output
2	Principle 6 – E3 Principle 6 – E4	Water Footprint	- Total volume of water withdrawal - Total volume of water consumption - Water Consumption Intensity: - Water intensity per rupee of turnover - Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) - Water intensity in terms of physical output - Water Discharge by destination and levels of treatment
3	Principle 6 – E1	Energy Footprint	- Total Energy Consumed % of energy consumed from renewable sources - Energy Intensity: - Energy intensity per rupee of turnover - Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) - Energy intensity in terms of physical output
4	Principle 6 – E9	Embracing circularity details related to waste management by the entity	- Plastic waste (A) - E-waste (B) - Bio-medical waste (C) - Construction and demolition waste (D) - Battery waste (E) - Radioactive waste (F) - Other Hazardous waste (G) - Other Non-hazardous waste generated (H) - Total waste generated ((A+B + C + D + E + F + G + H) - Waste Intensity: - Waste intensity per rupee of turnover - Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) - Waste intensity in terms of physical output - For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations - For each category of waste generated, total waste disposed by nature of disposal method

Sr. No.	Principle/Indicator Reference	Attribute	Parameters (KPIs) Assured
Section C: Principle [P] Wise Performance Disclosures - Essential Indicators [E]			
5	Principle 3 – E1 (c) Principle 3 – E11	Enhancing employee wellbeing and Safety	- Spending on measures towards well-being of employees and workers- cost incurred as a % of total revenue of the Company. - Details of safety related incidents for employees and workers (including contract-workforce) - Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) - Total recordable work-related injuries - No. of fatalities - High consequence work-related injury or ill-health (excluding fatalities)
6	Principle 5 – E3 (b) Principle 5 – E7	Enabling Gender Diversity in Business	- Gross wages paid to females as a % of wages paid - Complaints on POSH: - Total Complaints on Sexual Harassment (POSH) reported - Complaints on POSH as a % of female employees/workers - Complaints on POSH upheld
7	Principle 8 – E4 Principle 8 – E5	Enabling Inclusive Development	- Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/small producers and from within India. - 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	- Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events. - Number of days of accounts payable
9	Principle 1 – E9	Open-ness of Business	- Concentration of purchases & sales done with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties - Purchases from trading houses as % of total purchases - Number of trading houses where purchases are made from - Purchases from top 10 trading houses as % of total purchases from trading houses - Sales to dealers/distributors as % of total sales - Number of dealers/distributors to whom sales are made - Sales to top 10 dealers/distributors as % of total sales to dealers/distributors - Share of RPTs (as respective %age) in - - Purchases - Sales - Loans & advances - Investments

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 “NBFC” or “Company”), for the year ended March 31, 2026, which comprise the Standalone Balance Sheet as at March 31, 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income/ Loss), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year then 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, 2026, 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on 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, 2026. 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 & 37 read with Material Accounting Policies Note 6.1(VI)). (in ₹ crores) <table><tr><td>Gross Advances</td><td>3,00,216.35</td></tr><tr><td>Provisions</td><td>17,763.91</td></tr><tr><td>Net Advances</td><td>2,82,452.44</td></tr></table> Significant estimates and judgments involved in Key Audit Matter Reserve Bank of India (Non-Banking Financial Companies - Income Recognition, Asset Classification and Provisioning) Directions, 2025 (“IRAC”) prescribe the prudential norms for identification and classification of advances as NPAs. The Company recognized impairment provision for loan assets based on the Expected Credit Loss (“ECL”) approach laid down under ‘Ind AS 109 - Financial Instruments’. The Company has applied significant judgment to determine the identification and classification of such assets as Stage 3 by applying quantitative as well as qualitative factors. The risk of identification of such assets as Stage 3 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 requires 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	3,00,216.35	Provisions	17,763.91	Net Advances	2,82,452.44	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 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 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	3,00,216.35						
Provisions	17,763.91						
Net Advances	2,82,452.44						

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 Management and 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 Standalone Financial Statements that give a true and fair view of the standalone financial position, standalone financial performance including other comprehensive income, Statement of 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.
8. The Company’s Board of Directors is also responsible for 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.
9. 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.
10. 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

11. 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.
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 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 whether the Company has adequate internal financial controls system with reference to the Standalone Financial Statements in place 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;
 - 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



- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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;
 - Obtain sufficient appropriate audit evidence regarding the Standalone Financial Statements of the Company to express an opinion on the Standalone Financial Statements.
13. 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.
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 Standalone Financial Statements for the financial year ended March 31, 2026 and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
- Report on Other Legal and Regulatory Requirements**
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 ("CARO" or "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, 2026 from being appointed as a director in terms of section 164(2) of the Act;
 - f) with respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company as on March 31, 2026 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 48 to the Standalone Financial Statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2026;
 - ii. The Company has made provision as at March 31, 2026, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

- iii. As mentioned in Note 25 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 58 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 58 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 28 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: 26155411VREXCZ8585

Mumbai
April 24, 2026

For **G. D. Apte & Co.**
Chartered Accountants
Firm Registration No: 100515W

Anagha M. Nanivadekar
Partner
Membership No.: 121007
UDIN: 26121007REMXAQ8339

Mumbai
April 24, 2026

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, 2026

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the 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- AkashDeep Plaza, Golmuri, Jamshedpur, Jharkhand	11,36,000	Shriram City Union Finance Ltd.	No	4.00	These assets were acquired on merger and the process of change in name is in progress.
Land At Levinjipuram Village (Panagudi), Tamil Nadu	14,957			4.00	
Land At Levinjipuram Village (Panagudi), Tamil Nadu	15,941			4.00	
Land at Vadakkankulam, Radhapuram Taluka, Tamil Nadu	8,750			4.00	
Land At Levinjipuram Village (Panagudi), Tamil Nadu	14,957			4.00	

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
Flat 308, 309 Sakar III, Ahmedabad, Gujarat	39,85,155	Erstwhile Shriram Transport finance company limited	No	4.00	The process of change in name is in progress
Land In Tanukarkulam Village-Survey No.179(1D), Chennai	12,240			4.00	
Land In Tanukarkulam Village-Survey No.179, Chennai	12,240			4.00	
Land In Tanukarkulam Village-Survey No.179(1E1), Chennai	9,240			4.00	
Land In Tanukarkulam Village-Survey No.179(1F), Chennai	12,240			4.00	
Land In Tanukarkulam Village -Survey No.179(1E), Chennai	12,240			4.00	
Land at Radhapuram, Tirunelveli, Chennai	37,672			4.00	
Land at Radhapuram, Tirunelveli, Chennai	37,671			4.00	
Land at Radhapuram, Tirunelveli, Chennai	37,671			4.00	
Land at Radhapuram, Tirunelveli, Chennai	37,672			4.00	

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	37,672			4.00	
Land at Radhapuram, Tirunelveli, Chennai	37,672			4.00	
Land at Radhapuram, Tirunelveli, Chennai	37,671			4.00	
Land at Radhapuram, Tirunelveli, Chennai	37,671			4.00	
Land at Radhapuram, Tirunelveli, Chennai	37,671			4.00	
Land at Radhapuram, Tirunelveli, Chennai	36,010			4.00	
Land at Radhapuram, Tirunelveli, Chennai	39,760			4.00	
Land at Vadakankulum Taluka, Tanukarkulam village, Tirunelveli District, Tamil Nadu	51,426			4.00	
Building 117, B Wing, Dalamal Towers No 211, Nariman Point, Mumbai.	1,87,35,273			4.00	

- 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, 2026, aggregating ₹ 13,743.27 crores were categorised as credit impaired ("Stage 3") and ₹ 20,746.33 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, 2026, aggregating ₹ 2,65,726.75 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 ₹ 803.90 crores were also identified. In all other cases, the repayment of principal and interest is regular as at March 31, 2026. 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 ₹ 4,287.05 crores. Based on our audit procedure and according to the information and explanation made available to us, 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 directives 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 a 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 (₹ 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
Income Tax Act, 1961	Income Tax Demands	75.21	AY 2024-25	Commissioner of Income Tax (Appeals)
Finance Act, 1994 (Service tax)	Service Tax Demands	2,244.54	FY 2005-06 to FY 2016-17 and upto June 30, 2017	Bombay High Court
Finance Act, 1994 (Service tax)	Service Tax Demands	258.71	FY 2008-09 to 2014-15	Supreme Court of India
Finance Act, 1994 (Service tax)	Service Tax Demands	332.96	April 1, 2003 to March 31, 2010	Supreme Court of India
Finance Act, 1994 (Service tax)	Service Tax Demands	87.60	April 1, 2009 to September 30, 2014	CESTAT, Chennai
Finance Act, 1994 (Service tax)	Service Tax Demands	74.38	October 1, 2012 to June 30, 2017	CESTAT, Chennai
Andhra Pradesh Value Added Tax	Value added Tax	0.00*	FY 2010-11 to FY 2012-13	High court of Telangana - Hyderabad
Andhra Pradesh Value Added Tax	Value added Tax	0.00*	FY 2009-10 to FY 2010-11 and April 1, 2011 to August 31, 2012	High court of Telangana - Hyderabad

Name of the Statute	Nature of the Dues	Amount (₹ crores)	Period to which the amount relates	Forum where dispute is Pending
Andhra Pradesh Value Added Tax	Value added Tax	6.11	FY 2004-05 to FY 2008-09	High court of Andhra Pradesh - Amaravati
Orissa Value Added Tax	Value added Tax	0.09	FY 2008-09 to FY 2012-13	Orissa Sales Tax Tribunal - Cuttack
Telangana Value Added Tax	Value added Tax	0.00*	FY 2013-14 to FY 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 and FY 2016-17	Supreme Court of India
Tamil Nadu Value Added Tax	Value added Tax	0.00\$	FY 2015-16 and April 1, 2017 to June 30, 2017	The company is in the process of filing appeal with Supreme Court of India.
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	Supreme Court of India
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	14.08	FY 2017-18 to FY 2020-21	The Company is in the process of filing an appeal with GSTAT
Goods and Service Tax	GST Demands	47.02	FY 2017-18 to FY 2022-23	Appellate Authority upto Commissioner's level
Goods and Service Tax	GST Demands	21.59#	FY 2020-21 to FY 2022-23	Authority upto Commissioner's level
Goods and Service Tax	GST Demands	0.01**	FY 2017-18	Appellate Authority upto Commissioner's level
Indian Stamp Act	Stamp duty	6.69	FY 2023-24	Principal Revenue Controlling Officer and Registrar, Chennai
Indian Stamp Act	Stamp duty	33.48#	FY 2023-24	District Sub Registrar, Radhapuram

* 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.

\$ Amounts where the entire Disputed Tax amount is deposited are presented as ₹0.00 crore

The company is in the process of filing an appeal with appellate authorities.

** Case which is entered into amnesty scheme and awaiting closure order.

- 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 ₹ 5.42 crores as mentioned in Note 85 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 us 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, 2025) 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.
- 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: 26155411VREXCZ8585

Mumbai
April 24, 2026

For **G. D. Apte & Co.**
Chartered Accountants
Firm Registration No: 100515W

Anagha M. Nanivadekar
Partner
Membership No.: 121007
UDIN: 26121007REMXAQ8339

Mumbai
April 24, 2026



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, 2026

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, 2026, 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 Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become

For **M M NISSIM & CO LLP**
Chartered Accountants
Firm Registration No: 107122W/W100672

Manish Singhania
Partner
Membership No. 155411
UDIN: 26155411VREXCZ8585

Mumbai
April 24, 2026

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, 2026, 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

Anagha M. Nanivadekar
Partner
Membership No.: 121007
UDIN: 26121007REMXAQ8339

Mumbai
April 24, 2026

Particulars	Note No.	(Rs. in crores)	
		As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	8	5,741.04	10,681.40
(b) Bank balance other than (a) above	9	2,197.31	10,684.34
(c) Derivative financial instruments	10	4,684.06	525.50
(d) Receivables			
(I) Trade receivables	11(I)	51.78	50.82
(II) Other receivables	11(II)	0.21	-
(e) Loans	12	282,452.44	245,392.79
(f) Investments	13	14,782.76	15,598.71
(g) Other financial assets	14	3,335.38	3,510.83
Total financial assets		313,244.98	286,444.39
(2) Non-financial assets			
(a) Current tax assets (net)		604.33	432.07
(b) Deferred tax assets (net)	42	4,263.32	3,694.86
(c) Investment property	15	-	-
(d) Property, plant and equipment	16	1,108.77	1,025.68
(e) Goodwill	17(I)	1,189.45	1,189.45
(f) Other intangible assets	17(II)	336.96	698.95
(g) Other non-financial assets	18	406.38	321.95
Total non-financial assets		7,909.21	7,362.96
(3) Non-current assets held for sale/ disposal	19	0.97	0.97
Total assets (1+2+3)		321,155.16	293,808.32
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	10	59.77	275.41
(b) Payables			
(I) Trade payables	20(I)		
(i) total outstanding dues of micro enterprises and small enterprises		5.65	1.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		326.69	297.83
(II) Other payables	20(II)		
(i) total outstanding dues of micro enterprises and small enterprises		-	0.23
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2.51	1.37
(c) Debt securities	21	52,873.19	54,148.86
(d) Borrowings (other than debt securities)	22	125,917.78	121,448.42
(e) Deposits	23	69,480.34	56,085.99
(f) Subordinated liabilities	24	2,418.57	2,513.98
(g) Other financial liabilities	25	3,368.89	2,136.61
Total financial liabilities		254,453.39	236,909.72
(2) Non-financial liabilities			
(a) Current tax liabilities (net)		402.42	38.98
(b) Provisions	26	397.80	344.38
(c) Other non-financial liabilities	27	196.62	234.67
Total non-financial liabilities		996.84	618.03
(3) Total liabilities (1+2)		255,450.23	237,527.75
(4) Equity			
(a) Equity share capital	28	376.31	376.08
(b) Other equity	29	65,328.62	55,904.49
Total equity		65,704.93	56,280.57
Total liabilities and equity (3+4)		321,155.16	293,808.32

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

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

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

Manish Singhania
Partner
Membership No.: 155411
Mumbai
April 24, 2026

Anagha M. Nanivadekar
Partner
Membership No.: 121007
Mumbai
April 24, 2026

Jugal Kishore Mohapatra
Chairman
DIN: 03190289
Mumbai
April 24, 2026

Parag Sharma
Managing Director and CEO
DIN: 02916744
Mumbai
April 24, 2026

S. Sunder
Joint Managing Director and CFO
DIN: 08189901
Mumbai
April 24, 2026

U Balasundararao
Company Secretary and CCO

Mumbai
April 24, 2026

Particulars	Note No.	(Rs. in crores)	
		Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations			
(i) Interest income	30	46,644.04	40,307.64
(ii) Dividend income		1.84	1.69
(iii) Fees and commission income	31	490.55	681.93
(iv) Net gain on fair value changes	32	356.99	200.94
(v) Net gain on derecognition of financial instruments under amortised cost category		-	132.64
(vi) Other operating income	33	624.47	509.58
(I) Total revenue from operations		48,117.89	41,834.42
(II) Other income	34	60.09	25.05
(III) Total income (I + II)		48,177.98	41,859.47
Expenses			
(i) Finance costs	35	21,520.41	18,454.58
(ii) Fees and commission expenses	36	596.54	572.46
(iii) Impairment on financial instruments	37	5,339.07	5,311.66
(iv) Employee benefits expenses	38	4,126.01	3,651.16
(v) Depreciation, amortisation and impairment (Refer note 15, 16 and 17)	39	698.75	645.32
(vi) Other expenses	40	2,604.94	2,275.04
(IV) Total expenses		34,885.72	30,910.22
(V) Profit before exceptional items and tax (III - IV)		13,292.26	10,949.25
(VI) Exceptional items (net)	41	-	1,656.77
(VII) Profit before tax (V + VI)		13,292.26	12,606.02
(VIII) Tax expense:	42		
(i) Current tax		4,157.90	3,590.88
(ii) Deferred tax		(863.79)	(745.86)
(IX) Profit for the year (VII - VIII)		9,998.15	9,761.00
(X) Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/ (loss) on defined benefit plan		43.34	(12.40)
Gain/ (loss) on fair valuation of quoted investments in equity shares		12.77	30.97
(ii) Income tax relating to items that will not be reclassified to profit or loss		(11.42)	(4.67)
Subtotal (A)		44.69	13.90
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		1,128.02	(276.66)
(ii) Income tax relating to items that will be reclassified to profit or loss		(283.90)	69.63
Subtotal (B)		844.12	(207.03)
Other comprehensive income for the year (A + B)		888.81	(193.13)
(XI) Total comprehensive income for the year (IX + X)		10,886.96	9,567.87
(XII) Earnings per equity share (face value Rs. 2/- per equity share)	43		
(i) Basic (Rs.)		53.15	51.92
(ii) Diluted (Rs.)		53.11	51.85

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

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

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

Manish Singhania
Partner
Membership No.: 155411
Mumbai
April 24, 2026

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April 24, 2026

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Joint Managing Director and CFO
DIN: 08189901
Mumbai
April 24, 2026

U Balasundararao
Company Secretary and CCO

Mumbai
April 24, 2026



(A) Equity share capital

1) Current reporting period

(Rs. in crores)				
Balance at the beginning of the current reporting period As at April 01, 2025	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 reporting period	Balance at the end of the current reporting period As at March 31, 2026
376.08	-	376.08	0.23	376.31

2) Previous reporting period

(Rs. in crores)				
Balance at the beginning of the previous reporting period As at April 01, 2024	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 reporting period	Balance at the end of the previous reporting period As at March 31, 2025
375.79	-	375.79	0.29	376.08

(B) Other equity

1) Current reporting period

Particulars	Reserves and surplus							Other comprehensive income		Total
	Share application money pending allotment	Capital reserve	Securities premium	Statutory reserve (Pursuant to Section 45-1C of the RBI Act, 1934)	Debenture redemption reserve (Refer note 29)	Capital redemption reserve	General reserve	Remeasurement gain/ (loss) on defined benefit plan	Share option outstanding	Retained earnings
Balance at the beginning of the current reporting period (As at April 01, 2025)	-	104.57	17,543.01	9,294.15	119.02	53.88	5,227.53	(85.80)	42.92	24,051.94
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	104.57	17,543.01	9,294.15	119.02	53.88	5,227.53	(85.80)	42.92	24,051.94
Profit for the year	-	-	-	-	-	-	-	-	-	9,998.15
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	888.80
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	10,886.95
Dividends (Interim) during the financial year 2025-26	-	-	-	-	-	-	-	-	-	(902.93)
Dividends (Final) for the year ended March 31, 2025	-	-	-	-	-	-	-	-	-	(564.23)
Transferred to/ (from) (Refer note 29)	-	-	-	1,999.63	17.85	-	999.82	-	-	(3,017.30)



Particulars	Reserves and surplus							Other comprehensive income		Total
	Share application money pending allotment	Capital reserve	Securities premium	Statutory reserve (Pursuant to Section 45-1C of the RBI Act, 1934)	Debenture redemption reserve (Refer note 29)	Capital redemption reserve	General reserve	Remeasurement gain/ (loss) on defined benefit plan	Share option outstanding	Retained earnings
Any other change:	-	-	-	-	-	-	-	-	-	-
Securities premium proceeds received on issue of equity shares (Refer note 28 and 29)	-	-	26.43	-	-	-	-	-	-	26.43
Exercise of employee stock option plan	-	-	-	-	-	-	-	-	(22.09)	(22.09)
Transferred to/ (from) (Refer note 29) on account of share forfeiture	-	-	-	-	-	-	0.17	-	(0.17)	-
Balance at the end of the current reporting period (As at March 31, 2026)	-	104.57	17,569.44	11,293.78	136.87	53.88	6,227.52	(53.37)	20.66	29,565.63

2) Previous reporting period

Particulars	Reserves and surplus							Other comprehensive income		Total
	Share application money pending allotment	Capital reserve	Securities premium	Statutory reserve (Pursuant to Section 45-1C of the RBI Act, 1934)	Debenture redemption reserve (Refer note 29)	Capital redemption reserve	General reserve	Remeasurement gain/ (loss) on defined benefit plan	Share option outstanding	Retained earnings
Balance at the beginning of the previous 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
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	104.57	17,510.65	7,341.95	134.25	53.88	4,251.10	(76.52)	70.40	19,065.20
Profit for the year	-	-	-	-	-	-	-	-	-	9,761.00
Other comprehensive income for the year	-	-	-	-	-	-	-	(9.28)	-	(193.13)
Total comprehensive income for the year	-	-	-	-	-	-	-	(9.28)	-	9,567.87
Dividends (Interim) during the financial year 2024-25	-	-	-	-	-	-	-	-	-	(1,297.29)
Dividends (Final) for the year ended March 31, 2024	-	-	-	-	-	-	-	-	-	(563.90)
Transferred to/ (from) (Refer note 29)	-	-	-	1,952.20	(15.23)	-	976.10	-	-	(2,913.07)



Particulars	Share application money pending allotment	Reserves and surplus						Other comprehensive income		Total	
		Capital reserve	Securities premium	Other Reserves				Retained earnings	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)	Debenture redemption reserve (Refer note 29)	Capital redemption reserve	General reserve				
Any other change:											
Securities premium proceeds received on issue of equity shares (Refer note 29)	-	-	32.36	-	-	-	-	-	-	32.36	
Exercise of employee stock option plan	-	-	-	-	-	-	-	(27.15)	-	(27.15)	
Transferred to/ (from) (Refer note 29) on account of share forfeiture	-	-	-	-	-	0.33	-	(0.33)	-	-	
Balance at the end of the previous 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	24,051.94	
										26.69	
										(473.42)	
										55,904.49	

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	For and on behalf of the Board of Directors of Shriram Finance Limited	
Manish Singhania Partner Membership No.: 155411 Mumbai April 24, 2026	Jugal Kishore Mohapatra Chairman DIN: 03190289 Mumbai April 24, 2026	Parag Sharma Managing Director and CEO DIN: 02916744 Mumbai April 24, 2026
	S. Sunder Joint Managing Director and CFO DIN: 08189901 Mumbai April 24, 2026	U Balasundararao Company Secretary and CCO Mumbai April 24, 2026

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	13,292.26	12,606.02
Adjustments for:		
Depreciation, amortisation and impairment	698.75	645.32
Interest on income tax refund	(1.61)	(0.88)
Exceptional items (net) (Refer note 41)	-	(1,656.77)
Share-based payments to employees	28.13	0.26
Interest income on loans	(44,485.13)	(38,669.51)
Interest income from investments	(1,010.68)	(826.00)
Interest income on deposits	(926.12)	(679.68)
Interest others	(0.01)	(0.16)
Finance costs on borrowings	21,425.02	18,333.88
Interest on lease liabilities	67.34	59.60
Loss/ (profit) on sale of property, plant and equipment (net)	5.13	7.91
Fair value adjustments to investments	-	(0.20)
Dividend income	(1.84)	(1.69)
Impairment on loans	5,310.18	5,279.00
Impairment on investments	30.57	26.13
Impairment on undrawn loan commitment	4.41	4.83
Impairment on other assets	(6.09)	1.70
Non-cash components of lease liabilities	(13.77)	(12.28)
Net (gain)/ loss on fair value changes on investment	(342.13)	(277.00)
Net (gain)/ loss on fair value changes on direct assignment	(14.86)	76.06
Net gain on derecognition of financial instruments under amortised cost category	-	(132.64)
Cash inflow from interest on loans	44,097.39	38,739.78
Cash inflow from interest and dividend on investments	841.62	683.66
Cash inflow from bank deposits	1,003.15	568.94
Cash outflow towards finance costs	(18,453.24)	(15,560.26)
Operating profit before working capital changes	21,548.47	19,216.02
Movements in working capital:		
Decrease/ (increase) in loans	(41,982.09)	(42,812.65)
Decrease/ (increase) in investments	1,661.30	(6,570.98)
Decrease/ (increase) in receivables	15.17	59.46
Decrease/ (increase) in bank deposits	8,423.87	(9,041.95)
Decrease/ (increase) in other financial assets	165.86	156.19
Decrease/ (increase) in other non-financial assets	(82.64)	32.18
Increase/ (decrease) in payables	33.49	87.10
Increase/ (decrease) in other financial liabilities excluding lease liabilities	1,174.09	184.98
Increase/ (decrease) in non-financial liabilities	(38.05)	(24.68)
Increase/ (decrease) in other provision	64.21	30.68
Cash used in operations	(9,016.32)	(38,683.65)
Direct taxes paid (net of refunds)	(3,965.11)	(3,591.16)
Net cash flows from/ (used in) operating activities (A)	(12,981.43)	(42,274.81)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(191.22)	(223.59)
Proceeds from sale of property, plant and equipment	2.59	3.70
Purchase of other intangible assets	(5.02)	(31.00)
Investment in subsidiary	(350.12)	-
Proceeds from sale of investment in a subsidiary	-	3,929.03
Net cash generated from/ (used in) investing activities (B)	(543.77)	3,678.14

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital and share application pending allotment (including share premium)	4.57	5.50
Proceeds/ (repayment) on settlement of derivative contracts	(4,374.20)	80.39
Increase/ (decrease) in deposits (net)	12,422.05	10,897.29
Amount received from debt securities	4,997.50	23,385.10
Repayment of debt securities	(6,621.86)	(15,095.16)
Proceeds/ (repayment) of subordinated debts	(94.45)	(1,832.53)
Amount received from borrowings other than debt securities	53,391.71	87,624.97
Repayment of borrowings other than debt securities	(49,446.07)	(59,731.06)
Payment of lease liabilities	(229.31)	(210.50)
Dividend paid	(1,465.10)	(1,859.30)
Net cash generated from/ (used in) financing activities (C)	8,584.84	43,264.70
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(4,940.36)	4,668.03
Cash and cash equivalents at the beginning of the year	10,681.40	6,013.37
Cash and cash equivalents at the end of the year	5,741.04	10,681.40

Components of cash and cash equivalents	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
i) Cash on hand	148.10	191.75
ii) Cheques on hand	11.09	29.53
iii) Balances with banks (of the nature of cash and cash equivalents)	1,291.83	3,500.51
iv) Bank deposits with original maturity upto three months or less	4,290.24	6,960.15
Gross	5,741.26	10,681.94
Less : Impairment loss allowance	0.22	0.54
Cash and cash equivalent as per balance sheet	5,741.04	10,681.40

See accompanying notes forming an integral part of the standalone financial statements.

Notes:

- a) 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.
- b) Income tax paid is treated as arising from operating activities and are not bifurcated between investing and financing activities.
- c) During the year, the Company has paid an amount of Rs. 183.01 crores (March 31, 2025: Rs. 131.46 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

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

For and on behalf of the Board of Directors of

Shriram Finance Limited

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 24, 2026

Anagha M. Nanivadekar

Partner

Membership No.: 121007

Mumbai

April 24, 2026

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 24, 2026

Parag Sharma

Managing Director and CEO

DIN: 02916744

Mumbai

April 24, 2026

S. Sunder

Joint Managing Director and CFO

DIN: 08189901

Mumbai

April 24, 2026

U Balasundararao

Company Secretary and CCO

Mumbai

April 24, 2026

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, 2026 were approved for issue in accordance with the resolution of the Board of Directors on April 24, 2026.

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 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 RBI Direction - Reserve Bank of India (Non-Banking Financial Company- Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025, 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 crore or Rs. in crore) 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 crore.

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 the 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:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

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

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 01, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

- Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 01, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company being a NBFC, has no impact of these amendments in its classification criteria of current and non-current liabilities.
- Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 01, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
- Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 01, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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).

Subsequent measurement

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 if the following conditions are met:

- They have contractual terms that give rise to cash flows on specified dates, that represent SPPI on the principal amount outstanding; and
- They 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 if the following conditions are met:

- They have contractual terms that give rise to cash flows on specified dates, that represent SPPI on the principal amount outstanding; and
- They 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 at 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 loss 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, 2026, 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 RBI Direction - Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025 dated November 28, 2025 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

ECL on fixed deposits with banks is determined using rates from established sources.

(6) Simplified approach for trade/ other receivables/other financial assets 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/other financial assets 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 54.02.02.02.

(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 54.02.02.03.

(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 54.02.02.04.

(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 realizable 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 otherwise 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 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 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:

- In the principal market for the asset or liability, or
- 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 32), 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 as “Net loss on fair value changes” 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

- 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 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 (Refer Note 45 for the impact of New Labour Codes)

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:

- 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.
- 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 recognized for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognized for any subsequent increase 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 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 as 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, 2026	As at March 31, 2025
8	CASH AND CASH EQUIVALENTS		
	Cash on hand	148.10	191.75
	Balances with banks (of the nature of cash and cash equivalents)	1,291.83	3,500.51
	Cheques on hand	11.09	29.53
	<u>Others</u>		
	Bank deposits with original maturity upto three months or less	4,290.24	6,960.15
	Total Gross	5,741.26	10,681.94
	Less: Impairment loss allowance	0.22	0.54
	Total Net	5,741.04	10,681.40

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 ended on March 31, 2026 and March 31, 2025.

Reconciliation of impairment loss allowance is given below:

		(Rs. in crores)	
Particulars		As at March 31, 2026	As at March 31, 2025
	Opening balance	0.54	-
	Add: Addition during the year	-	0.54
	Less: Reduction during the year	0.32	-
	Closing balance	0.22	0.54

		(Rs. in crores)	
Particulars		As at March 31, 2026	As at March 31, 2025
9	BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
	Earmarked balances with banks for		
	- Unclaimed dividend accounts	14.55	12.49
	Bank deposits with original maturity for more than three months	346.07	9,031.23
	Balances with banks to the extent held as credit enhancement or security against the borrowings, guarantees, other commitments*	1,836.72	1,641.10
	Total Gross	2,197.34	10,684.82
	Less: Impairment loss allowance	0.03	0.48
	Total Net	2,197.31	10,684.34

*Includes deposits Rs. 1,318.29 crores (March 31, 2025: Rs. 1,123.23 crores) pledged with banks as margin for credit enhancement, Rs. 0.28 crores (March 31, 2025: Rs. 17.66 crores) as margin for others and Rs. 518.15 crores (March 31, 2025: Rs. 500.21 crores) pledged as lien against borrowings.

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, 2026	As at March 31, 2025
Opening balance	0.48	-
Add: Addition during the year	0.00	0.48
Less: Reduction during the year	0.45	-
Closing balance	0.03	0.48

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

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, 2026				As at March 31, 2025			
	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	46,782.96	3,187.65	1,490.60	41.48	20,764.01	87.54	27,295.83	188.92
Currency swaps	4,998.11	690.78	-	-	6,514.26	349.74	649.28	12.49
Cross currency interest rate swaps	2,096.05	325.43	500.00	9.95	1,517.06	16.02	787.38	8.39
Sub-total (i)	53,877.12	4,203.86	1,990.60	51.43	28,795.33	453.30	28,732.49	209.80
(ii) Interest rate derivatives:								
Interest rate swaps	39,337.79	479.08	5,951.41	8.34	25,016.00	71.66	24,261.93	64.05
Interest rate caps	-	1.12	-	-	700.00	0.54	-	1.56
Sub-total (ii)	39,337.79	480.20	5,951.41	8.34	25,716.00	72.20	24,261.93	65.61
Total derivative financial instruments (i) + (ii)	93,214.91	4,684.06	7,942.01	59.77	54,511.33	525.50	52,994.42	275.41
Part II								
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
Cash flow hedging:								
Currency derivatives	53,877.12	4,203.86	1,990.60	51.43	28,795.33	453.30	28,732.49	209.80
Interest rate derivatives	39,337.79	480.20	5,951.41	8.34	25,716.00	72.20	24,261.93	65.61
Total derivative financial instruments	93,214.91	4,684.06	7,942.01	59.77	54,511.33	525.50	52,994.42	275.41

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 54.

10 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

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 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:

- 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 54 and 83.04.
- 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, 2026				As at March 31, 2025			
	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	93,214.91	4,684.06	Derivative financial instruments - assets	1,128.02	54,511.33	525.50	Derivative financial instruments - assets	(276.66)
	7,942.01	59.77	Derivative financial instruments - liabilities		52,994.42	275.41	Derivative financial instruments - liabilities	

10 DERIVATIVE FINANCIAL INSTRUMENTS (Contd.)

The impact of hedged items on the balance sheet is as follows:

	As at March 31, 2026		As at March 31, 2025	
	Change in value used for measuring ineffectiveness	Cash flow hedge reserve	Change in value used for measuring ineffectiveness	Cash flow hedge reserve
Hedged items				
External commercial bond, external commercial borrowings, term loan from banks and institutions and non-convertible debentures	1,128.02	370.70	(276.66)	(473.42)

The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
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 institutions and non-convertible debentures
Total hedging gain/ (loss) recognised in OCI	1,128.02	(276.66)
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	As at March 31, 2026	As at March 31, 2025
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured*	51.91	50.82
Trade receivables which have significant increase in credit risk	0.08	-
Trade receivables - credit impaired	0.06	-
Gross carrying amount	52.05	50.82
Less: Allowances for impairment loss on trade receivables considered good - unsecured	0.13	0.00
Less: Allowances for impairment loss on trade receivables which have significant increase in credit risk	0.08	-
Less: Allowances for impairment loss on credit impaired trade receivables	0.06	-
Net carrying amount	51.78	50.82

*Includes Rs. 43.87 crores (March 31, 2025: Rs. 44.00 crores) receivable from related parties.

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

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, 2026								
Undisputed trade receivables								
Considered good	4.15	0.25	47.51	-	-	-	-	51.91
Which have significant increase in credit risk	-	-	0.08	-	-	-	-	0.08
Credit impaired	-	-	0.05	0.01	-	-	-	0.06
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	4.15	0.25	47.64	0.01	-	-	-	52.05
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

Reconciliation of impairment loss allowance is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Impairment allowance measured as per simplified approach		
Opening balance	0.00	-
Add: Addition during the year	0.27	0.00
Less: Reduction during the year	-	-
Closing balance	0.27	0.00

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

11 RECEIVABLES (Contd.)

(II) Other receivables

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Other receivables considered good - secured	-	-
Other receivables considered good - unsecured*	0.21	-
Other receivables which have significant increase in credit risk	-	-
Other receivables - credit impaired	4.87	6.63
Gross carrying amount	5.08	6.63
Less: Allowances for impairment loss on credit impaired other receivables	4.87	6.63
Net carrying amount	0.21	-

* includes Rs. 0.21 crores (March 31, 2025: 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, 2026								
Undisputed other receivables								
Considered good	-	-	0.21	-	-	-	-	0.21
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	1.45	0.82	1.18	0.47	0.95	4.87
Disputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	-	1.66	0.82	1.18	0.47	0.95	5.08
As at March 31, 2025								
Undisputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	2.27	1.20	1.79	0.42	0.95	6.63
Disputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	-	2.27	1.20	1.79	0.42	0.95	6.63

11 RECEIVABLES (Contd.)

Reconciliation of impairment loss allowance is given below:

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Impairment allowance measured as per simplified approach		
Opening balance	6.63	2.72
Add: Addition during the year	1.02	3.91
Less: Reduction during the year	2.78	-
Closing balance	4.87	6.63

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
12 LOANS		
Loans (at amortised cost)		
(A)		
i) Term loans	274,879.51	235,164.64
ii) Others @	25,336.84	24,751.27
Total Gross - (A)	300,216.35	259,915.91
Less : Impairment loss allowance	17,763.91	14,523.12
Total Net - (A)	282,452.44	245,392.79
(B)		
i) Secured by tangible assets	274,805.46	235,105.74
ii) Secured by deposits	74.05	58.90
iii) Unsecured	25,336.84	24,751.27
Total Gross - (B)	300,216.35	259,915.91
Less : Impairment loss allowance	17,763.91	14,523.12
Total Net - (B)	282,452.44	245,392.79
(C)		
Loans outside India	-	-
Loans in India		
i) Public sector	-	-
ii) Others		
- Retail	297,582.82	256,429.01
- Corporates	2,633.53	3,486.90
Total Gross - (C)	300,216.35	259,915.91
Less : Impairment loss allowance	17,763.91	14,523.12
Total Net - (C)	282,452.44	245,392.79

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.)

(i) **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 54.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 54.02.02.07.

Particulars	As at March 31, 2026				As at March 31, 2025			
	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	229,941.10	-	-	229,941.10	185,994.28	-	-	185,994.28
Standard grade	35,785.65	-	-	35,785.65	44,167.26	-	-	44,167.26
Sub-standard grade	-	14,646.16	-	14,646.16	-	13,085.83	-	13,085.83
Past due but not impaired	-	6,100.17	-	6,100.17	-	4,829.75	-	4,829.75
Non- performing	-	-	13,743.27	13,743.27	-	-	11,838.79	11,838.79
Total	265,726.75	20,746.33	13,743.27	300,216.35	230,161.54	17,915.58	11,838.79	259,915.91

(ii) **An analysis of changes in the gross carrying amount as follows:**

Particulars	Year ended March 31, 2026				Year ended March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening 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
New assets originated or purchased	175,320.72	8,575.00	1,332.26	185,227.98	155,584.66	6,566.24	1,327.07	163,477.97
Assets derecognised or repaid (excluding write-offs and includes interest accruals adjusted)	(129,987.17)	(8,588.33)	(4,217.17)	(142,792.67)	(106,463.17)	(9,628.70)	(4,325.51)	(120,417.38)
Transfers to stage 1	9,878.40	(8,339.39)	(1,539.01)	-	10,583.34	(8,721.49)	(1,861.85)	-
Transfers to stage 2	(13,493.14)	13,903.27	(410.13)	-	(16,979.20)	17,431.42	(452.22)	-
Transfers to stage 3	(5,467.25)	(2,588.78)	8,056.03	-	(6,796.23)	(2,641.17)	9,437.40	-
Amounts written off	(686.35)	(131.02)	(1,317.50)	(2,134.87)	(347.69)	(97.40)	(4,367.25)	(4,812.34)
Closing balance	265,726.75	20,746.33	13,743.27	300,216.35	230,161.54	17,915.58	11,838.79	259,915.91

12 LOANS (Contd.)

(iii) **Reconciliation of ECL balance is given below:**

Particulars	Year ended March 31, 2026				Year ended March 31, 2025			
	General approach				General approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening 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
New assets originated or purchased	5,710.86	582.36	252.14	6,545.36	5,680.02	608.28	499.26	6,787.56
Transfers to stage 1	1,319.34	(726.47)	(592.87)	-	1,443.58	(729.76)	(713.82)	-
Transfers to stage 2	(513.61)	678.30	(164.69)	-	(756.19)	931.56	(175.37)	-
Transfers to stage 3	(202.70)	(229.05)	431.75	-	(387.68)	(245.85)	633.53	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(3,970.52)	104.03	3,567.06	(299.43)	(3,931.41)	(137.12)	3,217.30	(851.23)
Provision no longer required *	(1,132.34)	(172.90)	(1,699.90)	(3,005.14)	(452.21)	(105.97)	(4,593.28)	(5,151.46)
Closing balance	9,181.17	1,664.92	6,917.82	17,763.91	7,970.14	1,428.65	5,124.33	14,523.12

*Includes reversal of ECL of Rs. 65.48 crores (March 31, 2025: Rs. 317.72 crores) recognised on SCUF loans acquired on merger and settled during the year.

The contractual amount outstanding on loans that have been written off during the financial year, but were still subject to enforcement activity was Rs. 1,143.23 crores (March 31, 2025: Rs. 3,683.88 crores).

13 INVESTMENTS

Particulars	As at March 31, 2026					As at March 31, 2025				
	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 *	-	-	40.57	-	40.57	-	-	10.01	-	10.01
ii) Investments in government securities (Refer note 81)	9,829.85	-	-	-	9,829.85	7,822.90	-	484.94	-	8,307.84
iii) Investments in equity instruments #	-	123.58	-	-	123.58	-	110.81	-	-	110.81

13 INVESTMENTS (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2026					As at March 31, 2025				
	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	-	-	20.29	-	20.29	-	-	27.67	-	27.67
ii) Investment in subsidiary (Refer note 44)	-	-	-	350.12	350.12	-	-	-	-	-
iii) Investments in associate (Refer note 44)	-	-	-	13.37	13.37	-	-	-	13.37	13.37
iv) Investments in pass through certificates	4,156.45	-	-	-	4,156.45	3,191.98	-	-	-	3,191.98
v) Investments in certificate of deposits	-	-	381.68	-	381.68	-	-	4,038.09	-	4,038.09
vi) <u>Others</u>										
Venture capital fund	-	-	-	-	-	-	-	1.52	-	1.52
Total Gross - (A)	13,986.30	123.58	442.54	363.49	14,915.91	11,014.88	110.81	4,562.23	13.37	15,701.29
i) Investments outside India	-	123.58	-	-	123.58	-	110.81	-	-	110.81
ii) Investments in India	13,986.30	-	442.54	363.49	14,792.33	11,014.88	-	4,562.23	13.37	15,590.48
Total Gross - (B)	13,986.30	123.58	442.54	363.49	14,915.91	11,014.88	110.81	4,562.23	13.37	15,701.29
Less : Allowance for impairment loss (C)	133.15	-	-	-	133.15	102.58	-	-	-	102.58
Total Net - (D) = (A-C)	13,853.15	123.58	442.54	363.49	14,782.76	10,912.30	110.81	4,562.23	13.37	15,598.71

*Includes mutual funds from related parties.

#The dividends of Rs. 1.84 crores (March 31, 2025: Rs. 1.69 crores) received from investments in shares are recorded as dividend income.

More information regarding the valuation methodologies can be found in note 53.09.

There are no investments designated at FVTPL.

13 INVESTMENTS (Contd.)

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 54.02.

(Rs. in crores)

Particulars	As at March 31, 2026				As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	13,986.30	-	-	13,986.30	11,014.88	-	-	11,014.88
Total	13,986.30	-	-	13,986.30	11,014.88	-	-	11,014.88

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, 2026				Year ended March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	11,014.88	-	-	11,014.88	8,749.92	-	-	8,749.92
New assets originated or purchased	4,356.08	-	-	4,356.08	4,074.66	-	-	4,074.66
Assets derecognised or matured (excluding write-offs)	(1,384.66)	-	-	(1,384.66)	(1,809.70)	-	-	(1,809.70)
Closing balance	13,986.30	-	-	13,986.30	11,014.88	-	-	11,014.88

Reconciliation of impairment loss allowance on investments carried at amortised cost is given below:

(Rs. in crores)

Particulars	Year ended March 31, 2026				Year ended March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	102.58	-	-	102.58	76.45	-	-	76.45
New assets originated or purchased	47.77	-	-	47.77	54.33	-	-	54.33
Changes to models and inputs used for ECL calculations	(17.20)	-	-	(17.20)	(28.20)	-	-	(28.20)
Closing balance	133.15	-	-	133.15	102.58	-	-	102.58

(Rs. in crores)		
Particulars	As at March 31, 2026	As at March 31, 2025
14 OTHER FINANCIAL ASSETS		
At amortised cost		
Security deposits *	73.87	71.76
Receivable from trusts on account of securitisation **	3,110.01	3,240.93
Receivable from banks and trusts on matured deposits	6.78	-
Receivable from assignment servicing partners	99.77	217.52
Other financial assets	59.21	0.52
Total Gross	3,349.64	3,530.73
Less: Impairment loss allowance #	14.26	19.90
Total Net	3,335.38	3,510.83

*Includes security deposits of Rs. 0.11 crores (March 31, 2025: Rs. 0.11 crores) receivable from related parties.

**Pledged as margin for credit enhancement.

#Includes impairment loss allowance on security deposits of Rs. 4.15 crores (March 31, 2025: Rs. 4.92 crores), on receivable from assignment servicing partners Rs. 10.11 crores (March 31, 2025 Rs. 14.98 crores) and on other financial assets Rs. Nil (March 31, 2025: Rs. 0.00 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, 2026	As at March 31, 2025
Opening balance	19.90	26.08
Add: Addition during the year	0.94	0.57
Less: Reduction during the year	6.58	6.75
Closing balance	14.26	19.90

(Rs. in crores)		
Particulars	Building	
15 INVESTMENT PROPERTY		
Gross block *		
As at April 01, 2024		1.02
Additions		-
Reclassification to non-current asset held for sale (Refer note 19)		(1.02)
Disposals		-
As at March 31, 2025		-
Additions		-
Disposals		-
As at March 31, 2026		-

15 INVESTMENT PROPERTY (Contd.)	
(Rs. in crores)	
Particulars	Building
Accumulated depreciation and impairment losses	
As at April 01, 2024	0.04
Charge for the year	0.01
Reclassification to non-current asset held for sale (Refer note 19)	(0.05)
Disposals	-
As at March 31, 2025	-
Charge for the year	-
Disposals	-
As at March 31, 2026	-
Net carrying amount as at March 31, 2025	-
Net carrying amount as at March 31, 2026	-

*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, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is Rs. Nil.

Amounts recognised in statement of profit and loss for investment property

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rental income from investment property	-	-
Less: Direct operating expenses arising from investment property that generated rental income during the year	-	-
Less: Direct operating expenses arising from investment property that did not generate rental income during the year	-	0.00
Profit from investment property before depreciation	-	(0.00)
Less: Depreciation charge for the year	-	0.01
Profit from investment property after depreciation	-	(0.01)

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

16 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Building	Plant and equipment	Computers	Office equipment	Furniture and fixtures	Vehicles	Leaschold improvements	Right-of-use asset (Lease premises)	Total
(Rs. in crores)										
Gross block *										
As at April 01, 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
Additions	-	-	6.01	62.66	22.48	17.72	7.70	73.77	267.65	457.99
Transferred to/ (from)	-	-	(10.02)	9.85	0.19	(0.02)	-	-	-	-
Disposals	-	-	8.76	41.75	9.25	8.08	0.78	26.69	35.43	130.74
As at March 31, 2026	0.59	1.48	25.94	259.55	105.90	102.65	20.65	419.71	1,729.78	2,666.25
Accumulated depreciation and impairment losses										
As at April 01, 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
Charge for the year	-	0.03	2.31	65.62	13.29	8.57	2.43	50.21	189.29	331.75
Transferred to/ (from)	-	-	(6.08)	6.18	(0.10)	-	-	-	-	-
Disposals	-	-	7.46	39.01	8.64	6.37	0.15	25.96	-	87.59
As at March 31, 2026	-	0.12	10.01	131.60	53.74	39.29	3.62	264.53	1,054.57	1,557.48
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
Net carrying amount as at March 31, 2026	0.59	1.36	15.93	127.95	52.16	63.36	17.03	155.18	675.21	1,108.77

*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, 2026 is Rs. 0.14 crores (March 31, 2025 is Rs. 0.15 crores).

The Company has not revalued any of its property, plant and equipment during the financial years ended March 31, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is Rs. Nil.

17 GOODWILL AND OTHER INTANGIBLE ASSETS

(I) Goodwill

Particulars	(Rs. in crores) Amount
Gross block	
As at April 01, 2024	1,406.73
Additions	-
Disposals (Refer note 41)	217.28
As at March 31, 2025	1,189.45
Additions	-
Disposals	-
As at March 31, 2026	1,189.45
Accumulated amortisation and impairment losses	
As at April 01, 2024	-
Charge for the year	-
Disposals	-
As at March 31, 2025	-
Charge for the year	-
Disposals	-
As at March 31, 2026	-
Net carrying amount as at March 31, 2025	1,189.45
Net carrying amount as at March 31, 2026	1,189.45

(II) Other intangible assets

Particulars	(Rs. in crores)		
	Computer software (A)	Distribution network (B)	Total (C) = (A)+(B)
Gross block *			
As at April 01, 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
Additions	5.02	-	5.02
Disposals	0.20	-	0.20
As at March 31, 2026	193.67	1,512.90	1,706.57



17 GOODWILL AND OTHER INTANGIBLE ASSETS (Contd.)

Particulars	(Rs. in crores)		
	Computer software	Distribution network	Total
	(A)	(B)	(C) = (A)+(B)
Accumulated amortisation and impairment losses			
As at April 01, 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
Charge for the year	64.42	302.58	367.00
Disposals	0.19	-	0.19
As at March 31, 2026	159.29	1,210.32	1,369.61
Net carrying amount as at March 31, 2025	93.79	605.16	698.95
Net carrying amount as at March 31, 2026	34.38	302.58	336.96

#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, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is Rs. Nil.

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
18 OTHER NON-FINANCIAL ASSETS		
Goods and services tax credit (input) receivable	236.17	211.24
Prepaid expenses	50.02	32.49
Capital advances	12.89	11.10
Duties paid under protest	34.73	32.79
Deposit with gratuity fund in excess of obligation (Refer note 45)	18.89	-
Other non-financial assets *	53.68	34.33
Total	406.38	321.95

*Other non-financial assets include share issue expenses pending allotment, advances to employees, vendors, advance paid for professional fees and loan processing charges and towards rent.

19 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.

19 NON-CURRENT ASSETS HELD FOR SALE/ DISPOSAL (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Investment property		
- Building (Refer note 15)	0.97	0.97
Total	0.97	0.97

The fair value of the non-current assets held for sale/ disposal as at March 31, 2026 is Rs. 19.00 crores (March 31, 2025 is Rs. 19.00 crores).

20 PAYABLES

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 80) *	5.65	1.02
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises **	326.69	297.83
Total	332.34	298.85

*Includes payable to associates Rs. 1.55 crores (March 31, 2025: Rs. Nil).

** Includes payable to associates Rs. Nil (March 31, 2025: Rs. 3.79 crores) and payable to other related parties Rs. 138.53 crores (March 31, 2025: Rs. 122.10 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, 2026							
(i) MSME	4.10	-	1.55	-	-	-	5.65
(ii) Others	138.99	21.19	164.37	2.04	-	0.10	326.69
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	143.09	21.19	165.92	2.04	-	0.10	332.34
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
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	127.30	10.57	158.53	1.93	0.41	0.11	298.85

20 PAYABLES (Contd.)

(II) Other payables

(Rs. in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 80)	-	0.23
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.51	1.37
Total	2.51	1.60

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, 2026							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	2.45	0.06	-	-	2.51
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	2.45	0.06	-	-	2.51
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

(Rs. in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
21 DEBT SECURITIES		
At amortised cost		
Secured		
Redeemable non-convertible debentures		
- Public issue ₹	737.72	732.92
- Privately placed ₹ ₹	38,876.91	37,563.97
External commercial bond	13,258.56	15,851.97
Total	52,873.19	54,148.86
Debt securities in India	39,614.63	38,296.89
Debt securities outside India	13,258.56	15,851.97
Total	52,873.19	54,148.86

21 DEBT SECURITIES (Contd.)

There are no debt securities measured at FVTPL or designated at FVTPL.

₹ Includes Rs. 33.84 crores (March 31, 2025: Rs. 33.83 crores) issued to related parties.

₹₹ Includes Rs. 681.08 crores (March 31, 2025: Rs. 558.84 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	As at March 31, 2026			As at March 31, 2025			Date of redemption	Amount redeemed
				Redeemable at par/ premium (from the date of the balance sheet)							
				Upto 1 year	2-3 years	Total	1-2 years	3-4 years	Total		
i.	(IPO 2018 - 1)	9.03% to 9.40%	3,648.52	-	474.82	474.82	-	474.82	474.82	July 12, 2023	780.85
										July 12, 2023	2,285.45
										December 26, 2019	107.40
ii.	(IPO 2018 - 2)	9.30% to 9.70%	606.79	-	71.32	71.32	-	71.32	71.32	November 02, 2022	251.08
										November 02, 2021	284.39
iii.	(IPO 2018 - 3)	9.30% to 9.70%	537.31	-	60.53	60.53	-	60.53	60.53	February 06, 2024	229.75
										February 06, 2022	247.04
iv.	(IPO 2019 - 2)	8.75% to 9.10%	193.67	26.85	-	26.85	26.85	-	26.85	January 28, 2025	66.16
										January 28, 2023	100.65
v.	(IPO 2019 - 1)	9.31% to 9.70%	339.94	61.46	-	61.46	61.46	-	61.46	September 22, 2024	99.12
										February 22, 2023	126.25
										February 22, 2022	53.11
	Principal outstanding			694.98			694.98				
	Less: Unamortised finance cost			3.09			4.78				
	Add: Interest accrued but not due			45.83			42.72				
	Total			737.72			732.92				

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

(Rs. in crores)

Redeemable at par/ premium (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Upto 1 year ^\$	8.87% to 9.22%	315.00	7.45% to 9.90%	1,419.01
1-2 years \$	8.25%	100.00	8.87% to 9.22%	315.00
2-3 years \$	-	-	8.25%	100.00



21 DEBT SECURITIES (Contd.)

(Rs. in crores)

Redeemable at par/ premium (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
3-4 years	9.25%	60.00	-	-
4-5 years	8.00% to 9.50%	3,380.00	9.25%	60.00
Over 5 years	8.00% to 9.05%	8,156.00	8.00% to 9.50%	11,536.00
Principal outstanding		12,011.00		13,430.01
Less: Unamortised finance cost		37.78		44.90
Add: Unwinding of merger fair value		34.68		41.05
Add: Interest accrued but not due		365.10		392.21
Total		12,373.00		13,818.37

^NCD amounting to Rs. Nil (March 31, 2025: 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

(Rs. in crores)

Sr. No.	Put/ call option date	As at March 31, 2026		As at March 31, 2025	
		Rate of interest	Principal amount	Rate of interest	Principal amount
1	November 21, 2025	-	-	8.86%	50.00
2	April 23, 2027	8.25%	100.00	8.25%	100.00
Total			100.00		150.00

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 Company.

3) Privately placed redeemable NCD of face value of Rs. 100,000/- each

Terms of repayment

(Rs. in crores)

Redeemable at par/ premium (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Upto 1 year # \$	7.39% to 9.20%	12,767.20	8.40% to 9.25%	3,830.50
1-2 years \$	8.89% to 9.23%	2,798.00	8.45% to 9.20%	11,282.20
2-3 years #	8.43% to 9.15%	5,368.78	8.89% to 9.23%	2,213.00
3-4 years ^ #	7.49% to 9.20%	1,766.00	8.55% to 9.15%	2,537.39
4-5 years	8.69%	1,140.00	8.90% to 9.20%	1,641.00
Over 5 years #	7.60% to 9.10%	1,550.00	8.50% to 9.10%	1,415.00
Principal outstanding		25,389.98		22,919.09
Less: Unamortised finance cost		(2.07)		80.19
Add: Interest accrued but not due		1,111.86		906.70
Total		26,503.91		23,745.60

^NCD amounting to Rs. 125.00 crores (March 31, 2025: Rs. Nil) issued at zero coupon rates and redeemable at premium are included in above on the basis of Internal Rate of Return (IRR).

21 DEBT SECURITIES (Contd.)

#Includes NCD of Rs. 250.00 crores (March 31, 2025: Rs. 250.00 crores) fully paid of Rs. 250.00 crores (partly paid as on March 31, 2025: Rs. 12.50 crores).

#Includes NCD of Rs. 200.00 crores (March 31, 2025: Rs. 200.00 crores) partly paid to the extent of Rs. 120.00 crores (March 31, 2025: 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

(Rs. in crores)

Sr. No.	Put/ call option date	As at March 31, 2026		As at March 31, 2025	
		Rate of interest	Principal amount	Rate of interest	Principal amount
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	8.90%	325.00
5	March 02, 2026	-	-	8.86%	650.00
6	September 02, 2026	9.05%	650.00	-	-
7	June 28, 2026	9.15%	3,595.00	9.15%	3,595.00
Total			4,570.00		5,405.00

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, 2026	As at March 31, 2025
Public issue (1)	737.72	732.92
Privately placed (2+3)	38,876.91	37,563.97
Total non-convertible debentures - secured	39,614.63	38,296.89

B) External Commercial Bond (ED) - Secured

1) Redeemable ED of face value of USD 200,000/- each

Terms of repayment

(Rs. in crores)

Redeemable at par/ premium (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Upto 1 year	6.37%	993.87	4.54%	3,380.46
1-2 years	6.92% to 6.96%	7,099.07	6.37%	1,283.72
2-3 years	6.51%	4,732.72	6.92% to 6.96%	6,418.61
3-4 years	-	-	6.51%	4,279.07
Principal outstanding		12,825.66		15,361.86
Less: Unamortised finance cost		28.49		50.57
Add: Interest accrued but not due		461.39		540.68
Total		13,258.56		15,851.97

As per the terms of the issue, Rs. 369.90 crores were bought back on August 29, 2025 (Dollar Bond 8).



21 DEBT SECURITIES (Contd.)

Redemption details are given below: (Rs. in crores)

Date of redemption	Amount redeemed
July 18, 2025	3,512.86

Issue details of ED outstanding as at March 31, 2026 and March 31, 2025

(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, 2026	As at March 31, 2025
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	4,852.84	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	7,413.28	6,660.02
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	992.44	1,277.37
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
	Total							13,258.56	15,851.97

*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.

Particulars

22	BORROWINGS (OTHER THAN DEBT SECURITIES)	As at March 31, 2026	As at March 31, 2025
	At amortised cost		
	Secured		
	Term loan from banks - INR	36,880.41	35,348.07
	Term loan from banks - FCNR	5,230.03	2,702.01
	Term loan from financial institutions/ corporates - INR	7,495.37	9,864.34
	Term loan from financial institutions/ corporates - FCNR	1,597.09	1,425.00
	Constituent's subsidiary general ledger loan (CSGL loan)	-	402.97
	External commercial borrowing	36,255.30	33,653.95
	Other loans - Securitisation liabilities - INR	38,459.58	38,052.08
	Total	125,917.78	121,448.42
	Borrowings in India	89,662.48	87,794.47
	Borrowings outside India	36,255.30	33,653.95
	Total	125,917.78	121,448.42

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.

Terms of repayment, nature of security, etc.

A) Term loans from banks - Secured (INR)

Terms of repayment

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
Upto 1 year	1 to 60 installments of bullet, monthly, quarterly and specific frequency	6.46% to 8.85%	2,579.50	1 to 60 installments of bullet, monthly, quarterly and specific frequency	7.25% to 11.25%	3,338.39
1-2 years	1 to 60 installments of bullet, monthly, quarterly and specific frequency	6.50% to 8.87%	3,446.23	1 to 60 installments of bullet, monthly, quarterly and specific frequency	7.71% to 10.60%	4,530.34
2-3 years	8 to 60 installments of monthly and quarterly frequency	6.50% to 9.75%	10,164.79	1 to 60 installments of bullet, monthly, quarterly and specific frequency	7.72% to 10.55%	6,010.07
3-4 years	8 to 20 installments of quarterly, half-yearly and specific frequency	5.50% to 9.10%	9,223.15	15 to 60 installments of monthly and quarterly frequency	7.65% to 10.50%	10,769.25
4-5 years	18 to 20 installments of quarterly frequency	7.36% to 8.90%	11,565.64	8 to 20 installments of quarterly, half-yearly and specific frequency	8.75% to 9.95%	10,920.34

22 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

(Rs. in crores)

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
Principal outstanding			36,979.31			35,568.39
Less: Unamortised finance cost			108.99			235.47
Add: Interest accrued but not due			10.09			15.15
Total			36,880.41			35,348.07

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)

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
3-4 years	20 installments of quarterly frequency	8.07%	2,363.87	-	-	-
4-5 years	20 installments of quarterly frequency	8.08%	2,993.00	20 installments of quarterly frequency	6.16%	2,842.72
Principal outstanding			5,356.87			2,842.72
Less: Unamortised finance cost			126.96			140.80
Add: Interest accrued but not due			0.12			0.09
Total			5,230.03			2,702.01

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)

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
Upto 1 year	11 to 20 installments of quarterly frequency	7.00% to 8.90%	457.13	11 to 20 installments of quarterly frequency	6.50% to 11.20%	873.33
1-2 years	1 to 21 installments of bullet, quarterly and specific frequency	7.60% to 9.10%	526.66	11 to 20 installments of quarterly frequency	7.00% to 9.15%	1,349.26
2-3 years	1 to 21 installments of bullet, quarterly and specific frequency	6.50% to 8.60%	2,855.01	1 to 21 installments of bullet, quarterly and specific frequency	7.75% to 9.10%	1,269.50
3-4 years	17 to 21 installments of quarterly and specific frequency	7.50% to 8.22%	2,581.17	18 to 21 installments of quarterly and specific frequency	8.30% to 8.80%	3,006.10

22 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

(Rs. in crores)

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
4-5 years	21 installments of quarterly frequency	8.22%	452.00	17 to 21 installments of quarterly and specific frequency	8.65% to 8.80%	3,341.70
Over 5 years	21 installments of quarterly frequency	7.50%	600.00	-	-	-
Principal outstanding			7,471.97			9,839.89
Less: Unamortised finance cost			0.82			4.68
Add: Interest accrued but not due			24.22			29.13
Total			7,495.37			9,864.34

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)

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
1-2 years	2 to 5 installments of specific frequency	5.82% to 9.01%	1,561.80	-	-	-
2-3 years	-	-	-	2 to 5 installments of specific frequency	5.82% to 9.01%	1,412.09
Principal outstanding			1,561.80			1,412.09
Less: Unamortised finance cost			-			-
Add: Interest accrued but not due			35.29			12.91
Total			1,597.09			1,425.00

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

22 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

E) CSGL loan

Terms of repayment

Tenure (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Upto 1 year	-	-	6.50% to 6.85%	402.68
Principal outstanding		-		402.68
Less: Unamortised finance cost		-		-
Add: Interest accrued but not due		-		0.29
Total		-		402.97

Nature of security

Secured by way of hypothecation of specific assets (specified CSGL securities).

F) External commercial borrowing

Terms of repayment

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
Upto 1 year	11 to 13 installments of half-yearly payments and bullet payments	5.86% to 9.44%	8,057.83	Bullet frequency	6.07% to 7.35%	2,781.40
1-2 years	9 to 11 installments of half-yearly payments and bullet payments	3.80% to 8.96%	11,284.51	11 to 13 installments of half - yearly payments and bullet payments	5.86% to 9.44%	7,456.98
2-3 years	Bullet frequency	2.51% to 6.00%	3,018.47	9 to 11 installments of half - yearly payments and bullet payments	3.80% to 8.96%	10,445.86
3-4 years	20 quarterly and 3 yearly installments payments	6.04% to 8.63%	2,555.67	Bullet frequency	5.93% to 6.00%	1,925.58
4-5 years	8 to 10 installments of specific frequency	5.62% to 6.28%	4,022.81	20 quarterly and 3 yearly installments payments	6.04% to 8.63%	2,340.65
Over 5 years	9 to 16 installments of specific frequency	4.10% to 6.16%	7,441.29	10 to 16 installments of specific frequency	4.10% to 6.28%	8,923.71
Principal outstanding			36,380.58			33,874.18
Less: Unamortised finance cost			448.43			585.79
Add: Interest accrued but not due			323.15			365.56
Total			36,255.30			33,653.95

Nature of security

Secured by way of exclusive fixed charge over hypothecation loan receivables of the Company.

22 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

G) Other loans - INR - Securitisation liabilities

Terms of repayment

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
Upto 1 year	28 to 29 months installments	8.60% to 8.75%	119.10	29 to 67 months installments	6.25% to 9.00%	243.38
1-2 years	27 to 60 months installments	7.60% to 8.85%	390.44	28 to 86 months installments	6.12% to 9.00%	2,922.22
2-3 years	48 to 60 months installments	7.95% to 8.80%	4,543.91	27 to 72 months installments	7.00% to 8.85%	5,445.38
3-4 years	52 to 71 months installments	6.80% to 8.85%	9,786.51	48 to 60 months installments	7.95% to 9.10%	10,115.79
4-5 years	52 to 76 months installments	5.60% to 9.20%	15,951.61	52 to 70 months installments	7.75% to 8.80%	13,646.14
Over 5 years	60 to 126 months installments	5.50% to 8.35%	7,687.03	65 to 126 months installments	7.75% to 9.20%	5,711.88
Principal outstanding			38,478.60			38,084.79
Less: Unamortised finance cost			106.71			143.93
Add: Interest accrued but not due			87.69			111.22
Total			38,459.58			38,052.08

Nature of security

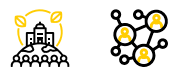
Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/ current assets relating to hypothecation loans.

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
23 DEPOSITS		
At amortised cost		
Unsecured		
i. Public deposits (Refer note 81)*	64,052.77	53,355.35
ii. From banks	82.49	97.46
iii. From others		
- Deposits from corporates **	5,345.08	2,633.18
Total	69,480.34	56,085.99

There are no deposits measured at FVTPL or designated at FVTPL.

*Includes Rs. 3.88 crores (March 31, 2025 Rs. 4.16 crores) accepted from related parties including Director.

**Includes Rs. 305.79 crores (March 31, 2025 Rs. 203.12 crores) accepted from related parties.



23 DEPOSITS (Contd.)

Terms of repayment

As at March 31, 2026

(Rs. in crores)			
Redeemable at par (from the date of the balance sheet)	Public deposits	Deposit from banks	Deposit from others
Rate of interest	6.79% - 9.73%	8.00% - 8.71%	6.79% - 9.08%
Upto 1 year	13,443.72	-	2,192.30
1-2 years	16,644.67	67.00	1,689.82
2-3 years	18,979.26	15.00	899.62
3-4 years	6,574.31	-	168.44
4-5 years	5,173.76	-	104.52
Principal outstanding	60,815.72	82.00	5,054.70
Less: Unamortised finance cost	349.32	0.25	24.24
Add: Unwinding of merger fair value	11.71	-	-
Add: Interest accrued but not due	3,574.66	0.74	314.62
Total	64,052.77	82.49	5,345.08

As at March 31, 2025

(Rs. in crores)			
Redeemable at par (from the date of the balance sheet)	Public deposits	Deposit from banks	Deposit from others
Rate of interest	7.26% to 9.73%	8.38% to 8.71%	7.26% to 9.08%
Upto 1 year	12,804.95	-	794.50
1-2 years	10,307.43	-	748.57
2-3 years	15,158.77	87.00	696.98
3-4 years	6,313.81	-	143.95
4-5 years	6,109.99	10.00	120.98
Principal outstanding	50,694.95	97.00	2,504.98
Less: Unamortised finance cost	308.89	0.54	15.90
Add: Unwinding of merger fair value	30.43	-	-
Add: Interest accrued but not due	2,938.86	1.00	144.10
Total	53,355.35	97.46	2,633.18

(Rs. in crores)		
Particulars	As at March 31, 2026	As at March 31, 2025
24 SUBORDINATED LIABILITIES		
At amortised cost		
Others		
Unsecured		
Subordinated debts - Debentures #	2,418.57	2,513.98
Total	2,418.57	2,513.98
Subordinated debts in India	2,418.57	2,513.98
Subordinated debts outside India	-	-
Total	2,418.57	2,513.98

There are no subordinated liabilities measured at FVTPL or designated at FVTPL.

#Includes Rs. 523.81 crores (March 31, 2025: Rs. 554.93 crores) issued to related parties.

24 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)				
Redeemable at par (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Upto 1 year	8.50%	135.00	8.95% to 11.00%	94.20
1-2 years	8.20% to 9.00%	1,389.00	8.50%	135.00
2-3 years	10.00% to 11.05%	75.00	8.20% to 9.00%	1,389.00
3-4 years	-	-	10.00% to 11.05%	75.00
Principal outstanding		1,599.00		1,693.20
Less: Unamortised finance cost		2.59		4.02
Add: Interest accrued but not due		19.93		23.39
Total		1,616.34		1,712.57

ii) Privately placed subordinated liabilities of face value of Rs. 10,000,000/- each

(Rs. in crores)				
Redeemable at par (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Over 5 years	8.75% to 9.10%	765.00	8.75% to 9.10%	765.01
Principal outstanding		765.00		765.01
Less: Unamortised finance cost		9.99		10.82
Add: Interest accrued but not due		47.22		47.22
Total		802.23		801.41

(Rs. in crores)		
Particulars	As at March 31, 2026	As at March 31, 2025
Privately placed (i + ii)	2,418.57	2,513.98
Total subordinated liabilities	2,418.57	2,513.98

(Rs. in crores)		
Particulars	As at March 31, 2026	As at March 31, 2025
25 OTHER FINANCIAL LIABILITIES		
Investor education and protection fund shall be credited by the following amounts (as and when due) ^		
- Unclaimed dividend	14.55	12.49
- Unclaimed matured deposits and interest accrued thereon	123.83	143.65
- Unclaimed matured debentures and interest accrued thereon	3.39	4.64
- Unclaimed matured subordinated debts and interest accrued thereon	3.43	5.15
Temporary credit balance in bank accounts	30.52	118.47
Payable on account of assignment	106.38	193.28
Payable to dealers	154.06	89.65
Income received in advance	1.41	15.79
Payable to employees	367.85	389.79
Retention money and other sundry liabilities \$#@	46.53	168.57



25 OTHER FINANCIAL LIABILITIES (Contd.)

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits for First Loss Default Guarantee (FLDG)	47.11	157.84
Lease liabilities**	775.12	718.65
Other liabilities * ^Ω	1,694.71	118.64
Total	3,368.89	2,136.61

^There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

*Includes allowance for impairment loss recognised on amounts receivable from Revenue Sharing Parties (RSP) Rs. Nil (March 31, 2025: Rs. 1.82 crores).

†Includes recovery of allowance for impairment loss recognised on loans sourced by RSP Rs. Nil (March 31, 2025: Rs. 1.48 crores).

@Includes payable to Micro, Small and Medium Enterprises (MSME) suppliers Rs. Nil (March 31, 2025: Rs. 1.98 crores) (Refer note 80).

*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, CSA margin payable for derivative contracts etc.

Ω Includes payable to other related parties Rs. 1.67 crores (March 31, 2025: Rs. 2.50 crores).

**** Disclosures as required by Ind AS 116 - Leases are stated below**

A) 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.

B) Lease liabilities movement

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	718.65	627.07
Add : Addition during the year	260.57	269.87
: Interest on lease liabilities	67.34	59.60
Less : Deletion during the year	42.13	27.39
: Lease rental payments	229.31	210.50
Closing balance	775.12	718.65

C) Maturity analysis of lease liabilities

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Less than 1 year	161.96	137.93
1 to 2 years	143.11	129.16
2 to 3 years	121.46	112.56
3 to 4 years	100.75	95.14
4 to 5 years	77.82	78.05
More than 5 years	170.02	165.81
Total	775.12	718.65

25 OTHER FINANCIAL LIABILITIES (Contd.)

**** Disclosures as required by Ind AS 116 - Leases are stated below**

D) Maturity analysis of contractual undiscounted cash flows

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Less than 1 year	218.77	192.27
Over 1 year and upto 5 years	562.21	532.45
Over 5 years	192.81	190.21
Total	973.79	914.93

E)

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
i) Amounts recognised in the statement of profit and loss		
Depreciation charge of right-of-use assets (included in Depreciation of property, plant and equipments under note 39)	189.29	171.72
Interest expense (included in interest on lease liabilities under note 35 - Finance costs)	67.34	53.30
Expense relating to short-term leases (included in Rent under note 40 - Other expenses)	5.51	4.93
Expense relating to leases of low-value assets that are not shown above as short-term leases	-	-
Expense relating to variable lease payments not included in lease liabilities	-	-
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 miscellaneous income under note 34 - Other income	6.70	4.18
Income from subleasing right-of-use assets (included in miscellaneous income under note 34 - Other income)	2.32	3.33
ii) Gains or losses arising from sale and leaseback transactions	-	-
iii) The total cash outflow for leases during the year	229.31	210.50

F) 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.

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
26 PROVISIONS		
For employee benefits		
- Gratuity (Refer note 45)	-	27.62
- Compensated absences (leave encashment and availment) (Refer note 45)	212.53	218.15
- Share appreciation rights (Refer note 50 and 75) ^Ω	27.99	0.26
- Long term incentive plan (Refer note 75)	54.65	-
For others		
- Expected credit loss towards undrawn loan commitments	13.61	9.21
- Indirect taxes (contested) (Refer note 75)	89.02	89.14
Total	397.80	344.38

Ω Includes payable to related parties Rs. 9.84 crores (March 31, 2025: Rs. 0.07 crores).

26 PROVISIONS (Contd.)

Undrawn 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 54.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 54.02.02.07.

Particulars	As at March 31, 2026				As at March 31, 2025			
	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	196.75	-	-	196.75	218.85	-	-	218.85
Standard grade	12.77	-	-	12.77	-	-	-	-
Sub-standard grade	-	6.24	-	6.24	-	-	-	-
Past due but not impaired	-	1.76	-	1.76	-	-	-	-
Non- performing	-	-	9.07	9.07	-	-	-	-
Total	209.52	8.00	9.07	226.59	218.85	-	-	218.85

An analysis of changes in the gross carrying amount as follows:

Particulars	As at March 31, 2026				As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	218.85	-	-	218.85	108.24	-	-	108.24
New exposures*	209.00	7.88	7.12	224.00	217.22	-	-	217.22
Exposures cancelled or disbursed or renewed (excluding write-offs)	(198.53)	(9.96)	(7.77)	(216.26)	(106.61)	-	-	(106.61)
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	(10.08)	10.08	-	-	-	-	-	-
Transfers to stage 3	(9.72)	-	9.72	-	-	-	-	-
Closing balance	209.52	8.00	9.07	226.59	218.85	-	-	218.85

*Excludes proposals approved and fully disbursed during the year.

26 PROVISIONS (Contd.)

Reconciliation of impairment loss allowance is given below:

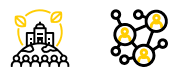
Particulars	As at March 31, 2026				As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	General approach				General approach			
Opening balance	9.21	-	-	9.21	4.38	-	-	4.38
New exposures	9.35	0.47	2.75	12.57	9.12	-	-	9.12
Exposures cancelled or disbursed or renewed (excluding write-offs)	(8.18)	(0.51)	0.52	(8.17)	(4.29)	-	-	(4.29)
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	(0.52)	0.52	-	-	-	-	-	-
Transfers to stage 3	(0.48)	-	0.48	-	-	-	-	-
Closing balance	9.38	0.48	3.75	13.61	9.21	-	-	9.21

The classification of undrawn commitments and ECL thereon into Stage 1, Stage 2 and Stage 3 has been carried out during the financial year 2025-26 and incremental impacts on ECL have been adjusted accordingly.

Particulars	As at March 31, 2026	As at March 31, 2025
27 OTHER NON-FINANCIAL LIABILITIES		
Statutory dues payable	189.84	222.83
Advance from customers	6.78	11.84
Total	196.62	234.67

Particulars	As at March 31, 2026	As at March 31, 2025
28 EQUITY SHARE CAPITAL		
Authorised		
14,877,500,000 (March 31, 2025: 14,877,500,000) equity shares of Rs. 2/- each	2,975.50	2,975.50
129,000,000 (March 31, 2025: 129,000,000) preference shares of Rs. 100/- each	1,290.00	1,290.00
	4,265.50	4,265.50
Issued share capital		
1,881,565,371 (March 31, 2025: 1,880,383,880) equity shares of Rs. 2/- each [Refer note 28(I)]	376.31	376.08
Subscribed share capital		
1,881,565,371 (March 31, 2025: 1,880,383,880) equity shares of Rs. 2/- each [Refer note 28(I)]	376.31	376.08
Paid up (fully paid up)		
Equity shares*		
1,881,565,371 (March 31, 2025: 1,880,383,880) equity shares of Rs. 2/- each [Refer note 28(I)]	376.31	376.08
Total equity	376.31	376.08

*Includes Rs. 93.99 crores (March 31, 2025 Rs. 93.96 crores) equity share capital held by related parties.



28 EQUITY SHARE CAPITAL (Contd.)

(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, 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 28(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
Shares issued on exercise of ESOP	1,181,491	0.23
As at March 31, 2026	1,881,565,371	376.31

Year ended March 31, 2026

The Company allotted 1,181,491 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.

Year ended March 31, 2025

The Company had 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 had 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.

(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, 2025: Rs. 2/- 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, 2025: Nil).

28 EQUITY SHARE CAPITAL (Contd.)

(D) Details of shareholders holding more than 5% equity shares in the Company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding	Number of shares	% holding
Equity shares of face value Rs. 2/- each (March 31, 2025: face value Rs. 2/- each)				
Shriram Capital Private Limited	335,728,920	17.84%	335,728,920	17.85%
Shriram Value Services Limited	133,757,305	7.11%	133,757,305	7.11%
Government of Singapore	¥	¥	106,615,199	5.67%

¥ holding less than 5% equity shares

(E) Capital management for the Company's objectives, policies and processes for managing capital - (Refer note 52)

(F) Proposed dividends on equity shares

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Proposed dividend on equity shares for the financial year ended on March 31, 2026: Rs. 6/- per share of face value of Rs. 2/- each (March 31, 2025: Rs. 3/- per share of face value of Rs. 2/- each) *	1,128.94	564.12
Total	1,128.94	564.12

(G) Shareholding of Promoters

Promoter and Promoter Group	Relationship	Shares held at the end of the year		% Change during the year#
		Number of shares	% of total shares	
As at March 31, 2026				
Shriram Capital Private Limited	Promoter	335,728,920	17.84%	-
Shriram Ownership Trust	Promoter	310,400	0.02%	-
Shriram Value Services Limited	Promoter group	133,757,305	7.11%	-
Sanlam Life Insurance Limited	Promoter group	7,784,755	0.41%	-
Shriram General Insurance Company Limited	Promoter group	49,500	0.00%	-
As at March 31, 2025				
Shriram Capital 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%

#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.

28 EQUITY SHARE CAPITAL (Contd.)

(H) Amount of per share dividend recognised as distribution to equity shareholders

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
First interim dividend for the year ended March 31, 2026 (Rs. per share)	4.80	-
Final dividend for the year ended March 31, 2025 (Rs. per share) (paid in financial year 2025-26)	3.00	-
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

- i) The Board of Directors in their meeting held on October 31, 2025 declared interim dividend of (240%) Rs. 4.80 per equity share of face value of Rs. 2/- each fully paid up for the financial year 2025-26 amounting to Rs. 9,029,319,312/- (gross) subject to deduction of tax at source as per the applicable rate(s) to all the eligible shareholders. The record date for payment of interim dividend was November 07, 2025. The interim dividend was paid to eligible Members on November 17, 2025.

The Board of Directors has recommended a final dividend of Rs. 6/- per equity share of face value of Rs. 2/- each fully paid up i.e. 300%, for the financial year 2025-26 subject to approval by the Members in the ensuing 47th Annual General Meeting (47th AGM) of the Company. This is in addition to the interim dividend of Rs. 4.80 per equity share declared on October 31, 2025.

With this the total dividend for the financial year 2025-26 will be Rs. 10.80 per share of Rs. 2/- . Pursuant to Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, July 04, 2026 to Friday, July 10, 2026 (both days inclusive) for taking record of the Members of the Company for the purpose of payment of the final dividend and 47th AGM, if approved by the Members at the ensuing 47th AGM. The final dividend will be paid to the eligible Members before August 09, 2026 subject to deduction of tax at source as per the applicable rate(s), if approved by the Members at the 47th AGM.

- ii) The Board of Directors had 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 which had been approved by the Members of the Company in the 46th Annual General Meeting of the Company held on July 18, 2025. The Record Date for the final dividend was July 11, 2025 .The Company paid the final dividend aggregating to Rs. 5,642,289,033/- (gross) subject to deduction of tax at source as per the applicable rate(s) to all the eligible shareholders on August 01, 2025.This was 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 was Rs. 9.90 per share of Rs. 2/- each after adjusting for split.
- iii) *First interim dividend per share, declared pre-split for the financial year 2024-25 and final dividend per share for the financial year 2023-24 paid in financial year 2024-25, are not comparable with dividend per share paid subsequent periods [Refer note 28(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.

		(Rs. in crores)	
		As at March 31, 2026	As at March 31, 2025
29	OTHER EQUITY		
Share application money pending allotment		-	-
Statutory reserve (Pursuant to Section 45-IC of the RBI Act, 1934)			
Opening balance		9,294.15	7,341.95
Add: Transfer from retained earnings		1,999.63	1,952.20
Closing balance		11,293.78	9,294.15
Securities premium			
Opening balance		17,543.01	17,510.65
Add: Premium on shares issued during the year		26.43	32.36
Closing balance		17,569.44	17,543.01
Capital reserve		104.57	104.57
Capital redemption reserve		53.88	53.88
Debenture redemption reserve			
Opening balance		119.02	134.25
Add: Transfer from retained earnings		17.85	18.41
Less: Transfer to retained earnings on account of redemption		-	(33.64)
Closing balance		136.87	119.02
General reserve			
Opening balance		5,227.53	4,251.10
Add: Transfer from retained earnings		999.82	976.10
Add: Amount transferred from share option outstanding on account of forfeiture of share options		0.17	0.33
Closing balance		6,227.52	5,227.53
Share option outstanding			
Opening balance		42.92	70.40
Less: Transfer to general reserve on account of forfeiture of share options		(0.17)	(0.33)
Less: Adjustment on exercise of employee stock option plan		(22.09)	(27.15)
Closing balance		20.66	42.92
Other comprehensive income			
Remeasurement gain/ (loss) on defined benefit plan (net of tax)			
Opening balance		(85.80)	(76.52)
Add: Addition during the year		32.43	(9.28)
Closing balance		(53.37)	(85.80)
Gain/ (loss) on fair valuation of quoted investments in equity shares			
Opening balance		26.69	3.51
Add: Addition during the year		12.25	23.18
Closing balance		38.94	26.69
Effective portion of cash flow hedges			
Opening balance		(473.42)	(266.39)
Add: Addition during the year		844.12	(207.03)
Closing balance		370.70	(473.42)

29 OTHER EQUITY (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Retained earnings		
Opening balance	24,051.94	19,065.20
Add: Profit for the year	9,998.15	9,761.00
Add/ (Less): Appropriations		
Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	(1,999.63)	(1,952.20)
Transfer to general reserve	(999.82)	(976.10)
Transferred (to)/ from debenture redemption reserve	(17.85)	15.23
Interim dividend [March 31, 2026: Rs. 4.80 per share of face value of Rs. 2/- each (March 31, 2025: Rs. 6.90 per share of face value of Rs. 2/- each) (restated)] [Refer note 28 (I)]	(902.93)	(1,297.29)
Final dividend [March 31, 2025: Rs. 3.00 per share of face value of Rs. 2/- each (March 31, 2024: Rs. 15.00 per share of face value of Rs. 10/- each)]	(564.23)	(563.90)
Total appropriations	(4,484.46)	(4,774.26)
Closing balance	29,565.63	24,051.94
Total	65,328.62	55,904.49

Nature and purpose of reserves

- 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.
- 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.
- Capital reserve:** Capital reserve is the excess of net assets taken over cost of consideration paid during amalgamation.
- 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.
- Debenture Redemption Reserve (DRR):**
 - 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.
 - 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.
 - In respect of the debentures issued through public issue, the Company has created DRR of Rs. 17.85 crores (March 31, 2025: Rs. 18.41 crores). The Company subsequent to the year end has deposited a sum of Rs. 15.40 crores (March 31, 2025: Rs. Nil) 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.

29 OTHER EQUITY (Contd.)

- 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.
- 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.
- 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:
 - 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.
 - 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.
 - 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.
- 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.
- 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.
- 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.
- 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)						
Particulars	Year ended March 31, 2026			Year ended March 31, 2025		
	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
30 INTEREST INCOME						
Interest on loans * (Refer note 63)	44,485.13	-	44,485.13	38,669.51	-	38,669.51
Interest income from investments #	952.30	58.38	1,010.68	734.42	91.58	826.00
Interest on deposits with banks						
- Margin money deposit	127.01	-	127.01	218.71	-	218.71
- Lien free deposits	628.42	-	628.42	377.26	-	377.26
Other interest income						
- Margin money deposit with trusts	170.69	-	170.69	83.71	-	83.71
- Delayed payments by customers	215.47	-	215.47	126.76	-	126.76
- Unwinding of security deposit	6.64	-	6.64	5.69	-	5.69
Total	46,585.66	58.38	46,644.04	40,216.06	91.58	40,307.64

* Includes amortisation of fair value adjustments on lending Rs. 5.23 crores (March 31, 2025: Rs. 31.76 crores).

Includes amortisation of fair value adjustments on investments Rs. 0.00 crores (March 31, 2025: Rs. 0.20 crores).

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
31 FEES AND COMMISSION INCOME		
Income from commission services - life insurance *	127.34	141.02
Income from commission services - general insurance **	216.43	205.53
Income from loan related and other commission services^	146.78	335.38
Total	490.55	681.93

*Includes commission received from related parties Rs. 127.08 crores (March 31, 2025: Rs. 140.40 crores).

**Includes commission received from related parties Rs. 139.30 crores (March 31, 2025: Rs. 149.79 crores).

^Includes commission on mutual funds received from related parties Rs. 0.17 crores (March 31, 2025: Rs. Nil)

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, 2026	Year ended March 31, 2025
Type of services or service		
Fees and commission income	490.55	681.93
Total revenue from contract with customers	490.55	681.93
Geographical markets		
- India	490.55	681.93
- Outside India	-	-
Total revenue from contract with customers	490.55	681.93
Timing of revenue recognition		
Services transferred at a point in time	490.55	681.93
Services transferred over time	-	-
Total revenue from contracts with customers	490.55	681.93

31 FEES AND COMMISSION INCOME (Contd.)		
(Rs. in crores)		
Contract balance	As at March 31, 2026	As at March 31, 2025
Particulars		
Trade receivables	51.78	50.82
Contract assets	-	-

The Company 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, 2026	Year ended March 31, 2025
32 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	342.13	277.00
(ii) Direct assignment	14.86	(76.06)
Total (C) = (A + B)	356.99	200.94
Fair value changes:		
- Realised	349.63	259.39
- Unrealised	7.36	(58.45)
Total (D)	356.99	200.94

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
33 OTHER OPERATING INCOME		
Bad debt recovery	624.47	509.58
Total	624.47	509.58

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
34 OTHER INCOME		
Interest on income tax refund	1.61	0.88
Interest others	0.01	0.16
Miscellaneous income (Refer note 25)	58.47	24.01
Total	60.09	25.05

		(Rs. in crores)
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
35 FINANCE COSTS *		
On financial liabilities measured at amortised cost		
Interest on deposits	5,602.25	4,294.57
Interest on borrowings (other than debt securities)		
- Loans from banks	3,533.69	3,632.04
- Loans from financial institutions and others	844.03	819.50
- External commercial borrowings	3,232.54	1,892.33
- Interest paid on securitisation	3,261.22	2,883.66
- Interest on lease liabilities (Refer note 25)	67.34	59.60
Interest on debt securities		
- Debentures	3,422.36	3,029.04
- External commercial bonds	1,312.68	1,319.31
- Commercial papers	-	195.74
Interest on subordinated liabilities	216.25	267.69
Other interest expense		
- Interest on income tax liability	3.49	57.21
- Interest on security deposits for FLDG	6.90	3.89
- Other interest expense	17.66	-
Total	21,520.41	18,454.58

* Includes amortisation of fair value adjustments on borrowings Rs. 24.62 crores (March 31, 2025: Rs. 32.76 crores).

		(Rs. in crores)
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
36 FEES AND COMMISSION EXPENSES		
Brokerage	15.17	13.03
Commission paid for loan sourcing (Refer note 63)	480.08	480.33
Professional charges on resource mobilisation	78.97	51.37
Processing charges on loans	8.78	3.29
Professional charges on securitisation	13.54	24.44
Total	596.54	572.46

		(Rs. in crores)
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
37 IMPAIRMENT ON FINANCIAL INSTRUMENTS		
On financial instruments measured at amortised cost		
Loans #	5,310.18	5,279.00
Investments	30.57	26.13
Others		
- Undrawn loan commitments	4.41	4.83
- Other assets	(6.09)	1.70
Total	5,339.07	5,311.66

Includes reversal of impairment loss provision on RSP retention reserve Rs. Nil for the year ended March 31, 2026 (March 31, 2025: Rs. 0.46 crores).

37 IMPAIRMENT ON FINANCIAL INSTRUMENTS (Contd.)

Details of impairment on financial instruments disclosed in the Statement of Profit and Loss

		(Rs. in crores)
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(i) Impairment of loans		
Net impairment loss allowance charge/(release) for the year	3,240.79	784.38
Amounts written off during the year \$	2,134.87	4,812.34
Reversal of ECL of recognised on SCUF loans acquired on merger and settled during the year.	(65.48)	(317.72)
Total	5,310.18	5,279.00
(ii) Impairment on other assets	28.89	32.66
Impairment on financial instruments (i+ii)	5,339.07	5,311.66

\$ Includes loss on disposal of repossessed assets Rs. 358.90 crores (March 31, 2025: Rs. 283.86 crores).

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	1,247.47	629.85	3,432.86	-	5,310.18
Debt instruments measured at amortised cost	30.57	-	-	-	30.57
Others					
- Undrawn loan commitments	0.18	0.48	3.75	-	4.41
- Other assets	-	-	-	(6.09)	(6.09)
Total	1,278.22	630.33	3,436.61	(6.09)	5,339.07

		(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 loan 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	Year ended March 31, 2026	Year ended March 31, 2025
38 EMPLOYEE BENEFITS EXPENSES		
Salaries, other allowance and bonus*	3,638.39	3,340.20
Contribution to provident and other funds*	190.46	197.85
Staff welfare expenses	80.06	80.73
Gratuity expenses (Refer note 45)*	188.97	32.12
Share-based payments to employees (Refer note 50)	28.13	0.26
Total	4,126.01	3,651.16

* Refer note 45 for the impact of New Labour Codes



		(Rs. in crores)
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
39 DEPRECIATION, AMORTISATION AND IMPAIRMENT		
Depreciation of property, plant and equipment (Refer note 25)	331.75	279.85
Depreciation of investment property	-	0.01
Amortisation of other intangible assets	367.00	365.46
Total	698.75	645.32

		(Rs. in crores)
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
40 OTHER EXPENSES		
Rent (Refer note 25)	23.61	15.26
Rates and taxes	9.24	8.25
Energy costs	44.63	41.96
Repairs and maintenance	149.29	137.40
Communication costs	128.17	99.07
Printing and stationery	47.19	48.55
Advertisement and publicity	163.10	152.85
Director's fees, allowances and expenses	2.33	2.16
Auditor fees and expenses (Refer note 70)		
- As Auditor	1.93	1.75
- For taxation matters	0.11	0.10
- For other services (certification)	0.14	0.04
- For reimbursement of expenses	0.00	0.09
Legal and professional charges	217.89	244.94
Other expenditure:		
Travelling and conveyance	183.71	166.85
Business promotion	399.57	336.23
Outsourcing expenses	233.19	178.14
Royalty	525.14	474.33
Insurance	9.09	7.66
Bank charges	64.68	74.60
Loss on sale of property, plant and equipment (net)	5.13	7.91
Service charges	26.88	25.60
CSR expenses (Refer note 74A)	183.01	131.46
Miscellaneous expenses (Refer note 74B)	186.91	119.84
Total	2,604.94	2,275.04

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

41 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 for the year March 31, 2025, 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.

		(Rs. in crores)
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Gain on disposal of shares of subsidiary (net)	-	1,874.05
Reversal of goodwill on sale of subsidiary	-	(217.28)
Total	-	1,656.77

42 INCOME TAX

The components of income tax expense for the financial years ended March 31, 2026 and March 31, 2025 are:

		(Rs. in crores)
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A Total tax charged in statement of profit and loss		
i) Current tax	4,260.75	3,495.08
ii) Adjustment in respect of current income tax of prior years	(102.85)	95.80
iii) Deferred tax relating to origination and reversal of temporary differences	(863.79)	(745.86)
Sub-total (A) = (i+ii+iii)	3,294.11	2,845.02
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)	(11.42)	(4.67)
a) Remeasurement gain/ (loss) on defined benefit plan	(10.91)	3.12
b) Gain/ (loss) on fair valuation of quoted investments in equity shares	(0.52)	(7.79)
ii) Income tax relating to items that will be reclassified to profit or loss	(283.90)	69.63
Gain/ (loss) on effective portion of hedging instruments in a cash flow hedge	(283.90)	69.63
Sub-total (B) = (i+ii)	(295.32)	64.96
Total tax expenses (A+B)	2,998.79	2,909.98

42 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:

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before tax	13,292.26	10,949.25
At India's statutory income tax rate of 25.168% (2025: 25.168%)	3,345.40	2,755.71
Adjustment in respect of current income tax of prior years	(102.85)	95.80
Tax at special rate of 14.30%	-	400.37
Income not subject to tax	-	-
Non-deductible expenses		
CSR expenditure not allowable for tax purpose	46.06	33.09
Adjustment in respect of prior years	(2.17)	(218.32)
Others	7.67	(221.63)
Income tax expense reported in the statement of profit and loss	3,294.11	2,845.02
Effective income tax rate	24.78%	25.98%

Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

Particulars	(Rs. in crores)			
	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2026	As at March 31, 2026	Year ended March 31, 2026	Year ended March 31, 2026
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	83.69	-	(16.88)	-
Provision for post retirement benefits	48.66	-	2.21	10.91
Expenses allowable for tax purposes when paid	151.91	-	(36.27)	-
Cash flow hedge reserve	-	124.68	-	283.90
Impairment allowance on loans and advances	4,050.16	-	(776.55)	-
Fair valuation on derecognition of financial instrument	-	25.36	(29.66)	-
ESOP compensation expenses	12.33	-	(1.25)	-
Fair valuation impact of merger	57.92	-	(28.48)	-
Other temporary differences	14.10	5.41	23.09	0.52
Total	4,418.77	155.45	(863.79)	295.33

42 INCOME TAX (Contd.)

Particulars	(Rs. in crores)			
	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)	(3.12)
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)

Reconciliation of deferred tax assets/ (liabilities)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Opening balance	3,694.86	2,884.03
Recognised in statement of profit and loss/ adjustments	863.79	745.86
Recognised in statement of profit and loss under OCI	(295.33)	64.96
Closing balance	4,263.32	3,694.86

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Amounts recognised in respect of current tax/ deferred tax directly in equity	-	-
Unused tax losses for which no deferred tax asset has been recognised	-	-

43 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, 2026	Year ended March 31, 2025
Net profit after tax as per statement of profit and loss (Rs. in crores) (A)	9,998.15	9,761.00
Weighted average number of equity shares for calculating basic EPS (in crores) (B)	188.10	187.99
Effects of potential dilutive equity shares (in crores) (C)	0.16	0.26
Weighted average number of equity shares for calculating diluted EPS (in crores) (D=B+C)	188.26	188.25



43 EARNINGS PER SHARE (EPS) (Contd.)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Basic EPS (in Rupees) (face value of Rs. 2/- per share) (A) / (B)	53.15	51.92
Diluted EPS (in Rupees) (face value of Rs. 2/- per share) (A) / (D)	53.11	51.85

The Company has allotted 471,121,055 equity shares having face value of Rs. 2/- each at a premium of Rs. 838.93 per share under preferential issue to MUFG Bank Ltd (“MUFG”) on April 08, 2026. These shares will be considered for computing “Earnings per share” from the quarter ending June 30, 2026 onwards. Refer note 76

44 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, 2026	As at March 31, 2025
Shriram Overseas Investments Limited ('Shriram Overseas') (w.e.f. May 09, 2025) (formerly known as Shriram Overseas Investments Private Limited)	Subsidiary	India	Mumbai	Investing activities	100.00%	Nil
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 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 [(now, renamed as Shriram Overseas Investments Limited (“Shriram Overseas”), w.e.f. June 04, 2025)], 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 has acquired 100% equity stake for a purchase consideration of Rs. 50.12 crores in Shriram Overseas. Consequent to acquisition, Shriram Overseas became a wholly-owned subsidiary of the Company w.e.f. May 09, 2025.

On September 26, 2025, the Company made further investment of Rs. 300.01 crores in Shriram Overseas by subscribing 19,025,000 equity shares of face value of Rs. 10/- each at a premium of Rs. 147.69 per equity share through rights issue.

The Company has recognised its investment in associate under equity method and not adjusted to fair value at the end of each reporting period.

44 INVESTMENT IN SUBSIDIARY AND ASSOCIATE (Contd.)

The Company’s share in the associate is as follows:

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025 *
(a) Share in profit or loss from continuing operations	20.50	12.31
(b) Share in post-tax profit or loss from discontinued operations	-	-
(c) Share in other comprehensive income	(0.64)	(1.15)
(d) Share in total comprehensive income	19.86	11.16

*The financial statements of the associate are as per unaudited financial statements provided by the management.

45 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. 160.01 crores (March 31, 2025: Rs. 168.20 crores) for Provident Fund contributions and Rs. 29.86 crores (March 31, 2025: Rs. 29.12 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, 2026, 94.35 % funds are invested in government securities and balance 5.65% 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.

45 RETIREMENT BENEFIT PLAN (Contd.)

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, 2026	Year ended March 31, 2025
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows:		
Current service cost	38.63	28.28
Interest expense	25.02	18.29
Interest income	(19.86)	(15.85)
Past service cost	145.18	1.40
Components of defined benefit costs recognised in statement of profit and loss (A)	188.97	32.12
Remeasurement of gains/ (losses) in other comprehensive income:		
Return on plan assets (excluding amounts included in net interest expense)	(0.42)	(2.31)
Actuarial changes arising from changes in demographic assumptions	-	(2.79)
Actuarial changes arising from changes in financial assumptions	(20.61)	15.13
Experience adjustments	(22.31)	2.37
Components of defined benefit costs recognised in other comprehensive income (B)	(43.34)	12.40
Total (A + B)	145.63	44.52

Impact of New Labour Codes

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes viz. Code on wages 2019, Codes on Social Security 2020, Industrial Relation Code 2020 and Occupational Safety, Health and Working Condition Code 2020 (collectively referred to as the New Labour Codes). These Codes have been made effective from November 21, 2025. The corresponding draft rules under these codes have been issued by the Government.

Employee benefits expenses for the year ended March 31, 2026 include incremental impact on gratuity of Rs. 131.71 crores and on long-term compensated absences of Rs. 65.24 crores due to change in definition of wages under the New Labour Codes. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the New Labour Codes and would provide appropriate accounting effect on the basis of such developments as required.

Movement in the present value of the defined benefit obligation are as follows:

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	316.74	258.13
Expenses recognised in statement of profit and loss:		
Current service cost	38.63	28.28
Past service cost	145.18	1.40
Interest expense/ (income)	25.02	18.29
Recognised in other comprehensive income remeasurement gains/ (losses)	(42.92)	14.71
Liability transferred in/ out acquisitions/ divestments	-	7.46
Benefits paid from the fund	(14.13)	(11.53)
Present value of defined obligation at the end of the year	468.52	316.74

45 RETIREMENT BENEFIT PLAN (Contd.)

Change in the fair value of plan assets:

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	289.12	224.22
Interest income	19.86	15.85
Contributions by the employer	192.13	50.81
Assets transferred in/ acquisitions	-	7.46
Benefits paid from the fund	(14.13)	(11.53)
Return on plan assets excluding interest income	0.42	2.31
Fair value of plan assets at the end of the year	487.40	289.12

Calculation of benefit liability/ (asset):

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Defined benefit obligation/ liability	468.52	316.74
Fair value of plan assets	487.40	289.12
Benefit liability/ (asset) (Refer note 18 and 26)	(18.88)	27.62

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at March 31, 2026	As at March 31, 2025
Expected return on plan assets	7.16%	6.71%
Rate of discounting	7.16%	6.71%
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 27.00% 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, 2026	As at March 31, 2025
Government securities	459.88	243.87
Debt and other instruments	27.52	45.25
Total	487.40	289.12

45 RETIREMENT BENEFIT PLAN (Contd.)

Assumptions	Sensitivity level	(Rs. in crores)	
		Impact on defined benefit obligation	
		March 31, 2026	March 31, 2025
Discount rate	1% increase	(40.62)	(29.08)
	1% decrease	47.64	34.31
Future salary increases	1% increase	44.79	33.02
	1% decrease	(39.42)	(28.63)
Attrition rate	1% increase	(3.50)	(4.42)
	1% increase	3.89	4.93

Maturity analysis of projected benefits payable in future years from the date of reporting	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting period)	35.62	22.25
Between 1 and 5 years	127.27	78.43
Between 6 and 10 years	176.53	114.77
Beyond 10 years	762.88	516.23
Total expected payments	1,102.30	731.68

The Company expects to contribute Rs. 25.10 crores to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2026 is 11 years (March 31, 2025: 12 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 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, 2026	As at March 31, 2025
Rate of discounting	7.16%	6.71%
Expected rate of salary increase	8.00%	8.00%
Rate of employee turnover		
Service 4 years and below	27.00%	27.00%
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	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Expenses recognised in statement of profit and loss	109.11	71.41

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2026.

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.

46 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, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	5,741.04	-	5,741.04	10,681.40	-	10,681.40
Bank balance other than above	2,053.79	143.52	2,197.31	10,286.81	397.53	10,684.34
Derivative financial instruments	1,131.71	3,552.35	4,684.06	240.96	284.54	525.50
Receivables						
(I) Trade receivables	51.78	-	51.78	50.82	-	50.82
(II) Other receivables	0.21	-	0.21	-	-	-
Loans	108,519.77	173,932.67	282,452.44	103,114.23	142,278.56	245,392.79
Investments	1,748.92	13,033.84	14,782.76	5,201.73	10,396.98	15,598.71
Other financial assets	3,247.12	88.26	3,335.38	3,376.88	133.95	3,510.83
Non-financial assets						
Current tax assets (net)	-	604.33	604.33	-	432.07	432.07
Deferred tax assets (net)	-	4,263.32	4,263.32	-	3,694.86	3,694.86
Investment property	-	-	-	-	-	-
Property, plant and equipment	-	1,108.77	1,108.77	-	1,025.68	1,025.68
Goodwill	-	1,189.45	1,189.45	-	1,189.45	1,189.45
Other intangible assets	-	336.96	336.96	-	698.95	698.95
Other non-financial assets	66.57	339.81	406.38	45.43	276.52	321.95
Non-current asset held for sale/disposal	0.97	-	0.97	0.97	-	0.97
Total assets	122,561.88	198,593.28	321,155.16	132,999.23	160,809.09	293,808.32
Liabilities						
Financial liabilities						
Derivative financial instruments	11.59	48.18	59.77	67.07	208.34	275.41
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	5.65	-	5.65	1.02	-	1.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	326.69	-	326.69	297.83	-	297.83
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	0.23	-	0.23
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2.51	-	2.51	1.37	-	1.37



46 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd.)

Particulars	(Rs. in crores)					
	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Debt securities	16,203.28	36,669.91	52,873.19	10,626.34	43,522.52	54,148.86
Borrowings (other than debt securities)	43,507.66	82,410.12	125,917.78	39,521.04	81,927.38	121,448.42
Deposits	16,886.14	52,594.20	69,480.34	14,764.43	41,321.56	56,085.99
Subordinated liabilities	199.80	2,218.77	2,418.57	162.52	2,351.46	2,513.98
Other financial liabilities	2,663.28	705.61	3,368.89	1,446.50	690.11	2,136.61
Non-financial liabilities						
Current tax liabilities (net)	402.42	-	402.42	38.98	-	38.98
Provisions	130.27	267.53	397.80	130.86	213.52	344.38
Other non-financial liabilities	196.48	0.14	196.62	234.52	0.15	234.67
Total liabilities	80,535.77	174,914.46	255,450.23	67,292.71	170,235.04	237,527.75
Net	42,026.11	23,678.82	65,704.93	65,706.52	(9,425.95)	56,280.57

47 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	(Rs. in crores)					
	As at March 31, 2025	Cash flows #	Changes in fair value	Exchange difference	Others*	As at March 31, 2026
Debt securities	54,148.86	(1,624.36)	-	-	348.69	52,873.19
Borrowings (other than debt securities)	121,448.42	3,945.64	-	-	523.72	125,917.78
Deposits	56,085.99	12,422.05	-	-	972.30	69,480.34
Subordinated liabilities	2,513.98	(94.45)	-	-	(0.96)	2,418.57
Lease liabilities	718.65	(229.31)	-	-	285.78	775.12
Total liabilities from financing activities	234,915.90	14,419.57	-	-	2,129.53	251,465.00

Includes interest payments

*Includes loan restatement and fair value adjustments

Particulars	(Rs. in crores)					
	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 restatement and fair value adjustments

48 CONTINGENT LIABILITIES AND COMMITMENTS

(A) Contingent liabilities

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Claims against the Company not acknowledged as debts		
a. In respect of income tax demands where the Company has filed appeal before various authorities	174.50	104.10
b. VAT demand where the Company has filed appeal before various appellates	2.67	2.52
c. Service tax demands where the Company has filed appeal before various authorities	2,944.15	2,840.87
d. GST demand where the Company has filed appeals	86.32	37.66
e. Stamp duty demand raised by District Registrar office against which the Company has filed appeal	6.69	6.69
f. Stamp duty demand raised by District Sub-Registrar office Radhapuram against which the Company has filed reply.	33.48	-
Total	3,247.81	2,991.84

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.

(B) Commitments not provided for

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
a. Estimated amount of contracts remaining to be executed on capital account, net of advances	19.65	29.66
b. Commitments related to loans sanctioned but undrawn	226.59	218.85
c. Capital infusion plan in Shriram Overseas Investments Limited	200.00	-

49 RELATED PARTY TRANSACTIONS

Related Parties as on March 31, 2026

Relationship	Name of the party
I. Promoter	: Shriram Capital Private Limited
II. Promoter Group	: Shriram Value Services Limited Novac Technology Solutions Private Limited Shriram Fortune Solutions Limited Shriram General Insurance Company Limited Shriram Life Insurance Company Limited Shriram Insight Share Brokers Limited Shriram Asset Management Company Limited Shriram Credit Company Limited Shriram Overseas Investments Private Limited (upto May 08, 2025)



49 RELATED PARTY TRANSACTIONS (Contd.)	
Relationship	Name of the party
II. Promoter Group	: Shriram Wealth Limited Bharath Investments Pte. Limited, Singapore (upto May 08, 2025) SGI Philippines General Insurance Co. Inc. Indypurse Digital Technologies Private Limited (formerly known as Novac Digital Services Private Limited) Shriram Research Private Limited (formerly known as SEA funds Management India Private Limited) Way2wealth Insurance Brokers Private Limited Way2wealth Brokers Private Limited Way2wealth Commodities Private Limited Shriram Investment Holdings Private Limited (formerly known as Shriram Investment Holdings Limited) Shriram Asset Reconstruction Private Limited Novac Technology FZCO (Dubai) Novac GT Technology LLC (Dubai) Shriram Trustees Ltd (w.e.f. September 03, 2024) Shriram Alternatives Private Limited (w.e.f. March 13, 2025)
III. Subsidiaries	: Shriram Housing Finance Limited (upto December 11, 2024) Shriram Overseas Investments Limited (w.e.f. May 09, 2025) (formerly known as Shriram Overseas Investments Private Limited) Bharath Investments Pte. Ltd., Singapore (step-down subsidiary) (w.e.f. May 09, 2025 to March 11, 2026)
IV. Associates	: Shriram Automall India Limited Cartradeexchange Solutions Private Limited Adroit Inspection Service Private Limited Augeo Asset Management Private Limited Armour Insurance Services WLL (Bahrain) (Associate of step-down subsidiary) (w.e.f. May 09, 2025 to March 11, 2026)
V. Key Management Personnel (KMP)	: Mr. Jugal Kishore Mohapatra, Chairman Mr. Umesh Revankar, Executive Vice Chairman Mr. Y. S. Chakravarti, Managing Director & CEO (upto December 04, 2025) Mr. Parag Sharma, Managing Director & CEO (w.e.f. December 05, 2025), Managing Director & CFO (w.e.f. June 01, 2024 up to December 04, 2025), Joint Managing Director & CFO (upto May 31, 2024) Mr. S. Sunder, Joint Managing Director & CFO (w.e.f. December 05, 2025), Joint Managing Director (upto December 04, 2025), inducted as Director (w.e.f. October 31, 2025) Mr. Pradeep Kumar Panja, Independent Director Mr. S. Ravindran, Non-Executive Independent Director 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. Hardeep Singh Tur, Joint Managing Director & Chief Risk Officer (w.e.f. October 31, 2025), Chief Risk Officer (upto October 30, 2025)

49 RELATED PARTY TRANSACTIONS (Contd.)	
Relationship	Name of the party
V. Key Management Personnel (KMP)	: Mr. R. Chandrasekar, Joint Managing Director & ESG & Business Responsibility (w.e.f. December 05, 2025), Joint Managing Director & Chief Compliance Officer (upto December 04, 2025) Mr. U. Balasundararao, Company Secretary & Chief Compliance officer (w.e.f. December 05, 2025), Company Secretary & Compliance officer (upto December 04, 2025) Mr. Sudarshan Holla Balnad, Joint Managing Director & Chief Operating Officer (w.e.f. October 31, 2025) Mr. G. M. Jilani, Joint Managing Director & Chief Operating Officer (w.e.f. October 31, 2025) Mr. Nilesh Odedara, Joint Managing Director & Chief Sales Officer (w.e.f. October 31, 2025) Mrs. Maya S. Sinha, Independent Director (upto December 03, 2024) Mr. S. Sridhar, Independent Director (upto October 19, 2024)
VI. Close members of the families 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) 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 (w.e.f. June 01, 2024) (Mother of Mr. Gokul Dixit) Mrs. Sujatha Sunder (Spouse of Mr. S. Sunder) Mr. Karthik (Daughter's Husband of Mr. R Chandrasekar) Mr. Harmansingh Tur (Son of Mr. Hardeep Singh Tur) Mrs. Uma Swaminathan (upto December 03, 2024) (Mother of Mrs. Maya S. Sinha)
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)



49 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 the families of key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	(Rs. in crores)															
I) Payments/ expenses																
1 Business mobilisation expenses	-	-	-	-	-	-	0.67	0.37	-	-	-	-	-	-	0.67	0.37
2 Commission and sitting fee paid to directors	-	-	-	-	-	-	-	-	-	-	1.87	1.98	-	-	1.87	1.98
3 Commission paid	-	-	43.86	34.55	-	-	1.09	2.13	-	-	-	-	-	-	44.95	36.68
4 Employee benefits for key management personnel*																
(a) Short term benefits	-	-	-	-	-	-	-	-	-	-	11.38	9.91	-	-	11.38	9.91
(b) Post employment benefits	-	-	-	-	-	-	-	-	-	-	1.77	1.68	-	-	1.77	1.68
(c) Share based payments	-	-	-	-	-	-	-	-	-	-	7.85	0.07	-	-	7.85	0.07
5 Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	-	-	192.09	51.83	-	-	-	-	192.09	51.83
6 Equity dividend paid	261.87	332.37	104.33	132.42	-	-	-	-	-	-	0.24	0.26	0.00	0.00	366.44	465.05
7 Gratuity and leave encashment paid	-	0.05	-	0.19	-	-	-	-	-	-	-	-	-	-	-	0.24
8 Insurance premium paid	-	-	31.57	39.15	-	-	-	-	-	-	-	-	-	-	31.57	39.15
9 Intangible assets purchased	-	-	-	21.00	-	-	-	-	-	-	-	-	-	-	-	21.00
10 Interest paid on deposit	-	-	7.11	4.55	-	-	3.73	15.46	-	-	0.29	0.00	0.17	0.21	11.30	20.22
11 Interest paid on non-convertible debenture (secured)	-	-	49.55	49.48	-	-	0.63	0.69	-	-	-	-	-	-	50.18	50.17
12 Interest paid on subordinated debt	-	-	45.13	22.43	-	-	-	-	-	-	-	-	-	-	45.13	22.43
13 Investment in mutual fund	-	-	100.00	144.99	-	-	-	-	-	-	-	-	-	-	100.00	144.99
14 Investment in equity shares of SOIL	-	-	50.12	-	300.01	-	-	-	-	-	-	-	-	-	350.13	-
15 Maintenance services Super App	-	-	30.25	21.00	-	-	-	-	-	-	-	-	-	-	30.25	21.00

49 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	(Rs. in crores)															
16 Maturity of deposit	-	-	20.00	24.76	-	-	14.66	60.50	-	-	1.02	0.00	0.87	1.81	36.55	87.07
17 Maturity of non-convertible debenture (secured)	-	-	-	40.00	-	-	-	0.66	-	-	-	-	-	-	-	40.66
18 Maturity of subordinated debts	-	-	-	25.00	-	-	-	-	-	-	-	-	-	-	-	25.00
19 Other administrative expenses	-	-	0.03	0.03	-	-	12.33	12.21	-	-	-	-	-	-	12.36	12.24
20 Outsourcing expenses	-	-	198.63	149.95	-	-	-	-	-	-	-	-	-	-	198.63	149.95
21 Payment for assignment	-	-	-	-	-	40.91	-	-	-	-	-	-	-	-	-	40.91
22 Professional charges paid	-	-	-	-	-	0.15	-	-	-	-	-	-	-	-	-	0.15
23 Purchase of assets	-	-	0.11	-	-	-	-	-	-	-	-	-	-	-	0.11	-
24 Reimbursement of loss	-	-	-	-	-	25.08	-	-	-	-	-	-	-	-	-	25.08
25 Rent paid	-	-	0.02	0.02	-	-	20.89	17.97	-	-	-	-	-	-	20.91	17.99
26 Revenue sharing paid	-	-	-	-	-	-	0.00	0.02	-	-	-	-	-	-	0.00	0.02
27 Royalty paid	-	-	481.78	435.16	-	-	-	-	-	-	-	-	-	-	481.78	435.16
28 Sales promotion expenses	-	-	10.14	10.37	-	-	-	-	-	-	-	-	-	-	10.14	10.37
29 Service charges	24.66	23.49	-	-	-	-	-	-	-	-	-	-	-	-	24.66	23.49
30 Support service charges	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-	0.08	-
31 Valuation charges	-	-	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00
II) Receipts/ income																
1 Collection fees income	-	-	-	-	-	0.16	-	-	-	-	-	-	-	-	-	0.16
2 Commission received	-	-	266.38	290.19	-	-	-	-	-	-	-	-	-	-	266.38	290.19
3 Commission received on disbursement	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01
4 Commission received on mutual fund	-	-	0.17	-	-	-	-	-	-	-	-	-	-	-	0.17	-
5 Employee cost sharing	-	-	-	-	0.19	-	-	-	-	-	-	-	-	-	0.19	-
6 Deposit accepted	-	-	75.00	-	-	-	51.01	98.16	-	-	0.10	0.00	1.57	1.25	127.68	99.41



(Rs. in crores)																	
Promoter			Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel		Total		
Particulars	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026
7 Gratuity, leave encashment, bonus and leave travel allowances received	-	-	-	2.18	-	0.13	-	0.13	-	-	-	-	-	-	-	-	2.44
8 Insurance claims	-	-	-	1.59	0.89	-	-	-	-	-	-	-	-	-	-	-	0.89
9 Investment in mutual fund redeemed	-	-	-	70.51	145.51	-	-	-	-	-	-	-	-	-	-	-	145.51
10 Non-convertible debenture (secured) issued	-	-	-	-	45.00	-	-	-	-	-	-	-	-	-	-	-	45.00
11 Other income	-	-	-	0.00	0.01	-	-	0.01	-	-	-	-	-	-	-	-	0.02
12 Recovery of common sharing expenses	0.04	0.04	-	0.16	0.29	0.18	0.02	0.30	0.30	-	-	-	-	-	-	-	0.65
13 Rent and electricity income	-	-	-	-	-	-	-	1.58	2.61	-	-	-	-	-	-	-	2.61
14 Sale of property, plant and equipment	-	-	-	-	-	-	1.88	0.10	-	-	-	-	-	-	-	-	1.88
15 Subordinated debts issued	-	-	-	-	100.00	-	-	-	-	-	-	-	-	-	-	-	100.00
III) Balance outstanding at the year end																	
i) Assets																	
1 Commission and other receivables	-	-	-	43.87	44.00	0.21	-	-	-	-	-	-	-	-	-	-	44.00
2 Deposit receivables	-	-	-	0.11	0.11	-	-	-	-	-	-	-	-	-	-	-	0.11
3 Investment in equity shares	-	-	-	-	-	350.12	-	13.37	13.37	-	-	-	-	-	-	-	13.37
4 Investment in mutual fund	-	-	-	40.57	10.01	-	-	-	-	-	-	-	-	-	-	-	10.01
ii) Liabilities																	
1 Deposit																	
a) Public deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.16
b) Deposit from corporates	-	-	-	77.86	24.27	-	-	227.93	178.85	-	-	0.18	3.70	2.90	-	-	203.12

(Rs. in crores)															
Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel		Total	
	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	
Particulars	March 31, 2026														
2 Non-convertible debenture (secured)															
a) Privately placed	-	681.08	558.84	-	-	-	-	-	-	-	-	-	-	681.08	558.84
b) Public issue	-	26.69	26.69	-	7.15	7.14	-	-	-	-	-	-	-	33.84	33.83
3 Subordinated debt	-	523.81	554.93	-	-	-	-	-	-	-	-	-	-	523.81	554.93
4 Trade payables	6.30	132.23	116.10	-	1.55	3.79	-	-	-	-	-	-	-	140.08	125.89
5 Other financial liabilities	-	1.67	2.50	-	-	-	-	-	-	-	-	-	-	1.67	2.50
6 Provisions for Share Appreciation rights	-	-	-	-	-	-	-	-	-	9.84	0.07	-	-	9.84	0.07
iii) Equity															
1 Equity share capital	67.15	26.76	26.75	-	-	-	-	-	-	0.08	0.06	0.00	0.00	93.99	93.96

* 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 crore in the above statement.

The Company has procured bank guarantee of Rs. 5.83 crores (March 31, 2025: 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, 2026 and March 31, 2025.

All the above transactions were entered into in the ordinary course of business on an arm's length basis.



Breakup of Related Party Transactions

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel		(Rs. in crores)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	Total
1) Payments/ expenses																
1 Business mobilisation expenses																
- Shriram Automall India Limited	-	-	-	-	-	-	0.67	0.37	-	-	-	-	-	-	0.67	0.37
2 Commission and sitting fee paid to directors																
- S. Sridhar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	-	0.41	0.40	-	-	0.41	0.40
- Maya S. Sinha	-	-	-	-	-	-	-	-	-	-	-	0.33	-	-	0.33	-
- S. Ravindran	-	-	-	-	-	-	-	-	-	-	0.40	0.31	-	-	0.40	0.31
- Jugal Kishore Mohapatra	-	-	-	-	-	-	-	-	-	-	0.33	0.34	-	-	0.33	0.34
- Gokul Dixit	-	-	-	-	-	-	-	-	-	-	0.37	0.15	-	-	0.37	0.15
- M. V. Bhanumathi	-	-	-	-	-	-	-	-	-	-	0.36	0.15	-	-	0.36	0.15
3 Commission paid																
- Adroit Inspection Service Private Limited	-	-	-	-	-	-	0.76	1.45	-	-	-	-	-	-	0.76	1.45
- Shriram Insight Share Brokers Limited	-	-	10.83	9.71	-	-	-	-	-	-	-	-	-	-	10.83	9.71
- Shriram Wealth Limited	-	-	1.41	0.18	-	-	-	-	-	-	-	-	-	-	1.41	0.18
- Shriram Credit Company Limited	-	-	-	19.35	-	-	-	-	-	-	-	-	-	-	-	19.35
- Augco Asset Management Private Limited	-	-	-	-	-	-	0.33	0.68	-	-	-	-	-	-	0.33	0.68
- Shriram Fortune Solutions Limited	-	-	30.82	4.03	-	-	-	-	-	-	-	-	-	-	30.82	4.03
- Way2wealth Brokers Private Limited	-	-	0.80	1.28	-	-	-	-	-	-	-	-	-	-	0.80	1.28
4 Employee benefits for key management personnel *																
(a) Short term benefits	-	-	-	-	-	-	-	-	-	-	11.38	9.91	-	-	11.38	9.91
(b) Post employment benefits	-	-	-	-	-	-	-	-	-	-	1.77	1.68	-	-	1.77	1.68
(c) Share based payments	-	-	-	-	-	-	-	-	-	-	7.85	0.07	-	-	7.85	0.07
5 Employer contribution to employees group gratuity assurance scheme																
- Shriram Finance Limited Employees Group Gratuity Assurance Scheme	-	-	-	-	-	-	-	-	192.09	51.83	-	-	-	-	192.09	51.83

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel		(Rs. in crores)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	Total
6 Equity dividend paid																
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	-
- Key management personnel																
- Parag Sharma	-	-	-	-	-	-	-	-	-	-	0.18	0.23	-	-	0.18	0.23
- S. Sunder	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- U Balasundararao	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- R. Chandrasekar	-	-	-	-	-	-	-	-	-	-	0.02	0.03	-	-	0.02	0.03
- Unesh Revankar	-	-	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- G M Jilani	-	-	-	-	-	-	-	-	-	-	0.04	-	-	-	0.04	-
- D. V. Ravi	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Shriram Capital Private Limited	261.87	332.37	-	-	-	-	-	-	-	-	-	-	-	-	261.87	332.37
- Shriram Value Services Limited	-	-	104.33	132.42	-	-	-	-	-	-	-	-	-	-	104.33	132.42
7 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	-	-	-	-	-	-	-	-	-	-	-	0.04
8 Insurance premium paid																
- Shriram Life Insurance Company Limited	-	-	18.11	26.69	-	-	-	-	-	-	-	-	-	-	18.11	26.69
- Shriram General Insurance Company Limited	-	-	13.46	12.46	-	-	-	-	-	-	-	-	-	-	13.46	12.46
9 Intangible assets purchased																
- Novac Technology Solutions Private Limited	-	-	-	21.00	-	-	-	-	-	-	-	-	-	-	-	21.00
10 Interest paid on deposit																
- Key management personnel	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	-
- Parag Sharma	-	-	-	-	-	-	-	-	-	-	0.29	-	-	-	0.29	-
- R. Chandrasekar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



49 RELATED PARTY TRANSACTIONS (Contd.)

	Promoter	Promoter group	Subsidiary	Associates	Employee's benefit plan	Key management personnel	Close members of the families of key management personnel	Total
	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026
Particulars	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
- Close members of key management personnel	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	-	-	-	-
- Cartradeexchange Solutions Private Limited	-	-	-	-	-	-	-	-
- Shriram Asset Management Company Limited	-	-	-	-	-	-	-	-
Interest paid on non-convertible debenture (secured)								
- Shriram Life Insurance Company Limited	-	13.48	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	36.07	-	-	-	-	-	-
- Shriram Insight Share Brokers Limited	-	0.00	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	0.69	-	-	-	-
Interest paid on subordinated debt								
- Shriram Life Insurance Company Limited	-	27.33	-	-	-	-	-	-
- Shriram General Insurance Company Limited	-	17.80	-	-	-	-	-	-
Investment in mutual fund								
- Shriram Asset Management Company Limited	-	100.00	-	-	-	-	-	-
Investment in equity shares of SOIL								
- Shriram Investment Holdings Private Limited	-	50.12	-	-	-	-	-	-
- Shriram Overseas Investments Limited	-	-	300.01	-	-	-	-	-
Maintenance services Super App								
- Novac Technology Solutions Private Limited	-	30.25	-	-	-	-	-	-

49 RELATED PARTY TRANSACTIONS (Contd.)

[illegible]

(Rs. in crores)													Total
Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel	
March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Particulars													
23 Purchase of assets													
- Novac Technology Solutions Private Limited	-	0.11	-	-	-	-	-	-	-	-	-	0.11	-
24 Reimbursement of loss													
- Shriram Housing Finance Limited	-	-	-	-	25.08	-	-	-	-	-	-	-	25.08
25 Rent paid													
- Shriram Automall India Limited	-	-	-	-	-	20.89	17.97	-	-	-	-	20.89	17.97
- Shriram Asset Management Company Limited	-	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02
26 Revenue sharing paid													
- Shriram Automall India Limited	-	-	-	-	-	0.00	0.02	-	-	-	-	0.00	0.02
27 Royalty paid													
- Shriram Value Services Limited	-	481.78	435.16	-	-	-	-	-	-	-	-	481.78	435.16
28 Sales promotion expenses													
- Shriram Insight Share Brokers Limited	-	2.75	2.41	-	-	-	-	-	-	-	-	2.75	2.41
- Shriram Wealth Limited	-	0.31	0.03	-	-	-	-	-	-	-	-	0.31	0.03
- Shriram Credit Company Limited	-	-	6.48	-	-	-	-	-	-	-	-	-	6.48
- Shriram Fortune Solutions Limited	-	6.89	0.88	-	-	-	-	-	-	-	-	6.89	0.88
- Way2wealth Brokers Private Limited	-	0.19	0.57	-	-	-	-	-	-	-	-	0.19	0.57
29 Service charges													
- Shriram Capital Private Limited	24.66	23.49	-	-	-	-	-	-	-	-	-	24.66	23.49
30 Support service charges													
- Way2wealth Brokers Private Limited	-	0.08	-	-	-	-	-	-	-	-	-	0.08	-
31 Valuation charges													
- Adroit Inspection Service Private Limited	-	-	-	-	-	-	0.00	-	-	-	-	-	0.00

(Rs. in crores)													Total
Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel	
March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Particulars													
II) Receipts/ Income													
1 Collection fees income													
- Shriram Housing Finance Limited	-	-	-	-	0.16	-	-	-	-	-	-	-	0.16
2 Commission received													
- Shriram General Insurance Company Limited	-	139.30	149.79	-	-	-	-	-	-	-	-	139.30	149.79
- Shriram Life Insurance Company Limited	-	127.08	140.40	-	-	-	-	-	-	-	-	127.08	140.40
3 Commission received on disbursement													
- Shriram Housing Finance Limited	-	-	-	-	0.01	-	-	-	-	-	-	-	0.01
4 Commission received on mutual fund													
- Shriram Asset Management Company Limited	-	0.17	-	-	-	-	-	-	-	-	-	0.17	-
5 Employee cost sharing													
- Shriram Overseas Investments Limited	-	-	-	0.19	-	-	-	-	-	-	-	0.19	-
6 Fixed deposit accepted													
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-
- Parag Sharma	-	-	-	-	-	-	-	0.00	0.00	0.00	-	0.00	0.00
- Pradeep Kumar Panja	-	-	-	-	-	-	-	0.10	0.10	-	-	0.10	-
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	1.57	1.57	1.25
- Shriram Asset Management Company Limited	-	25.00	-	-	-	-	-	-	-	-	-	25.00	-
- Shriram Automall India Limited	-	-	-	-	-	36.25	75.23	-	-	-	-	36.25	75.23
- Shriram Wealth Limited	-	50.00	-	-	-	-	-	-	-	-	-	50.00	-
- Cartradeexchange Solutions Private Limited	-	-	-	-	-	14.76	22.93	-	-	-	-	14.76	22.93
7 Gratuity, leave encashment, bonus and leave travel allowances received													
- Shriram Automall India Limited	-	-	-	-	-	-	0.13	-	-	-	-	-	0.13
- Shriram Life Insurance Company Limited	-	-	0.13	-	-	-	-	-	-	-	-	-	0.13
- Shriram Housing Finance Limited	-	-	-	-	0.13	-	-	-	-	-	-	-	0.13



49 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
- Shriram Value Services Limited	-	-	-	0.34	-	-	-	-	-	-	-	-	-	-	-	0.34
- Novac Technology Solutions Private Limited	-	-	-	1.71	-	-	-	-	-	-	-	-	-	-	-	1.71
8 Insurance claims																
- Shriram General Insurance Company Limited	-	-	1.59	0.89	-	-	-	-	-	-	-	-	-	-	1.59	0.89
9 Investment in mutual fund redeemed																
- Shriram Asset Management Company Limited	-	-	70.51	145.51	-	-	-	-	-	-	-	-	-	-	70.51	145.51
10 Non-convertible debenture (secured) Issued																
- Shriram General Insurance Company Limited	-	-	-	15.00	-	-	-	-	-	-	-	-	-	-	-	15.00
- Shriram Life Insurance Company Limited	-	-	-	30.00	-	-	-	-	-	-	-	-	-	-	-	30.00
11 Other income																
- Shriram Asset Management Company Limited	-	-	0.00	0.01	-	-	-	-	-	-	-	-	-	-	0.00	0.01
- Shriram Housing Finance Limited	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-	0.01
12 Recovery of common sharing expenses																
- Shriram Automall India Limited	-	-	-	-	-	-	0.30	0.30	-	-	-	-	-	-	0.30	0.30
- Shriram Insight Share Brokers Limited	-	-	0.01	0.02	-	-	-	-	-	-	-	-	-	-	0.01	0.02
- Shriram Fortune Solutions Limited	-	-	0.04	0.06	-	-	-	-	-	-	-	-	-	-	0.04	0.06
- Shriram Credit Company Limited	-	-	0.02	0.12	-	-	-	-	-	-	-	-	-	-	0.02	0.12
- Shriram General Insurance Company Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	-	-	0.03	0.03
- Shriram Capital Private Limited	0.04	0.04	-	-	-	-	-	-	-	-	-	-	-	-	0.04	0.04
- Shriram Asset Management Company Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	-	-	0.03	0.03
- Shriram Overseas Investments Limited	-	-	-	-	0.18	-	-	-	-	-	-	-	-	-	0.18	-
- Shriram Wealth Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	-	-	0.03	0.03



49 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
- Shriram Housing Finance Limited	-	-	-	-	-	0.02	-	-	-	-	-	-	-	-	-	0.02
13 Rent and electricity income																
- Shriram Automall India Limited	-	-	-	-	-	-	1.58	2.61	-	-	-	-	-	-	1.58	2.61
14 Sale of property, plant and equipment																
- Shriram Automall India Limited	-	-	-	-	-	-	0.10	-	-	-	-	-	-	-	0.10	-
- Shriram Housing Finance Limited	-	-	-	-	-	1.88	-	-	-	-	-	-	-	-	-	1.88
15 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.

The Company has procured bank guarantee of Rs. 5.83 crores (March 31, 2025: 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, 2026 and March 31, 2025.

All the above transactions were entered into in the ordinary course of business on an arm's length basis.

49 RELATED PARTY TRANSACTIONS (Contd.)

Breakup of Related Party Transactions

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
III) Balance outstanding at the year end																
i) Assets																
1 Commission and other receivables																
- Shriram General Insurance Company Limited	-	-	31.93	32.04	-	-	-	-	-	-	-	-	-	-	31.93	32.04
- Shriram Life Insurance Company Limited	-	-	11.94	11.96	-	-	-	-	-	-	-	-	-	-	11.94	11.96
- Shriram Overseas Investments Limited	-	-	-	-	0.21	-	-	-	-	-	-	-	-	-	0.21	-
2 Deposit receivables																
- Shriram Life Insurance Company Limited	-	-	0.10	0.10	-	-	-	-	-	-	-	-	-	-	0.10	0.10
- Shriram Asset Management Company Limited	-	-	0.01	0.01	-	-	-	-	-	-	-	-	-	-	0.01	0.01
- Way2wealth Brokers Private Limited	-	-	0.00	-	-	-	-	-	-	-	-	-	-	-	0.00	-
3 Investment in equity shares																
- Shriram Automall India Limited	-	-	-	-	-	-	13.37	13.37	-	-	-	-	-	-	13.37	13.37
- Shriram Overseas Investments Limited	-	-	-	-	350.12	-	-	-	-	-	-	-	-	-	350.12	-
4 Investment in mutual fund																
- Shriram Asset Management Company Limited	-	-	40.57	10.01	-	-	-	-	-	-	-	-	-	-	40.57	10.01
ii) Liabilities																
1 Deposit																
a) Public deposit																
- Key management personnel																
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	-	0.18	0.07	-	-	0.18	0.07
- Parag Sharma	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- R. Chandrasekar	-	-	-	-	-	-	-	-	-	-	-	1.19	-	-	-	1.19
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	3.70	2.90	3.70	2.90
b) Deposit from corporates																
- Shriram Asset Management Company Limited	-	-	25.00	24.27	-	-	-	-	-	-	-	-	-	-	25.00	24.27

49 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Close members of the families of key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
- Shriram Automall India Limited	-	-	-	-	-	-	177.65	140.03	-	-	-	-	-	-	177.65	140.03
- Shriram Wealth Limited	-	-	52.86	-	-	-	-	-	-	-	-	-	-	-	52.86	-
- Cartradeexchange Solutions Private Limited	-	-	-	-	-	-	50.28	38.82	-	-	-	-	-	-	50.28	38.82
2 Non-convertible debenture (secured)																
a) Privately placed																
- Shriram Life Insurance Company Limited	-	-	167.35	135.60	-	-	-	-	-	-	-	-	-	-	167.35	135.60
- Shriram General Insurance Company Limited	-	-	513.73	423.24	-	-	-	-	-	-	-	-	-	-	513.73	423.24
b) Public issue																
- Shriram Life Insurance Company Limited	-	-	26.69	26.69	-	-	-	-	-	-	-	-	-	-	26.69	26.69
- Shriram Insight Share Brokers Limited	-	-	0.00	0.00	-	-	-	-	-	-	-	-	-	-	0.00	0.00
- Shriram Automall India Limited	-	-	-	-	-	-	7.15	7.14	-	-	-	-	-	-	7.15	7.14
3 Subordinated debt																
- Shriram Life Insurance Company Limited	-	-	316.34	316.34	-	-	-	-	-	-	-	-	-	-	316.34	316.34
- Shriram General Insurance Company Limited	-	-	207.47	238.59	-	-	-	-	-	-	-	-	-	-	207.47	238.59
4 Trade payables																
- Shriram Capital Private Limited	6.30	6.00	-	-	-	-	-	-	-	-	-	-	-	-	6.30	6.00
- Shriram Automall India Limited	-	-	-	-	-	-	1.55	3.79	-	-	-	-	-	-	1.55	3.79
- Shriram Value Services Limited	-	-	124.03	113.46	-	-	-	-	-	-	-	-	-	-	124.03	113.46
- Novac Technology Solutions Private Limited	-	-	7.09	1.50	-	-	-	-	-	-	-	-	-	-	7.09	1.50
- Shriram Insight Share Brokers Limited	-	-	0.87	0.93	-	-	-	-	-	-	-	-	-	-	0.87	0.93
- Shriram Wealth Limited	-	-	0.21	0.07	-	-	-	-	-	-	-	-	-	-	0.21	0.07
- Augco Asset Management Private Limited	-	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00	-
- Way2wealth Brokers Private Limited	-	-	0.03	0.14	-	-	-	-	-	-	-	-	-	-	0.03	0.14



49 RELATED PARTY TRANSACTIONS (Contd.)													
(Rs. in crores)													
Particulars	Promoter		Promoter group		Subsidiary		Associates		Employee's benefit plan		Key management personnel		Total
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026
5 Other financial liabilities													
- Shriram Fortune Solutions Limited	-	-	1.67	2.50	-	-	-	-	-	-	-	-	1.67
6 Provision for Share Appreciation rights													
iii) Equity													
1 Equity share capital													
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-
- Key management personnel												0.00	0.00
- Parag Sharma	-	-	-	-	-	-	-	-	-	-	-	-	-
- S. Sunder	-	-	-	-	-	-	-	-	-	-	0.05	-	0.05
- U Balasundararao	-	-	-	-	-	-	-	-	-	-	0.00	-	0.00
- D. V. Ravi	-	-	-	-	-	-	-	-	-	-	0.00	-	0.00
- Unesh Revankar	-	-	-	-	-	-	-	-	-	-	0.00	-	0.00
- G M Jilani	-	-	-	-	-	-	-	-	-	-	0.00	-	0.00
- R. Chandrasekar	-	-	-	-	-	-	-	-	-	-	0.02	-	0.02
- Shriram Capital Private Limited	67.15	67.15	-	-	-	-	-	-	-	-	0.01	-	0.01
- Shriram General Insurance Company Limited	-	-	0.01	-	-	-	-	-	-	-	-	-	67.15
- Shriram Value Services Limited	-	-	26.75	26.75	-	-	-	-	-	-	-	-	0.01
													26.75

* 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 crore in the above statement.

The Company has procured bank guarantee of Rs. 5.83 crores (March 31, 2025: 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, 2026 and March 31, 2025.

All the above transactions were entered into in the ordinary course of business on an arm's length basis.

50 SHARE-BASED PAYMENTS

The Company provides employee stock option scheme and share appreciation rights to its employees.

50.01: Employee Stock Option Plan (ESOP Scheme)

50.01.01 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, 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 28(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
Allotted during the year *	1,181,491
Lapsed during the year	8,265
As at March 31, 2026	1,144,434

* Refer note 28(A)

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.

50 SHARE-BASED PAYMENTS (Contd.)

50.01.02: 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

50.01.03: 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

50 SHARE-BASED PAYMENTS (Contd.)

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.

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.

50.01.04: 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, 2026 (March 31, 2025: Rs. Nil).

The share option outstanding in the balance sheet as at March 31, 2026 is Rs. 20.66 crores (March 31, 2025: Rs. 42.92 crores) [Refer note 29].

50.02: Share Appreciation Rights (SAR) (cash-settled)

50.02.01: 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.

50 SHARE-BASED PAYMENTS (Contd.)

Details of Shriram Finance PSAR Plan 2024 are as follows:

Particulars	Number of SARs
As at April 01, 2024	-
Granted during the year	1,280,000
As at March 31, 2025	1,280,000
Granted during the year	1,790,000
Exercised during the year	11,250
Lapsed during the year	33,750
As at March 31, 2026	3,025,000

50.02.02: Fair value of 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:

Grant I

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.) *	872.10	872.10	872.10	872.10
Exercise price per share (in Rs.)	467.98	467.98	467.98	467.98
Exercise period (in years)	1 year	2 years	3 years	4 years
Dividend yield	1.65%	1.70%	2.34%	2.56%
Volatility	33.94%	35.07%	33.27%	32.98%
Risk free rate of interest	5.72%	6.51%	6.62%	6.81%
Fair value per share appreciation right as on March 31, 2026 (in Rs.)	417.85	441.49	443.44	449.67

* Closing price of the equity shares of the Company as on the valuation date on the National Stock Exchange.

Grant II

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
No. of SARs granted	447,500	447,500	447,500	447,500
Grant date	March 30, 2026	March 30, 2026	March 30, 2026	March 30, 2026
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.) *	872.10	872.10	872.10	872.10
Exercise price per share (in Rs.)	868.22	868.22	868.22	868.22
Exercise period (in years)	2 years	3 years	4 years	5 years
Dividend yield	1.70%	2.34%	2.56%	2.59%
Volatility	35.07%	33.27%	32.98%	34.49%
Risk free rate of interest	6.51%	6.62%	6.81%	6.94%
Fair value per share appreciation right as on March 31, 2026 (in Rs.)	200.71	227.89	256.44	291.44

* Closing price of the equity shares of the Company as on the valuation date on the National Stock Exchange.

50 SHARE-BASED PAYMENTS (Contd.)

50.02.03: Other information regarding employee share-based payment plans is as below

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Expenses arising from share appreciation rights (Refer note 38)	28.13	0.26
Closing balance of liability for share appreciation plan (Refer note 26)	27.99	0.26

51 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

Sr. No.	Loans and advances in the nature of loans	Amount outstanding as at		Maximum amount outstanding during the year	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
A)	To Subsidiary				
	- Shriram Housing Finance Limited (upto December 11, 2024)	-	-	-	-
	- Shriram Overseas Investments Limited ('Shriram Overseas') (w.e.f. May 09, 2025)(formerly known as Shriram Overseas Investments Private Limited)	-	-	-	-
B)	To Associate				
	- Shriram Automall India Limited	-	-	-	-

(II) Disclosures relating to investments

The Company holds 44.56% (March 31, 2025: 44.56%) of equity shares of its associate company. The Company has sold its entire stake in its subsidiary on December 11, 2024 [Refer note 41]. The Company acquired 100% stake in Shriram Overseas during the financial year 2025-26. Disclosure relating to transactions with these companies is given in note 49.

52 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 65 and 83.02 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



52 CAPITAL MANAGEMENT (Contd.)

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 RBI Direction - RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 on disclosure requirements and RBI Direction - RBI/DOR/2025-26/345 DOR.CAPREC.264/21-01-002/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025 dated November 28, 2025 as amended.

53 FAIR VALUE MEASUREMENT

53.01: 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, 2026.

53.02: 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, 2026 (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	-	3,187.65	-	3,187.65
Currency swaps	-	690.78	-	690.78
Interest rate swaps	-	479.08	-	479.08
Cross currency interest rate swaps	-	325.43	-	325.43
Interest rate caps	-	1.12	-	1.12
Total derivative financial instruments	-	4,684.06	-	4,684.06
<i>Financial assets held for trading</i>				
Mutual funds	40.57	-	-	40.57
Government securities	-	-	-	-
Equity instruments	123.58	-	20.29	143.87
Certificate of deposits	-	381.68	-	381.68
Venture capital fund	-	-	-	-
Total financial assets held for trading	164.15	381.68	20.29	566.12
Total assets measured at fair value on a recurring basis	164.15	5,065.74	20.29	5,250.18
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	164.15	5,065.74	20.29	5,250.18

(Rs. in crores)				
Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	41.48	-	41.48
Currency swaps	-	-	-	-
Interest rate swaps	-	8.34	-	8.34
Cross currency interest rate swaps	-	9.95	-	9.95
Interest rate caps	-	-	-	-
Total derivative financial instruments	-	59.77	-	59.77
Total financial liabilities measured at fair value on a recurring basis	-	59.77	-	59.77

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)				
Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
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	-	59.77	-	59.77

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	-	87.54	-	87.54
Currency swaps	-	349.74	-	349.74
Interest rate swaps	-	71.66	-	71.66
Cross currency interest rate swaps	-	16.02	-	16.02
Interest rate caps	-	0.54	-	0.54
Total derivative financial instruments	-	525.50	-	525.50
<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	4,565.11	27.67	5,198.54
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	4,565.11	27.67	5,198.54

(Rs. in crores)				
Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	188.92	-	188.92
Currency swaps	-	12.49	-	12.49
Interest rate swaps	-	64.05	-	64.05
Cross currency interest rate swaps	-	8.39	-	8.39
Interest rate caps	-	1.56	-	1.56
Total derivative financial instruments	-	275.41	-	275.41



53 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	-	275.41	-	275.41
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	-	275.41	-	275.41

53.03: 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.

53.04: Transfer between fair value hierarchy levels

During the financial year there were no transfers between Level-1 and Level-2.

53 FAIR VALUE MEASUREMENT (Contd.)

53.05: 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.

The following tables show the reconciliation of the opening and closing amounts of Level-3 financial assets and liabilities measured at fair value:

(Rs. in crores)		
Particulars	Equity instruments	
	As at March 31, 2026	As at March 31, 2025
Opening balance	27.67	25.82
Unrealised gains and losses related to balances held at the end of the year	(7.38)	1.85
Closing balance	20.29	27.67

53.06: 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, 2026	As at March 31, 2025		
Equity instruments measured at FVTPL	20.29	27.67	Based on the net asset value	Based on the net asset value

53.07: 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.

(Rs. in crores)				
Particulars	As at March 31, 2026		As at March 31, 2025	
	Favourable changes 5% increase	Unfavourable changes 5% decrease	Favourable changes 5% increase	Unfavourable changes 5% decrease
	21.30	19.28	29.05	26.29

53 FAIR VALUE MEASUREMENT (Contd.)

53.08: 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.

(Rs. in crores)					
As at March 31, 2026	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	5,741.04	1,451.02	4,290.02	-	5,741.04
Bank balance other than cash and cash equivalents	2,197.31	14.55	2,180.30	-	2,194.85
Receivables					
(I) Trade receivables	51.78	-	-	51.78	51.78
(II) Other receivables	0.21	-	-	0.21	0.21
Loans	282,452.44	-	-	277,577.99	277,577.99
Investments at amortised cost	13,853.15	9,595.84	-	4,194.29	13,790.13
Other investments	363.49	-	-	363.49	363.49
Other financial assets	3,335.38	-	3,157.76	146.67	3,304.43
Total financial assets	307,994.80	11,061.41	9,628.08	282,334.43	303,023.92
Financial liabilities:					
Payables					
(I) Trade payables	332.34	-	-	332.34	332.34
(II) Other payables	2.51	-	-	2.51	2.51
Debt securities	52,873.19	-	-	50,623.61	50,623.61
Borrowings (other than debt securities)	125,917.78	-	-	125,369.31	125,369.31
Deposits	69,480.34	-	-	76,741.05	76,741.05
Subordinated liabilities	2,418.57	-	-	2,491.58	2,491.58
Other financial liabilities	3,368.89	-	-	3,368.89	3,368.89
Total financial liabilities	254,393.62	-	-	258,929.29	258,929.29
Off-balance sheet items					
Other commitments	226.59	-	-	226.59	226.59
Total off-balance sheet items	226.59	-	-	226.59	226.59

53 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)					
As at March 31, 2025	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	-	-	-	-	-
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	3,510.83	-	3,225.26	251.98	3,477.24
Total financial assets	281,245.85	11,639.65	20,868.27	245,510.51	278,018.43
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	2,136.61	-	-	2,136.61	2,136.61
Total financial liabilities	236,634.31	-	-	236,675.93	236,675.93
Off-balance sheet items					
Other commitments	218.85	-	-	218.85	218.85
Total off-balance sheet items	218.85	-	-	218.85	218.85

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.

53.09: 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.

53 FAIR VALUE MEASUREMENT (Contd.)

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.

Investment in subsidiary

The Company had accounted for its investment in erstwhile subsidiary SHFL 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 41).

The Company has accounted for its investment in subsidiary Shriram Overseas at fair value at the time of acquisition. The investment is subsequently measured at cost (Refer note 44).

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) from 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.

53 FAIR VALUE MEASUREMENT (Contd.)

The carrying value of financial instruments by categories is as follows:

(Rs. in crores)						
As at March 31, 2026	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	5,741.04	-	-	-	-	5,741.04
Bank balance other than cash and cash equivalents	2,197.31	-	-	-	-	2,197.31
Derivative financial instruments	-	4,684.06	-	-	-	4,684.06
Receivables						
(I) Trade receivables	51.78	-	-	-	-	51.78
(II) Other receivables	0.21	-	-	-	-	0.21
Loans	282,452.44	-	-	-	-	282,452.44
Investments	13,853.15	-	123.58	442.54	363.49	14,782.76
Other financial assets	3,335.38	-	-	-	-	3,335.38
Total financial assets	307,631.31	4,684.06	123.58	442.54	363.49	313,244.98
Financial liabilities:						
Derivative financial instruments	-	59.77	-	-	-	59.77
Payables						
(I) Trade payables	332.34	-	-	-	-	332.34
(II) Other payables	2.51	-	-	-	-	2.51
Debt securities	52,873.19	-	-	-	-	52,873.19
Borrowings (other than debt securities)	125,917.78	-	-	-	-	125,917.78
Deposits	69,480.34	-	-	-	-	69,480.34
Subordinated liabilities	2,418.57	-	-	-	-	2,418.57
Other financial liabilities	3,368.89	-	-	-	-	3,368.89
Total financial liabilities	254,393.62	59.77	-	-	-	254,453.39

(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	-	525.50	-	-	-	525.50
Receivables						
(I) Trade receivables	50.82	-	-	-	-	50.82
(II) Other receivables	-	-	-	-	-	-
Loans	245,392.79	-	-	-	-	245,392.79
Investments	10,912.30	-	110.81	4,562.23	13.37	15,598.71
Other financial assets	3,510.83	-	-	-	-	3,510.83
Total financial assets	281,232.48	525.50	110.81	4,562.23	13.37	286,444.39
Financial liabilities:						
Derivative financial instruments	-	275.41	-	-	-	275.41
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	2,136.61	-	-	-	-	2,136.61
Total financial liabilities	236,634.31	275.41	-	-	-	236,909.72

54 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.

54.01: Introduction and risk profile**54.01.01: 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.

54.01.02: 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.

54.01.03: 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

54 RISK MANAGEMENT (Contd.)

Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees annual ratings and remuneration reviews.

54.01.04: 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.

54.02: 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

54.02.01: 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.

54.02.02: 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 54.02.02.01).

- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default (Refer notes 54.02.02.02 to 54.02.02.04)
- When the Company considers there has been a significant increase in credit risk of an exposure (Refer note 54.02.02.05).
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Refer note 54.02.02.07).

54 RISK MANAGEMENT (Contd.)

- The details of the ECL calculations and categorisation of loans for stage 1, stage 2 and stage 3 assets (Refer note 6.1(VI)).

54.02.02.01: 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.

54.02.02.02: 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.

54.02.02.03: 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.

54.02.02.04: 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.

54.02.02.05: 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 54.02.02.01 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.

54 RISK MANAGEMENT (Contd.)

When estimating ECLs on a collective basis for a Company of similar assets (as set out in note 54.02.02.07), the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

54.02.02.06: 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.

54.02.02.07: 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

54.02.03: Analysis of risk concentration

The maximum credit exposure to any individual client or counterparty as of March 31, 2026 was Rs. 151.31 crores (March 31, 2025: Rs. 50.52 crores).

Credit risk exposure analysis (Rs. in crores)				
Particulars	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total
As at March 31, 2026	265,726.75	20,746.33	13,743.27	300,216.35
As at March 31, 2025	230,161.54	17,915.58	11,838.79	259,915.91

54.03: 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

54 RISK MANAGEMENT (Contd.)

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.

54 RISK MANAGEMENT (Contd.)

54.03.01: 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, 2026:

Particulars	(Rs. in crores)						
	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
Financial assets							
Cash and cash equivalents	5,741.04	-	-	-	-	-	5,741.04
Bank balance other than above	1,071.61	340.65	641.53	143.52	-	-	2,197.31
Derivative financial instruments	182.49	377.98	571.24	2,690.93	367.82	493.60	4,684.06
Financial assets at FVTPL	189.09	-	233.16	-	-	20.29	442.54
Loans*	38,351.75	37,799.35	68,040.98	162,200.59	39,139.20	5,121.07	350,652.94
Financial investments at FVTOCI	-	-	-	-	-	123.58	123.58
Financial investments at amortised cost	217.47	273.64	839.53	2,521.69	1,372.46	8,761.51	13,986.30
Trade receivables	51.78	-	-	-	-	-	51.78
Other receivables	0.21	-	-	-	-	-	0.21
Other financial assets	1,194.19	966.28	1,086.65	60.32	14.00	13.94	3,335.38
Total undiscounted financial assets	46,999.63	39,757.90	71,413.09	167,617.05	40,893.48	14,533.99	381,215.14
Financial liabilities							
Derivative financial instruments	5.81	1.95	3.83	15.58	18.16	14.44	59.77
Deposits*	4,342.06	5,084.50	10,861.15	46,963.85	15,043.39	-	82,294.95
Debt securities*	11,329.62	2,583.96	4,048.51	26,768.36	7,301.72	10,756.42	62,788.59
Borrowings (other than debt securities)*	14,604.97	13,459.45	22,690.52	69,378.06	17,102.94	4,440.35	141,676.29
Subordinated liabilities*	51.55	2.76	291.62	1,740.94	137.73	1,002.83	3,227.43
Trade payables	332.30	0.04	-	-	-	-	332.34
Other payables	2.51	-	-	-	-	-	2.51
Other financial liabilities	2,198.02	161.91	360.18	388.75	249.62	209.08	3,567.56
Total undiscounted financial liabilities	32,866.84	21,294.57	38,255.81	145,255.54	39,853.56	16,423.12	293,949.44
Net undiscounted financial assets/ (liabilities)	14,132.79	18,463.33	33,157.28	22,361.51	1,039.92	(1,889.13)	87,265.70
Cumulative net undiscounted financial assets/ (liabilities)	14,132.79	32,596.12	65,753.40	88,114.91	89,154.83	87,265.70	

* Includes future interest



54 RISK MANAGEMENT (Contd.)							
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	(Rs. in crores)
							Total
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	2.07	137.45	101.45	218.15	18.74	47.64	525.50
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	-	-	-	-	-	-	-
Other financial assets	1,330.32	807.58	1,238.98	97.60	20.07	16.28	3,510.83
Total undiscounted financial assets	62,975.65	37,426.87	63,457.40	140,246.37	32,176.11	9,750.86	346,033.26
Financial liabilities							
Derivative financial instruments	2.99	3.36	60.72	136.84	30.54	40.96	275.41
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)*	12,519.61	11,587.25	23,553.17	69,680.34	18,266.15	4,418.51	140,025.03
Subordinated liabilities*	91.85	62.92	156.62	1,934.27	221.47	1,071.69	3,538.82
Trade payables	298.85	-	-	-	-	-	298.85
Other payables	1.60	-	-	-	-	-	1.60
Other financial liabilities	1,008.30	120.06	372.49	360.69	232.49	238.86	2,332.89
Total undiscounted financial liabilities	20,535.86	20,385.08	39,346.39	134,951.32	48,581.93	18,373.40	282,173.98
Net undiscounted financial assets/ (liabilities)	42,439.79	17,041.79	24,111.01	5,295.05	(16,405.82)	(8,622.54)	63,859.28
Cumulative net undiscounted financial assets/ (liabilities)	42,439.79	59,481.58	83,592.59	88,887.64	72,481.82	63,859.28	

* Includes future interest

54 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, 2026									

Particulars	(Rs. in crores)						
	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	-	-	-	-	-	174.50	174.50
VAT demand where the Company has filed appeal before various appellates	-	-	-	-	-	2.67	2.67
Service tax demands where the Company has filed appeal before various authorities	-	-	-	-	-	2,944.15	2,944.15
GST demand where the Company has filed appeals	-	-	-	-	-	86.32	86.32
Stamp duty demand raised by District Registrar office against which the Company has filed appeal	-	-	-	-	-	6.69	6.69
Stamp duty demand raised by District Sub-Registrar office Radhapuram against which the Company has filed reply	-	-	-	-	-	33.48	33.48
Estimated amount of contracts remaining to be executed on capital account, net of advances	19.65	-	-	-	-	-	19.65
Commitments related to loans sanctioned but undrawn	226.59	-	-	-	-	-	226.59
Capital infusion plan in Shriram Overseas Investments Limited	-	-	-	200.00	-	-	200.00
Total contingent liabilities and commitments	246.24	-	-	200.00	-	3,247.81	3,694.05



(Rs. in crores)							
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

54 RISK MANAGEMENT (Contd.)

54.04: 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.

54.04.01: 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, 2026			(Rs. in crores)		
	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease	As at March 31, 2025		
				Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	250.00	29.77	(38.95)	650.00	69.01	(87.61)
Term loans	19,507.74	2,132.54	(2,734.56)	20,502.47	1,990.99	(2,474.15)
Total floating rate borrowings	19,757.74	2,162.31	(2,773.51)	21,152.47	2,060.00	(2,561.76)

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, 2026 and March 31, 2025.

54.04.02: 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 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 21 and 22 for terms and conditions of foreign currency borrowings.



54 RISK MANAGEMENT (Contd.)

Exposure to currency risk

The summary quantitative data about exposure to currency risk (based on notional amounts) as reported:

Particulars	(Amount in crores)					
	As at March 31, 2026					
	Contracts in EURO		Contracts in USD		Contracts in JPY	
	EURO	INR	USD	INR	JPY	INR
Total foreign currency exposure in respect of recognised assets and liabilities	111.56	11,618.31	956.93	84,381.71	3,000.00	1,923.90
Cross currency interest rate swap/ forward exchange contracts	111.56	11,618.31	956.93	84,381.71	3,000.00	1,923.90
Net exposure	-	-	-	-	-	-

Particulars	(Amount in crores)					
	As at March 31, 2025					
	Contracts in EURO		Contracts in USD		Contracts in JPY	
	EURO	INR	USD	INR	JPY	INR
Total foreign currency exposure in respect of recognised assets and liabilities	105.48	10,853.44	1,073.51	93,219.31	0.00	0.00
Cross currency interest rate swap/ forward exchange contracts	105.48	10,853.44	1,073.51	93,219.31	0.00	0.00
Net exposure	-	-	-	-	-	-

Movement in cash flow hedge reserve

Cash flow hedge reserve	(Rs. in crores)		
	As at March 31, 2026		
	Realised	Unrealised	Total
Balance at the beginning of the year	-	(473.42)	(473.42)
Add: Changes in the fair value during the year	-	1,128.02	1,128.02
Less: Income tax relating to items that will be reclassified to profit or loss	-	(283.90)	(283.90)
Balance at the end of the year	-	370.70	370.70

Nature and terms and conditions of outstanding derivative contracts

As at March 31, 2026

Particulars	(Rs. in crores)					
	Rate of interest	Maturity date	Notional amounts - assets	Fair value - assets	Notional amounts - liabilities	Fair value - liabilities
(i) Currency derivatives:						
Spots and forwards	-	April 02, 2026 to February 07, 2035	46,782.96	3,187.65	1,490.60	41.48
Currency swaps	2.530% to 2.988%	August 31, 2026 to January 31, 2028	4,998.11	690.78	-	-
Cross currency interest rate swaps	USD 3M CME SOFR + 1.75%	April 30, 2027	792.97	106.53	-	-
Cross currency interest rate swaps	USD 3M CME SOFR + 1.90%	August 30, 2029	167.76	22.61	-	-
Cross currency interest rate swaps	USD 6M CME SOFR + 2.08%	November 15, 2027	337.92	41.10	-	-
Cross currency interest rate swaps	3M EURIBOR + 1.45%	June 01, 2027	361.80	71.63	-	-
Cross currency interest rate swaps	6M EURIBOR + 1.15%	April 25, 2026	76.15	29.02	-	-
Cross currency interest rate swaps	USD O/N SOFR + 2.92826%	December 13, 2026	26.73	8.02	-	-
Cross currency interest rate swaps	INR 3M OIS + 2.00%	September 29, 2028	-	-	500.00	9.95

54 RISK MANAGEMENT (Contd.)

Particulars	(Rs. in crores)					
	Rate of interest	Maturity date	Notional amounts - assets	Fair value - assets	Notional amounts - liabilities	Fair value - liabilities
Cross currency interest rate swaps	USD O/N SOFR + 2.00 %	September 28, 2026	332.72	46.52	-	-
Sub-total (i)			53,877.12	4,203.86	1,990.60	51.43
(ii) Interest rate derivatives:						
Interest rate swaps	4.08% to 6.625%	April 22, 2027 to December 15, 2031	11,878.67	126.45	-	-
Interest rate swaps	USD 3M CME SOFR + 2.00%	April 06, 2026 to February 16, 2027	1,932.18	1.08	2,106.85	2.66
Interest rate swaps	USD 3M CME SOFR + 1.75%	March 23, 2027 to June 01, 2027	2,076.00	1.47	666.56	1.12
Interest rate swaps	USD O/N SOFR + 2%	December 27, 2027	368.27	2.03	-	-
Interest rate swaps	USD O/N SOFR + 2.10%	May 24, 2027	833.00	0.81	-	-
Interest rate swaps	USD O/N SOFR + 2.25%	September 29, 2026	863.10	3.02	-	-
Interest rate swaps	3M EURIBOR + 2.10%	September 15, 2026	-	-	445.00	0.72
Interest rate swaps	3M EURIBOR + 1.40%	December 20, 2027	445.75	10.22	-	-
Interest rate swaps	INR 3M OIS + 2.05%	May 30, 2026	-	-	150.00	0.30
Interest rate swaps	USD O/N SOFR + 1.65%	December 20, 2027	5,732.10	21.10	-	-
Interest rate swaps	USD O/N SOFR + 1.70%	June 20, 2028	1,908.00	11.24	-	-
Interest rate swaps	USD O/N SOFR + 1.70%	June 26, 2030	1,082.75	12.74	-	-
Interest rate swaps	USD O/N SOFR + 1.75%	December 18, 2029	2,122.50	16.79	-	-
Interest rate swaps	EURIBOR 6M + 1.15% 0.00% Floor	February 07, 2035	3,578.27	223.07	-	-
Interest rate swaps	INR 3M OIS + 2.05 %	May 29, 2026	-	-	300.00	0.57
Interest rate swaps	USD 6M CME SOFR + 1.45% 0.00% Floor	February 07, 2035	874.60	4.75	-	-
Interest rate swaps	USD 6M CME SOFR + 1.70%	March 20, 2028	1,080.06	6.96	-	-
Interest rate swaps	USD O/N SOFR + 1.65%	January 31, 2028	649.28	0.87	-	-
Interest rate swaps	USD O/N SOFR + 2.05%	March 10, 2031	1,307.03	11.50	-	-
Interest rate swaps	USD O/N SOFR + 2.05%	March 17, 2031	1,307.10	9.33	-	-
Interest rate swaps	INR 3M Tbill + 0.00%	June 30, 2026	-	-	200.00	0.21
Interest rate swaps	INR 12M Tbill + 1.86%	April 29, 2026	-	-	1,883.00	1.93
Interest rate swaps	INR O/N OIS + 1.90%	June 30, 2026	-	-	200.00	0.83
Interest rate swaps	EURIBOR 6M + 1.70% 0.00% Floor	January 22, 2032	420.88	7.71	-	-
Interest rate swaps	JPY O/N TONAR + 1.05%	March 15, 2029	878.25	7.94	-	-
Interest rate caps	6M EURIBOR + 1.15%	April 18, 2026	-	1.12	-	-
Sub-total (ii)			39,337.79	480.20	5,951.41	8.34
Total (i)+(ii)			93,214.91	4,684.06	7,942.01	59.77



54 RISK MANAGEMENT (Contd.)

Nature and terms and conditions of outstanding derivative contracts

As at March 31, 2025

Particulars	(Rs. in crores)					
	Rate of interest	Maturity date	Notional amounts - assets	Fair value - assets	Notional amounts - liabilities	Fair value - liabilities
(i) Currency derivatives:						
Spots and forwards	-	April 02, 2025 to February 07, 2035	20,764.01	87.54	27,295.83	188.92
Currency swaps	2.530% to 4.716%	July 18, 2025 to January 31, 2028	6,514.26	349.74	649.28	12.49
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	0.62
Cross currency interest rate swaps	USD 6M CME SOFR + 2.08%	November 15, 2027	337.92	0.01	-	-
Cross currency interest rate swaps	3M EURIBOR + 1.45%	June 01, 2027	-	-	361.80	0.33
Cross currency interest rate swaps	6M EURIBOR + 1.15%	April 25, 2026	-	-	228.46	7.44
Cross currency interest rate swaps	USD O/N SOFR + 2.92826%	December 13, 2026	53.45	6.65	-	-
Cross currency interest rate swaps	USD O/N SOFR + 2.00 %	September 28, 2026	332.72	4.00	-	-
Sub-total (i)			28,795.33	453.30	28,732.49	209.80
(ii) Interest rate derivatives:						
Interest rate swaps	4.08% to 6.907%	July 18, 2025 to December 15, 2031	9,441.44	2.21	6,012.25	5.66
Interest rate swaps	USD 3M CME SOFR + 2.00 %	January 20, 2026 to February 16, 2027	3,609.71	9.29	2,670.89	13.72
Interest rate swaps	USD 3M CME SOFR + 1.75%	March 23, 2027 to June 01, 2027	2,742.56	16.24	-	-
Interest rate swaps	USD O/N SOFR + 2%	December 27, 2027	552.40	0.10	-	-
Interest rate swaps	USD O/N SOFR + 2.10%	May 24, 2027	-	-	833.00	2.63
Interest rate swaps	USD O/N SOFR + 2.25%	September 29, 2026	1,233.00	1.37	-	-
Interest rate swaps	3M EURIBOR + 2.10%	September 15, 2026	445.00	1.93	-	-
Interest rate swaps	3M EURIBOR + 1.40%	December 20, 2027	-	-	445.75	0.29
Interest rate swaps	INR 3M OIS + 2.05%	May 30, 2026	-	-	150.00	1.34
Interest rate swaps	USD O/N SOFR + 1.65%	December 20, 2027	2,122.99	10.81	3,609.10	20.53
Interest rate swaps	USD O/N SOFR + 1.70%	June 20, 2028	-	-	1,908.00	3.90
Interest rate swaps	USD O/N SOFR + 1.75%	December 18, 2029	-	-	2,122.50	2.19

54 RISK MANAGEMENT (Contd.)

Particulars	(Rs. in crores)					
	Rate of interest	Maturity date	Notional amounts - assets	Fair value - assets	Notional amounts - liabilities	Fair value - liabilities
Interest rate swaps	EURIBOR 6M + 1.15 % 0.00% Floor	February 07, 2035	2,212.52	23.97	1,365.75	3.25
Interest rate swaps	INR 3M OIS + 2.05%	May 29, 2026	300.00	0.46	-	-
Interest rate swaps	USD 6M CME SOFR + 1.45% 0.00% Floor	February 07, 2035	-	-	874.60	4.53
Interest rate swaps	USD 6M CME SOFR + 1.70%	March 20, 2028	-	-	1,080.06	0.77
Interest rate swaps	USD O/N SOFR + 1.65%	January 31, 2028	649.28	1.87	-	-
Interest rate swaps	USD O/N SOFR + 2.05%	March 12, 2031	-	-	1,307.03	1.21
Interest rate swaps	USD O/N SOFR + 2.05%	March 17, 2031	1,307.10	2.90	-	-
Interest rate swaps	INR 3M T-bill + 0.00%	June 30, 2026	200.00	0.02	-	-
Interest rate swaps	INR 12M T-bill + 1.86%	April 29, 2026	-	-	1,883.00	4.03
Interest rate swaps	INR O/N OIS + 1.90%	June 30, 2026	200.00	0.49	-	-
Interest rate caps	6M EURIBOR + 1.15%	April 18, 2026	-	-	-	1.56
Interest rate caps	INR 12M OIS + 0.00%	October 03, 2025	300.00	-	-	-
Interest rate caps	INR 12M OIS + 0.00%	April 21, 2025	400.00	0.54	-	-
Sub-total (ii)			25,716.00	72.20	24,261.93	65.61
Total (i)+(ii)			54,511.33	525.50	52,994.42	275.41

54.04.03: 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.

55 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, 2026 and March 31, 2025. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

56 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, 2026 and March 31, 2025.

57 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has not entered into any new scheme of arrangements during the financial years ended March 31, 2026 and March 31, 2025.

58 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.

59 UNDISCLOSED INCOME

There are no transactions that are not recorded in the books of accounts for the financial years ended March 31, 2026 and March 31, 2025.

60 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, 2026 and March 31, 2025 other than those disclosed in note 41.

61 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, 2026 and March 31, 2025.

62 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, 2026 and March 31, 2025.

63 DSA COMMISSION

Transaction Costs in the nature of Direct Selling Agent commission mainly pertaining to the Two-Wheeler loans were treated as upfront expenditure, considering the relatively shorter tenure and the overall materiality involved.

Consequent to the increase in the estimated Two-Wheeler portfolio, these transaction costs have been considered as a part of cash flows for estimation of effective interest rate (EIR) for loans granted from January 01, 2026. Accordingly, the transaction costs are not treated as an upfront expenditure and have been amortised at EIR over the loan tenure. Consequently, fees and commission expenses and interest income is lower by Rs. 51.50 crores and Rs. 2.52 crores respectively for the year ended on March 31, 2026. The impact of changes in estimates is not material in the opinion of the management.

64 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 *	Land at Levinjipuram Village (Panagudi), Tamil Nadu - 15 Cents	14,957.00	SCUF	No	4.00	These assets were acquired on merger. The process for change in name is not yet completed.
2	PPE *	Land at Levinjipuram Village (Panagudi), Tamil Nadu - 16 Cents	15,941.00	SCUF	No	4.00	These assets were acquired on merger. The process for change in name is not yet completed.
3	PPE *	Land at Vadakkankulam, Radhapuram Taluka, Tamil Nadu - 10 Cents	8,750.00	SCUF	No	4.00	These assets were acquired on merger. The process for change in name is not yet completed.
4	PPE *	Land at Levinjipuram Village (Panagudi), Tamil Nadu - 15 Cents	14,957.00	SCUF	No	4.00	These assets were acquired on merger. The process for change in name is not yet completed.
5	PPE *	Building-Akash Deep Plaza-Golmuri, Jamshedpur, Jharkhand -1800 sq. ft.	1,136,000.00	SCUF	No	4.00	These assets were acquired on merger. The process for change in name is not yet completed.
6	PPE *	Land In Tanukarkulam Village-Survey No.179(1D), Tamil Nadu - 10 Cents	12,240.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
7	PPE *	Land In Tanukarkulam Village-Survey No.179, Tamil Nadu - 10 Cents	12,240.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
8	PPE *	Land In Tanukarkulam Village-Survey No.179(1E1), Tamil Nadu - 5 Cents	9,240.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
9	PPE *	Land In Tanukarkulam Village-Survey No.179(1F), Tamil Nadu - 10 Cents	12,240.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
10	PPE *	Land In Tanukarkulam Village -Survey No.179(1E), Tamil Nadu - 10 Cents	12,240.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.

64 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 Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,672.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
12	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,671.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
13	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,671.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
14	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,672.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
15	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu - 10 Cents	37,672.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
16	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,672.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
17	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,671.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
18	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,671.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
19	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,671.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
20	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	36,010.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
21	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	39,760.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
22	PPE *	Land at Vadakankulam Taluka, Tanugarkulam village, Tirunelveli District, Tamil Nadu - 30 Cents	51,426.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
23	PPE *	Building -Flat 308, 309 Sakar III, Ahmedabad, Gujarat-1- 770 sq. ft.	3,985,155.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
24	Non-current assets held for sale/ disposal **	Building- 117, B Wing, Dalamal Towers, No 211, Nariman Point, Mumbai, Maharashtra - 400 021- 855 sq. ft.	18,735,273.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.

* Refer note 16

** Refer note 19

65 ANALYTICAL RATIOS

Particulars	As at March 31, 2026			As at March 31, 2025	% Variance	Reasons for variance (if above 25%)
	Numerator (Rs. in crores)	Denominator (Rs. in crores)	Ratio	Ratio		
Capital to risk-weighted assets ratio (CRAR)	56,875.19	278,782.58	20.40%	20.66%	-1.26%	NA
Tier I CRAR	55,203.50	278,782.58	19.80%	20.03%	-1.15%	NA
Tier II CRAR	1,671.69	278,782.58	0.60%	0.63%	-4.76%	NA
Liquidity Coverage Ratio (Refer note 83.22)	7,995.64	2,474.13	323.17%	286.73%	12.71%	Increase is due to higher High Quality Liquid Assets (HQLA)

66 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, 2026 and March 31, 2025.

67 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, 2026 and March 31, 2025.

68 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, 2026 and March 31, 2025.

69 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, 2026 and March 31, 2025 are given below:

Name of the struck off company	Relationship with the struck off company	(Rs. in crores)		Nature of transaction
		* Balance outstanding as at		
		March 31, 2026	March 31, 2025	
Shares held by struck off company **				
Frichem Private Limited	Not a related party	0.00	-	Equity shares held
G. V. Trading and Leasing Private Limited	Not a related party	0.00	0.00	Equity shares held
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	Equity shares held
Unickon Fincap 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, 2026 and March 31, 2025, 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. 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.



70 DISCLOSURE REGARDING AUDITOR'S REMUNERATION DISCLOSED UNDER LEGAL AND PROFESSIONAL FEES

In addition to the auditor's remuneration shown in note 40 - Other expenses, the Company has also incurred auditor's remuneration in connection with audit and related statutory services to be performed by auditors in connection with issue of senior secured notes of Rs. Nil (March 31, 2025: Rs. 0.60 crores) shown under legal and professional charges in the same note referred above.

71 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 (except dividend) nor have any non-current asset located outside India (except investments in shares held at FVTOCI) for the financial years ended March 31, 2026 and March 31, 2025.

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, 2026 and March 31, 2025.

72 TRANSFER OF FINANCIAL ASSETS

72.01: 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, 2026	As at March 31, 2025
Securitisation		
Carrying amount of transferred assets measured at amortised cost (held as collateral)	37,436.26	36,718.21
Carrying amount of associated liabilities [borrowings (other than debt securities)- measured at amortised cost]	38,459.58	38,052.08
Fair value of assets (A)	36,458.51	36,222.28
Fair value of associated liabilities (B)	39,197.43	38,014.87
Net position at fair value (A-B)	(2,738.92)	(1,792.59)

72.02: 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, 2026	As at March 31, 2025
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	1,688.10	3,168.98
Carrying amount of exposures retained by the Company at amortised cost	168.81	316.90

72 TRANSFER OF FINANCIAL ASSETS (Contd.)

72.03: 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.

73 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Professional charges on resource mobilisation	44.69	545.25
Professional charges on securitisation	34.82	10.40
Advertisement and publicity	-	0.04
Legal and professional charges	0.41	-
Miscellaneous expenses	1.46	-
Total	81.38	555.69

74A DETAILS OF CSR EXPENSES

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
a) Gross amount required to be spent by the Company during the year	182.97	131.44
b) Amount approved by the Board to be spent during the year	182.97	131.44
c) Amount spent during the year		
- On purposes other than construction/ acquisition of any asset	-	-
Paid in cash	183.01	131.46
Yet to be paid in cash	-	-
Total	183.01	131.46

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, 2026 and March 31, 2025.

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, 2026 and March 31, 2025.

74B CONTRIBUTION TO POLITICAL PARTY

During the year ended March 31, 2026, the Company has made a contribution of Rs. 25.00 crores to political party duly registered with election commission of India. This contribution was as per the provisions of section 182 of Companies Act, 2013. There was no such contribution made during the financial year ended March 31, 2025.

75 MOVEMENT IN PROVISIONS

a) Provision for indirect taxes (contested)

(Rs. in crores)

Particulars	Opening balance	Additional provision	Utilisation/ reversal during the year	Closing balance
As at March 31, 2026	89.14	-	0.12	89.02
As at March 31, 2025	89.19	-	0.05	89.14

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.

b) Provision for share appreciation rights

(Rs. in crores)

Particulars	Opening balance	Additional provision	Utilisation/ reversal during the year	Closing balance
As at March 31, 2026	0.26	27.99	0.26	27.99
As at March 31, 2025	-	0.26	-	0.26

c) Provision for long term incentive plan

(Rs. in crores)

Particulars	Opening balance	Additional provision	Utilisation/ reversal during the year	Closing balance
As at March 31, 2026	-	54.65	-	54.65
As at March 31, 2025	-	-	-	-

76 EVENTS AFTER REPORTING DATE

The Board of Directors at its meeting held on December 19, 2025 approved the issuance of 471,121,055 fully paid-up equity shares of face value of Rs. 2/- each fully paid-up on a preferential basis to MUFG Bank Ltd. ("MUFG"), a company incorporated under the laws of Japan at a price of Rs. 840.93 per share (including a premium of Rs. 838.93 per share) ("Issue Price") for an amount aggregating to Rs. 39,617.98 crores representing 20% of the post equity share capital on a fully diluted basis ("Preferential Issue"). An 'Investment Agreement' in this regard was executed between, among others, the Company and MUFG on the same date. The requisite resolutions were approved by the shareholders at the extraordinary general meeting on January 14, 2026.

Upon receipt of necessary statutory and regulatory approvals, on April 08, 2026, the Board of Directors of the Company approved the allotment of 471,121,055 fully paid-up equity shares of face value of Rs. 2/- each fully paid-up at an issue price on a preferential basis to MUFG on receipt of the subscription amount of Rs. 39,617.98 crores in terms of the Investment Agreement dated December 19, 2025. Pursuant to the allotment of equity shares, MUFG has become a minority public shareholder of the Company representing 20% equity stake on a fully diluted basis and the paid-up equity share capital of the Company stood increased on April 08, 2026 from Rs. 376.31 crores comprising of 1,881,565,371 equity shares of Rs. 2/- each fully paid to Rs. 470.54 crores comprising of 2,352,686,426 equity shares of Rs. 2/- each fully paid up. The proceeds are being utilised as per the objects of the preferential issue.

77 DISCONTINUED OPERATIONS

The Company had no discontinuing operations during the financial years ended March 31, 2026 and March 31, 2025.

78 WHISTLE- BLOWER COMPLAINTS

There were no whistle blower complaints received by the Company during the financial years ended March 31, 2026 and March 31, 2025.

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)

79 SHORTFALL IN FUND RAISING BY ISSUANCE OF DEBT SECURITIES

During the financial year ended March 31, 2026, there was a shortfall in meeting the prescribed requirement under the framework for fund raising through issuance of debt securities by large borrowers. The shortfall was primarily due to the Company's strategy of utilising surplus liquidity carried as of March 31, 2025, thereby reducing incremental borrowings from the domestic debt capital markets.

Market conditions, including interest rate volatility and limited depth for non-AAA rated issuers during major part of the year, also impacted issuances. Subsequent to the year-end, the Company has received credit rating upgrade to AAA and expects to progressively align with the prescribed requirements during the current financial year.

Disclosure pursuant to the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

80 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, 2026	As at March 31, 2025
The principal amount remaining unpaid to supplier as at the end of the year	5.65	3.23
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	-	-

Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies - Acceptance of Public Deposits) Directions, 2025 dated November 28, 2025

81 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. 10,294.21 crores (amortised cost: Rs. 9,829.85 crores) [March 31, 2025: Rs. 7,840.44 crores (amortised cost: Rs. 7,822.90 crores)] in favour of trustees representing the public deposit holders of the Company.

Disclosures pursuant to RBI Direction - RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 as amended.

82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs**82.01: Loans against gold and silver collateral****i) Details of gold and silver collateral and auctions**

The Company auctioned 919 loan accounts (March 31, 2025: 4,721) during the financial year and the outstanding dues on these loan accounts were Rs. 3.93 crores (March 31, 2025: Rs. 25.66 crores) till the respective dates of auction. The Company realised Rs. 5.93 crores (March 31, 2025: Rs. 28.94 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.

ii) Disclosure on loan against gold

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Total asset under management (on books)	300,216.35	259,915.91
Total loan against gold	6,622.48	4,836.62
Percentage of gold loan on total assets (on books)	2.21%	1.86%

Note: These disclosures are guided by the RBI Direction - RBI/DOR/2025-26/347DOR.CRE.REC.No.266/07-01-008/2025-26 - Reserve Bank of India (Non-Banking Financial Companies– Credit Facilities) Directions, 2025 dated November 28, 2025, as amended from time to time. Revised framework relating to lending against gold and silver collateral has been adopted from April 01, 2026.

82.02: Disclosure related to project finance

The Company has not lent any funds for project finance activities during the financial years ended March 31, 2026 and March 31, 2025 nor has any recoverable balance as at the same dates.

Note: The above disclosure is guided by the RBI Directions RBI/DOR/2025-26/357 DOR.STR.REC.276/21.04.048/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 and RBI/DOR/2025-26/347 DOR.CRE.REC.266/07-01-008/2025-26 - Reserve Bank of India (Non-Banking Financial Companies– Credit Facilities) Directions, 2025 both dated November 28, 2025, as amended from time to time.

82.03: Disclosures on Co-Lending Arrangements (CLAs)**Details of Co-Lending Arrangements (CLAs) during the year ended March 31, 2026****(i) Co-Lending as Partner RE**

Sr. No.	Particulars	Year ended March 31, 2026
1	Number of CLAs	4
2	Weighted average rate of interest (per annum)	14.52%
3	Fees charged/ paid (Rs. in crores)	Nil
4	Broad sector in which CLA was made	Business Loan, Personal Loans
5	Performance of loans under CLA (Rs. in crores)	
	Total Disbursement till March 31, 2026	1,142.69
	Outstanding * on above Disbursement as on March 31, 2026	12.73
	Write-off done till March 31, 2026	0.00
	Net NPA as on March 31, 2026	2.26
6	Details related to default loss guarantee	Nil

* Outstanding as on March 31, 2026 is net of provisions

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)**(ii) Co-Lending as Originating RE**

Sr. No.	Particulars	Year ended March 31, 2026
1	Number of CLAs	2
2	Weighted average rate of interest (per annum)	13.50%
3	Fees charged/ paid (Rs. in crores)	0.15
4	Broad sector in which CLA was made	Commercial Vehicle
5	Performance of loans under CLA (Rs. in crores)	
	Total Disbursement till March 31, 2026	324.06
	Outstanding * on above Disbursement as on March 31, 2026	192.49
	Write-off done till March 31, 2026	1.25
	Net NPA as on March 31, 2026	4.69
6	Details related to default loss guarantee	Nil

* Outstanding as on March 31, 2026 is net of provisions

The above disclosure is guided by the RBI/DOR/2025-26/352 DOR.STR.REC.271/21.04.048/2025-26 Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025 dated November 28, 2025, as amended from time to time.

82.04: Disclosures relating to securitisation

The information on securitisation of the Company as an originator is given below:

Sr. No.	Particulars	(Rs. in crores)	
		As at March 31, 2026	As at March 31, 2025
1	No. of Special Purpose Entities (SPEs) holding assets for securitisation transactions originated by the originator	96	107
2	Total amount of securitised assets as per books of the SPEs	38,478.58	38,084.79
3	Total amount of exposures retained by the originator to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet	7,678.47	6,667.28
	a) Off-balance sheet exposures		
	• First loss	65.42	111.31
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	3,532.14	3,484.71
	• Others	4,146.33	3,182.57
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	93.43	383.35
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	810.72	754.63



82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)

(Rs. in crores)			
Sr. No.	Particulars	Non-STC Transactions	
		As at March 31, 2026	As at March 31, 2025
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets	22,427.17	27,664.98
	Gain/ loss on sale on account of securitisation	2,396.59	3,417.52
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	2,849.61	3,486.01
	(b) Repayment received	1,782.33	2,548.78
	(c) Outstanding amount	8,489.19	7,421.91
	Liquidity Support		
	(a) Amount paid	-	-
	(b) Repayment received	-	-
	(c) Outstanding amount	-	-
	Servicing agent		
	(a) Amount paid	-	-
	(b) Repayment received	-	-
	(c) Outstanding amount	-	-
8	Average default rate of portfolios observed in the past (%)		
	(a) Vehicle loans	5.55	5.94
	(b) Two wheeler loans	3.75	4.12
	(c) MSME secured	5.10	5.38
	(d) Personal loans	5.09	5.73
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, 2026 and March 31, 2025.

82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)

82.05: Disclosure of transfer of loan exposure

- i) Details of transfer through assignment in respect of loans not in default during the financial years ended March 31, 2026 and March 31, 2025:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Count of loan accounts assigned	-	20,230
Amount of loan accounts assigned (Rs. in crores)	-	1,697.76
Weighted average maturity (in months)	-	41.96
Weighted average holding period (in months)	-	8.45
Retention of beneficial economic interest	-	10.00%
Coverage of tangible security	-	100.00%
Rating wise distribution of rated loans	-	Not rated
Number of instances where agreed to replace the loans	-	-
Damages paid out of any representation or warranty	-	-

- ii) Details of acquired through assignment in respect of loans not in default during the financial years ended March 31, 2026 and March 31, 2025:

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	Secured loans	Unsecured loans	Secured loans	Unsecured loans
Count of loan accounts acquired	-	89,226	-	65,873
Amount of loan accounts acquired (Rs. in crores)	-	630.23	-	507.36
Weighted average maturity (in months)	-	15	-	18
Weighted average holding period (in months)	-	14	-	9
Retention of beneficial economic interest by the acquirer (%)	-	90.00%	-	90.00%
Coverage of tangible security	-	NA	-	NA
Rating wise distribution of rated loans	-	Not Rated	-	Not rated

- iii) The Company has not transferred any stressed loans during the financial years ended March 31, 2026 and March 31, 2025.

- iv) The Company has not acquired any stressed loans during the financial years ended March 31, 2026 and March 31, 2025.

Note: The above disclosures are guided by RBI Direction - RBI/DOR/2025-26/352 DOR.STR.REC.271/21.04.048/2025-26 - Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025 as amended.

82.06: Disclosure on restructuring of advances

(i) Disclosure of restructured accounts

Sr. No.	Type of restructuring Financial year Asset classification	Others										(Rs. in crores)			
		Year ended March 31, 2026					Year ended March 31, 2025								
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total				
1	Restructured accounts as on April 01 of the Financial Year	2,225	4,501	5,566	241	12,533	6,849	9,689	2,631	1,024	20,193				
	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				
2	Fresh restructuring during the year	-	2,457	305	1	2,763	-	4,973	368	6	5,347				
	Amount outstanding	-	138.41	21.20	0.10	159.71	-	231.75	22.87	0.58	255.20				
	Provision thereon	-	49.47	7.56	0.10	57.13	-	83.66	8.18	0.57	92.41				
3	Upgradation to restructured standard category during the year	472	(290)	(180)	(2)	-	2,225	(1,995)	(222)	(8)	-				
	Amount outstanding	20.52	(13.52)	(6.96)	(0.04)	-	64.13	(56.13)	(7.70)	(0.30)	-				
	Provision thereon	7.43	(4.88)	(2.51)	(0.04)	-	23.44	(20.38)	(2.76)	(0.30)	-				
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	-	-	-	-	-	-	-	-	-	-				
5	Downgradation of restructured accounts during the year	-	(3,135)	2,584	551	-	-	(4,486)	4,279	207	-				
	Amount outstanding	-	(138.18)	120.00	18.18	-	-	(164.40)	153.48	10.92	-				
	Provision thereon	-	(49.76)	44.44	5.32	-	-	(59.27)	56.16	3.11	-				
6	Write-offs of restructured accounts during the year	(2,225)	(1,276)	(2,662)	(152)	(6,315)	(6,849)	(3,680)	(1,490)	(988)	(13,007)				
	Amount outstanding	(43.14)	(61.52)	(121.68)	(10.27)	(236.61)	(137.35)	(106.12)	(175.86)	(126.92)	(546.25)				
	Provision thereon	(10.56)	(22.63)	(44.89)	2.59	(75.49)	(37.86)	(37.74)	(63.68)	(119.09)	(258.37)				
7	Restructured accounts as on March 31 of the Financial Year	472	2,257	5,613	639	8,981	2,225	4,501	5,566	241	12,533				
	Amount outstanding	12.85	114.55	180.45	19.20	327.05	35.47	189.36	167.89	11.23	403.95				
	Provision thereon	0.53	41.01	63.50	19.19	124.23	3.66	68.81	58.90	11.22	142.59				

Note:

- i. The outstanding amount and number of borrowers as at March 31, 2026 and March 31, 2025 is after considering recoveries during the financial years.
- ii. 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.
- iii. 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.
- iv. 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 RBI Directions - RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.01/8/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 as amended are not included above.
- v. 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.
- vi. The above disclosure does not include one-time restructuring implemented as prescribed in the notification no. RBI/2020-21/16 DoR.No.BP/BC/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 82.06 (ii)].
- vii. The total outstanding amount of the borrowers whose accounts have been restructured is Rs. 1,024.92 crores as at March 31, 2026 and Rs. 1,305.87 crores as at March 31, 2025.

82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)

(ii)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) Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the half-year September 30, 2025 (A)	(B) Of (A), aggregate debt that slipped into NPA during the half-year	(C) Of (A), amount written off during the half-year	(D) Of (A), amount paid by the borrowers during the half- year	(E) Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the half-year March 31, 2026
Personal loans #	63.13	0.81	1.21	26.17	34.94
Corporate persons *	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	63.13	0.81	1.21	26.17	34.94

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Pertains to automobile loans

The above disclosure is guided by the RBI/DOR/2025-26/357 DOR.STR.REC.276/21.04.048/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated November 28, 2025, as amended from time to time.

(iii) Disclosure on acquisition of shares due to conversion of debt to equity during a restructuring process is not applicable.

82.07: Exposure

(i) Exposure to real estate sector

Category	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
i) Direct exposure		
a) Residential mortgages *		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented and also includes non-fund based (NFB) limits.	10,112.08	9,547.02
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.	2,220.41	1,928.46



82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)

(Rs. in crores)		
Category	As at March 31, 2026	As at March 31, 2025
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures		
i. Residential	-	-
ii. Commercial Real Estate	-	-
ii) Indirect exposure		
Fund based and NFB exposures on National Housing Bank and Housing Finance Companies	-	-
Total exposure to real state sector	12,332.49	11,475.48

*Repayment of the MSME loans primarily depends on the cash flows from business operations of the borrower and are additionally secured by immovable property.

(ii) Exposure to capital market

(Rs. in crores)		
Particulars	As at March 31, 2026	As at March 31, 2025
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	507.36	151.85
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	12.33	13.11
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	-	-
ix) Financing to stockbrokers for margin trading	-	-

82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)

(Rs. in crores)		
Particulars	As at March 31, 2026	As at March 31, 2025
x) All exposures to Alternative Investment Funds:		
(a) Category I	-	-
(b) Category II	-	-
(c) Category III	-	-
Total exposure to capital market	519.69	164.96

(iii) Sectoral exposure

Sectors	As at March 31, 2026			As at March 31, 2025		
	Total exposure (Rs. in crores)	Gross NPAs (Rs. in crores)	Percentage of gross NPAs to total exposure in that sector	Total exposure (Rs. in crores)	Gross NPAs (Rs. in crores)	Percentage of gross NPAs to total exposure in that sector
1) Agriculture and allied activities	6,873.23	407.34	5.93%	5,158.27	406.34	7.88%
2) Industry			-	-	-	-
3) Services						
i) Transport operators	235,182.22	10,644.06	4.53%	203,459.87	9,421.14	4.63%
ii) SME loans	41,046.24	2,090.12	5.09%	37,065.55	1,510.49	4.08%
Total of services	276,228.46	12,734.18	4.61%	240,525.42	10,931.63	4.54%
4) Personal loan						
i) Gold loan	6,622.62	151.92	2.29%	4,836.74	99.66	2.06%
ii) Others	10,718.63	458.90	4.28%	9,614.33	401.16	4.17%
Total of personal loan	17,341.25	610.82	3.52%	14,451.07	500.82	3.47%
5) Others	-	-	-	-	-	-
Total	300,442.94	13,752.34	4.58%	260,134.76	11,838.79	4.55%

Total exposure includes on balance sheet and off-balance sheet exposure.

(iv) Intra-group exposures

(Rs. in crores)		
Particulars	As at March 31, 2026	As at March 31, 2025
i) Total amount of intra-group exposures	404.06	23.38
ii) Total amount of top 20 intra-group exposures	404.06	23.38
iii) Percentage of intra-group exposures to total exposure of the Company on borrowers/ customers	0.13%	0.01%

(v) Unhedged foreign currency exposure

The Company does not have any unhedged foreign currency exposures for the financial years ended March 31, 2026 and March 31, 2025. Please refer note 54 - Risk management for the Company policies to manage currency induced risk.

82.08: Related party disclosure

	Parent (as per ownership or control)		Promoter		Promoter group		Subsidiary		Associates/ Joint Ventures		Key Management Personnel		Directors		Relatives of Directors		Others		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)	(Rs. in crores)
Related party																				
Maximum outstanding during the year																				
Borrowings	-	-	-	-	1,231.60	1,140.14	-	-	7.24	7.93	-	-	-	-	-	-	-	-	1,238.84	1,177.07
Deposits	-	-	-	-	102.33	51.35	-	-	227.93	178.85	1.28	1.19	0.18	0.20	3.82	3.67	-	-	355.54	235.56
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	60.00	35.00	350.12	1,562.24	13.37	13.37	-	-	-	-	-	-	-	-	423.49	1,610.61
Balance outstanding at the year end																				
Borrowings	-	-	-	-	1,231.60	1,140.47	-	-	7.15	7.14	-	-	-	-	-	-	-	-	1,238.75	1,147.61
Deposits	-	-	-	-	77.86	24.27	-	-	227.93	178.85	-	1.19	0.18	0.07	3.70	2.90	-	-	309.67	207.28
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	40.57	10.01	350.12	-	13.37	13.37	-	-	-	-	-	-	-	-	404.06	23.38
Purchase of property, plant and equipments	-	-	-	-	0.11	-	-	-	-	-	-	-	-	-	-	-	-	-	0.11	-
Sale of property, plant and equipments	-	-	-	-	-	-	-	1.88	0.10	-	-	-	-	-	-	-	-	-	0.10	1.88
Interest paid	-	-	-	-	101.79	76.47	-	-	4.36	16.15	0.29	-	0.00	-	0.17	0.21	-	-	106.61	92.83
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalty paid	-	-	-	-	481.78	435.16	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity dividend paid	-	-	-	-	104.33	132.42	-	-	-	-	0.06	0.03	0.18	0.23	0.00	0.00	-	-	481.78	435.16
Received towards preferential issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	366.44	465.05
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, 2026 and March 31, 2025.

The Company has procured bank guarantee of Rs. 5.83 crores (March 31, 2025: 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.

82DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)

82.09: Disclosure of complaints

(i) Summary information on complaints received by the Company from customers and from the Offices of Ombudsman

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
	Complaints received by the Company from its customers		
1	Number of complaints pending at beginning of the year	78	437
2	Number of complaints received during the year	78,264	49,902
3	Number of complaints disposed during the year	77,513	50,261
	3.1 Of which, number of complaints rejected by the Company	2,358	1,241
4	Number of complaints pending at the end of the year *	829	78
	Maintainable complaints ** received by the Company from Office of Ombudsman		
5	Number of maintainable complaints received by the Company from Office of Ombudsman	2,895	1,369
5.1	Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	2,758	1,351
5.2	Of 5, number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman	11*	4
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)	-	-

* One complaint Award has been appealed and the same is currently pending for disposal.

** 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.

(ii) 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, 2026					
Loan related	54	52,849	72.92%	573	1
Documents related	6	1,236	-80.94%	11	-
Collection related	11	9,247	133.51%	88	-
Loan settlement	3	9,690	83.87%	94	-
Insurance policy renewal	2	3,694	258.64%	37	-
Others	2	1,548	-40.30%	26	-
Total	78	78,264	56.84%	829	1
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	-
Insurance policy renewal	17	1,030	62.72%	2	-
Others	125	2,593	-26.34%	2	-
Total	437	49,902	219.58%	78	-

The above disclosures are as certified by the Management and relied upon by the auditors.



82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)

82.10: Loans to directors, senior officers and relatives of directors

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior officers and their relatives	-	-

The above disclosure is guided by the RBI Direction RBI/DOR/2025-26/350 DOR.CRE.REC.No.269/07-02-008/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025, as amended from time to time.

82.11: Currency futures

The Company has not participated in currency futures during the financial years ended March 31, 2026 and March 31, 2025.

82.12: Liquidity

(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, 2026	18	92,939.86	133.76%	36.38%
As at March 31, 2025	22	102,493.47	182.74%	43.15%

*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, 2026 and March 31, 2025.

(ii) Top 20 large deposits (amount in Rs. in crore and % of total deposits)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Total amount of top 20 large deposits	4,374.09	2,506.81
Percentage of amount of top 20 large deposits to total deposits	6.30%	4.47%

(iii) Top 10 borrowings (amount in Rs. in crore and % of total borrowings)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Total amount of top 10 borrowings*#	65,923.18	62,239.71
Percentage of amount of top 10 borrowings to total borrowings	26.30%	26.58%

*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, 2026 and March 31, 2025.

82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)

(iv) Funding concentration based on significant instrument/ product²

(Rs. in crores)					
Sr. No.	Name of the instrument/ product	As at March 31, 2026		As at March 31, 2025	
		Amount	% of Total liabilities ³	Amount	% of Total liabilities ³
1	Redeemable non-convertible debentures (secured and unsecured)	39,614.63	15.51%	38,296.89	16.12%
2	External commercial bond	13,258.56	5.19%	15,851.97	6.67%
3	Term loan from banks	42,110.44	16.48%	38,050.08	16.02%
4	Term loan from financial institutions/ corporates	9,092.46	3.56%	11,289.34	4.75%
5	External commercial borrowing	36,255.30	14.19%	33,653.95	14.17%
6	Other loans - securitisation liabilities	38,459.58	15.06%	38,052.08	16.02%
7	Deposits	69,480.34	27.20%	56,085.99	23.61%
8	Subordinated debts	2,418.57	0.95%	2,513.98	1.06%

(v) Stock ratios

Sr. No.	Particulars	As at March 31, 2026			As at March 31, 2025		
		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	-	-	-	-	-	-
(b)	Non-convertible debentures (original maturity of less than one year)	-	-	-	-	-	-
(c)	Other short-term liabilities ⁵	32.16%	31.53%	25.08%	28.76%	28.33%	22.90%

(vi) Institutional set-up for liquidity risk management

Refer note 54.01.01: Risk management structure and 54.03: Liquidity risk and funding management for institutional set-up for liquidity risk management.

Notes:

- 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.
- 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.
- Total liabilities has been computed as sum of all liabilities (Total of balance sheet less total equity).
- 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.
- Other short-term liabilities include all short-term borrowings other than commercial papers and non-convertible debentures with original maturity less than one year.
- The amount stated in this disclosure is based on the audited financial statements for the financial year ended March 31, 2026 and March 31, 2025.

82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)

82.13: Credit Default Swaps (CDS)

The Company has not participated in any Credit Default Swap (CDS) transactions during the financial years ended March 31, 2026 and March 31, 2025.

82.14: Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109

Asset classification as per RBI norms		Asset classification as per Ind AS 109	Year ended March 31, 2026						Year ended March 31, 2025			
			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)		(2)	(3)	(4)	(5)	(6)	(7)	(3)	(4)	(5)	(6)	(7)
Performing assets												
Standard		Stage 1	284,407.41	9,317.21	275,090.20	1,138.14	8,179.07	255,657.96	8,079.87	247,578.09	1,023.79	7,056.08
		Stage 2	20,758.95	1,666.01	19,092.94	83.11	1,582.90	17,936.22	1,430.32	16,505.90	73.42	1,356.90
Subtotal			305,166.36	10,983.22	294,183.14	1,221.25	9,761.97	273,594.18	9,510.19	264,083.99	1,097.21	8,412.98
Non-Performing Assets (NPA)												
Sub-standard		Stage 3	7,251.78	2,733.10	4,518.68	705.50	2,027.60	7,879.89	2,995.95	4,883.94	763.42	2,232.53
		Stage 3	2,566.83	905.04	1,661.79	728.24	176.80	2,120.96	759.13	1,361.83	632.25	126.88
		Stage 3	959.62	324.86	634.76	408.93	(84.07)	666.73	227.09	439.64	319.34	(92.25)
		Stage 3	32.72	10.82	21.90	19.30	(8.48)	61.21	19.50	41.71	44.62	(25.12)
Subtotal for doubtful			3,559.17	1,240.72	2,318.45	1,156.47	84.25	2,848.90	1,005.72	1,843.18	996.21	9.51
Loss		Stage 3	2,959.35	2,959.66	(0.31)	2,952.12	7.54	1,140.87	1,143.20	(2.33)	1,137.15	6.05
Subtotal for NPA			13,770.30	6,933.48	6,836.82	4,814.09	2,119.39	11,869.66	5,144.87	6,724.79	2,896.78	2,248.09

82 DISCLOSURE REQUIREMENTS FOR ALL NBFCs (Contd.)

Asset classification as per RBI norms		Asset classification as per Ind AS 109	Year ended March 31, 2026						Year ended March 31, 2025			
			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)		(2)	(3)	(4)	(5)	(6)	(7)	(3)	(4)	(5)	(6)	(7)
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	209.52	9.38	200.14	-	9.38	218.85	9.21	209.64	-	9.21
		Stage 2	8.00	0.48	7.52	-	0.48	-	-	-	-	-
		Stage 3	9.07	3.75	5.32	-	3.75	-	-	-	-	-
Subtotal			226.59	13.61	212.98	-	13.61	218.85	9.21	209.64	-	9.21
Total		Stage 1	284,616.93	9,326.59	275,290.34	1,138.14	8,188.45	255,876.81	8,089.08	247,787.73	1,023.79	7,065.29
		Stage 2	20,766.95	1,666.49	19,100.46	83.11	1,583.38	17,936.22	1,430.32	16,505.90	73.42	1,356.90
		Stage 3	13,779.37	6,937.23	6,842.14	4,814.09	2,123.14	11,869.66	5,144.87	6,724.79	2,896.78	2,248.09
		Total	319,163.25	17,930.31	301,232.94	6,035.34	11,894.97	285,682.69	14,664.27	271,018.42	3,993.99	10,670.28

82.15: 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.



83 DISCLOSURE REQUIREMENTS FOR NBFCs- MIDDLE LAYER (NBFCs-ML) AND UPPER LAYER NBFCs-UL)

83.01: Summary of significant accounting policies

The accounting policies regarding key areas of operations are disclosed under note 1 to 7.

83.02: Capital Adequacy Ratio

Particulars	(Rs. in crores unless otherwise stated)	
	As at March 31, 2026	As at March 31, 2025
i) Tier I Capital	55,203.50	47,126.42
ii) Tier II Capital	1,671.69	1,477.54
iii) Total Capital	56,875.19	48,603.96
iv) Total Risk Weighted Assets	278,782.58	235,304.39
v) CRAR (%)	20.40	20.66
vi) CRAR - Tier I Capital (%)	19.80	20.03
vii) CRAR - Tier II Capital (%)	0.60	0.63
viii) Common equity Tier - 1 Capital (CET-1)	55,203.50	46,562.30
ix) CET-1 (%)	19.80	19.79
x) Amount of subordinated debt raised as Tier-II Capital*	2,364.00	2,458.20
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 RBI Direction - RBI/DOR/2025-26/345 DOR.CAP.REC.264/21-01-002/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025 dated November 28, 2025 as amended.

*Discounted value of Rs. 1,072.80 crores (March 31, 2025: Rs. 1,392.60 crores) considered for Tier II Capital against the book value of Rs. 2,364.00 crores (March 31, 2025: Rs. 2,458.20 crores).

83.03: Investments

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
(1) Value of investments		
(i) Gross value of investments		
(a) In India	14,792.33	15,590.48
(b) Outside India	123.58	110.81
(ii) Provisions for depreciation		
(a) In India	133.15	102.58
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	14,659.18	15,487.90
(b) Outside India	123.58	110.81
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	102.58	76.45
(ii) Add: Provisions made during the year	30.57	26.13
(iii) Less: Write-off/ write-back of excess provisions during the year	-	-
(iv) Closing balance	133.15	102.58

83 DISCLOSURE REQUIREMENTS FOR NBFCs- MIDDLE LAYER (NBFCs-ML) AND UPPER LAYER NBFCs-UL) (Contd.)

83.04: Derivatives

(i) Forward rate agreement / interest rate swap*

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
(i) The notional principal of swap agreements	101,156.92	107,505.75
(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	4,624.29	250.09

Forward Rate Agreement (FRAs) entered into during the financial years ended March 31, 2026 is Rs. 8,173.75 crores (March 31, 2025 : Rs. 29,469.22 crores)

* Includes currency derivatives and interest rate derivatives

(ii) Exchange traded interest rate (IR) derivatives:

The Company has not entered into any exchange traded Interest Rate (IR) derivatives.

(iii) 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 54.

Quantitative disclosures

Particulars	(Rs. in crores)			
	As at March 31, 2026		As at March 31, 2025	
	Currency derivatives	Interest rate derivatives	Currency derivatives	Interest rate derivatives
(i) Derivatives (Notional principal amount)				
For hedging	55,867.72	45,289.20	57,527.82	49,977.93
(ii) Marked to market positions				
a) Asset (+)	4,203.86	480.20	453.30	72.20
b) Liability (-)	(51.43)	(8.34)	(209.80)	(65.61)
(iii) Credit exposure	-	-	-	-
(iv) Unhedged exposures	-	-	-	-



83 DISCLOSURE REQUIREMENTS FOR NBFCs- MIDDLE LAYER (NBFCs-ML) AND UPPER LAYER NBFCs-UL) (Contd.)

83.05: Asset liability management (Maturity pattern of certain items of Assets and Liabilities)

As at March 31, 2026

Particulars	(Rs. in crores)									
	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	Total
Deposits*	353.55	276.43	790.31	1,191.41	1,324.35	4,416.99	8,656.93	40,173.97	12,420.23	69,604.17
Advances**	6,647.83	1,878.34	2,849.44	8,945.78	9,246.60	27,438.44	51,513.34	133,031.90	35,849.29	282,452.44
Investments***	-	52.18	82.81	219.37	51.88	273.48	1,069.20	2,488.80	1,303.76	14,659.18
Borrowings****	154.20	1,018.06	3,618.22	5,897.09	10,193.46	9,461.96	17,314.29	51,776.92	14,898.16	124,868.56
Foreign currency assets	-	-	-	-	-	-	-	-	-	123.58
Foreign currency liabilities	614.21	-	358.93	43.21	2,070.44	4,356.01	4,810.66	34,516.67	5,956.71	56,340.98

As at March 31, 2025

Particulars	(Rs. in crores)									
	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	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	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	15,487.90
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	124,478.33
Foreign currency assets	-	-	-	-	-	-	-	-	-	110.81
Foreign currency liabilities	141.98	-	480.03	68.73	510.71	3,650.22	3,349.18	30,281.22	11,294.33	53,632.93

* Includes deposits from corporates/ banks and unclaimed matured deposit.

** Net of Impairment loss allowance.

*** Investments excludes investment in equity shares held at FVTOCI which is shown separately as foreign currency assets.

****Excludes deposits which are shown separately and external commercial borrowings/ foreign currency borrowing/ external commercial bond which are shown separately under foreign currency liabilities.

83 DISCLOSURE REQUIREMENTS FOR NBFCs- MIDDLE LAYER (NBFCs-ML) AND UPPER LAYER NBFCs-UL) (Contd.)

83.06: Exposures

(i) Details of financing of parent company products

The Company does not have any parent company, hence not applicable.

(ii) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company

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, 2026 and March 31, 2025.

(iii) 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, 2026 and March 31, 2025.

83.07: Details of penalties and strictures imposed by RBI and other regulators

Year ended March 31, 2026

The Company has received an order on July 11, 2025 from RBI imposing a penalty of Rs. 270,000/- for non-compliance with certain provisions of RBI Digital Lending Directions which were observed during statutory inspection with reference to its financial position as on March 31, 2024. The penalty was paid on July 16, 2025.

The total penalties paid for the financial year 2025-26 is Rs. 270,000/-.

Year ended March 31, 2025

The Company had 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 had 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 had 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 total penalties paid for the financial year 2024-25 was Rs. 605,960/-.

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.

83.08: Breach of covenant

There were no instances of default or breaches of covenants in respect of loans availed or debt securities issued during the financial years ended March 31, 2026 and March 31, 2025.

83.09: 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, 2025, nor identified any additional Gross NPAs in excess of 5% of the reported gross NPAs for the said period.



83 DISCLOSURE REQUIREMENTS FOR NBFCs- MIDDLE LAYER (NBFCs-ML) AND UPPER LAYER NBFCs-UL) (Contd.)

83.10: Registration from other financial sector regulators

Refer note 1 for registration from other financial sector regulators.

83.11: Area of Operation

The Company does not have any joint venture or subsidiary abroad, hence not applicable.

83.12: Disclosure of ratings

Sr. No.	Instruments	Credit Rating Agency	As at March 31, 2026	As at March 31, 2025
Domestic Ratings:				
1	Bank loans - Long term	CRISIL Limited	CRISIL AA+/Watch Positive (placed on 'Rating Watch with Positive Implications')**	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+ / Positive #	IND AA+/Stable
4	Bank loans - Short term	India Ratings and Research Private Limited	IND A1+	IND A1+
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+; placed on Watch with Positive Implications*	[ICRA] AA+ (Stable)
9	Fixed deposit	India Ratings and Research Private Limited	IND AA+ / Positive #	IND AA+/Stable
10	Fixed deposit	CARE Ratings Limited	CARE AAA; Stable	-
11	Fixed deposit	CRISIL Limited	CRISIL AA+/Watch Positive (placed on 'Rating Watch with Positive Implications')**	-
12	Long term principal protected market linked debentures	CRISIL Limited	CRISIL PPMLD AA+/Watch Positive (placed on 'Rating Watch with Positive Implications')***	CRISIL PPMLD AA+/Stable
13	Principal protected market linked debentures	India Ratings and Research Private Limited	IND PP-MLD AA+/Positive #	IND PP-MLD AA+/Stable
14	Long term issuer default rating	Fitch Ratings	BB+ Rating Watch Positive ^	BB/Stable
15	Long term bank facilities	CARE Ratings Limited	CARE AAA; Stable	-
16	Subordinated debt	CARE Ratings Limited	CARE AAA; Stable	CARE AA+/Stable
17	Subordinated debt	India Ratings and Research Private Limited	IND AA+ / Positive #	IND AA+/Stable
18	Subordinated debt	CRISIL Limited	CRISIL AA+/Watch Positive (placed on 'Rating Watch with Positive Implications')**	CRISIL AA+/Stable
19	Short term bank facilities	CARE Ratings Limited	CARE A1+	-
20	Non-convertible debentures	CARE Ratings Limited	CARE AAA; Stable	CARE AA+/Stable

83 DISCLOSURE REQUIREMENTS FOR NBFCs- MIDDLE LAYER (NBFCs-ML) AND UPPER LAYER NBFCs-UL) (Contd.)

Sr. No.	Instruments	Credit Rating Agency	As at March 31, 2026	As at March 31, 2025
21	Non-convertible debentures	CRISIL Limited	CRISIL AA+/Watch Positive (placed on 'Rating Watch with Positive Implications')**	CRISIL AA+/Stable
22	Non-convertible debentures	India Ratings and Research Private Limited	IND AA+ / Positive #	IND AA+/Stable
23	Non-convertible debentures	ICRA Limited	[ICRA] AA+; placed on Watch with Positive Implications*	[ICRA] AA+ (Stable)
24	Derivative Instruments	India Ratings and Research Private Limited	IND AA+ / Positive #	-
25	Short term issuer default rating	Fitch Ratings	B Rating Watch Positive ^^	B
26	ESG impact rating	ICRA ESG Ratings	82 / Outstanding	82 / Outstanding
International Ratings:				
27	Long term issuer credit rating	Standard and Poor's Ratings	BBB- / Stable	BB+/ Stable
28	Short term issuer credit rating	Standard and Poor's Ratings	A-3	B
29	U. S. dollar senior secured notes	Standard and Poor's Ratings	BBB-	BB+
30	U. S. dollar senior secured notes	Fitch Ratings	BB+ Rating Watch Positive ^	BB
31	Local currency long term issuer default rating	Fitch Ratings	BB+ Rating Watch Positive ^	BB/ Stable
32	Long term corporate family rating (CFR)	Moody's Ratings	Ba1 / Positive	Ba1 / Stable
33	Foreign Currency Long-term Issuer Rating	Japan Credit Rating Agency, Ltd (JCR)	BBB+/Stable	-

* ICRA has upgraded our rating on April 09, 2026 from [ICRA] AA+/Watch Positive to [ICRA] AAA/ Stable.

** CRISIL has upgraded our rating on April 09, 2026 from CRISIL AA+/ With Positive Implications to CRISIL AAA/ Stable.

*** CRISIL has upgraded our rating on April 09, 2026 from CRISIL PPMLD AA+/Watch Positive to CRISIL PPMLD AAA/Stable.

India Ratings has upgraded our rating on April 10, 2026 from IND AA+/Positive to IND AAA/Stable

^ Fitch Ratings has upgraded our rating on April 14, 2026 from BB+ Rating Watch Positive to BBB-/Stable

^^ Fitch Ratings has upgraded our rating on April 14, 2026 from B Rating Watch Positive to F3

83.13: Remuneration of Directors

All pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company are disclosed under note 49 Related party transactions

83.14: Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items having impact on the current year's profit and loss other than those already disclosed in the Financial statements.

83 DISCLOSURE REQUIREMENTS FOR NBFCs- MIDDLE LAYER (NBFCs-ML) AND UPPER LAYER NBFCs-UL) (Contd.)

83.15: Revenue Recognition

There are no such circumstances in which revenue has been postponed pending the resolution of significant uncertainties.

83.16: 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, 2026	Year ended March 31, 2025
Provisions for depreciation on investment	-	-
Provision towards NPA#	3,436.61	3,369.76
Provision made towards income tax ##	3,294.11	2,845.02
Other provision and contingencies	-	-
Provision towards impairment of financial instruments other than provision for stage 3 assets	1,902.46	1,941.90

Provision for stage 3 assets

Provision made towards income tax comprises of current tax, deferred tax and tax adjustment for earlier years.

83.17: Draw down from Reserves

The draw down from reserves was Rs. Nil for the financial years ended March 31, 2026 and March 31, 2025.

83.18: Concentration of Deposits, Advances, Exposures and NPAs

(i) Concentration of Deposits (for deposit taking NBFCs)

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Total deposits of twenty largest depositors #	1,925.25	1,317.95
Percentage of deposits of twenty largest depositors to total deposits of the NBFC #	3.00%	2.46%

Includes unclaimed matured public deposits and interest accrued thereon

(ii) Concentration of advances

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Total advances to twenty largest borrowers	629.36	570.17
Percentage of advances to twenty largest borrowers to total advances of the NBFC*	0.21%	0.22%

*Excludes retained interest on direct assignment Rs. 162.29 crores (March 31, 2025: Rs. 315.83 crores).

(iii) Concentration of exposures

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Total exposure to twenty largest borrowers/ customers	646.94	570.17
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the NBFC on borrowers/ customers*	0.22%	0.22%

*Excludes retained interest on direct assignment Rs. 162.29 crores (March 31, 2025: Rs. 315.83 crores).

83 DISCLOSURE REQUIREMENTS FOR NBFCs- MIDDLE LAYER (NBFCs-ML) AND UPPER LAYER NBFCs-UL) (Contd.)

(iv) Concentration of NPAs

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Total exposure to top four NPA accounts**	80.77	67.47

**NPA accounts refer to stage 3 assets.

83.19: Movement of NPAs^

	(Rs. in crores)	
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(i) Net NPAs to net advances (%)	2.33%	2.64%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	11,838.79	12,081.15
(b) Additions during the year	9,388.29	10,764.47
(c) Reductions during the year	(7,483.81)	(11,006.83)
(d) Closing balance	13,743.27	11,838.79
(iii) Movement of Net NPAs		
(a) Opening balance	6,714.46	5,824.44
(b) Additions during the year	5,137.34	6,414.38
(c) Reductions during the year	(5,026.35)	(5,524.36)
(d) Closing balance	6,825.45	6,714.46
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	5,124.33	6,256.71
(b) Provisions made during the year	4,250.95	4,350.09
(c) Write-off/ write-back of excess provisions	(2,457.46)	(5,482.47)
(d) Closing balance	6,917.82	5,124.33

^ NPAs refer to stage 3 assets.

83.20: Overseas assets (for those with joint ventures and subsidiaries abroad)

The Company does not have any joint venture or subsidiary abroad, hence not applicable.

83.21: Off-balance sheet SPVs sponsored

The Company has not sponsored any off-balance sheet SPV which are required to be consolidated as per accounting norms.

83.22: Disclosure on Liquidity Coverage Ratio (LCR)

Particulars	As at March 31, 2026			As at December 31, 2025		As at September 30, 2025		As at June 30, 2025		As at March 31, 2025	
	Total	Unweighted Value (average)*	Weighted Value (average)#	Total	Unweighted Value (average)*	Total	Unweighted Value (average)*	Total	Unweighted value (average)*	Total	Weighted value (average)#
	(Rs. in crores)										
High Quality Liquid Assets											
1 Total High Quality Liquid Assets (HQLA) @	9,915.55	7,995.64		9,471.51	7,645.81	8,934.54	7,211.35	8,188.11	6,636.17	8,052.45	6,554.80
Cash Outflows											
2 Deposits (for deposit taking companies)	1,667.97	1,918.17		1,611.73	1,853.49	1,662.34	1,911.69	1,481.46	1,703.68	1,335.37	1,535.68
3 Unsecured wholesale funding	37.50	43.13		18.18	20.91	28.89	33.22	34.87	40.10	336.92	387.46
4 Secured wholesale funding	5,262.92	6,052.36		4,694.47	5,398.64	4,934.21	5,674.34	5,521.71	6,349.97	4,763.26	5,477.75
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	909.19	1,045.57		1,034.09	1,189.20	850.50	978.08	849.32	976.72	1,310.88	1,507.51
7 Other contingent funding obligations	728.09	837.30		581.77	669.04	963.52	1,108.05	701.77	807.04	205.10	235.87
8 TOTAL CASH OUTFLOWS	8,605.67	9,896.53		7,940.24	9,131.28	8,439.46	9,705.38	8,589.13	9,877.51	7,951.53	9,144.27
Cash Inflows											
9 Secured lending	-	-		-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	14,010.67	10,508.00		13,542.95	10,157.21	12,885.32	9,663.99	12,475.28	9,356.46	9,710.48	7,282.86
11 Other cash inflows	9,225.78	6,919.34		7,560.12	5,670.09	14,527.66	10,895.75	16,899.41	12,674.56	14,661.63	10,996.22
12 TOTAL CASH INFLOWS	23,236.45	17,427.34		21,103.07	15,827.30	27,412.98	20,559.74	29,374.69	22,031.02	24,372.11	18,279.08
		Total adjusted value			Total adjusted value		Total adjusted value		Total adjusted value		Total adjusted value
13 TOTAL HQLA		7,995.64			7,645.81		7,211.35		6,636.17		6,554.80
14 TOTAL NET CASH OUTFLOWS		2,474.13			2,282.82		2,426.35		2,469.38		2,286.07
15 LIQUIDITY COVERAGE RATIO (%)		323.17%			334.93%		297.21%		268.74%		286.73%

Particulars	As at March 31, 2026			As at December 31, 2025		As at September 30, 2025		As at June 30, 2025		As at March 31, 2025	
	Total	Unweighted Value (average)*	Weighted Value (average)#	Total	Unweighted Value (average)*	Total	Unweighted Value (average)*	Total	Unweighted value (average)*	Total	Weighted value (average)#
	(Rs. in crores)										
@ Components of HQLA											
1 Cash on hand	68.61	68.61		61.82	61.82	59.38	59.38	63.60	63.60	82.05	82.05
2 Demand deposits with scheduled commercial banks	247.38	247.38		281.20	281.20	259.22	259.22	364.79	364.79	482.13	482.13
3 Government securities - approved securities held as per the provisions of section 45-IB of the RBI Act	9,599.56	7,679.65		9,128.49	7,302.79	8,615.94	6,892.75	7,759.72	6,207.78	7,488.27	5,990.62
Total	9,915.55	7,995.64		9,471.51	7,645.81	8,934.54	7,211.35	8,188.11	6,636.17	8,052.45	6,554.80

*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.

The above disclosure is guided by the RBI/DoR/2025-26/355 DoR.LRG.REC.No.274/13-10-004/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025 dated November 28, 2025, as amended from time to time.

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 crore 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 100%.

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 82.12.

The average LCR is computed as simple averages of daily observations over the previous quarter.

The average LCR for the quarter ended March 31, 2026 is 323.17% which is well above against RBI prescribed LCR of 100%.



83 DISCLOSURE REQUIREMENTS FOR NBFCs- MIDDLE LAYER (NBFCs-ML) AND UPPER LAYER NBFCs-UL) (Contd.)

83.23: Currency Options

The Company does not have any transactions in the designated currency options on the exchanges recognised by SEBI.

84 CONSOLIDATED FINANCIAL STATEMENTS

Investment in subsidiary company is carried at cost as per Ind AS 27- Separate Financial Statements and have been consolidated as per Ind AS 110- Consolidated Financial Statements. Refer Consolidated Financial Statements (CFS).

Disclosures pursuant to Master Direction RBI/DOS/2024-25/120 DOS.CO.FMG.SEC.No.7/23.04.001/2024-25 on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) dated July 15, 2024

85 INFORMATION ON INSTANCES OF FRAUD

Instances of fraud for the year ended March 31, 2026: (Rs. in crores)

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off
Fraud committed by employees	48	5.04	1.67	-
Fraud committed by customers and outsiders	3	0.18	-	-
Fraud committed by customer and employees	1	0.20	-	-
Total	52	5.42	1.67	-

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

Disclosures pursuant to RBI notification no. RBI/DOR/2025-26/364 DOR.SFG.REC.No.283/30.01.021/2025-26 on Reserve Bank of India (Non-Banking Financial Companies – Climate Finance and Management of Climate Change Risks) Directions, 2025 dated November 28, 2025 as amended

86 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, 2026 and March 31, 2025.

87 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.

As per our report of even date

For M M NISSIM & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 107122W/W100672

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

For and on behalf of the Board of Directors of

Shriram Finance Limited

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 24, 2026

Anagha M. Nanivadekar

Partner

Membership No.: 121007

Mumbai

April 24, 2026

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 24, 2026

Parag Sharma

Managing Director and CEO

DIN: 02916744

Mumbai

April 24, 2026

S. Sunder

Joint Managing Director and CFO

DIN: 08189901

Mumbai

April 24, 2026

U Balasundararao

Company Secretary and CCO

Mumbai

April 24, 2026

As required in Annex. I of RBI Direction - RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 as amended

Schedule to the Balance Sheet

(Rs. in crores)

Liabilities side :	As at March 31, 2026	
	Amount outstanding	Amount overdue #
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	39,618.02	3.39
: Unsecured	Nil	Nil
(Other than falling within the meaning of public deposits*)		
(b) Deferred credits	Nil	Nil
(c) Term loans	89,662.48	Nil
(d) Inter-corporate loans and borrowings	Nil	Nil
(e) Commercial paper	Nil	Nil
(f) Public deposits* @	64,169.34	116.57
(g) Other loans - Subordinated debts	2,422.00	3.43
- Cash credit	Nil	Nil
- Deposits from Banks	82.49	-
- Deposits from corporates	5,352.34	7.26
- External commercial borrowing - secured	36,255.30	Nil
- External commercial bond - secured	13,258.56	Nil
- Constituent's subsidiary general ledger loan (CSGL loan)	Nil	Nil
@ Excludes deposits from corporates and banks		
* 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 @	64,169.34	116.57
@ Excludes deposits from corporates and banks		
* Please see note 1 below		
# Represent amounts unclaimed		

(Rs. in crores)

Assets side :	As at March 31, 2026
(3) Break-up of loans and advances including bills receivables (other than those included in (4) below):	Amount outstanding
(a) Secured	274,879.51
(b) Unsecured	25,336.84

As required in Annex. I of RBI Direction - RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 as amended

Schedule to the Balance Sheet (Contd.)

(Rs. in crores)	
Assets side :	As at March 31, 2026
(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	Nil
(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	123.58
(b) Preference	Nil
(ii) Debentures and bonds	Nil
(iii) Units of mutual funds	40.57
(iv) Government securities	9,829.85
(v) Others	Nil
2) Unquoted :	
(i) Shares :	
(a) Equity	383.78
(b) Preference	Nil
(ii) Debentures and bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government securities	Nil
(v) Others	
(a) Investment in PTC (net of impairment loss allowance)	4,023.30
(b) Investment in certificate of deposits	381.68

As required in Annex. I of RBI Direction - RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 as amended

Schedule to the Balance Sheet (Contd.)

(Rs. in crores)	
Category	Amount (net of provisions)
(6) Borrower group-wise classification of assets, financed as in (3) and (4) above : Please see note 2 below	Secured Unsecured Total
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	259,627.90 22,824.54 282,452.44
Total	259,627.90 22,824.54 282,452.44

(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	354.67	350.12
(b) Companies in the same group	40.57	40.57
(c) Other related parties	94.17	13.37
2 Other than related parties	14,315.68	14,378.70
Total	14,805.09	14,782.76

* 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	13,743.27
(ii) Net non-performing assets ₹	
(a) Related parties	Nil
(b) Other than related parties	6,825.45
(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 the Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025
- 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 44) (Rs. in crores)

Sr. No.	Particulars	
1	Name of the subsidiary	Shriram Overseas Investments Limited ('Shriram Overseas') (w.e.f. May 09, 2025) (formerly known as Shriram Overseas Investments Private Limited) #
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	22.19
5	Reserves and surplus	332.48
6	Total assets	360.58
7	Total liabilities	5.91
8	Investments (included in total assets)	351.30
9	Turnover	17.85
10	Profit before taxation	7.77
11	Provision for taxation	2.00
12	Profit after taxation	5.77
13	Proposed dividend	-
14	% of shareholding	100%

#On consolidated basis.

Note:

- 1) Names of subsidiaries which are yet to commence operations: Nil
- 2) Names of subsidiaries which have been liquidated or sold during the year: Nil

Part B: Associates and joint venture (Refer note 44)

Sr. No.	Particulars - Associate	Shriram Automall India Limited
1	Latest audited balance sheet date	March 31, 2026
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%

(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 B: Associates and joint venture (Refer note 44) (Contd.)

Sr. No.	Particulars - Associate	Shriram Automall India Limited
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
5	Net worth attributable to shareholding as per latest audited balance sheet (Rs. in crores)*	116.46
6	Profit/ (loss) for the year (Rs. in crores)*	
i	Considered in consolidation	20.50
ii	Not considered in consolidation	25.51

*On consolidated basis.

The Company does not have any joint venture.

Note:

- 1) Names of associates or joint ventures which are yet to commence operations: Nil
- 2) 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 24, 2026

S. Sunder
Joint Managing Director and CFO
DIN: 08189901
Mumbai
April 24, 2026

Parag Sharma
Managing Director and CEO
DIN: 02916744
Mumbai
April 24, 2026

U Balasundararao
Company Secretary and CCO
Mumbai
April 24, 2026



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, 2026, which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income/ Loss), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the 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 financial statements of the subsidiary, and the audited 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, 2026, 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 auditors 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, 2026. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
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 & 38 read with Material Accounting Policies Note 7.1(VI)). (in ₹ crores) <table><tr><td>Gross Advances</td><td>3,00,216.35</td></tr><tr><td>Provisions</td><td>17,763.91</td></tr><tr><td>Net Advances</td><td>2,82,452.44</td></tr></table> Significant estimates and judgments involved in Key Audit Matter Reserve Bank of India (Non-Banking Financial Companies- Income Recognition, Asset Classification and Provisioning) Directions, 2025 (“IRAC”) prescribe the prudential norms for identification and classification of advances as NPAs. The Company recognized impairment provision for loan assets based on the Expected Credit Loss (“ECL”) approach laid down under ‘Ind AS 109 - Financial Instruments’. The Company has applied significant judgment to determine the identification and classification of such assets as Stage 3 by applying quantitative as well as qualitative factors. The risk of identification of such assets as Stage 3 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	3,00,216.35	Provisions	17,763.91	Net Advances	2,82,452.44	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 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 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	3,00,216.35						
Provisions	17,763.91						
Net Advances	2,82,452.44						

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 Management and 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 statement of changes in equity and consolidated Statement of 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;
 - 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

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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;
 - Obtain sufficient appropriate audit evidence regarding the 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 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.
 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 for the financial year ended March 31, 2026 and are therefore the Key Audit Matters. We

describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. We did not audit the consolidated financial statements of the subsidiary viz. Shriram Overseas Investments Limited, (SOIL), included in the audited consolidated financial statements, whose consolidated financial statements reflect total assets of ₹ 360.59 crores as at March 31, 2026, total revenue of ₹ 15.06 crores, net profit after tax from continuing operations of ₹ 6.05 crore, net profit after tax from discontinued operations of ₹ (0.55) crores, for the year ended March 31, 2026, and cash inflow of ₹ 4.78 crores for the year ended March 31, 2026, as considered in the audited consolidated financial statements. These consolidated financial statement 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 related to the subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph above.
17. The Consolidated Financial Statements also includes the Group's share of net profit after tax of ₹ 20.50 Crores and other comprehensive income of ₹ (0.63) Crores for the year ended March 31, 2026, in respect of an associate. These consolidated financial statements have been audited by other auditor whose report has 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 the report of the other auditor and the procedures performed by us as stated in paragraph above. In our opinion and according to the information and explanations given to us by the Management, these consolidated financial statements are 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 work done and the report of the other auditors in the case of the subsidiary and the associate.

Report on Other Legal and Regulatory Requirements

19. With respect to the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO" or "Order") issued by Central Government of India 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 and on consideration of the reports of other auditors on the consolidated financial statements of the subsidiary and the associate, which are the companies incorporated in India, 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 case of Holding Company.
20. 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 and the report of statutory auditor of the subsidiary company incorporated in India, none of the directors of the Holding Company or the subsidiary, are disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act;
 - f) with respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and

its subsidiary incorporated in India covered under the Act, and the operating effectiveness of such controls, refer 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 and subsidiary 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 consolidated 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, 2026 on the consolidated financial position of the Group and its associate as detailed in Note 50 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 26 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 and its subsidiary incorporated in India;
 - iv. a. The respective managements of the Holding Company and subsidiary incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary that, to the best of its knowledge and belief as disclosed in Note 70 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 or subsidiary (the "Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. The respective managements of the Holding Company and subsidiary incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary that, to the best of its knowledge and belief, as disclosed in the Note 70 to the accompanying Consolidated Financial Statements, 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 or the subsidiary 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 and those performed by auditor of the subsidiary incorporated in India whose financial statements have been audited under the Act, 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 29 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. We further report that no dividend has been declared and/or paid during the year by the subsidiary.
- vi. Based on our examination, which included test checks, and that performed by respective auditors of the Holding Company and its subsidiary and the associate, which are companies incorporated in India, have 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, except in case of an associate where their auditors have reported that the audit trail feature is not enabled for direct changes to data when using certain access rights. Based on our procedures performed and that performed by auditors of the subsidiary and the associate, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company, its subsidiary and the associate 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: 26155411ATLONK4431
Mumbai
April 24, 2026

For **G. D. Apte & Co**
Chartered Accountants
Firm Registration No: 100515W

Anagha M. Nanivadekar
Partner
Membership No.: 121007
UDIN: 26121007ZWAIMD4207
Mumbai
April 24, 2026



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, 2026

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 20(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, 2026, 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 respective management of the Holding Company and its subsidiary which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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.

Opinion

8. In our opinion to the best of our information and according to the explanations given to us and based on the reports of the other auditor, the Holding Company

For **M M NISSIM & CO LLP**
Chartered Accountants
Firm Registration No: 107122W/W100672

Manish Singhania
Partner
Membership No. 155411
UDIN: 26155411ATLONK4431
Mumbai
April 24, 2026

and its subsidiary, which are companies incorporated in India, have 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, 2026, based on the internal financial controls established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Other Matter

9. Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to a subsidiary incorporated in India, is based solely on the corresponding audit report of the auditor of the said subsidiary incorporated in India.

Our opinion is not modified in respect of the above matter.

For **G. D. Apte & Co**
Chartered Accountants
Firm Registration No: 100515W

Anagha M. Nanivadekar
Partner
Membership No.: 121007
UDIN: 26121007ZWAIMD4207
Mumbai
April 24, 2026



(Rs. in crores)			
Particulars	Note no.	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	9	5,745.82	10,681.40
(b) Bank balance other than (a) above	10	2,197.31	10,684.34
(c) Derivative financial instruments	11	4,684.06	525.50
(d) Receivables			
(I) Trade receivables	12(I)	51.78	50.82
(II) Other receivables	12(II)	-	-
(e) Loans	13	282,452.44	245,392.79
(f) Investments	14	14,993.05	15,787.96
(g) Other financial assets	15	3,335.40	3,510.83
Total financial assets		313,459.86	286,633.64
(2) Non-financial assets			
(a) Current tax assets (net)		607.36	432.07
(b) Deferred tax assets (net)	43	4,263.92	3,694.86
(c) Investment property	16	-	-
(d) Property, plant and equipment	17	1,108.99	1,025.68
(e) Goodwill	18I	1,189.45	1,189.45
(f) Other intangible assets	18II	336.96	698.95
(g) Other non-financial assets	19	407.01	321.95
Total non-financial assets		7,913.69	7,362.96
(3) Non-current assets held for sale/ disposal	20	0.97	0.97
Total assets (1+2+3)		321,374.52	293,997.57
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Derivative financial instruments	11	59.77	275.41
(b) Payables			
(I) Trade payables	21(I)		
(i) total outstanding dues of micro enterprises and small enterprises		5.65	1.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		326.77	297.83
(II) Other payables	21(II)		
(i) total outstanding dues of micro enterprises and small enterprises		-	0.23
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2.49	1.37
(c) Debt securities	22	52,873.19	54,148.86
(d) Borrowings (other than debt securities)	23	125,919.86	121,448.42
(e) Deposits	24	69,480.34	56,085.99
(f) Subordinated liabilities	25	2,418.57	2,513.98
(g) Other financial liabilities	26	3,369.15	2,136.61
Total financial liabilities		254,455.79	236,909.72
(2) Non-financial liabilities			
(a) Current tax liabilities (net)		405.40	38.98
(b) Provisions	27	397.99	344.38
(c) Other non-financial liabilities	28	196.75	234.67
Total non-financial liabilities		1,000.14	618.03
(3) Total liabilities (1+2)		255,455.93	237,527.75
(4) Equity			
(a) Equity share capital	29	376.31	376.08
(b) Other equity	30	65,542.28	56,093.74
Total equity		65,918.59	56,469.82
Total liabilities and equity (3+4)		321,374.52	293,997.57

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

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

For and on behalf of the Board of Directors of

Shriram Finance Limited

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 24, 2026

S. Sunder

Joint Managing Director and CFO

DIN: 08189901

Mumbai

April 24, 2026

Parag Sharma

Managing Director and CEO

DIN: 02916744

Mumbai

April 24, 2026

U Balasundararao

Company Secretary and CCO

Mumbai

April 24, 2026

(Rs. in crores)			
Particulars	Note no.	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations			
(i) Interest income	31	46,657.82	40,307.64
(ii) Dividend income		1.84	1.69
(iii) Fees and commission income	32	493.87	681.93
(iv) Net gain on fair value changes	33	354.95	200.94
(v) Net gain on derecognition of financial instruments under amortised cost category		-	132.64
(vi) Other operating income	34	624.47	509.58
(I) Total revenue from operations		48,132.95	41,834.42
(II) Other income	35	59.70	25.05
(III) Total income (I+II)		48,192.65	41,859.47
Expenses			
(i) Finance costs	36	21,521.02	18,454.58
(ii) Fees and commission expenses	37	596.54	572.46
(iii) Impairment on financial instruments	38	5,338.95	5,311.66
(iv) Employee benefits expenses	39	4,130.72	3,651.16
(v) Depreciation, amortisation and impairment (Refer note 16, 17 and 18)	40	698.90	645.32
(vi) Other expenses	41	2,606.33	2,275.04
(IV) Total expenses		34,892.46	30,910.22
(V) Profit before exceptional items and tax (III - IV)		13,300.19	10,949.25
(VI) Exceptional items (net)	42	-	1,553.66
(VII) Profit before tax from continuing operations (V + VI)		13,300.19	12,502.91
(VIII) Tax expense:			
(i) Current tax	43	4,160.81	3,590.88
(ii) Deferred tax	43	(864.82)	(511.28)
(IX) Profit for the year from continuing operations (VII - VIII)		10,004.20	9,423.31
(X) Share of profit/(loss) of associate		20.50	12.31
(XI) Net profit after taxes from continuing operations and share of profit/(loss) of associate (IX+X)		10,024.70	9,435.62
Discontinued operations:	48		
Profit/(loss) from sale of step-down subsidiary		(0.51)	-
Profit/(loss) before tax from discontinued operations		(0.04)	182.82
Less: Tax expenses of discontinued operations		-	42.12
(XII) Net profit after tax for the year from discontinued operations		(0.55)	140.70
(XIII) Net profit after tax for the year from total operations (XI + XII)		10,024.15	9,576.32
(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		43.44	(12.40)
Gain/(loss) on fair valuation of quoted investments in equity shares		12.77	30.97
Share of other comprehensive income from associates		(0.85)	(1.54)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(11.45)	(4.67)
Tax on share of other comprehensive income from associates		0.21	0.39
Subtotal (A)		44.12	12.75
(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		1,128.02	(276.66)
(ii) Income tax relating to items that will be reclassified to profit or loss		(283.90)	69.63
Subtotal (B)		844.12	(207.03)
Other comprehensive income for the year from continuing operations (A + B)		888.24	(194.28)



Particulars	Note no.	(Rs. in crores)	
		Year ended March 31, 2026	Year ended March 31, 2025
From discontinued operations			
(C) (i) Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		-	(0.53)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	0.13
Subtotal (C)		-	(0.40)
(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)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	2.25
Subtotal (D)		-	(6.69)
Other comprehensive income for the year from discontinued operations (C+ D)		-	(7.09)
(XV) Other comprehensive income for the year (A+B+C+D)		888.24	(201.37)
(XVI) Total comprehensive income for the year (XIV+XV)		10,912.39	9,374.95
(XVII) Profit/(loss) for the year attributable to			
- Owners of the Company		10,024.16	9,553.82
- Non - controlling interests		(0.01)	22.50
(XVIII) Other comprehensive income/(loss) for the year attributable to			
- Owners of the Company		888.24	(200.30)
- Non - controlling interests		-	(1.07)
(XIX) Total comprehensive income/(loss) for the year attributable to			
- Owners of the Company		10,912.40	9,353.52
- Non - controlling interests		(0.01)	21.43
(XX) Earnings per equity share (face value Rs. 2/- per equity share) Refer note 29(I)	45		
Continuing operations:			
Basic (Rs.)		53.29	50.19
Diluted (Rs.)		53.25	50.12
Discontinued operations:			
Basic (Rs.)		(0.00)	0.63
Diluted (Rs.)		(0.00)	0.63
Total operations:			
Basic (Rs.)		53.29	50.82
Diluted (Rs.)		53.25	50.75

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

For G. D. Apte & Co.

Chartered Accountants

ICAI Firm Registration No.: 100515W

Manish Singhania

Partner

Membership No.: 155411

Mumbai

April 24, 2026

Anagha M. Nanivadekar

Partner

Membership No.: 121007

Mumbai

April 24, 2026

For and on behalf of the Board of Directors of

Shriram Finance Limited

Jugal Kishore Mohapatra

Chairman

DIN: 03190289

Mumbai

April 24, 2026

S. Sunder

Joint Managing Director and CFO

DIN: 08189901

Mumbai

April 24, 2026

Parag Sharma

Managing Director and CEO

DIN: 02916744

Mumbai

April 24, 2026

U Balasundararao

Company Secretary and CCO

Mumbai

April 24, 2026

(A) Equity Share Capital

1) Current reporting period

Balance at the beginning of the current reporting period As at April 01, 2025	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 reporting period	Balance at the end of the current reporting period As at March 31, 2026
376.08	-	376.08	0.23	376.31

2) Previous reporting period

Balance at the beginning of the previous reporting period As at April 01, 2024	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 reporting year	Balance at the end of the previous reporting period As at March 31, 2025
375.79	-	375.79	0.29	376.08

(B) Other Equity

1) Current reporting period

Particulars	Share application money pending allotment	Capital reserve	Securities premium	Reserves and Surplus							Retained earnings	Other comprehensive income		Total	Non-controlling interest	
				Statutory reserve (Pursuant to Section 45-1C of The RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debt redemption reserve (Refer note 30)	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit plan	Share options outstanding		Foreign currency translation reserve	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, 2025)	-	104.57	17,543.01	9,294.15	-	119.02	53.88	5,227.53	(86.75)	42.92	-	24,242.14	26.69	(473.42)	56,093.74	-
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of business combination (Refer note 44)	-	-	-	-	-	-	-	-	-	-	-	(1.28)	-	-	(1.28)	0.90
Restated balance at the beginning of the current reporting period	-	104.57	17,543.01	9,294.15	-	119.02	53.88	5,227.53	(86.75)	42.92	-	24,240.86	26.69	(473.42)	56,092.46	0.90
Profit for the year from continued operations	-	-	-	-	-	-	-	-	-	-	-	10,024.15	-	-	10,024.15	(0.01)
Other comprehensive income for the year from continued operations	-	-	-	-	-	-	-	-	31.86	-	-	-	12.25	844.12	888.23	-
Total comprehensive income for the year from continued operations	-	-	-	-	-	-	-	-	31.86	-	-	10,024.15	12.25	844.12	10,912.38	(0.01)
Dividends (Interim) during the financial year 2025-26	-	-	-	-	-	-	-	-	-	-	-	(902.93)	-	-	(902.93)	-
Dividends (Final) for the year ended March 31, 2025	-	-	-	-	-	-	-	-	-	-	-	(564.23)	-	-	(564.23)	-
Transferred to/(from) (Refer note 30)	-	-	-	2,000.70	-	17.85	-	999.82	-	-	-	(3,018.37)	-	-	-	-
Any other change:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of capital reduction by step-down subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.13)
Securities premium proceeds received on issue of equity shares (Refer note 29 and 30)	-	-	26.43	-	-	-	-	-	-	-	-	-	-	-	26.43	-
Expenses on employee stock option plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exercise of employee stock option plan	-	-	-	-	-	-	-	-	-	(22.09)	-	-	-	-	(22.09)	-



CHANGES IN EQUITY

CHANGES IN EQUITY

Particulars	Share application money pending allotment	Reserves and Surplus							Other comprehensive income		Total	Non-controlling interest (Rs. in crore)			
		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)	Debt redemption reserve (Refer note 30)	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit plan	Share options outstanding			Foreign currency translation reserve	Retained earnings	Gain/(loss) on fair valuation of quoted investments in equity shares
Movement of dilution on account of SHFL ESOP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium impact	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share application money received during the current period;	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pending allotment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to/(from) (Refer note 30) on account of share forfeiture	-	-	-	-	-	-	-	0.17	-	(0.17)	-	-	-	-	-
Transfer from retained earnings/transfer (to) NHB reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of CCD's by the parent and subsequent conversion into equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Addition during the year on account of business combination	-	0.27	-	-	-	-	-	-	-	-	0.89	-	-	-	1.16
Adjustment for discontinued operations	-	(0.01)	-	-	-	-	-	-	-	-	(0.89)	-	-	-	(0.90)
Balance at the end of the current reporting period (As at March 31, 2026)	-	104.83	17,569.44	11,294.85	-	136.87	53.88	6,227.52	(54.89)	20.66	-	29,779.48	38.94	370.70	65,542.28

The figures of erstwhile step-down subsidiary Bharath Investments Pte. Ltd. (BIPL) and associate of step-down subsidiary Armour Insurance Services WLL, included in above statement are pertaining to the period from May 09, 2025 upto March 11, 2026, i.e., the date of stake sale.

2) Previous 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 Section 45-1C of the RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debiture redemption reserve (Refer note 30)	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit plan	Share options outstanding	Foreign currency translation reserve			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 previous 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)	48,571.33	729.52
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous 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)	48,571.33	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)	-

Particulars	Share application money pending allotment	Reserves and Surplus								Other Comprehensive			Total	Non-controlling interest (Rs. in crores)		
		Capital reserve	Securities premium	Statutory reserve (Pursuant to Section 45-1C of the RBI Act, 1934)	Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)	Debt redemption reserve (Refer note 30)	Capital redemption reserve	General reserve	Remeasurement gain/(loss) on defined benefit plan	Share options outstanding	Foreign currency translation reserve	Retained earnings			Income	Gain/(loss) on fair valuation of quoted investments in equity shares
Transferred to/(from) (Refer note 30)	-	-	-	1,952.20	-	(15.23)	-	976.10	-	-	-	(2,913.07)	-	-	-	-
Any other change:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of capital reduction by step-down subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securities premium proceeds received on issue of equity shares	-	-	400.94	-	-	-	-	-	-	-	-	-	-	-	400.94	-
(Refer note 29 and 30)	-	-	-	-	-	-	-	-	-	3.88	-	-	-	-	3.88	-
Expenses on employee stock option plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exercise of employee stock option plan	-	-	-	-	-	-	-	-	-	(28.13)	-	-	-	-	(28.13)	0.48
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 30) on account of share forfeiture	-	-	-	-	-	-	-	0.33	-	(0.33)	-	-	-	-	-	-
Transfer from retained earnings/	-	-	-	-	25.68	-	-	-	-	-	-	(25.68)	-	-	-	-
Transfer (to) NHB reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(398.15)
Purchase of CGD's by the parent and subsequent conversion into equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment for discontinued operations	(0.06)	-	(415.13)	-	(140.68)	-	-	-	0.05	(4.95)	-	326.73	-	5.64	(228.40)	(355.43)
Balance at the end of the previous 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	-	24,242.14	26.69	(473.42)	56,093.74	-

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. See accompanying notes forming an integral part of the consolidated financial statements.

As per our report of even date
For M MINISSIM & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 107122W/W100672

Manish Singhania
Partner
Membership No.: 155411
Mumbai
April 24, 2026

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

Anagha M. Naniwadekar
Partner
Membership No.: 121007
Mumbai
April 24, 2026

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

Jugal Kishore Mohapatra
Chairman
DIN: 03190289
Mumbai
April 24, 2026

Parag Sharma
Managing Director and CEO
DIN: 02916744
Mumbai
April 24, 2026

S. Sunder
Joint Managing Director and CFO
DIN: 08189901
Mumbai
April 24, 2026

U Balasundarao
Company Secretary and CCO
Mumbai
April 24, 2026



Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	13,300.19	12,502.91
Profit before tax from discontinued operations	(0.55)	182.82
Adjustments for:		
Depreciation, amortisation and impairment	698.90	645.32
Interest on income tax refund	(1.61)	(0.88)
Exceptional items (net) (Refer note 42)	-	(1,553.66)
Share-based payments to employees	28.13	0.26
Interest income on loans	(44,485.44)	(38,669.51)
Interest income from investments	(1,024.13)	(826.00)
Interest income on deposits	(926.14)	(679.68)
Interest others	(0.01)	(0.16)
Finance costs on borrowings	21,425.61	18,333.88
Interest on lease liabilities	67.36	59.60
Loss/(profit) on sale of property plant and equipments (net)	5.13	7.91
Fair value adjustments to investments	-	(0.20)
Dividend income	(1.84)	(1.69)
Impairment on loans	5,310.06	5,279.00
Impairment on investments	30.57	26.13
Impairment on undrawn loan commitment	4.41	4.83
Impairment on other assets	(6.09)	1.70
Non-cash components of lease liabilities	(13.77)	(12.28)
Net (gain)/loss on fair value changes on investment	(340.09)	(277.00)
Net (gain)/loss on fair value changes on direct assignment	(14.86)	76.06
Net gain on derecognition of financial instruments under amortised cost category	-	(132.64)
Cash inflow from interest on loans	44,097.70	38,739.78
Cash inflow from interest and dividend on investments	858.44	683.66
Cash inflow from bank deposits	1,003.17	568.94
Cash outflow towards finance costs	(18,453.83)	(15,560.26)
Cash flow from discontinued operations of operating nature	-	150.77
Operating profit before working capital changes	21,561.31	19,549.61
Movements in working capital:		
Decrease/(increase) in loans	(41,952.09)	(42,812.65)
Decrease/(increase) in investments	1,321.38	(6,570.98)
Decrease/(increase) in receivables	15.38	59.46
Decrease/(increase) in bank deposits	8,423.87	(9,041.95)
Decrease/(increase) in other financial assets	165.84	156.19
Decrease/(increase) in other non-financial assets	(83.27)	32.18
Increase/(decrease) in payables	33.56	87.10
Increase/(decrease) in other financial liabilities excluding lease liabilities	1,174.11	184.98
Increase/(decrease) in non-financial liabilities	(37.92)	(24.68)
Increase/(decrease) in other provision	64.51	30.68
Movement in working capital in discontinued operations	-	(1,659.97)
Cash used in operations	(9,313.32)	(40,010.03)
Direct taxes paid (net of refunds)	(3,968.11)	(3,591.16)
Direct taxes paid (net of refunds) of discontinued operations	-	(50.71)
Net cash flows from/(used in) operating activities (A)	(13,281.43)	(43,651.90)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(191.22)	(223.59)
Proceeds from sale of property, plant and equipment	2.59	3.70
Purchase of other intangible assets	(5.02)	(31.00)
Proceeds from sale of investment in a subsidiary	-	3,929.03
Proceeds from sale of investment in a step-down subsidiary	1.58	-
Investment in subsidiary	(50.13)	-
Cash flow from discontinued operations of investing nature	(0.63)	(16.93)
Net cash generated from/(used in) investing activities (B)	(242.83)	3,661.21
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital and share application pending allotment (including share premium)	4.57	5.50
Proceeds/(repayment) on settlement of derivative contracts	(4,374.20)	80.39
Increase/(decrease) in deposits (net)	12,422.05	10,897.29
Amounts received from debt securities	4,997.50	23,385.10
Repayments of debt securities	(6,621.86)	(15,095.16)

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Proceeds/(repayment) of subordinated debts	(94.45)	(1,832.53)
Amounts received from borrowings other than debt securities	53,491.28	87,624.97
Repayments of borrowings other than debt securities	(49,543.56)	(59,731.06)
Payment of lease liabilities	(229.46)	(210.50)
Dividend paid	(1,465.10)	(1,859.30)
Cash flow from discontinued operations of financing nature	0.02	1,256.39
Net cash flows from financing activities (C)	8,586.79	44,521.09
Net increase in cash and cash equivalents (A+B+C)	(4,937.47)	4,530.40
Cash and cash equivalents at the beginning of the year	10,681.40	6,182.36
Cash and bank balances taken over on account of acquisition of subsidiary	1.89	-
Less: Cash and cash equivalents of discontinued operations	-	(31.36)
Cash and cash equivalents at the end of the year	5,745.82	10,681.40

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
i) Cash on hand	148.10	191.75
ii) Cheques on hand	11.09	29.53
iii) Balances with banks (of the nature of cash and cash equivalents)	1,296.61	3,500.51
iv) Bank deposits with original maturity upto three months or less	4,290.24	6,960.15
Gross	5,746.04	10,681.94
Less: Impairment loss allowance	0.22	0.54
Cash and cash equivalents as per balance sheet	5,745.82	10,681.40

See accompanying notes forming an integral part of the consolidated financial statements.

Notes:

- a) 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. The figures of erstwhile step-down subsidiary BIPL, included in above statement under respective discontinued operations, are pertaining to period from May 09, 2025 upto March 11, 2026, i.e., the date of stake sale.
- b) Income tax paid is treated as arising from operating activities and are not bifurcated between investing and financing activities.
- c) During the year, the Company has paid an amount of Rs. 183.01 crores (March 31, 2025: Rs. 131.46 crores) towards corporate social responsibility (CSR).
- d) Shriram Overseas has not paid any amount towards the CSR expenditure as the provisions of section 135 of the Companies Act, 2013 are not applicable to the Shriram Overseas.
- e) During the period ended December 11, 2024 SHFL has paid an amount of Rs. 2.67 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 24, 2026

For G. D. Apte & Co.
Chartered Accountants
ICAI Firm Registration No.: 100515W

Anagha M. Nanivadekar
Partner
Membership No.: 121007
Mumbai
April 24, 2026

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

Jugal Kishore Mohapatra Chairman DIN: 03190289 Mumbai April 24, 2026	Parag Sharma Managing Director and CEO DIN: 02916744 Mumbai April 24, 2026
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S. Sunder Joint Managing Director and CFO DIN: 08189901 Mumbai April 24, 2026	U Balasundararao Company Secretary and CCO Mumbai April 24, 2026
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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 subsidiary Shriram Overseas Investments Limited is primarily engaged in business of investing activities. The erstwhile step-down subsidiary Bharath Investments Pte. Ltd. (BIPL) and associate of step-down subsidiary Armour Insurance Services WLL were engaged in business of investment holding activities and insurance and broking respectively. 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, 2026 were approved for issue in accordance with the resolution of the Board of Directors on April 24, 2026.

2. BASIS OF PREPARATION

The Consolidated financial statements relate to M/s. Shriram Finance Limited (the "Company"), its subsidiary (together hereinafter referred to as "the Group") and its associate. 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 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 crore.

3. BASIS OF CONSOLIDATION

- The financial statements of subsidiary (refer note 3(iii)(a) and 3(iv)) and associate company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2026 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 for the year ended March 31, 2025, had 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).
- 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.
- The consolidated financial statements have been prepared on the following basis:
 - 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 April 26, 2024 had approved acquisition of 100% equity stake in Shriram Overseas Investments Private Limited [(now renamed as Shriram Overseas Investments Limited ('Shriram Overseas'), w.e.f. June 04, 2025)], 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 has acquired 100% equity stake for a purchase consideration of Rs. 50.12 crores in Shriram Overseas. Consequent to acquisition, Shriram Overseas became a wholly-owned subsidiary of the Company w.e.f. May 09, 2025. 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.
 - 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'.
 - The policies of the associate company and erstwhile subsidiary are consistent with those of the Company.
- 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, 2026	Share of ownership interest as at March 31, 2025
Shriram Housing Finance Limited (SHFL) now renamed as Truhome Finance Limited	Subsidiary upto December 11, 2024	India	Nil	Nil
Shriram Overseas Investments Limited (formerly known as Shriram Overseas Investments Private Limited)	Subsidiary w.e.f. May 09, 2025	India	100%	Nil
Bharath Investment Pte. Ltd ('BIPL')	Step-down subsidiary (w.e.f. May 09, 2025 upto March 11, 2026)	Singapore	Nil	Nil
Armour Insurance Services WLL	Associate of step-down subsidiary (w.e.f. May 09, 2025 upto March 11, 2026)	Bahrain	Nil	Nil
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 the 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:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

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

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 01, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

- Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 01, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group being a NBFC, has no impact of these amendments in its classification criteria of current and non-current liabilities.
- Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 01, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
- Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 01, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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).

Subsequent measurement:

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 if the following conditions are met:

- i) they have contractual terms that give rise to cash flows on specified dates, that represent SPPI on the principal amount outstanding; and
- ii) they 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 if the following conditions are met:

- i. They have contractual terms that give rise to cash flows on specified dates, that represent SPPI on the principal amount outstanding; and
- ii. They 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, 2026, 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 Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025 dated November 28, 2025 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:

- 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 Group on terms that the Group 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 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**

ECL on fixed deposits with banks is determined using rates from established sources.

(6) **Simplified approach for trade/other receivables/other financial assets 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/other financial assets 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 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 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 otherwise 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:

- In the principal market for the asset or liability, or
- 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 33), 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 as “Net loss on fair value changes” 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 (Refer note 47 for the impact of New Labour Codes)

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 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**

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

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Group
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 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 increase 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 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 as 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, 2026	As at March 31, 2025
9	CASH AND CASH EQUIVALENTS		
	Cash on hand	148.10	191.75
	Balances with banks (of the nature of cash and cash equivalents)	1,296.61	3,500.51
	Cheques on hand	11.09	29.53
	<u>Others</u>		
	Bank deposits with original maturity upto three months or less	4,290.24	6,960.15
	Total Gross	5,746.04	10,681.94
	Less: Impairment loss allowance	0.22	0.54
	Total Net	5,745.82	10,681.40

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, 2026 and March 31, 2025.

Reconciliation of impairment loss allowance is given below:

		(Rs. in crores)	
Particulars		As at March 31, 2026	As at March 31, 2025
	Opening balance	0.54	-
	Add: Addition during the year	-	0.54
	Less: Reduction during the year	0.32	-
	Closing balance	0.22	0.54

		(Rs. in crores)	
Particulars		As at March 31, 2026	As at March 31, 2025
10	BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS		
	Earmarked balances with banks for		
	- Unclaimed dividend accounts	14.55	12.49
	Bank deposits with original maturity for more than three months	346.07	9,031.23
	Balances with banks to the extent held as credit enhancement or security against the borrowings, guarantees, other commitments*	1,836.72	1,641.10
	Total Gross	2,197.34	10,684.82
	Less: Impairment loss allowance	0.03	0.48
	Total Net	2,197.31	10,684.34

* Includes deposits Rs. 1,318.29 crores (March 31, 2025: Rs. 1,123.23 crores) pledged with banks as margin for credit enhancement, Rs. 0.28 crores (March 31, 2025: Rs. 17.66 crores) as margin for others, Rs. 518.15 crores (March 31, 2025: Rs. 500.21 crores) pledged as lien against borrowings.

Bank deposits and other balances with banks earn 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, 2026	As at March 31, 2025
Opening balance	0.48	-
Add: Addition during the year	0.00	0.48
Less: Reduction during the year	0.45	-
Closing balance	0.03	0.48

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

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	As at March 31, 2026				As at March 31, 2025			
	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	46,782.96	3,187.65	1,490.60	41.48	20,764.01	87.54	27,295.83	188.92
Currency swaps	4,998.11	690.78	-	-	6,514.26	349.74	649.28	12.49
Cross currency interest rate swaps	2,096.05	325.43	500.00	9.95	1,517.06	16.02	787.38	8.39
Sub-total (i)	53,877.12	4,203.86	1,990.60	51.43	28,795.33	453.30	28,732.49	209.80
(ii) Interest rate derivatives:								
Interest rate swaps	39,337.79	479.08	5,951.41	8.34	25,016.00	71.66	24,261.93	64.05
Interest rate caps	-	1.12	-	-	700.00	0.54	-	1.56
Sub-total (ii)	39,337.79	480.20	5,951.41	8.34	25,716.00	72.20	24,261.93	65.61
Total derivative financial instruments (i)+(ii)	93,214.91	4,684.06	7,942.01	59.77	54,511.33	525.50	52,994.42	275.41
Part II								
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
Cash flow hedging:								
Currency derivatives	53,877.12	4,203.86	1,990.60	51.43	28,795.33	453.30	28,732.49	209.80
Interest rate derivatives	39,337.79	480.20	5,951.41	8.34	25,716.00	72.20	24,261.93	65.61
Total derivative financial instruments	93,214.91	4,684.06	7,942.01	59.77	54,511.33	525.50	52,994.42	275.41

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 57.

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:

- 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 57.
- 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:

Hedged instrument	As at March 31, 2026				As at March 31, 2025 *			
	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	93,214.91	4,684.06	Derivative financial instruments - assets	1,128.02	54,511.33	525.50	Derivative financial instruments - assets	(285.60)
	7,942.01	59.77	Derivative financial instruments - liabilities		52,994.42	275.41	Derivative financial instruments - liabilities	

The impact of hedged items on the balance sheet is as follows:

Hedged items	As at March 31, 2026		As at March 31, 2025 *	
	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	1,128.02	370.70	(285.60)	(473.42)

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, 2026	Year ended March 31, 2025 *
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 institutions and non-convertible debentures
Total hedging gain/(loss) recognised in OCI	1,128.02	(285.60)
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, 2026	As at March 31, 2025
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured *	51.91	50.82
Trade receivables which have significant increase in credit risk	0.08	-
Trade receivables - credit impaired	0.06	-
Gross carrying amount	52.05	50.82
Less: Allowances for impairment loss on trade receivables considered good - unsecured	0.13	0.00
Less: Allowances for impairment loss on trade receivables which have significant increase in credit risk	0.08	-
Less: Allowances for impairment loss on credit impaired trade receivables	0.06	-
Net carrying amount	51.78	50.82

*Includes Rs. 43.87 crores (March 31, 2025: Rs. 44.00 crores) receivable from related parties.

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, 2026								
Undisputed trade receivables								
Considered good	4.15	0.25	47.51	-	-	-	-	51.91
Which have significant increase in credit risk	-	-	0.08	-	-	-	-	0.08
Credit impaired	-	-	0.05	0.01	-	-	-	0.06
Disputed trade receivables								-
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	4.15	0.25	47.64	0.01	-	-	-	52.05
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

Reconciliation of impairment loss allowance is given below:

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Impairment allowance measured as per simplified approach		
Opening balance	0.00	-
Add: Addition during the year	0.27	0.00
Less: Reduction during the year	-	-
Closing balance	0.27	0.00

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

12 RECEIVABLES (Contd.)

(II) Other receivables

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Other receivables considered good-secured	-	-
Other receivables considered good-unsecured *	-	-
Other receivables which have significant increase in credit risk	-	-
Other receivables - credit impaired	4.87	6.63
Gross carrying amount	4.87	6.63
Less: Allowances for impairment loss on credit impaired other receivables	4.87	6.63
Net carrying amount	-	-

* Includes Rs. Nil (March 31, 2025: 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, 2026								
Undisputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	1.45	0.82	1.18	0.47	0.95	4.87
Disputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	-	1.45	0.82	1.18	0.47	0.95	4.87
As at March 31, 2025								
Undisputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	2.27	1.20	1.79	0.42	0.95	6.63
Disputed other receivables								
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Gross carrying amount	-	-	2.27	1.20	1.79	0.42	0.95	6.63

12 RECEIVABLES (Contd.)

Reconciliation of impairment loss allowance is given below:

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Impairment allowance measured as per simplified approach		
Opening balance	6.63	2.72
Add: Addition during the year	1.02	3.91
Less: Reduction during the year	2.78	-
Closing balance	4.87	6.63

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
13 LOANS		
Loans (at amortised cost)		
(A)		
i) Term loans	274,879.51	235,164.64
ii) Others @	25,336.84	24,751.27
Total Gross - (A)	300,216.35	259,915.91
Less: Impairment loss allowance	17,763.91	14,523.12
Total Net - (A)	282,452.44	245,392.79
(B)		
i) Secured by tangible assets	274,805.46	235,105.74
ii) Secured by deposits	74.05	58.90
iii) Unsecured	25,336.84	24,751.27
Total Gross - (B)	300,216.35	259,915.91
Less: Impairment loss allowance	17,763.91	14,523.12
Total Net - (B)	282,452.44	245,392.79
(C)		
Loans outside India	-	-
Loans in India		
i) Public sector	-	-
ii) Others		
- Retail	297,582.82	256,429.01
- Corporates	2,633.53	3,486.90
Total Gross - (C)	300,216.35	259,915.91
Less: Impairment loss allowance	17,763.91	14,523.12
Total Net - (C)	282,452.44	245,392.79

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.

13 LOANS (Contd.)

(i) 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 57.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 57.02.02.07.

Particulars	As at March 31, 2026				As at March 31, 2025			
	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	229,941.10	-	-	229,941.10	185,994.28	-	-	185,994.28
Standard grade	35,785.65	-	-	35,785.65	44,167.26	-	-	44,167.26
Sub-standard grade	-	14,646.16	-	14,646.16	-	13,085.83	-	13,085.83
Past due but not impaired	-	6,100.17	-	6,100.17	-	4,829.75	-	4,829.75
Non- performing	-	-	13,743.27	13,743.27	-	-	11,838.79	11,838.79
Total	265,726.75	20,746.33	13,743.27	300,216.35	230,161.54	17,915.58	11,838.79	259,915.91

(ii) An analysis of changes in the gross carrying amount as follows:

Particulars	Year ended March 31, 2026				Year ended March 31, 2025 *			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening 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
Portfolio additions on account of business combination	30.00	-	-	30.00	-	-	-	-
Restated balance	230,191.54	17,915.58	11,838.79	259,945.91	205,159.78	15,157.37	12,192.54	232,509.69
New assets originated or purchased	175,320.72	8,575.00	1,332.26	185,227.98	159,926.01	6,581.65	1,330.72	167,838.38
Assets derecognised or repaid (excluding write-offs and includes interest accruals adjusted)	(130,017.17)	(8,588.33)	(4,217.17)	(142,822.67)	(109,343.31)	(9,707.22)	(4,389.09)	(123,439.62)
Transfers to stage 1	9,878.40	(8,339.39)	(1,539.01)	-	10,637.45	(8,760.93)	(1,876.52)	-
Transfers to stage 2	(13,493.14)	13,903.27	(410.13)	-	(17,303.58)	17,761.34	(457.76)	-
Transfers to stage 3	(5,467.25)	(2,588.78)	8,056.03	-	(6,925.79)	(2,684.07)	9,609.86	-
Amounts written off	(686.35)	(131.02)	(1,317.50)	(2,134.87)	(347.69)	(79.62)	(4,364.63)	(4,791.94)
Adjustment for discontinued operations	-	-	-	-	(11,641.33)	(352.94)	(206.33)	(12,200.60)
Gross carrying amount - Closing balance	265,726.75	20,746.33	13,743.27	300,216.35	230,161.54	17,915.58	11,838.79	259,915.91

13 LOANS (Contd.)

(iii) Reconciliation of ECL balance is given below:

Particulars	Year ended March 31, 2026				Year ended March 31, 2025 *			
	General approach				General approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening 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
ECL provision acquired	0.12	-	-	0.12	-	-	-	-
Restated balance	7,970.26	1,428.65	5,124.33	14,523.24	6,414.05	1,117.89	6,282.14	13,814.08
New assets originated or purchased	5,710.86	582.36	252.14	6,545.36	5,692.93	608.58	515.18	6,816.69
Assets derecognised or repaid (excluding write offs)	(0.12)	-	-	(0.12)	-	-	-	-
Transfers to stage 1	1,319.34	(726.47)	(592.87)	-	1,447.76	(731.06)	(716.70)	-
Transfers to stage 2	(513.61)	678.30	(164.69)	-	(757.68)	934.03	(176.35)	-
Transfers to stage 3	(202.70)	(229.05)	431.75	-	(388.66)	(246.68)	635.34	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(3,970.52)	104.03	3,567.06	(299.43)	(3,939.47)	(133.02)	3,272.27	(800.22)
Provision no longer required**	(1,132.34)	(172.90)	(1,699.90)	(3,005.14)	(461.89)	(106.77)	(4,606.16)	(5,174.82)
Amounts written off	-	-	-	-	-	(8.21)	(0.45)	(8.66)
Adjustment for discontinued operations	-	-	-	-	(36.90)	(6.11)	(80.94)	(123.95)
Closing balance	9,181.17	1,664.92	6,917.82	17,763.91	7,970.14	1,428.65	5,124.33	14,523.12

*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.

**Includes reversal of ECL of Rs. 65.48 crores (March 31, 2025: Rs. 317.72 crores) recognised on SCUF loans acquired on merger and settled during the year.

The contractual amount outstanding on loans that have been written off during the financial year, but were still subject to enforcement activity was Rs. 1,143.23 crores (March 31, 2025: Rs. 3,683.88 crores).

14 INVESTMENTS

(Rs. in crores)

Particulars	As at March 31, 2026					As at March 31, 2025				
	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 *	-	-	40.57	-	40.57	-	-	10.01	-	10.01
ii) Investments in government securities	9,829.85	-	351.30	-	10,181.15	7,822.90	-	484.94	-	8,307.84
iii) Investments in equity instruments #	-	123.58	-	-	123.58	-	110.81	-	-	110.81
Unquoted										
i) Investments in equity instruments	-	-	20.29	-	20.29	-	-	27.67	-	27.67
ii) Investments in associate (Refer note 46)	-	-	-	222.48	222.48	-	-	-	202.62	202.62
iii) Investments in pass through certificates	4,156.45	-	-	-	4,156.45	3,191.98	-	-	-	3,191.98
iv) Investments in certificates of deposits	-	-	381.68	-	381.68	-	-	4,038.09	-	4,038.09
v) Others										
Venture capital fund	-	-	-	-	-	-	-	1.52	-	1.52
Total Gross - (A)	13,986.30	123.58	793.84	222.48	15,126.20	11,014.88	110.81	4,562.23	202.62	15,890.54
i) Investments outside India	-	123.58	-	-	123.58	-	110.81	-	-	110.81
ii) Investments in India	13,986.30	-	793.84	222.48	15,002.62	11,014.88	-	4,562.23	202.62	15,779.73
Total Gross - (B)	13,986.30	123.58	793.84	222.48	15,126.20	11,014.88	110.81	4,562.23	202.62	15,890.54
Less: Allowance for impairment loss (C)	133.15	-	-	-	133.15	102.58	-	-	-	102.58
Total Net - (D) = (A - C)	13,853.15	123.58	793.84	222.48	14,993.05	10,912.30	110.81	4,562.23	202.62	15,787.96

* Includes mutual fund from related parties.

The dividends of Rs. 1.84 crores (March 31, 2025: Rs. 1.69 crores) received from investments in shares are recorded as dividend income.

More information regarding the valuation methodologies can be found in note 56.09.

There are no investments designated at FVTPL.

14 INVESTMENTS (Contd.)

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 57.02.

(Rs. in crores)

Particulars	As at March 31, 2026				As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Performing								
High grade	13,986.30	-	-	13,986.30	11,014.88	-	-	11,014.88
Total	13,986.30	-	-	13,986.30	11,014.88	-	-	11,014.88

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, 2026				Year ended March 31, 2025*			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	11,014.88	-	-	11,014.88	8,946.53	-	-	8,946.53
New assets originated or purchased	4,356.08	-	-	4,356.08	13,695.61	-	-	13,695.61
Change in fair value	-	-	-	-	0.57	-	-	0.57
Assets derecognised or matured (excluding write-offs)	(1,384.66)	-	-	(1,384.66)	(10,980.17)	-	-	(10,980.17)
Adjustment for discontinued operations	-	-	-	-	(647.66)	-	-	(647.66)
Closing balance	13,986.30	-	-	13,986.30	11,014.88	-	-	11,014.88

Reconciliation of impairment loss allowance on investments carried at amortised cost is given below:

(Rs. in crores)

Particulars	Year ended March 31, 2026				Year ended March 31, 2025*			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	102.58	-	-	102.58	76.46	-	-	76.46
New assets originated or purchased	47.77	-	-	47.77	54.42	-	-	54.42
Changes to models and inputs used for ECL calculations	(17.20)	-	-	(17.20)	(28.20)	-	-	(28.20)
Assets derecognised or matured (excluding write-offs)	-	-	-	-	(0.09)	-	-	(0.09)
Adjustment for discontinued operations	-	-	-	-	(0.01)	-	-	(0.01)
Closing balance	133.15	-	-	133.15	102.58	-	-	102.58

* 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.



14 INVESTMENTS (Contd.)

Reconciliation of gross carrying value of investment in associate is given below:

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	202.62	191.46
Share of profit of associate	20.50	12.31
Share of other comprehensive income from associates (net of tax)	(0.64)	(1.15)
Closing balance	222.48	202.62

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025

15 OTHER FINANCIAL ASSETS

At amortised cost

Security deposits *	73.89	71.76
Receivable from trusts on account of securitisation **	3,110.01	3,240.93
Interest receivable from banks and trusts on matured deposits	6.78	-
Receivable from assignment servicing partners	99.77	217.52
Other financial assets	59.21	0.52
Total gross	3,349.66	3,530.73
Less: Impairment loss allowance #	14.26	19.90
Total Net	3,335.40	3,510.83

*Includes security deposits of Rs. 0.11 crores (March 31, 2025: Rs. 0.11 crores) receivable from related parties.

**Pledged as margin for credit enhancement.

#Includes impairment loss allowance on security deposits of Rs. 4.15 crores (March 31, 2025: Rs. 4.92 crores), on receivable from assignment servicing partners Rs. 10.11 crores (March 31, 2025: Rs. 14.98 crores) and on other financial assets Rs. Nil (March 31, 2025: Rs. 0.00 crores).

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

Reconciliation of impairment loss allowance is given below:

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025 *
Opening balance	19.90	28.01
Add: Addition during the year	0.94	0.82
Less: Reduction during the year	6.58	7.07
Less: Adjustment for discontinued operations	-	1.86
Closing balance	14.26	19.90

*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.

Particulars	(Rs. in crores)		
	Freehold land	Building	Total
16 INVESTMENT PROPERTY			
Gross block *#			
As at April 01, 2024	0.01	1.02	1.03
Additions	-	-	-
Reclassification to non-current assets held for sale [Refer note 20]	-	(1.02)	(1.02)
Disposals	-	-	-
Less: Adjustment for discontinued operations	0.01	-	0.01
As at March 31, 2025	-	-	-
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2026	-	-	-
Accumulated depreciation and impairment losses			
As at April 01, 2024	-	0.04	0.04
Charge for the year	-	0.01	0.01
Reclassification to non-current assets held for sale [Refer note 20]	-	(0.05)	(0.05)
Disposals	-	-	-
As at March 31, 2025	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
As at March 31, 2026	-	-	-
Net carrying amount as at March 31, 2025	-	-	-
Net carrying amount as at March 31, 2026	-	-	-

*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, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

(i) Amounts recognised in statement of profit and loss for investment property

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Rental income from investment property	-	-
Less: Direct operating expenses arising from investment property that generated rental income during the year	-	-
Less: Direct operating expenses arising from investment property that did not generate rental income during the year	-	0.00
Profit from investment property before depreciation	-	(0.00)
Less: Depreciation charge for the year	-	0.01
Profit from investment property after depreciation	-	(0.01)

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

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		Total
									Lease premises	Furniture & fixtures	
(Rs. in crores)											
Gross block **											
As at April 01, 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
Additions	-	-	6.01	62.66	22.48	17.72	7.70	73.77	268.02	-	458.36
Transferred to/(from)	-	-	(10.02)	9.85	0.19	(0.02)	-	-	-	-	-
Disposals	-	-	8.76	41.75	9.25	8.08	0.78	26.69	35.43	-	130.74
As at March 31, 2026	0.59	1.48	25.94	259.55	105.90	102.65	20.65	419.71	1,730.15	-	2,666.62
Accumulated depreciation and impairment losses #											
As at April 01, 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
Charge for the year	-	0.03	2.31	65.62	13.29	8.57	2.43	50.21	189.44	-	331.90
Transferred to/(from)	-	-	(6.08)	6.18	(0.10)	-	-	-	-	-	-
Disposals	-	-	7.46	39.01	8.64	6.37	0.15	25.96	-	-	87.59
As at March 31, 2026	-	0.12	10.01	131.60	53.74	39.29	3.62	264.53	1,054.72	-	1,557.63
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
Net carrying amount as at March 31, 2026	0.59	1.36	15.93	127.95	52.16	63.36	17.03	155.18	675.43	-	1,108.99

*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, 2026 is Rs. 0.14 crores (March 31, 2025: Rs. 0.15 crores).
The Group has not revalued any of its property, plant and equipment during the financial years ended March 31, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is Rs. Nil.

18	GOODWILL AND OTHER INTANGIBLE ASSETS		
(I)	Goodwill		
		(Rs. in crores)	
Particulars	Amount		
Gross block			
As at April 01, 2024	1,740.94		
Additions			
Disposals * (Refer note 42)	551.49		
As at March 31, 2025	1,189.45		
Additions	-		
Disposals	-		
As at March 31, 2026	1,189.45		
Accumulated amortisation and impairment losses			
As at April 01, 2024	-		
Charge for the year	-		
Disposals	-		
As at March 31, 2025	-		
Charge for the year	-		
Disposals	-		
As at March 31, 2026	-		
Net carrying amount as at March 31, 2025	1,189.45		
Net carrying amount as at March 31, 2026	1,189.45		
* Includes goodwill created on merger.			
(II)	Other intangible assets #		
	(Rs. in crores)		
	Computer software	Distribution network	Total
Particulars	(A)	(B)	(C) = (A)+(B)
Gross block *\$			
As at April 01, 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
Additions	5.02	-	5.02
Disposals	0.20	-	0.20
As at March 31, 2026	193.67	1,512.90	1,706.57

18 GOODWILL AND OTHER INTANGIBLE ASSETS (Contd.)

(Rs. in crores)

Particulars	Computer software (A)	Distribution network (B)	Total (C) = (A)+(B)
Accumulated amortisation and impairment losses [§]			
As at April 01, 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
Charge for the year	64.42	302.58	367.00
Disposals	0.19	-	0.19
As at March 31, 2026	159.29	1,210.32	1,369.61
Net carrying amount as at March 31, 2025	93.79	605.16	698.95
Net carrying amount as at March 31, 2026	34.38	302.58	336.96

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, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is Nil.

Particulars	As at March 31, 2026	As at March 31, 2025
19 OTHER NON-FINANCIAL ASSETS		
Goods and services tax credit (input) receivable	236.27	211.24
Prepaid expenses	50.44	32.49
Capital advances	13.00	11.10
Duties paid under protest	34.73	32.79
Deposit with gratuity fund in excess of obligation (Refer note 47)	18.89	-
Other non-financial assets *	53.68	34.33
Total	407.01	321.95

*Other non-financial assets include share issue expenses pending allotment, 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.

20 NON-CURRENT ASSETS HELD FOR SALE/ DISPOSAL (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment Property		
- Building (Refer note 16)	0.97	0.97
Total	0.97	0.97

The fair value of the asset held for sale/disposal as at March 31, 2026 is Rs. 19.00 crores (March 31, 2025: Rs. 19.00 crores).

21 PAYABLES**(I) Trade payables**

(Rs. in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 65) *	5.65	1.02
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises **	326.77	297.83
Total	332.42	298.85

* Includes payable to associates Rs. 1.55 crores (March 31, 2025: Rs. Nil).

** Includes payable to associates Rs. Nil (March 31, 2025: Rs. 3.79 crores) and payable to other related parties Rs. 138.53 crores (March 31, 2025: Rs. 122.10 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, 2026							
(i) MSME	4.10	-	1.55	-	-	-	5.65
(ii) Others	139.07	21.19	164.37	2.04	-	0.10	326.77
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	143.17	21.19	165.92	2.04	-	0.10	332.42
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
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	127.30	10.57	158.53	1.93	0.41	0.11	298.85

* 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, 2026	As at March 31, 2025
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 65)	-	0.23
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.49	1.37
Total	2.49	1.60



21 PAYABLES (Contd.)

Other payables ageing

Particulars	(Rs. in crores)						
	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, 2026							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	2.43	0.06	-	-	2.49
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	2.43	0.06	-	-	2.49
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

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
22 DEBT SECURITIES		
At amortised cost		
Secured		
Redeemable non-convertible debentures		
- Public issue ₹	737.72	732.92
- Privately placed ₹ ₹	38,876.91	37,563.97
External commercial bond	13,258.56	15,851.97
Total	52,873.19	54,148.86
Debt securities in India	39,614.63	38,296.89
Debt securities outside India	13,258.56	15,851.97
Total	52,873.19	54,148.86

There are no debt securities measured at FVTPL or designated at FVTPL.

₹ Includes Rs. 33.84 crores (March 31, 2025: Rs. 33.83 crores) issued to related parties.

₹₹ Includes Rs. 681.08 crores (March 31, 2025: Rs. 558.84 crores) issued to related parties.

22 DEBT SECURITIES (Contd.)

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	As at March 31, 2026			As at March 31, 2025			Date of redemption	Amount redeemed
				Redeemable at par/premium (from the date of the balance sheet)							
				Upto 1 year	2-3 years	Total	1-2 years	3-4 years	Total		
i.	(IPO 2018 - 1)	9.03% to 9.40%	3,648.52	-	474.82	474.82	-	474.82	474.82	July 12, 2023	780.85
										July 12, 2023	2,285.45
										December 26, 2019	107.40
ii.	(IPO 2018 - 2)	9.30% to 9.70%	606.79	-	71.32	71.32	-	71.32	71.32	November 02, 2022	251.08
										November 02, 2021	284.39
iii.	(IPO 2018 - 3)	9.30% to 9.70%	537.31	-	60.53	60.53	-	60.53	60.53	February 06, 2024	229.75
										February 06, 2022	247.04
iv.	(IPO 2019 - 2)	8.75% to 9.10%	193.67	26.85	-	26.85	26.85	-	26.85	January 28, 2025	66.16
										January 28, 2023	100.65
v.	(IPO 2019 - 1)	9.31% to 9.70%	339.94	61.46	-	61.46	61.46	-	61.46	September 22, 2024	99.12
										February 22, 2023	126.25
										February 22, 2022	53.11
	Principal outstanding			694.98			694.98				
	Less: Unamortised finance cost			3.09			4.78				
	Add: Interest accrued but not due			45.83			42.72				
	Total			737.72			732.92				

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

Redeemable at par/premium (from the date of the balance sheet)	(Rs. in crores)			
	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Upto 1 year ^ \$	8.87% to 9.22%	315.00	7.45% to 9.90%	1,419.01
1-2 years \$	8.25%	100.00	8.87% to 9.22%	315.00
2-3 years \$	-	-	8.25%	100.00
3-4 years	9.25%	60.00	-	-
4-5 years	8.00% to 9.50%	3,380.00	9.25%	60.00
Over 5 years	8.00% to 9.05%	8,156.00	8.00% to 9.50%	11,536.00
Principal outstanding	12,011.00		13,430.01	
Less: Unamortised finance cost	37.78		44.90	
Add: Unwinding of merger fair value	34.68		41.05	
Add: Interest accrued but not due	365.10		392.21	
Total	12,373.00		13,818.37	

^ NCD amounting to Rs. Nil (March 31, 2025: 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.



22 DEBT SECURITIES (Contd.)

\$ Out of above NCD having put/call option are as under (Rs. in crores)

Sr. No.	Put/call option date	As at March 31, 2026		As at March 31, 2025	
		Rate of interest	Principal amount	Rate of interest	Principal amount
1	November 21, 2025	-	-	8.86%	50.00
2	April 23, 2027	8.25%	100.00	8.25%	100.00
Total			100.00		150.00

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.

3) Privately placed redeemable NCD of face value of Rs. 100,000/- each

Terms of repayment

Redeemable at par/premium (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Upto 1 year # \$	7.39% to 9.20%	12,767.20	8.40% to 9.25%	3,830.50
1-2 years \$	8.89% to 9.23%	2,798.00	8.45% to 9.20%	11,282.20
2-3 years \$ #	8.43% to 9.15%	5,368.78	8.89% to 9.23%	2,213.00
3-4 years ^ #	7.49% to 9.20%	1,766.00	8.55% to 9.15%	2,537.39
4-5 years	8.69%	1,140.00	8.90% to 9.20%	1,641.00
Over 5 years #	7.60% to 9.10%	1,550.00	8.50% to 9.10%	1,415.00
Principal outstanding		25,389.98		22,919.09
Less: Unamortised finance cost		(2.07)		80.19
Add: Interest accrued but not due		1,111.86		906.70
Total		26,503.91		23,745.60

^NCD amounting to Rs. 125.00 crores (March 31, 2025: Rs. Nil) issued at zero coupon rates and redeemable at premium are included in above on the basis of Internal Rate of Return (IRR).

#Includes NCD of Rs. 250.00 crores (March 31, 2025: Rs. 250.00 crores) fully paid of Rs. 250.00 crores (partly paid as on March 31, 2025: Rs. 12.50 crores).

#Includes NCD of Rs. 200.00 crores (March 31, 2025: Rs. 200.00 crores) partly paid to the extent of Rs. 120.00 crores (March 31, 2025: 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 (Rs. in crores)

Sr. No.	Put/call option date	As at March 31, 2026		As at March 31, 2025	
		Rate of interest	Principal amount	Rate of interest	Principal amount
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	8.90%	325.00
5	March 02, 2026	-	-	8.86%	650.00
6	September 02, 2026	9.05%	650.00	-	-
7	June 28, 2026	9.15%	3,595.00	9.15%	3,595.00
Total			4,570.00		5,405.00

22 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.

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, 2026	As at March 31, 2025
Public issue (1)	737.72	732.92
Privately placed (2+3)	38,876.91	37,563.97
Total non-convertible debentures - secured	39,614.63	38,296.89

B) External commercial bond (ED) - Secured

1) Redeemable ED of face value of USD 200,000/- each

Terms of repayment

Redeemable at par/premium (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Upto 1 year	6.37%	993.87	4.54%	3,380.46
1-2 years	6.92% to 6.96%	7,099.07	6.37%	1,283.72
2-3 years	6.51%	4,732.72	6.92% to 6.96%	6,418.61
3-4 years	-	-	6.51%	4,279.07
Principal outstanding		12,825.66		15,361.86
Less: Unamortised finance cost		28.49		50.57
Add: Interest accrued but not due		461.39		540.68
Total		13,258.56		15,851.97

As per the terms of the issue, Rs. 369.90 crores were bought back on August 29, 2025 (Dollar Bond 8).

Redemption details are given below:

Date of redemption	Amount redeemed
July 18, 2025	3,512.86

Issue details of ED outstanding as at March 31, 2026 and March 31, 2025

Date of issue	Product	Rate of interest	Issue amount		Programme	Listed on	Due dates	(Rs. in crores)	
			USD	Rs. in crores				As at March 31, 2026	As at March 31, 2025
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	4,852.84	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	7,413.28	6,660.02



22 DEBT SECURITIES (Contd.)

Date of issue	Product	Rate of interest	Issue amount		Programme	Listed on	Due dates	(Rs. in crores)	
			USD	Rs. in crores				Amounts outstanding *	
								As at March 31, 2026	As at March 31, 2025
March 29, 2023	Senior secured floating rate notes	6.370%	150,000,000	1,233.00	USD 3,500,000,000 Global Medium Term Note (GMTN) Programme	Indian International Exchange ("INX") March 29, 2023	September 29, 2026	992.44	1,277.37
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
	Total							13,258.56	15,851.97

* 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.

		(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025	
23 BORROWINGS (OTHER THAN DEBT SECURITIES)			
At amortised cost			
Secured			
Term loan from banks - INR	36,880.41	35,348.07	
Term loan from banks - FCNR	5,230.03	2,702.01	
Term loan from financial institutions/corporates - INR	7,495.37	9,864.34	
Term loan from financial institutions/corporates - FCNR	1,597.09	1,425.00	
Constituent's subsidiary general ledger loan (CSGL loan)	2.08	402.97	
External commercial borrowing	36,255.30	33,653.95	
Other loans -Securitisation liabilities- INR	38,459.58	38,052.08	
Total	125,919.86	121,448.42	
Borrowings in India	89,664.56	87,794.47	
Borrowings outside India	36,255.30	33,653.95	
Total	125,919.86	121,448.42	

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.

23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

Terms of repayment, nature of security, etc

A) Term loans from banks - Secured (INR)

Terms of repayment

Tenure (from the date of the balance sheet)	As at March 31, 2026			(Rs. in crores)		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
Upto 1 year	1 to 60 installments of bullet, monthly, quarterly and specific frequency	6.46% to 8.85%	2,579.50	1 to 60 installments of bullet, monthly, quarterly and specific frequency	7.25% to 11.25%	3,338.39
1-2 years	1 to 60 installments of bullet, monthly, quarterly and specific frequency	6.50% to 8.87%	3,446.23	1 to 60 installments of bullet, monthly, quarterly and specific frequency	7.71% to 10.60%	4,530.34
2-3 years	8 to 60 installments of monthly and quarterly frequency	6.50% to 9.75%	10,164.79	1 to 60 installments of bullet, monthly, quarterly and specific frequency	7.72% to 10.55%	6,010.07
3-4 years	8 to 20 installments of quarterly, half-yearly and specific frequency	5.50% to 9.10%	9,223.15	15 to 60 installments of monthly and quarterly frequency	7.65% to 10.50%	10,769.25
4-5 years	18 to 20 installments of quarterly frequency	7.36% to 8.90%	11,565.64	8 to 20 installments of quarterly, half-yearly and specific frequency	8.75% to 9.95%	10,920.34
Principal outstanding			36,979.31			35,568.39
Less: Unamortised finance cost			108.99			235.47
Add: Interest accrued but not due			10.09			15.15
Total			36,880.41			35,348.07

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) Terms loan from banks - FCNR

Terms of repayment

Tenure (from the date of the balance sheet)	As at March 31, 2026			(Rs. in crores)		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
3-4 years	20 installments of quarterly frequency	8.07%	2,363.87	-	-	-
4-5 years	20 installments of quarterly frequency	8.08%	2,993.00	20 installments of quarterly frequency	6.16%	2,842.72
Principal outstanding			5,356.87			2,842.72
Less: Unamortised finance cost			126.96			140.80
Add: Interest accrued but not due			0.12			0.09
Total			5,230.03			2,702.01



23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

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

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
Upto 1 year	11 to 20 installments of quarterly frequency	7.00% to 8.90%	457.13	11 to 20 installments of quarterly frequency	6.50% to 11.20%	873.34
1-2 years	1 to 21 installments of bullet, quarterly and specific frequency	7.60% to 9.10%	526.66	11 to 20 installments of quarterly frequency	7.00% to 9.15%	1,349.26
2-3 years	1 to 21 installments of bullet, quarterly and specific frequency	6.50% to 8.60%	2,855.01	1 to 21 installments of bullet, quarterly and specific frequency	7.75% to 9.10%	1,269.50
3-4 years	17 to 21 installments of quarterly and specific frequency	7.50% to 8.22%	2,581.17	18 to 21 installments of quarterly and specific frequency	8.30% to 8.80%	3,006.10
4-5 years	21 installments of quarterly frequency	8.22%	452.00	17 to 21 installments of quarterly and specific frequency	8.65% to 8.80%	3,341.69
Over 5 years	21 installments of quarterly frequency	7.50%	600.00	-	-	-
Principal outstanding			7,471.97			9,839.89
Less: Unamortised finance cost			0.82			4.68
Add: Interest accrued but not due			24.22			29.13
Total			7,495.37			9,864.34

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

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
1-2 years	2 to 5 installments of specific frequency	5.82% to 9.01%	1,561.80	-	-	-
2-3 years	-	-	-	2 to 5 installments of specific frequency	5.82% to 6.85%	1,412.09
Principal outstanding			1,561.80			1,412.09
Less: Unamortised finance cost			-			-
Add: Interest accrued but not due			35.29			12.91
Total			1,597.09			1,425.00

23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

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) CSDL loan

Terms of repayment

Tenure (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Upto 1 year	5.75%	2.08	6.50% to 6.85%	402.68
Principal outstanding		2.08		402.68
Less: Unamortised finance cost		-		-
Add: Interest accrued but not due		-		0.29
Total		2.08		402.97

Nature of security

Secured by hypothecation of specific assets (specified CSDL securities).

F) External commercial borrowing

Terms of repayment

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
Upto 1 year	11 to 13 installments of half-yearly payments and bullet payments	5.86% to 9.44%	8,057.83	Bullet frequency	6.07% to 7.35%	2,781.40
1-2 years	9 to 11 installments of half-yearly payments and bullet payments	3.80% to 8.96%	11,284.51	11 to 13 installments of half-yearly payments and bullet payments	5.86% to 9.44%	7,456.98
2-3 years	Bullet frequency	2.51% to 6.00%	3,018.47	9 to 11 installments of half-yearly payments and bullet payments	3.80% to 8.96%	10,445.86
3-4 years	20 quarterly and 3 yearly installments payments	6.04% to 8.63%	2,555.67	Bullet frequency	5.93% to 6.00%	1,925.58
4-5 years	8 to 10 installments of specific frequency	5.62% to 6.28%	4,022.81	20 quarterly and 3 yearly installments payments	6.04% to 8.63%	2,340.65
Over 5 years	9 to 16 installments of specific frequency	4.10% to 6.16%	7,441.29	10 to 16 installments of specific frequency	4.10% to 6.28%	8,923.71
Principal outstanding			36,380.58			33,874.18
Less: Unamortised finance cost			448.43			585.79
Add: Interest accrued but not due			323.15			365.56
Total			36,255.30			33,653.95

Nature of security

Secured by way of an exclusive fixed charge over hypothecation loan receivables of the Company.

23 BORROWINGS (OTHER THAN DEBT SECURITIES) (Contd.)

G) Other loans - INR - securitisation liabilities

Terms of repayment

Tenure (from the date of the balance sheet)	As at March 31, 2026			As at March 31, 2025		
	Repayment Details	Rate of interest	Amount	Repayment Details	Rate of interest	Amount
Upto 1 year	28 to 29 months installments	8.60% to 8.75%	119.10	29 to 67 months installments	6.25% to 9.00%	243.38
1-2 years	27 to 60 months installments	7.60% to 8.85%	390.44	28 to 86 months installments	6.12% to 9.00%	2,922.22
2-3 years	48 to 60 months installments	7.95% to 8.80%	4,543.91	27 to 72 months installments	7.00% to 8.85%	5,445.38
3-4 years	52 to 71 months installments	6.80% to 8.85%	9,786.51	48 to 60 months installments	7.95% to 9.10%	10,115.79
4-5 years	52 to 76 months installments	5.60% to 9.20%	15,951.61	52 to 70 months installments	7.75% to 8.80%	13,646.14
Over 5 years	60 to 126 months installments	5.50% to 8.35%	7,687.03	65 to 126 months installments	7.75% to 9.20%	5,711.88
Principal outstanding			38,478.60			38,084.79
Less: Unamortised finance cost			106.71			143.93
Add: Interest accrued but not due			87.69			111.22
Total			38,459.58			38,052.08

Nature of security

Secured by an exclusive charge by way of hypothecation of specific movable assets being fixed/current assets relating to hypothecation loans.

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
24 DEPOSITS		
At amortised cost		
Unsecured		
i. Public deposits *	64,052.77	53,355.35
ii. From banks	82.49	97.46
iii. From others		
- Deposits from corporates **	5,345.08	2,633.18
Total	69,480.34	56,085.99

There are no deposits measured at FVTPL or designated at FVTPL.

*Includes Rs. 3.88 crores (March 31, 2025 Rs. 4.16 crores) accepted from related parties including Director.

**Includes Rs. 305.79 crores (March 31, 2025 Rs. 203.12 crores) accepted from related parties.

24 DEPOSITS (Contd.)

Terms of repayment

Deposits - Unsecured

As at March 31, 2026

Redeemable at par (from the date of the balance sheet)	(Rs. in crores)		
	Public deposits	Deposit from banks	Deposit from others
Rate of interest	6.79% to 9.73%	8.00% to 8.71%	6.79% to 9.08%
Upto 1 year	13,443.72	-	2,192.30
1-2 years	16,644.67	67.00	1,689.82
2-3 years	18,979.26	15.00	899.62
3-4 years	6,574.31	-	168.44
4-5 years	5,173.76	-	104.52
Principal outstanding	60,815.72	82.00	5,054.70
Less: Unamortised finance cost	349.32	0.25	24.24
Add: Unwinding of merger fair value	11.71	-	-
Add: Interest accrued but not due	3,574.66	0.74	314.62
Total	64,052.77	82.49	5,345.08

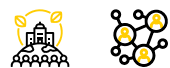
As at March 31, 2025

Redeemable at par (from the date of the balance sheet)	(Rs. in crores)		
	Public deposits	Deposit from banks	Deposit from others
Rate of interest	7.26% to 9.73%	8.38% to 8.71%	7.26% to 9.08%
Upto 1 year	12,804.95	-	794.50
1-2 years	10,307.43	-	748.57
2-3 years	15,158.77	87.00	696.98
3-4 years	6,313.81	-	143.95
4-5 years	6,109.99	10.00	120.98
Principal outstanding	50,694.95	97.00	2,504.98
Less: Unamortised finance cost	308.89	0.54	15.90
Add: Unwinding of merger fair value	30.43	-	-
Add: Interest accrued but not due	2,938.86	1.00	144.10
Total	53,355.35	97.46	2,633.18

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
25 SUBORDINATED LIABILITIES		
At amortised cost		
Others		
Unsecured		
Subordinated debts - Debentures #	2,418.57	2,513.98
Total	2,418.57	2,513.98
Subordinated debts in India	2,418.57	2,513.98
Subordinated debts outside India	-	-
Total	2,418.57	2,513.98

There are no subordinated liabilities measured at FVTPL or designated at FVTPL.

#Includes Rs. 523.81 crores (March 31, 2025 Rs. 554.93 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

Terms of repayment

Redeemable at par (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Upto 1 year	8.50%	135.00	8.95% to 11.00%	94.20
1-2 years	8.20% to 9.00%	1,389.00	8.50%	135.00
2-3 years	10.00% to 11.05%	75.00	8.20% to 9.00%	1,389.00
3-4 years	-	-	10.00% to 11.05%	75.00
Principal outstanding		1,599.00		1,693.20
Less: Unamortised finance cost		2.59		4.02
Add: Interest accrued but not due		19.93		23.39
Total		1,616.34		1,712.57

ii) Privately placed subordinated liabilities of face value of Rs. 10,000,000/- each

Terms of repayment

Redeemable at par (from the date of the balance sheet)	As at March 31, 2026		As at March 31, 2025	
	Rate of interest	Amount	Rate of interest	Amount
Over 5 years	8.75% to 9.10%	765.00	8.75% to 9.10%	765.01
Principal outstanding		765.00		765.01
Less: Unamortised finance cost		9.99		10.82
Add: Interest accrued but not due		47.22		47.22
Total		802.23		801.41

Particulars	As at March 31, 2026	As at March 31, 2025
Privately placed (i + ii)	2,418.57	2,513.98
Total subordinated liabilities	2,418.57	2,513.98

Particulars	As at March 31, 2026	As at March 31, 2025
26 OTHER FINANCIAL LIABILITIES		
Investor education and protection fund shall be credited by the following amounts (as and when due) ^		
- Unclaimed dividend	14.55	12.49
- Unclaimed matured deposits and interest accrued thereon	123.83	143.65
- Unclaimed matured debentures and interest accrued thereon	3.39	4.64
- Unclaimed matured subordinated debts and interest accrued thereon	3.43	5.15
Temporary credit balance in bank accounts	30.52	118.47
Payable on account of assignment	106.38	193.28
Payable to dealers	154.06	89.65
Income received in advance	1.41	15.79
Payable to employees	367.87	389.79

26 OTHER FINANCIAL LIABILITIES (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Retention money and other sundry liabilities \$#@	46.53	168.57
Security deposits for First Loss Default Guarantee (FLDG)	47.11	157.84
Lease liabilities**	775.36	718.65
Other liabilities * ^Ω	1,694.71	118.64
Total	3,369.15	2,136.61

^ There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

\$ Includes allowance for impairment loss recognised on amounts receivable from Revenue Sharing Parties (RSP) Rs. Nil (March 31, 2025: Rs. 1.82 crores).

Includes recovery of allowance for impairment loss recognised on loans sourced by RSP Rs. Nil (March 31, 2025: Rs. 1.48 crores).

@ Includes payable to Micro, Small and Medium Enterprises (MSME) suppliers Rs. Nil (March 31, 2025: 1.98 crores) (Refer note 65).

*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, CSA margin payable for derivative contracts, etc.

^Ω Includes payable to other related parties Rs. 1.67 crores (March 31, 2025: Rs. 2.50 crores).

****Disclosures as required by Ind AS 116 Leases are stated below**

- A) 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.
- B) **Lease liabilities movement**

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025 *
Opening balance	718.65	699.35
Add: Addition during the year	260.94	307.92
: Interest on lease liabilities	67.36	65.44
Less: Deletion during the year	42.13	29.78
: Lease rental payments	229.46	225.70
: Adjustment for discontinued operations	-	98.58
Closing balance	775.36	718.65

* 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) **Maturity analysis of lease liabilities**

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Less than 1 year	162.15	137.93
1 to 2 years	143.16	129.16
2 to 3 years	121.46	112.56

26 OTHER FINANCIAL LIABILITIES (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
3 to 4 years	100.75	95.14
4 to 5 years	77.82	78.05
More than 5 years	170.02	165.81
Total	775.36	718.65

D) Maturity analysis of contractual undiscounted cash flows

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Less than 1 year	218.97	192.27
Over 1 year and upto 5 years	562.26	532.45
Over 5 years	192.81	190.21
Total	974.04	914.93

E)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
i) Amounts recognised in the statement of profit and loss *		
Depreciation charge of right-of-use assets (included in Depreciation of property, plant and equipments under note 40)	189.44	171.72
Interest expense (included in interest on lease liabilities under note 36 - Finance costs)	67.36	59.60
Expense relating to short-term leases (included in Rent under note 41 - Other expenses)	5.54	4.93
Expense relating to leases of low-value assets that are not shown above as short-term leases	-	-
Expense relating to variable lease payments not included in lease liabilities	-	-
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 miscellaneous income under note 35 - Other income	6.70	4.18
Income from subleasing right-of-use assets (included in miscellaneous income under note 35 - Other income)	2.32	3.33
ii) Gains or losses arising from sale and leaseback transactions	-	-
iii) The total cash outflow for leases during the year	229.46	210.50

*Excludes discontinued operations

F) 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.

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
27 PROVISIONS		
For employee benefits		
- Gratuity (Refer note 47)	0.07	27.62
- Compensated absences (leave encashment and availment) (Refer note 47)	212.65	218.15
- Share appreciation rights (Refer note 52 and 63) ^Ω	27.99	0.26
- Long term incentive plan (Refer note 63)	54.65	-

27 PROVISIONS (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
For others		
- Expected credit loss towards undrawn loan commitments	13.61	9.21
- Indirect taxes (contested) (Refer note 63)	89.02	89.14
Total	397.99	344.38

^Ω Includes payable to related parties Rs. 9.84 crores (March 31, 2025: Rs. 0.07 crores).

Undrawn 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 57.02 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in note 57.02.02.07.

Particulars	As at March 31, 2026				As at March 31, 2025			
	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	196.75	-	-	196.75	218.85	-	-	218.85
Standard grade	12.77	-	-	12.77	-	-	-	-
Sub-standard grade	-	6.24	-	6.24	-	-	-	-
Past due but not impaired	-	1.76	-	1.76	-	-	-	-
Non- performing	-	-	9.07	9.07	-	-	-	-
Total	209.52	8.00	9.07	226.59	218.85	-	-	218.85

An analysis of changes in the gross carrying amount as follows:

Particulars	Year ended March 31, 2026				Year ended March 31, 2025 #			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	218.85	-	-	218.85	840.70	0.72	-	841.42
New exposures *	209.00	7.88	7.12	224.00	532.17	0.01	-	532.18
Exposures cancelled or disbursed or renewed (excluding write-offs)	(198.53)	(9.96)	(7.77)	(216.26)	(788.32)	(1.62)	-	(789.94)
Transfers to Stage 1	-	-	-	-	0.01	(0.01)	-	-
Transfers to Stage 2	(10.08)	10.08	-	-	(1.34)	1.34	-	-
Transfers to Stage 3	(9.72)	-	9.72	-	-	-	-	-
Less: Adjustment for discontinued operations	-	-	-	-	364.37	0.44	-	364.81
Closing balance	209.52	8.00	9.07	226.59	218.85	-	-	218.85

* Excludes proposals approved and fully disbursed during the year.

27 PROVISIONS (Contd.)

Reconciliation of impairment loss allowance is given below:

Particulars	Year ended March 31, 2026				As at March 31, 2025 #			
	General approach				General approach			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	(Rs. in crores)				(Rs. in crores)			
Opening balance	9.21	-	-	9.21	6.49	0.01	-	6.50
New exposures	9.35	0.47	2.75	12.57	10.03	-	-	10.03
Exposures cancelled or disbursed or renewed (excluding write-offs)	(8.18)	(0.51)	0.52	(8.17)	(6.25)	(0.01)	-	(6.26)
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	(0.52)	0.52	-	-	-	-	-	-
Transfers to Stage 3	(0.48)	-	0.48	-	-	-	-	-
Less: Adjustment for discontinued operations	-	-	-	-	1.06	-	-	1.06
Closing balance	9.38	0.48	3.75	13.61	9.21	-	-	9.21

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 classification of undrawn loan commitments and ECL thereon into Stage 1, Stage 2 and Stage 3 has been carried out during the financial year 2025-26 and incremental impacts on ECL have been adjusted accordingly.

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
28 OTHER NON-FINANCIAL LIABILITIES		
Statutory dues payable	189.97	222.83
Advance from customers	6.78	11.84
Total	196.75	234.67

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
29 EQUITY SHARE CAPITAL		
Authorised		
14,877,500,000 (March 31, 2025: 14,877,500,000) equity shares of Rs. 2/- each	2,975.50	2,975.50
129,000,000 (March 31, 2025: 129,000,000) preference shares of Rs. 100/- each	1,290.00	1,290.00
	4,265.50	4,265.50
Issued share capital		
1,881,565,371 (March 31, 2025: 1,880,383,880) equity shares of Rs. 2/- each [Refer note 29(I)]	376.31	376.08

29 EQUITY SHARE CAPITAL (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Subscribed share capital		
1,881,565,371 (March 31, 2025: 1,880,383,880) equity shares of Rs. 2/- each [Refer note 29(I)]	376.31	376.08
Paid up (fully paid up)		
Equity shares *		
1,881,565,371 (March 31, 2025: 1,880,383,880) equity shares of Rs. 2/- each [Refer note 29(I)]	376.31	376.08
Total Equity	376.31	376.08

* Includes Rs. 93.99 crores (March 31, 2025: Rs. 93.96 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	(Rs. in crores)	
	Number of shares	
As at April 01, 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 29(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
Shares issued on exercise of ESOP (pre-split)	1,181,491	0.23
As at March 31, 2026	1,881,565,371	376.31

Year ended March 31, 2026

The Company allotted 1,181,491 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.

Year ended March 31, 2025

The Company had 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 had 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.

(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, 2025: Rs. 2/- 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, 2025: Nil).

29 EQUITY SHARE CAPITAL (Contd.)

(D) Details of shareholders holding more than 5% equity shares in the Company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding	Number of shares	% holding
Equity shares of face value Rs. 2/- each (March 31, 2025: face value Rs. 2/- each)				
Shriram Capital Private Limited	335,728,920	17.84%	335,728,920	17.85%
Shriram Value Services Limited	133,757,305	7.11%	133,757,305	7.11%
Government of Singapore	₹	₹	106,615,199	5.67%

₹ holding less than 5% equity shares

(E) Capital management for the Group's objectives, policies and processes for managing capital (Refer note 54)

(F) Proposed dividends on equity shares

Particulars	As at March 31, 2026	As at March 31, 2025
	(Rs. in crores)	(Rs. in crores)
Proposed dividend on equity shares for the financial year ended on March 31, 2026: Rs. 6/- per share of face value of Rs. 2/- each (March 31, 2025: Rs. 3/- per share of face value of Rs. 2/- each) *	1,128.94	564.12
Total	1,128.94	564.12

(G) Shareholding of Promoters

Promoter and Promoter Group	Relationship	Shares held at the end of the year		% Change during the year #
		Number of shares	% of total shares	
As at March 31, 2026				
Shriram Capital Private Limited	Promoter	335,728,920	17.84%	-
Shriram Ownership Trust	Promoter	310,400	0.02%	-
Shriram Value Services Limited	Promoter group	133,757,305	7.11%	-
Sanlam Life Insurance Limited	Promoter group	7,784,755	0.41%	-
Shriram General Insurance Company Limited	Promoter group	49,500	0.00%	-
As at March 31, 2025				
Shriram Capital 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%)

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, 2026	Year ended March 31, 2025
First interim dividend for the year ended March 31, 2026 (Rs. per share)	4.80	-
Final dividend for the year ended March 31, 2025 (Rs. per share) (paid in financial year 2025-26)	3.00	-
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

29 EQUITY SHARE CAPITAL (Contd.)

- i) The Board of Directors in their meeting held on October 31, 2025 declared interim dividend of (240%) Rs. 4.80 per equity share of face value of Rs. 2/- each fully paid up for the financial year 2025-26 amounting to Rs. 9,029,319,312/- (gross) subject to deduction of tax at source as per the applicable rate(s) to all the eligible shareholders. The record date for the payment of interim dividend was November 07, 2025. The interim dividend was paid to eligible Members on November 17, 2025.

The Board of Directors has recommended a final dividend of Rs. 6/- per equity share of face value of Rs. 2/- each fully paid up i.e. 300%, for the financial year 2025-26 subject to approval by Members in the ensuing 47th Annual General Meeting (47th AGM) of the Company. This is in addition to the interim dividend of Rs. 4.80 per equity share declared on October 31, 2025.

With this the total dividend for the financial year 2025-26 will be Rs. 10.80 per share of Rs. 2/-. Pursuant to Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, July 04, 2026 to Friday, July 10, 2026 (both days inclusive) for taking record of the Members of the Company for the purpose of payment of the final dividend and 47th AGM, if approved by the Members at the ensuing 47th AGM. The final dividend will be paid to the eligible Members before August 09, 2026 subject to deduction of tax at source as per the applicable rate(s), if approved by the Members at the 47th AGM.

- ii) The Board of Directors had 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 which had been approved by the Members of the Company in the 46th Annual General Meeting of the Company held on July 18, 2025. The Record Date for the final dividend was July 11, 2025. The Company paid the final dividend aggregating to Rs. 5,642,289,033/- (gross) subject to deduction of tax at source as per the applicable rate(s) to all the eligible shareholders on August 01, 2025. This was 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 was Rs. 9.90 per share of Rs. 2/- each after adjusting for split.
- iii) *First interim dividend per share, declared pre-split for the financial year 2024-25 and final dividend per share for the financial year 2023-24 paid in financial year 2024-25, are not comparable with dividend per share paid subsequent periods [Refer note 29(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.

30 OTHER EQUITY

Particulars	As at March 31, 2026 #	As at March 31, 2025 *
	(Rs. in crores)	(Rs. in crores)
Share application money pending allotment		
Opening balance	-	0.06
Add: Share application money received during the year	-	-
Less: Adjustment for discontinued operations	-	(0.06)
Closing Balance	-	-
Statutory reserve (Pursuant to Section 45-IC of The RBI Act, 1934)		
Opening balance	9,294.15	7,341.95
Add: Transfer from retained earnings	2,000.70	1,952.20
Closing balance	11,294.85	9,294.15



30 OTHER EQUITY (Contd.)

	(Rs. in crores)	
Particulars	As at March 31, 2026 #	As at March 31, 2025 *
Statutory reserve (Pursuant to Section 29C of the NHB Act, 1987)		
Opening balance	-	115.00
Add: Transfer from retained earnings	-	25.68
Less: Adjustment for discontinued operations	-	140.68
Closing balance	-	-
Securities premium		
Opening balance	17,543.01	17,557.20
Add: Premium on shares issued during the year	26.43	400.94
Less: Adjustment for discontinued operations	-	(415.13)
Closing balance	17,569.44	17,543.01
Capital reserve		
Opening balance	104.57	104.57
Addition during the year	0.27	-
Less: Adjustment for discontinued operations	0.01	-
Closing balance	104.83	104.57
Capital redemption reserve	53.88	53.88
Debenture redemption reserve		
Opening balance	119.02	134.25
Add: Transfer from retained earnings	17.85	18.41
Less: Transfer to retained earnings on account of redemption	-	(33.64)
Closing balance	136.87	119.02
General reserve		
Opening balance	5,227.53	4,251.10
Add: Transfer from retained earnings	999.82	976.10
Add: Amount transferred from share option outstanding on account of forfeiture of share options	0.17	0.33
Closing balance	6,227.52	5,227.53
Share option outstanding		
Opening balance	42.92	72.45
Add: Expenses on employee stock option plan (Refer note 52)	-	3.88
Add: Transfer to general reserve on account of forfeiture of share options	(0.17)	(0.33)
Less: Adjustment on exercise of employee stock option plan	(22.09)	(28.13)
Less: Adjustment for discontinued operations	-	(4.95)
Closing balance	20.66	42.92
Foreign currency translation reserve		
Opening balance	-	-
Add: Changes during the year	0.89	-
Less: Adjustment for discontinued operations	(0.89)	-
Closing balance	-	-

30 OTHER EQUITY (Contd.)

	(Rs. in crores)	
Particulars	As at March 31, 2026 #	As at March 31, 2025 *
Other comprehensive income		
Remeasurement gain/(loss) on defined benefit plan (net of tax)		
Opening balance	(86.75)	(76.03)
Add: Addition during the year	32.50	(9.62)
Add: Share of other comprehensive income from associates (net of tax)	(0.64)	(1.15)
Less: Adjustment for discontinued operations	-	0.05
Closing balance	(54.89)	(86.75)
Gain/(loss) on fair valuation of quoted investments in equity shares		
Opening balance	26.69	3.51
Add: Addition during the year	12.25	23.18
Closing balance	38.94	26.69
Effective portion of cash flow hedges		
Opening balance	(473.42)	(266.34)
Add: Addition during the year	844.12	(212.72)
Less: Adjustment for discontinued operations	-	5.64
Closing balance	370.70	(473.42)
Retained earnings		
Opening balance	24,242.14	19,279.73
Add: Profit for the year	10,024.15	9,413.12
Add/(Less): Appropriations		
Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	(2,000.70)	(1,952.20)
Transfer to statutory reserve as per Section 29C of the NHB Act, 1987	-	(25.68)
Transfer to general reserve	(999.82)	(976.10)
Effects of business combination	(1.28)	-
Transferred (to)/from debenture redemption reserve	(17.85)	15.23
Interim dividend [March 31, 2026: Rs. 4.80 per share of Rs. 2/- each restated (March 31, 2025: Rs. 6.90 per share of Rs. 2/- each)] [Refer note 29(I)]	(902.93)	(1,297.29)
Final dividend [March 31, 2025: Rs. 3.00 per share of Rs. 2/- each (March 31, 2024: Rs. 15.00 per share of Rs. 2/- each)]	(564.23)	(563.90)
Less: Adjustment for discontinued operations	-	704.66
Elimination of NCI on account of derecognition	-	(355.43)
Total appropriations	(4,486.81)	(4,450.71)
Closing balance	29,779.48	24,242.14
Total	65,542.28	56,093.74

#The figures of erstwhile step-down subsidiary BIPL and associate of step-down subsidiary Armour Insurance Services WLL, included in above table are pertaining to the period from May 09, 2025 upto March 11, 2026, i.e., the date of stake sale.

*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.

Nature and purpose of reserves

- 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.
- Securities premium:** The amount received in excess of face value of the equity shares is recognised in securities

30 OTHER EQUITY (Contd.)

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. 17.85 crores (March 31, 2025: Rs. 18.41 crores). The Company subsequent to the year end has deposited a sum of Rs. 15.40 crores (March 31, 2025: Rs. Nil) 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:

(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.

30 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.

Statutory Reserve (SHFL): The SHFL 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 and transfers at least 20% of the Profit after tax to the Statutory reserve.

h) **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.

i) **Foreign Currency Translation Reserve:** Exchange differences arising on translation of the financial statements of foreign operations of step-down subsidiary and associate of step-down subsidiary are accumulated in a separate reserve within equity. The assets and liabilities are translated at the closing rate, and income/expenses at average rates.

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)					
		Year ended March 31, 2026			Year ended March 31, 2025		
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
31	INTEREST INCOME						
	Interest on loans \$ * (Refer note 64)	44,485.44	-	44,485.44	38,669.51	-	38,669.51
	Interest income from investments #	952.30	71.83	1,024.13	734.42	91.58	826.00
	Interest on deposits with banks						
	- Margin money deposit	127.01	-	127.01	218.71	-	218.71
	- Lien free deposits	628.44	-	628.44	377.26	-	377.26
	Other interest income						
	- Margin money deposit with trusts	170.69	-	170.69	83.71	-	83.71
	- Delayed payments by customers	215.47	-	215.47	126.76	-	126.76
	- Unwinding of security deposit	6.64	-	6.64	5.69	-	5.69
	Total	46,585.99	71.83	46,657.82	40,216.06	91.58	40,307.64

\$ Includes interest income on loans given to related parties Rs. 0.60 crores (March 31, 2025: Rs. Nil).

* Includes amortisation of fair value adjustments on lending Rs. 5.23 crores (March 31, 2025: 31.76 crores)

Includes amortisation of fair value adjustments on investments Rs. 0.00 crores (March 31, 2025: 0.20 crores)

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

		(Rs. in crores)	
Particulars		Year ended March 31, 2026	Year ended March 31, 2025
32	FEES AND COMMISSION INCOME		
	Income from commission services - life insurance *	127.34	141.02
	Income from commission services - general insurance **	216.43	205.53
	Income from loan related and other commission services ^	150.10	335.38
	Total	493.87	681.93

*Includes commission received from related parties Rs. 127.08 crores (March 31, 2025: Rs. 140.40 crores).

**Includes commission received from related parties Rs. 139.30 crores (March 31, 2025: Rs. 149.79 crores).

^ Includes commission on mutual funds received from related party Rs. 0.17 crores (March 31, 2025: Rs. Nil).

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to the statement of profit and loss.

32 FEES AND COMMISSION INCOME (Contd.)		
(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Type of services or service		
Fees and commission income	493.87	681.93
Total revenue from contract with customers	493.87	681.93
Geographical markets		
- India	493.87	681.93
- Outside India	-	-
Total revenue from contract with customers	493.87	681.93
Timing of revenue recognition		
Services transferred at a point in time	493.87	681.93
Services transferred over time	-	-
Total revenue from contracts with customers	493.87	681.93

Contract balance

(Rs. in crores)		
Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	51.78	50.82
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, 2026	Year ended March 31, 2025
33	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	340.09	277.00
ii) Direct assignment	14.86	(76.06)
Total (C) = (A+B)	354.95	200.94
Fair value changes:		
- Realised	351.47	259.39
- Unrealised	3.48	(58.45)
Total (D)	354.95	200.94

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
34	OTHER OPERATING INCOME	
Bad debts recovered	624.47	509.58
Total	624.47	509.58

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
35 OTHER INCOME		
Interest on income tax refund	1.61	0.88
Interest others	0.01	0.16
Miscellaneous income (Refer note 26)	58.08	24.01
Total	59.70	25.05

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
36 FINANCE COSTS*		
On financial liabilities measured at amortised cost		
Interest on deposits	5,602.25	4,294.57
Interest on borrowings (other than debt securities)		
- Loans from banks	3,534.28	3,632.04
- Loans from financial institutions and others	844.03	819.50
- External commercial borrowings	3,232.54	1,892.33
- Interest paid on securitisation	3,261.22	2,883.66
- Interest on lease liabilities (Refer note 26)	67.36	59.60
Interest on debt securities		
- Debentures	3,422.36	3,029.04
- External commercial bonds	1,312.68	1,319.31
- Commercial papers	-	195.74
Interest on subordinated liabilities	216.25	267.69
Other interest expenses		
- Interest on income tax liability	3.49	57.21
- Interest on security deposits for FLDG	6.90	3.89
- Other interest expense	17.66	-
Total	21,521.02	18,454.58

* Includes amortisation of fair value adjustments on borrowings Rs. 24.62 crores (March 31, 2025: 32.76 crores)

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
37 FEES AND COMMISSION EXPENSES		
Brokerage	15.17	13.03
Commission paid for loan sourcing (Refer note 64)	480.08	480.33
Professional charges on resource mobilisation	78.97	51.37
Processing charges on loans	8.78	3.29
Professional charges on securitisation	13.54	24.44
Total	596.54	572.46

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
38 IMPAIRMENT ON FINANCIAL INSTRUMENTS		
On financial instruments measured at amortised cost		
Loans # \$	5,310.06	5,279.00
Investments	30.57	26.13
Others		
- Undrawn loan commitments	4.41	4.83
- Other assets	(6.09)	1.70
Total	5,338.95	5,311.66

Includes reversal of impairment loss provision on RSP retention reserve Rs. Nil for the year ended March 31, 2026 (March 31, 2025: Rs. 0.46 crores).

38 IMPAIRMENT ON FINANCIAL INSTRUMENTS (Contd.)

Details of impairment on financial instruments disclosed in the Statement of Profit and Loss.

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(i) Impairment on loans		
Net impairment loss allowance charge/(release) for the year	3,240.67	784.38
Amounts written off during the year \$	2,134.87	4,812.34
Reversal of ECL recognised on SCUF loans acquired on merger and settled during the year	(65.48)	(317.72)
Total	5,310.06	5,279.00
(ii) Impairment on other assets	28.89	32.66
Impairment on financial instruments (i+ii)	5,338.95	5,311.66

\$ Includes loss on disposal of repossessed assets Rs. 358.90 crores (March 31, 2025: Rs. 283.86 crores).

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, 2026 (Rs. in crores)				
Particulars	General approach			Simplified Approach
	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	
Loans and advances to customers measured at amortised cost	1,247.35	629.85	3,432.86	-
Debt instruments measured at amortised cost	30.57	-	-	-
Others				
- Undrawn loan commitments	0.18	0.48	3.75	-
- Other assets	-	-	-	(6.09)
Total	1,278.10	630.33	3,436.61	(6.09)

Year ended March 31, 2025 (Rs. in crores)				
Particulars	General approach			Simplified Approach
	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	-
Debt instruments measured at amortised cost	26.13	-	-	-
Others				
- Undrawn loan commitments	4.83	-	-	-
- Other assets	-	-	-	1.70
Total	1,505.80	434.40	3,369.76	1.70

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
39 EMPLOYEE BENEFITS EXPENSES		
Salaries, other allowance and bonus*	3,642.96	3,340.20
Contribution to provident and other funds*	190.56	197.85
Staff welfare expenses	80.06	80.73
Gratuity expenses (Refer note 47)*	189.01	32.12
Share-based payments to employees (Refer note 52)	28.13	0.26
Total	4,130.72	3,651.16

* Refer note 47 for the impact of New Labour Codes



(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
40 DEPRECIATION, AMORTISATION AND IMPAIRMENT		
Depreciation of property, plant and equipment (Refer note 26)	331.90	279.85
Depreciation of investment property	-	0.01
Amortisation of intangible assets	367.00	365.46
Total	698.90	645.32

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
41 OTHER EXPENSES		
Rent (Refer note 26)	23.46	15.26
Rates and taxes	10.04	8.25
Energy costs	44.63	41.96
Repairs and maintenance	149.31	137.40
Communication costs	128.18	99.07
Printing and stationery	47.19	48.55
Advertisement and publicity	163.10	152.85
Director's fees, allowances and expenses	2.33	2.16
Auditor fees and expenses (Refer note 58)		
- As Auditor	2.04	1.75
- For taxation matters	0.11	0.10
- For other services (certification)	0.15	0.04
- For reimbursement of expenses	0.00	0.09
Legal and professional charges	218.04	244.94
Other expenditure:		
Travelling and conveyance	183.77	166.85
Business promotion	399.57	336.23
Outsourcing expenses	233.19	178.14
Royalty	525.14	474.33
Insurance	9.09	7.66
Bank charges	64.68	74.60
Loss on sale of property, plant and equipment (net)	5.13	7.91
Service charges	26.88	25.60
CSR expenses (Refer note 62A)	183.01	131.46
IT charges paid	0.37	-
Miscellaneous expenses (Refer note 62B)	186.92	119.84
Total	2,606.33	2,275.04

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

42 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 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

42 EXCEPTIONAL ITEMS (Contd.)

December 09, 2024. Post receipt of requisite regulatory approvals, the Company had 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 for the year March 31, 2025 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.

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Gain on disposal of shares of subsidiary (net)	-	2,105.15
Reversal of goodwill on sale of subsidiary	-	(551.49)
Total	-	1,553.66

43 INCOME TAX

The components of income tax expense for the year ended March 31, 2026 and March 31, 2025 are:

(Rs. in crores)		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025 *
A Total tax charged in statement of profit and loss		
a Tax expenses from continued operations		
i) Current tax expenses from continued operations	4,263.66	3,495.08
ii) Adjustment in respect of current income tax of prior years	(102.85)	95.80
iii) Deferred tax relating to origination and reversal of temporary differences	(864.82)	(511.28)
Sub-total (a)= (i+ii+iii)	3,295.99	3,079.60
b Tax expenses from discontinued operations	-	42.12
Total tax expenses (a+b)	3,295.99	3,121.72
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	(11.24)	(4.28)
Remeasurement gain/(loss) on defined benefit plan	(10.94)	3.12
Gain/(loss) on fair valuation of quoted investments in equity shares	(0.52)	(7.79)
Share of other comprehensive income from associates	0.21	0.39
ii) Income tax relating to items that will be reclassified to profit or loss	(283.90)	69.63
Gain/(loss) on effective portion of hedging instruments in a cash flow hedge	(283.90)	69.63
Sub-total (a)= (i+ii)	(295.14)	65.35



43 INCOME TAX (Contd.)

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025 *
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
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
Sub-total (b)= (i+ii)	-	2.38
Total tax expenses (A+B)	3,000.85	3,189.45

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:

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025*
Accounting profit before tax from continued operations	13,300.19	10,949.25
At India's statutory income tax rate of 25.168% (2025: 25.168%)	3,347.39	2,755.71
Adjustment in respect of current income tax of prior years	(102.85)	95.80
Tax at special rate of 14.30%	-	400.37
Income not subject to tax	-	-
Non-deductible expenses		
CSR expenditure not allowable for tax purpose	46.06	33.09
Adjustment in respect of prior years	(2.17)	(218.32)
Others	7.56	12.95
Income tax expense reported in the statement of profit and loss related to continued operations	3,295.99	3,079.60
Effective income tax rate for continuing operations	24.78%	28.13%
Profit before tax from discontinued operations	(0.55)	182.82
Tax expenses of discontinued operations	-	42.12
Effective income tax rate for discontinued operations	-	23.04%

Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

Particulars	(Rs. in crores)			
	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2026	As at March 31, 2026	Year ended March 31, 2026	Year ended March 31, 2026
Property, plant and equipment, intangible assets and investment property - carrying amount other than on account of fair valuation	83.70	-	(16.89)	-
Provision for post retirement benefits	48.68	-	2.16	10.73

43 INCOME TAX (Contd.)

Particulars	(Rs. in crores)			
	Deferred tax assets	Deferred tax liabilities	Statement of profit and loss	OCI
	As at March 31, 2026	As at March 31, 2026	Year ended March 31, 2026	Year ended March 31, 2026
Expenses allowable for tax purposes when paid	151.91	-	(36.27)	-
Cash flow hedge reserve	-	124.68	-	283.90
Impairment allowance on loans and advances	4,050.16	-	(776.55)	-
Fair valuation on derecognition of financial instrument	0.57	25.36	(30.63)	-
ESOP compensation expenses	12.33	-	(1.25)	-
Fair valuation impact of merger	57.92	-	(28.48)	-
Other temporary differences	14.10	5.41	23.09	0.52
Total	4,419.37	155.45	(864.82)	295.15

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

Particulars	(Rs. in crores)			
	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)

Reconciliation of deferred tax assets/(liabilities)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025*
Opening balance	3,694.86	3,069.38
Effects of acquisition of subsidiary	(0.40)	-
Recognised in statement of profit and loss/adjustment	864.82	745.86
Recognised in statement of profit and loss under OCI	(295.36)	64.96
Less: Adjustment for discontinued operations	-	(185.35)
Closing balance	4,263.92	3,694.86

43 INCOME TAX (Contd.)

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
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.

44 BUSINESS COMBINATION DONE DURING THE YEAR

Summary of acquisitions done during the financial year ended March 31, 2026

(i) Shriram Overseas Investments Limited ('Shriram Overseas')

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 [(now renamed as Shriram Overseas Investments Limited ('Shriram Overseas'), w.e.f. June 04, 2025)], subject to approval of RBI. The RBI had 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 has acquired 100% equity stake for a purchase consideration of Rs. 50.12 crores in Shriram Overseas. Consequent to acquisition, Shriram Overseas became a wholly-owned subsidiary of the Company w.e.f. May 09, 2025.

On September 26, 2025, the Company made further investment of Rs. 300.01 crores in Shriram Overseas by subscribing 19,025,000 equity shares of face value of Rs. 10/- each at a premium of Rs. 147.69 per equity share through rights issue.

(a) The fair value of assets and liabilities recognised as a result of the acquisition on consolidated basis are as follows:

Particulars	(Rs. in crores)	
	Amounts	
Assets		
Cash and cash equivalents	0.13	
Loans	29.99	
Investments	16.72	
Assets associated with step-down subsidiary held for sale	4.90	
Total assets	51.74	
Liabilities		
Payables	0.01	
Current tax liabilities (net)	0.03	
Deferred tax liabilities	0.40	
Liabilities associated with step-down subsidiary held for sale	0.02	
Total liabilities	0.46	
Net identifiable assets acquired	51.28	
Non-controlling interest	0.90	

44 BUSINESS COMBINATION DONE DURING THE YEAR (Contd.)

(b) Amount recognised directly in other equity (Capital reserve):

The difference between the purchase consideration and amount attributable to identified assets and liabilities represents residual Capital reserve.

Particulars	(Rs. in crores)	
	Amounts	
Net identifiable assets acquired	51.28	
Less: Purchase consideration	(50.12)	
Less: Minority interest	(0.90)	
Capital reserve	0.26	

(c) The revenues and profits contributed to the Group for the period May 09, 2025 to March 31, 2026 are as follows:

Particulars	(Rs. in crores)	
	Amounts	
Revenue	15.06	
Profit before tax	6.05	

(d) Acquired Receivables

Particulars	(Rs. in crores)	
	Amounts	
Fair value of acquired trade receivables	-	
Gross contractual amount for trade receivables	-	
Contractual cash flows not expected to be collected	-	

(e) Purchase consideration - cash outflow

Particulars	(Rs. in crores)	
	Amounts	
Net outflow of cash - investing activities	-	

(f) Acquisition related costs:

Acquisition related costs of Rs. Nil have been recognised under miscellaneous expenses in the Statement of Profit and Loss.

45 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.

(a) Earnings per equity share for continuing operations

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net profit after taxes and share of profit/(loss) of associate from continuing operations (Rs. in crores) (A)	10,024.70	9,435.62
Weighted average number of equity shares for calculating basic EPS (in crores) (B)	188.10	187.99
Effect of potential dilutive equity shares (in crores) (C)	0.16	0.26

45 EARNINGS PER SHARE (EPS) (Contd.)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Weighted average number of equity shares for calculating diluted EPS (in crores) (D=B+C)	188.26	188.25
Basic EPS (in Rupees) (face value of Rs. 2/- per share) (A)/(B)	53.29	50.19
Diluted EPS (in Rupees) (face value of Rs. 2/- per share) (A)/(D)	53.25	50.12

The Company has allotted 471,121,055 equity shares having face value of Rs. 2/- each at a premium of Rs. 838.93 per share under preferential issue to MUFG Bank Ltd (“MUFG”) on April 08, 2026. These shares will be considered for computing “Earnings per share” from the quarter ending June 30, 2026 onwards (Refer note 75).

(b) Earnings per equity share for discontinued operations

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net profit after tax for the year from discontinued operations attributable to equity holders of the Company (Rs. in crores) from discontinued operations (A)	(0.54)	118.20
Weighted average number of equity shares for calculating basic EPS (in crores) (B)	188.10	187.99
Effect of potential dilutive equity shares (in crores) (C)	0.16	0.26
Weighted average number of equity shares for calculating diluted EPS (in crores) (D=B+C)	188.26	188.25
Basic EPS (in Rupees) (face value of Rs. 2/- per share) (A)/(B)	(0.00)	0.63
Diluted EPS (in Rupees) (face value of Rs. 2/- per share) (A)/(D)	(0.00)	0.63

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 figures of erstwhile step-down subsidiary BIPL, included in above table are pertaining to period from May 09, 2025 upto March 11, 2026, i.e., the date of stake sale.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.

(c) Earnings per equity share for total operation

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net profit after tax as per statement of profit and loss (Rs. in crores) (A)	10,024.16	9,553.82
Weighted average number of equity shares for calculating basic EPS (in crores) (B)	188.10	187.99
Effect of potential dilutive equity shares (in crores) (C)	0.16	0.26
Weighted average number of equity shares for calculating diluted EPS (in crores) (D=B+C)	188.26	188.25
Basic EPS (in Rupees) (face value of Rs. 2/- per share) (A)/(B)	53.29	50.82
Diluted EPS (in Rupees) (face value of Rs. 2/- per share) (A)/(D)	53.25	50.75

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, 2026	As at March 31, 2025
Shriram Overseas Investments Limited ('Shriram Overseas') (w.e.f. May 09, 2025) (formerly known as Shriram Overseas Investments Private Limited)	Subsidiary	India	Mumbai	Investing activities	100.00%	Nil
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 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 [(now renamed as Shriram Overseas Investments Limited ('Shriram Overseas'), w.e.f. June 04, 2025)], subject to approval of RBI. The RBI had 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 has acquired 100% equity stake for a purchase consideration of Rs. 50.12 crores in Shriram Overseas. Consequent to acquisition, Shriram Overseas became a wholly-owned subsidiary of the Company w.e.f. May 09, 2025.

On September 26, 2025, the Company made further investment of Rs. 300.01 crores in Shriram Overseas by subscribing 19,025,000 equity shares of face value of Rs. 10/- each at a premium of Rs. 147.69 per equity share through rights issue.

The Shriram Overseas has received an in-principle approval to commence Primary Dealer (PD) business on April 15, 2026 from Reserve Bank of India, subject to compliance with the conditions specified therein.

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, 2026	Year ended March 31, 2025*
(a) Share in profit or loss from continuing operations	20.50	12.31
(b) Share in post-tax profit or loss from discontinued operations	-	-
(c) Share in other comprehensive income	(0.64)	(1.15)
(d) Share in total comprehensive income	19.86	11.16

*The financial statements of the associate are as per unaudited financial statements provided by the management.



47 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. 160.01 crores (March 31, 2025: Rs. 168.20 crores) for Provident Fund contributions and Rs. 29.86 crores (March 31, 2025: Rs. 29.12 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, 2026, 94.35% funds are invested in government securities and balance 5.65% 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, 2026	Year ended March 31, 2025
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows:		
Current service cost	38.63	28.28
Interest expense	25.02	18.29
Interest income	(19.86)	(15.85)
Past service cost	145.18	1.40
Components of defined benefit costs recognised in statement of profit and loss (A)	188.97	32.12
Remeasurement of gains/(losses) in other comprehensive income:		
Return on plan assets (excluding amounts included in net interest expense)	(0.42)	(2.31)
Actuarial changes arising from changes in demographic assumptions	-	(2.79)
Actuarial changes arising from changes in financial assumptions	(20.61)	15.13
Experience adjustments	(22.31)	2.37
Components of defined benefit costs recognised in other comprehensive income (B)	(43.34)	12.40
Total (A + B)	145.63	44.52

47 RETIREMENT BENEFIT PLAN (Contd.)

Impact of New Labour Codes

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes viz. Code on wages 2019, Codes on Social Security 2020, Industrial Relation Code 2020, and Occupational Safety, Health and Working Condition Code 2020 (collectively referred to as the New Labour Codes). These Codes have been made effective from November 21, 2025. The corresponding draft rules under these codes have been issued by the Government.

Employee benefits expenses for the year ended March 31, 2026 include incremental impact on gratuity of Rs. 131.73 crores and on long-term compensated absences of Rs. 65.26 crores due to change in definition of wages under the New Labour Codes. The Group continues to monitor the finalisation of Central/State Rules and clarifications from the Government on other aspects of the New Labour Codes and would provide appropriate accounting effect on the basis of such developments as required.

Movement in the present value of the defined benefit obligation are as follows:

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	316.74	258.13
Expenses recognised in statement of profit and loss:		
Current service cost	38.63	28.28
Past service cost	145.18	1.40
Interest expense/(income)	25.02	18.29
Recognised in other comprehensive income remeasurement gains/(losses)	(42.92)	14.71
Liability transferred in/out acquisitions/divestments	-	7.46
Benefits paid from the fund	(14.13)	(11.53)
Present value of defined obligation at the end of the year	468.52	316.74

Change in the fair value of plan assets:

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	289.12	224.22
Interest income	19.86	15.85
Contributions by the employer	192.13	50.81
Assets transferred in acquisitions	-	7.46
Benefits paid from the fund	(14.13)	(11.53)
Return on plan assets excluding interest income	0.42	2.31
Fair value of plan assets at the end of the year	487.40	289.12

Calculation of benefit liability/(asset):

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Defined benefit obligation/liability	468.52	316.74
Fair value of plan assets	487.40	289.12
Benefit liability/(asset) (Refer note 19 and 27)	(18.88)	27.62

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, 2026	As at March 31, 2025
Expected return on plan assets	7.16%	6.71%
Rate of discounting	7.16%	6.71%
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 27.00% 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:

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Government securities	459.88	243.87
Debt and other instruments	27.52	45.25
Total	487.40	289.12

Assumptions	Sensitivity level	(Rs. in crores)	
		As at March 31, 2026	As at March 31, 2025
Discount rate	1% increase	(40.62)	(29.08)
	1% decrease	47.64	34.31
Future salary increases	1% increase	44.79	33.02
	1% decrease	(39.42)	(28.63)
Attrition rate	1% increase	(3.50)	(4.42)
	1% decrease	3.89	4.93

Maturity analysis of projected benefits payable in future years from the date of reporting	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting period)	35.62	22.25
Between 1 and 5 years	127.27	78.43
Between 6 and 10 years	176.53	114.77
Beyond 10 years	762.88	516.23
Total expected payments	1,102.30	731.68

The Company expects to contribute Rs. 25.10 crores to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at March 31, 2026 is 11 years (March 31, 2025: 12 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 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, 2026	As at March 31, 2025
Rate of discounting	7.16%	6.71%
Expected rate of salary increase	8.00%	8.00%
Rate of employee turnover		
Service 4 years and below	27.00%	27.00%
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	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Expenses recognised in statement of profit and loss	109.11	71.41

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2026.

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 recognised Rs. 5.79 crores for the period ended December 11, 2024 for Provident Fund contributions and Rs. 0.24 crores for the period ended December 11, 2024 for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by SHFL were 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.

47 RETIREMENT BENEFIT PLAN (Contd.)

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:

- 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.
- Salary Inflation risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- 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.
- 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.
- 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.

	(Rs. in crores)
Particulars	Period ended December 11, 2024
Current service cost	2.16
Interest cost on benefit obligation	0.50
Expected return on plan assets	(0.30)
Net (benefit)/expense	2.36

Amount recognised in the balance sheet

Reconciliation of present value of the obligation and the fair value of plan assets:

	(Rs. in crores)
Particulars	As at December 11, 2024
Defined benefit obligation	-
Fair value of plan assets	-
Asset/(liability) recognised in the balance sheet	-

47 RETIREMENT BENEFIT PLAN (Contd.)

Amount recognised in the other comprehensive income from discontinued operations:

	(Rs. in crores)
Particulars	Period ended December 11, 2024
Due to change in financial assumptions	0.19
Due to change in experience adjustments	(0.89)
(Return) on plan assets (excluding interest income)	1.23
Total other comprehensive income	0.53

Changes in the present value of the defined benefit obligation are as follows:

	(Rs. in crores)
Particulars	As at December 11, 2024
Opening defined benefit obligation	9.23
Transfer in/out	-
Interest cost	0.50
Current service cost	2.16
Liability transferred in/on account of transfer of employees	-
Benefits paid	-
Actuarial loss/(gain) on obligation	(0.70)
Less: Adjustment for discontinued operations	(11.19)
Closing defined benefit obligation	-

Changes in the fair value of plan assets are as follows:

	(Rs. in crores)
Particulars	As at December 11, 2024
Opening fair value of plan assets	5.50
Interest income	0.30
Expected return	-
Contributions by employer & others exp	-
Adjustment/transfer	-
Benefits paid	-
Actuarial loss/(gain) on obligation	(1.23)
Less: Adjustment for discontinued operation	(4.57)
Closing fair value of plan assets	-

The major categories of plan assets as a percentage of fair value of total plan assets are as follows:

	As at December 11, 2024
Particulars	
Investments with insurer	100%

The principal assumptions used in determining gratuity obligations for the SHFL's plans are shown below:

	As at December 11, 2024
Particulars	
Discount rate	7.03%
Salary escalation	5.00%
Attrition rate	5.00%
Mortality table	IALM (2012-14)
Normal retirement age	58 Years



47 RETIREMENT BENEFIT PLAN (Contd.)

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.

Amounts for the year is as follows:

	(Rs. in crores)
Particulars	As at December 11, 2024
Defined benefit obligation	(11.19)
Plan assets	4.57
Surplus/(deficit)	(6.62)

		(Rs. in crores)
Assumptions	Sensitivity level	Impact on defined benefit obligation December 11, 2024
Discount Rate	1% increase	0.93
	1% decrease	(1.08)
Future salary increases	1% increase	(1.05)
	1% decrease	0.93

	(Rs. in crores)
Expected payment for future years	As at December 11, 2024
Within the next 12 months (next annual reporting period)	0.63
Between 2 and 5 years	3.20
Between 6 and 10 years	5.42
Total expected payments	9.25

The weighted average duration of the defined benefit obligation as at December 11, 2024 is 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 SHFL are shown below:

Particulars	As at December 11, 2024
Discount rate	7.03%
Salary escalation	5.00%
Attrition rate	5.00%
Mortality table	IALM (2012-14)
Normal retirement age	58 Years

	(Rs. in crores)
Particulars	Period ended December 11, 2024
Expenses recognised in statement of profit and loss under discontinued operations	1.09

47 RETIREMENT BENEFIT PLAN (Contd.)

C. **Shriram Overseas Investments Limited ("Shriram Overseas"):**a) **Defined benefit plan****Gratuity**

The Shriram Overseas maintains a non-funded defined benefit gratuity plan administered under the Code on Social Security, 2020. Permanent employees become eligible for benefits upon completion of five years of service, with the final payout calculated based on tenure and last drawn salary in accordance with statutory requirements.

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, 2026	Year ended March 31, 2025
Amounts recognised in statement of profit and loss in respect of defined benefit plans are as follows:		
Current service cost	0.03	-
Interest expense	0.01	-
Interest income	-	-
Past service cost	-	-
Components of defined benefit costs recognised in statement of profit and loss (A)	0.04	-
Remeasurement of gains/(losses) in other comprehensive income:		
Return on plan assets (excluding amounts included in net interest expense)	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Experience adjustments	(0.10)	-
Components of defined benefit costs recognised in other comprehensive income (B)	(0.10)	-
Total (A + B)	(0.06)	-

Impact of New Labour Codes

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four Labour Codes viz. Code on wages 2019, Codes on Social Security 2020, Industrial Relation Code 2020, and Occupational Safety, Health and Working Condition Code 2020 (collectively referred to as the New Labour Codes). These Codes have been made effective from November 21, 2025. The corresponding draft rules under these codes have been issued by the Government.

Employee benefits expenses for the year ended March 31, 2026 include incremental impact on gratuity of Rs. 0.02 crores and on long-term compensated absences of Rs. 0.02 crores primarily arises due to change in wage definition. The Shriram Overseas continues to monitor the finalisation of Central/State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as required.

Movement in the present value of the defined benefit obligation are as follows:

	(Rs. in crores)	
Particulars	As at March 31, 2026	As at March 31, 2025
Change in the obligation during the year ended		
Present value of defined obligation at the beginning of the year	-	-
Expenses recognised in statement of profit and loss:		
Current service cost	0.03	-

47 RETIREMENT BENEFIT PLAN (Contd.)

(Rs. in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Past service cost	-	-
Interest expense/(income)	0.01	-
Recognised in other comprehensive income remeasurement gains/(losses)	(0.10)	-
Liability transferred in/out acquisitions/divestments	0.14	-
Benefits paid from the fund	-	-
Present value of defined obligation at the end of the year	0.08	-

Change in the fair value of plan assets:

(Rs. in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	-	-
Interest income	-	-
Contributions by the employer	-	-
Assets transferred in acquisitions	-	-
Benefits paid from the fund	-	-
Return on plan assets excluding interest income	-	-
Fair value of plan assets at the end of the year	-	-

Calculation of benefit liability/(asset):

(Rs. in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Defined benefit obligation/liability	0.08	-
Fair value of plan assets	-	-
Benefit liability (Refer note 27)	0.08	-

The principal assumptions used in determining gratuity obligations for the Shriram Overseas's plans are shown below:

Particulars	As at March 31, 2026	As at March 31, 2025
Expected return on plan assets	N.A	-
Rate of discounting	7.14%	-
Expected rate of salary increase	8.00%	-
Rate of employee turnover	For service 4 years and below 27.00% p.a. For service 5 years and above 6.00% p.a	-
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	-
Mortality rate after employment	N.A	-

47 RETIREMENT BENEFIT PLAN (Contd.)

(Rs. in crores)

Assumptions	Sensitivity level	Impact on defined benefit obligation	
		As at March 31, 2026	As at March 31, 2025
Discount rate	1% increase	(0.01)	-
	1% decrease	0.01	-
Future salary increases	1% increase	0.01	-
	1% decrease	(0.01)	-
Attrition rate	1% increase	(0.00)	-
	1% decrease	0.00	-

(Rs. in crores)

Maturity analysis of projected benefits payable in future years from the date of reporting	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting period)	0.00	-
Between 1 and 5 years	0.01	-
Between 6 and 10 years	0.06	-
Beyond 10 years	0.09	-
Total expected payments	0.16	-

The weighted average duration of the defined benefit obligation as at March 31, 2026 is 12 years (March 31, 2025: Nil).

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.

b) Compensated Absences

The principal assumptions used in determining obligations for the Company are shown below:

Particulars	As at March 31, 2026	As at March 31, 2025
Rate of discounting	7.14%	-
Expected rate of salary increase	8.00%	-
Rate of employee turnover		
Service 4 years and below	27.00%	-
Service 5 years and above	6.00%	-
Mortality	Indian Assured Lives Mortality 2012-14 (Urban)	-

(Rs. in crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Expenses recognised in statement of profit and loss	0.11	-

The Shriram Overseas has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2026.

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.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores.



48 DISCONTINUED OPERATIONS

A) Shriram Housing Finance Limited (SHFL) (now renamed as Truhome Finance Limited) (erstwhile subsidiary)

The Company had 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 had 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
Revenue from operations	
(i) Interest income	1,013.22
(ii) Rental income	0.01
(iii) Fees and commission income	101.13
(iv) Net gain on fair value changes	15.55
(v) Net gain on derecognition of financial instruments under amortised cost category	115.43
(vi) Other operating income	27.26
(I) Total revenue from operations	1,272.60
(II) Other income	0.71
(III) Total income	1,273.31
Expenses	
(i) Finance costs	651.95
(ii) Fees and commission expenses	13.80
(iii) Impairment on financial instruments	80.99
(iv) Employee benefits expenses	227.31
(v) Depreciation, amortisation and impairment	22.01
(vi) Other expenses	94.43
(IV) Total expenses	1,090.49
(V) Profit before tax from discontinued operations	182.82
(VI) Income tax on discontinued operations	(42.12)
(VII) Profit after tax from discontinued operations	140.70
(VIII) Other comprehensive income from discontinued operations (net of tax)	(7.09)
(IX) Total comprehensive income from discontinued operations	133.61
(X) Earning per equity share [(Refer note 45) (b)]	
Basic (Rs.)	0.63
Diluted (Rs.)	0.63

(II) Net cash flows attributable to discontinued operations

	(Rs. in crores)
Particulars	Period ended December 11, 2024
(i) Cash flows (used in) from operating activities	(1,377.09)
(ii) Cash flows (used in) investing activities	(16.93)
(iii) Cash flows from financing activities	1,256.39
Net cash flows generated/(used in)	(137.63)

48 DISCONTINUED OPERATIONS (Contd.)

(III) Assets and liabilities of discontinued operations

	(Rs. in crores)
Particulars	As at December 11, 2024
Assets	
(1) Financial assets	
(a) Cash and cash equivalents	31.36
(b) Bank balance other than (a) above	260.98
(c) Derivative financial instruments	(5.07)
(d) Receivables	
(I) Other receivables	16.99
(e) Loans	12,076.65
(f) Investments	650.39
(g) Other financial assets	368.33
Total financial assets	13,399.63
(2) Non- financial assets	
(a) Current tax assets (net)	23.16
(b) Deferred tax assets (net)	(40.90)
(c) Investment property	-
(d) Property, plant and equipment	127.82
(e) Other intangible assets	0.78
(f) Other non-financial assets	107.22
Total non-financial assets	218.08
Total assets	13,617.71
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
(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
(c) Borrowings (other than debt securities)	8,935.18
(d) Subordinated liabilities	152.51
(e) Other financial liabilities	445.71
Total financial liabilities	11,535.21
(2) Non-financial liabilities	
(a) Provisions	11.38
(b) Other non-financial liabilities	7.08
Total non-financial liabilities	18.46
Total liabilities	11,553.67
(3) Equity	
(a) Equity share capital	362.26
(b) Other equity	1,701.78
Total equity	2,064.04
Total liabilities and equity	13,617.71

48 DISCONTINUED OPERATIONS (Contd.)

(IV) Details of sale of subsidiary

	(Rs. in crores)
Particulars	As at December 11, 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	As at December 11, 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

B) Bharath Investments Pte. Ltd. (step-down subsidiary)

(I) Results of discontinued operations

	(Rs. in crores)
Particulars	May 09, 2025 to March 11, 2026
1 Revenue from operations	0.45
2 Other income	-
3 Total income (1+2)	0.45
4 Total expenses	0.23
5 Profit/(loss) before tax from discontinued operations (3-4)	0.22
6 Tax expenses	-
7 Profit/(loss) after tax from discontinued operations (5-6)	0.22
8 Share of profit/(loss) of associate	(0.26)
9 Total profit/(loss) after tax from discontinued operations (7+8)	(0.04)
10 Profit/(loss) from sale of step-down subsidiary	(0.51)
11 Other comprehensive income from discontinued operations	-
12 Total comprehensive income from discontinued operations (9+10+11)	(0.55)

48 DISCONTINUED OPERATIONS (Contd.)

(II) Net cash flows attributable to discontinued operations

	(Rs. in crores)
Particulars	May 09, 2025 to March 11, 2026
(i) Cash flows (used in) from operating activities	(0.55)
(ii) Cash flows (used in) investing activities	(0.63)
(iii) Cash flows from financing activities	0.02
Net cash flows generated/(used in)	(1.16)

(III) Assets and liabilities of discontinued operations

	(Rs. in crores)
Particulars	As at March 11, 2026
Assets	
(1) Financial assets	
(a) Cash and cash equivalents	0.58
(b) Investments	3.08
Total financial assets	3.66
(2) Non- financial assets	-
Total assets	3.66
Liabilities	
(1) Financial liabilities	-
(2) Non-financial liabilities	
(a) Other non-financial liabilities	0.02
Total non-financial liabilities	0.02
Total liabilities	0.02
(3) Equity	
(a) Equity share capital	2.79
(b) Other equity	0.85
Total equity	3.64
Total liabilities and equity	3.66

(IV) Details of sale of step-down subsidiary

	(Rs. in crores)
Particulars	As at March 11, 2026
Consideration received	1.58
Less:	
Net asset value of investment of SFL deconsolidated as on March 11, 2026	2.97
Expense towards sale of subsidiary	0.00
Reversal of capital reserve that was created on merger	0.01
Reversal of Foreign currency translation reserve	(0.89)
Net loss on the sale of the step-down subsidiary	(0.51)

48 DISCONTINUED OPERATIONS (Contd.)

(V) Details of carrying amount of assets and liabilities as on date of sale of step-down subsidiary March 11, 2026 were as follows:

Particulars	As at March 11, 2026
BIPL total equity on the date of sale (Rs. in crores) - (A)	3.64
Total number of shares of BIPL (in crores) - (B)	0.09
Number of shares held by SFL (in crores) - (C)	0.08
Book value of shares (Rs. per share) - (D) = (A/B)	39.35
Net asset value of investment of SFL deconsolidated as on March 11, 2026 (Rs. in crores) (C*D)	2.97

49 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in liabilities arising from financing activities

(Rs. in crores)							
Particulars	As at March 31, 2025	Cash flows **	Changes in fair value	Exchange difference	Others *	Adjustment for discontinued operations	As at March 31, 2026
Debt securities	54,148.86	(1,624.36)	-	-	348.69	-	52,873.19
Borrowings (other than debt securities)	121,448.42	3,947.72	-	-	523.72	-	125,919.86
Deposits	56,085.99	12,422.05	-	-	972.30	-	69,480.34
Subordinated liabilities	2,513.98	(94.45)	-	-	(0.96)	-	2,418.57
Lease liabilities	718.65	(229.46)	-	-	286.17	-	775.36
Total liabilities from financing activities	234,915.90	14,421.50	-	-	2,129.92	-	251,467.32

* Includes loan restatements and fair value adjustments

** Includes interest payments

Changes in liabilities arising from financing activities #

(Rs. in crores)							
Particulars	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.

50 CONTINGENT LIABILITIES AND COMMITMENTS

(A) Contingent liabilities

(Rs. in crores)		
Particulars	As at March 31, 2026	As at March 31, 2025
Claims against the Group not acknowledged as debts		
a. In respect of income tax demands where the Group has filed appeal before various authorities	174.52	104.10
b. VAT demand where the Group has filed appeal before various appellates	2.67	2.52
c. Service tax demands where the Group has filed appeal before various authorities	2,944.37	2,841.09
d. GST demand where the Group has filed appeals	86.99	38.17
e. Stamp duty demand raised by District Registrar office against which the Group has filed appeal	6.69	6.69
f. Stamp duty demand raised by District Sub-Registrar office Radhapuram against which the Group has filed reply	33.48	-
Total	3,248.72	2,992.57

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, 2026	As at March 31, 2025
a. Estimated amount of contracts remaining to be executed on capital account, net of advances	19.65	29.66
b. Commitments related to loans sanctioned but undrawn	226.59	218.85
c. Capital infusion plan in Shriram Overseas Investments Limited	200.00	-
d. Other commitment	0.10	-

51 RELATED PARTY TRANSACTIONS

Related Parties as on March 31, 2026

Relationship	Name of the party
I. Promoter	: Shriram Capital Private Limited
II. Promoter Group	: Shriram Value Services Limited Novac Technology Solutions Private Limited Shriram Fortune Solutions Limited Shriram General Insurance Company Limited Shriram Life Insurance Company Limited Shriram Insight Share Brokers Limited Shriram Asset Management Company Limited Shriram Credit Company Limited Shriram Overseas Investments Private Limited (upto May 08, 2025) Shriram Wealth Limited Bharath Investments Pte. Limited, Singapore (upto May 08, 2025)

51 RELATED PARTY TRANSACTIONS (Contd.)

Relationship	Name of the party
II. Promoter Group	: SGI Philippines General Insurance Co. Inc. Indypurse Digital Technologies Private Limited (formerly known as Novac Digital Services Private Limited) Shriram Research Private Limited (formerly known as SEA funds Management India Private Limited) Way2wealth Insurance Brokers Private Limited Way2wealth Brokers Private Limited Way2wealth Commodities Private Limited Shriram Investment Holdings Private Limited (formerly known as Shriram Investment Holdings Limited) Shriram Asset Reconstruction Private Limited Novac Technology FZCO (Dubai) Novac GT Technology LLC (Dubai) Shriram Trustees Ltd (w.e.f. September 03, 2024) Shriram Alternatives Private Limited (w.e.f. March 13, 2025)
III. Subsidiaries	: Shriram Housing Finance Limited (upto December 11, 2024) Shriram Overseas Investments Limited (w.e.f. May 09, 2025) (formerly known as Shriram Overseas Investments Private Limited) Bharath Investments Pte. Ltd., Singapore (step-down subsidiary) (w.e.f. May 09, 2025 to March 11, 2026)
IV. Associates	: Shriram Automall India Limited Cartradeexchange Solutions Private Limited Adroit Inspection Service Private Limited Augeo Asset Management Private Limited Armour Insurance Services WLL (Bahrain) (Associate of step-down subsidiary) (w.e.f. May 09, 2025 to March 11, 2026)
V. Key Management Personnel (KMP)	: Mr. Jugal Kishore Mohapatra, Chairman Mr. Umesh Revankar, Executive Vice Chairman Mr. Y. S. Chakravarti, Managing Director & CEO (upto December 04, 2025) Mr. Parag Sharma, Managing Director & CEO (w.e.f. December 05, 2025), Managing Director & CFO (w.e.f. June 01, 2024 up to December 04, 2025), Joint Managing Director & CFO (upto May 31, 2024) Mr. S. Sunder, Joint Managing Director & CFO (w.e.f. December 05, 2025), Joint Managing Director (upto December 04, 2025), inducted as Director (w.e.f. October 31, 2025) Mr. Pradeep Kumar Panja, Independent Director Mr. S. Ravindran, Non-Executive Independent Director 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. Hardeep Singh Tur, Joint Managing Director & Chief Risk Officer (w.e.f. October 31, 2025), Chief Risk Officer (upto October 30, 2025) Mr. R. Chandrasekar, Joint Managing Director & ESG & Business Responsibility (w.e.f. December 05, 2025), Joint Managing Director & Chief Compliance Officer (upto December 04, 2025)

51 RELATED PARTY TRANSACTIONS (Contd.)

Relationship	Name of the party
V. Key Management Personnel (KMP)	: Mr. U. Balasundararao, Company Secretary & Chief Compliance officer (w.e.f. December 05, 2025), Company Secretary & Compliance officer (upto December 04, 2025) Mr. Sudarshan Holla Balnad, Joint Managing Director & Chief Operating Officer (w.e.f. October 31, 2025) Mr. G. M. Jilani, Joint Managing Director & Chief Operating Officer (w.e.f. October 31, 2025) Mr. Nilesh Odedara, Joint Managing Director & Chief Sales Officer (w.e.f. October 31, 2025) Mrs. Maya S. Sinha, Independent Director (upto December 03, 2024) Mr. S. Sridhar, Independent Director (upto October 19, 2024)
VI. Close members of the families 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) 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 (w.e.f. June 01, 2024) (Mother of Mr. Gokul Dixit) Mrs. Sujatha Sunder (Spouse of Mr. S. Sunder) Mr. Karthik (Daughter's Husband of Mr. R Chandrasekar) Mr. Harmansingh Tur (Son of Mr. Hardeep Singh Tur) Mrs. Uma Swaminathan (upto December 03, 2024) (Mother of Mrs. Maya S. Sinha)
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) Shriram Housing Finance Company Limited Employees Group Gratuity Fund Trust (upto December 11, 2024)



51 RELATED PARTY TRANSACTIONS (Contd.)

Summary of related party transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of the families of Key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	(Rs. in crores)													
I) Payments/ expenses														
1 Advance repaid	0.20	-	-	-	-	-	-	-	-	-	-	-	0.20	-
2 Business mobilisation expenses	-	-	-	-	0.67	0.37	-	-	-	-	-	-	0.67	0.37
3 Commission and sitting fee paid to directors	-	-	-	-	-	-	-	-	1.87	2.11	-	-	1.87	2.11
4 Commission paid	-	-	43.86	34.55	1.09	2.13	-	-	-	-	-	-	44.95	36.68
5 Employee benefits for key management personnel*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) Short term benefits	-	-	-	-	-	-	-	-	11.38	9.91	-	-	11.38	9.91
(b) Post employment benefits	-	-	-	-	-	-	-	-	1.77	1.68	-	-	1.77	1.68
(c) Share based payments	-	-	-	-	-	-	-	-	7.85	0.07	-	-	7.85	0.07
6 Employer contribution to employees group gratuity assurance scheme	-	-	-	-	-	-	192.09	51.83	-	-	-	-	192.09	51.83
7 Equity dividend paid	261.87	332.37	104.33	132.42	-	-	-	-	0.24	0.26	0.00	0.00	366.44	465.05
8 Gratuity and leave encashment paid	-	0.05	-	0.19	-	-	-	-	-	-	-	-	-	0.24
9 Insurance premium paid	-	-	31.57	39.90	-	-	-	-	-	-	-	-	31.57	39.90
10 Intangible assets purchased	-	-	-	21.00	-	-	-	-	-	-	-	-	21.00	-
11 Interest paid on deposit	-	-	7.11	4.55	3.73	15.46	-	-	0.29	0.00	0.17	0.21	11.30	20.22
12 Interest paid on non-convertible debenture (secured)	-	-	49.55	49.48	0.63	0.69	-	-	-	-	-	-	50.18	50.17
13 Interest paid on subordinated debt	-	-	45.13	22.43	-	-	-	-	-	-	-	-	45.13	22.43
14 Investment in mutual fund	-	-	100.00	144.99	-	-	-	-	-	-	-	-	100.00	144.99
15 Investment in equity shares of SOIL	-	-	50.12	-	-	-	-	-	-	-	-	-	50.12	-
16 Maintenance services Super App	-	-	30.25	21.00	-	-	-	-	-	-	-	-	30.25	21.00
17 Maturity of deposit	-	-	20.00	24.76	14.66	60.50	-	-	1.02	0.00	0.87	1.81	36.55	87.07
18 Maturity of non-convertible debenture (secured)	-	-	-	40.00	-	0.66	-	-	-	-	-	-	-	40.66
19 Maturity of subordinated debts	-	-	-	25.00	-	-	-	-	-	-	-	-	-	25.00
20 Other administrative expenses	-	-	0.03	0.03	12.33	12.21	-	-	-	-	-	-	12.36	12.24
21 Outsourcing expenses	-	-	198.63	157.81	-	-	-	-	-	-	-	-	198.63	157.81
22 Professional charges paid	-	-	0.05	-	-	-	-	-	-	-	-	-	0.05	-
23 Purchase of assets	-	-	0.11	-	-	-	-	-	-	-	-	-	0.11	-
24 Reimbursement of expenses	0.02	-	-	-	-	-	-	-	-	-	-	-	0.02	-
25 Rent paid	-	-	0.02	0.02	20.89	17.97	-	-	-	-	-	-	20.91	17.99
26 Revenue sharing paid	-	-	-	-	0.00	0.02	-	-	-	-	-	-	0.00	0.02
27 Royalty paid	-	-	481.78	444.34	-	-	-	-	-	-	-	-	481.78	444.34
28 Sales promotion expenses	-	-	10.14	10.37	-	-	-	-	-	-	-	-	10.14	10.37
29 Service charges	24.66	23.49	-	-	-	-	-	-	-	-	-	-	24.66	23.49
30 Support service charges	-	-	0.08	-	-	-	-	-	-	-	-	-	0.08	-
31 Valuation charges	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00
II) Receipts/ income														
1 Advance received	0.20	-	-	-	-	-	-	-	-	-	-	-	0.20	-
2 Commission received	-	-	266.38	295.81	-	-	-	-	-	-	-	-	266.38	295.81
3 Commission received on mutual fund	-	-	0.17	-	-	-	-	-	-	-	-	-	0.17	-
4 Dividend received	-	-	-	-	0.45	-	-	-	-	-	-	-	0.45	-
5 Deposit accepted	-	-	75.00	-	51.01	98.16	-	-	0.10	0.00	1.57	1.25	127.68	99.41
6 Gratuity, leave encashment, bonus and leave travel allowances received	-	-	0.15	2.18	-	0.13	-	-	-	-	-	-	0.15	2.31

51 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of the families of Key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	(Rs. in crores)													
7 Insurance claims	-	-	1.59	0.89	-	-	-	-	-	-	-	-	1.59	0.89
8 Insurance premium received	-	-	-	0.07	-	-	-	-	-	-	-	-	-	0.07
9 Interest received	-	-	0.60	-	-	-	-	-	-	-	-	-	0.60	-
10 Investment in mutual fund redeemed	-	-	81.76	145.51	-	-	-	-	-	-	-	-	81.76	145.51
11 Repayment of loan given	-	-	30.00	-	-	-	-	-	-	-	-	-	30.00	0.00
12 Non-convertible debenture (secured) issued	-	-	-	45.00	-	-	-	-	-	-	-	-	-	45.00
13 Other income	-	-	0.00	0.01	-	-	-	-	-	-	-	-	0.00	0.01
14 Recovery of common sharing expenses	0.04	0.04	0.16	0.29	0.30	0.30	-	-	-	-	-	-	0.50	0.63
15 Rent and electricity income	-	-	-	-	1.58	2.61	-	-	-	-	-	-	1.58	2.61
16 Sale of property, plant and equipment	-	-	-	-	0.10	-	-	-	-	-	-	-	0.10	0.00
17 Subordinated debts issued	-	-	-	100.00	-	-	-	-	-	-	-	-	-	100.00
III) Balance outstanding at the year end														
i) Assets														
1 Commission and other receivables	-	-	43.87	44.00	-	-	-	-	-	-	-	-	43.87	44.00
2 Security deposit receivables	-	-	0.11	0.11	-	-	-	-	-	-	-	-	0.11	0.11
3 Investment in equity shares	-	-	-	-	222.48	202.62	-	-	-	-	-	-	222.48	202.62
4 Investment in mutual fund	-	-	40.57	10.01	-	-	-	-	-	-	-	-	40.57	10.01
ii) Liabilities														
1 Deposit														
a) Public deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) Deposit from corporates	-	-	77.86	24.27	227.93	178.85	-	-	0.18	1.26	3.70	2.90	3.88	4.16
2 Non-convertible debenture (secured)														
a) Privately placed	-	-	681.08	558.84	-	-	-	-	-	-	-	-	681.08	558.84
b) Public issue	-	-	26.69	26.69	7.15	7.14	-	-	-	-	-	-	33.84	33.83
3 Subordinated debt	-	-	523.81	554.93	-	-	-	-	-	-	-	-	523.81	554.93
4 Trade payables	6.30	6.00	132.23	116.10	1.55	3.79	-	-	-	-	-	-	140.08	125.89
5 Other financial liabilities	-	-	-	2.50	-	-	-	-	-	-	-	-	1.67	2.50
6 Provision for Share Appreciation rights	-	-	-	-	-	-	-	-	9.84	0.07	-	-	9.84	0.07
iii) Equity														
1 Equity share capital	67.15	67.15	26.76	26.75	-	-	-	-	0.08	0.06	0.00	0.00	93.99	93.96

*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.

The Company has procured bank guarantee of Rs. 5.83 crores (March 31, 2025: 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 financial years ended March 31, 2026 and March 31, 2025.

All the above transactions were entered into in the ordinary course of business on an arm's length basis.



Breakup of related party transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of the families of Key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
1) Payments/ expenses														
1 Advance repaid														
- Shriram Capital Private Limited	0.20	-	-	-	-	-	-	-	-	-	-	-	0.20	-
2 Business mobilisation expenses														
- Shriram Automall India Limited	-	-	-	-	0.67	0.37	-	-	-	-	-	-	0.67	0.37
3 Commission and sitting fee paid to directors														
- S. Sridhar	-	-	-	-	-	-	-	-	-	0.35	-	-	-	0.35
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.41	0.40	-	-	0.41	0.40
- Maya S. Sinha	-	-	-	-	-	-	-	-	0.41	-	-	-	-	0.41
- S. Ravindran	-	-	-	-	-	-	-	-	0.40	0.31	-	-	0.40	0.31
- Jugal Kishore Mohapatra	-	-	-	-	-	-	-	-	0.33	0.34	-	-	0.33	0.34
- Gokul Dixit	-	-	-	-	-	-	-	-	0.37	0.15	-	-	0.37	0.15
- M. V. Bhanumathi	-	-	-	-	-	-	-	-	0.36	0.15	-	-	0.36	0.15
4 Commission paid														
- Adroit Inspection Service Private Limited	-	-	-	-	0.76	1.45	-	-	-	-	-	-	0.76	1.45
- Shriram Insight Share Brokers Limited	-	-	10.83	9.71	-	-	-	-	-	-	-	-	10.83	9.71
- Shriram Wealth Limited	-	-	1.41	0.18	-	-	-	-	-	-	-	-	1.41	0.18
- Shriram Credit Company Limited	-	-	-	19.35	-	-	-	-	-	-	-	-	-	19.35
- Augco Asset Management Private Limited	-	-	-	-	0.33	0.68	-	-	-	-	-	-	0.33	0.68
- Shriram Fortune Solutions Limited	-	-	30.82	4.03	-	-	-	-	-	-	-	-	30.82	4.03
- Way2wealth Brokers Private Limited	-	-	0.80	1.28	-	-	-	-	-	-	-	-	0.80	1.28
5 Employee benefits for key management personnel*														
(a) Short term benefits	-	-	-	-	-	-	-	-	11.38	9.91	-	-	11.38	9.91
(b) Post employment benefits	-	-	-	-	-	-	-	-	1.77	1.68	-	-	1.77	1.68
(c) Share based payments	-	-	-	-	-	-	-	-	7.85	0.07	-	-	7.85	0.07
6 Employer contribution to employees group gratuity assurance scheme														
- Shriram Finance Limited Employees Group Gratuity Assurance Scheme	-	-	-	-	-	-	192.09	51.83	-	-	-	-	192.09	51.83
7 Equity dividend paid														
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Parag Sharma	-	-	-	-	-	-	-	-	0.18	0.23	-	-	0.18	0.23
- S. Sunder	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- U Balasundararao	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- R. Chandrasekar	-	-	-	-	-	-	-	-	0.02	0.03	-	-	0.02	0.03
- Umesh Revankar	-	-	-	-	-	-	-	-	0.00	-	-	-	0.00	-
- G. M. Jilani	-	-	-	-	-	-	-	-	0.04	-	-	-	0.04	-
- D. V. Ravi	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Shriram Capital Private Limited	261.87	332.37	-	-	-	-	-	-	-	-	-	-	261.87	332.37
- Shriram Value Services Limited	-	-	104.33	132.42	-	-	-	-	-	-	-	-	104.33	132.42

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of the families of Key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
8 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	-	-	-	-	-	-	-	-	-	0.04
9 Insurance premium paid														
- Shriram Life Insurance Company Limited	-	-	18.11	27.06	-	-	-	-	-	-	-	-	18.11	27.06
- Shriram General Insurance Company Limited	-	-	13.46	12.84	-	-	-	-	-	-	-	-	13.46	12.84
10 Intangible assets purchased														
- Novac Technology Solutions Private Limited	-	-	-	21.00	-	-	-	-	-	-	-	-	-	21.00
11 Interest paid on deposit														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Parag Sharma	-	-	-	-	-	-	-	0.00	0.00	-	-	-	0.00	0.00
- R. Chandrasekar	-	-	-	-	-	-	-	0.29	-	-	-	-	0.29	-
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	0.17	0.21	0.17	0.21
- Shriram Automall India Limited	-	-	-	-	2.32	12.52	-	-	-	-	-	-	2.32	12.52
- Cartradeexchange Solutions Private Limited	-	-	-	-	1.41	2.94	-	-	-	-	-	-	1.41	2.94
- Shriram Asset Management Company Limited	-	-	7.11	4.55	-	-	-	-	-	-	-	-	7.11	4.55
12 Interest paid on non-convertible debenture (secured)														
- Shriram Life Insurance Company Limited	-	-	13.48	14.79	-	-	-	-	-	-	-	-	13.48	14.79
- Shriram General Insurance Company Limited	-	-	36.07	34.69	-	-	-	-	-	-	-	-	36.07	34.69
- Shriram Insight Share Brokers Limited	-	-	0.00	0.00	-	-	-	-	-	-	-	-	0.00	0.00
- Shriram Automall India Limited	-	-	-	-	0.63	0.69	-	-	-	-	-	-	0.63	0.69
13 Interest paid on subordinated debt														
- Shriram Life Insurance Company Limited	-	-	27.33	11.42	-	-	-	-	-	-	-	-	27.33	11.42
- Shriram General Insurance Company Limited	-	-	17.80	11.01	-	-	-	-	-	-	-	-	17.80	11.01
14 Investment in mutual fund														
- Shriram Asset Management Company Limited	-	-	100.00	144.99	-	-	-	-	-	-	-	-	100.00	144.99
15 Investment in equity shares of SOIL														
- Shriram Investment Holdings Private Limited	-	-	50.12	-	-	-	-	-	-	-	-	-	50.12	-
16 Maintenance services Super App														
- Novac Technology Solutions Private Limited	-	-	30.25	21.00	-	-	-	-	-	-	-	-	30.25	21.00
17 Maturity of deposit														
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Parag Sharma	-	-	-	-	-	-	-	0.00	0.00	-	-	-	0.00	0.00
- R. Chandrasekar	-	-	-	-	-	-	-	1.02	-	-	-	-	1.02	-
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	0.87	1.81	0.87	1.81
- Shriram Automall India Limited	-	-	-	-	9.16	49.00	-	-	-	-	-	-	9.16	49.00
- Shriram Asset Management Company Limited	-	-	20.00	24.76	-	-	-	-	-	-	-	-	20.00	24.76
- Cartradeexchange Solutions Private Limited	-	-	-	-	5.50	11.50	-	-	-	-	-	-	5.50	11.50
18 Maturity of non-convertible debenture (secured)														
- Shriram Automall India Limited	-	-	-	-	-	0.66	-	-	-	-	-	-	-	0.66
- Shriram Life Insurance Company Limited	-	-	-	40.00	-	-	-	-	-	-	-	-	-	40.00



51 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of the families of Key management personnel		(Rs. in crores)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	Total
19 Maturity of subordinated debts														
- Shriram General Insurance Company Limited	-	-	-	10.00	-	-	-	-	-	-	-	-	-	10.00
- Shriram Life Insurance Company Limited	-	-	-	15.00	-	-	-	-	-	-	-	-	-	15.00
20 Other administrative expenses														
- Shriram Insight Share Brokers Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	0.03	0.03
- Shriram Automall India Limited	-	-	-	-	12.33	12.21	-	-	-	-	-	-	12.33	12.21
21 Outsourcing expenses														
- Novac Technology Solutions Private Limited	-	-	198.63	157.81	-	-	-	-	-	-	-	-	198.63	157.81
22 Professional charges paid														
- Shriram Wealth Limited	-	-	0.05	-	-	-	-	-	-	-	-	-	0.05	-
23 Purchase of assets														
- Novac Technology Solutions Private Limited	-	-	0.11	-	-	-	-	-	-	-	-	-	0.11	-
24 Reimbursement of expenses	0.02													
- Shriram Capital Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	0.02	-
25 Rent paid														
- Shriram Automall India Limited	-	-	-	-	-	17.97	-	-	-	-	-	-	20.89	17.97
- Shriram Asset Management Company Limited	-	-	0.02	0.02	-	-	-	-	-	-	-	-	0.02	0.02
26 Revenue sharing paid														
- Shriram Automall India Limited	-	-	-	-	0.00	0.02	-	-	-	-	-	-	0.00	0.02
27 Royalty paid														
- Shriram Value Services Limited	-	23.49	481.78	444.34	-	-	-	-	-	-	-	-	481.78	444.34
28 Sales promotion expenses														
- Shriram Insight Share Brokers Limited	-	-	2.75	2.41	-	-	-	-	-	-	-	-	2.75	2.41
- Shriram Wealth Limited	-	-	0.31	0.03	-	-	-	-	-	-	-	-	0.31	0.03
- Shriram Credit Company Limited	-	-	-	6.48	-	-	-	-	-	-	-	-	-	6.48
- Shriram Fortune Solutions Limited	-	-	6.89	0.88	-	-	-	-	-	-	-	-	6.89	0.88
- Way2wealth Brokers Private Limited	-	-	0.19	0.57	-	-	-	-	-	-	-	-	0.19	0.57
29 Service charges														
- Shriram Capital Private Limited	24.66	-	-	-	-	-	-	-	-	-	-	-	24.66	23.49
30 Support service charges														
- Way2wealth Brokers Private Limited	-	-	0.08	-	-	-	-	-	-	-	-	-	0.08	-
31 Valuation charges														
- Adroit Inspection Service Private Limited	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00
10) Receipts/ income														
1 Advance received														
- Shriram Capital Private Limited	0.20	-	-	-	-	-	-	-	-	-	-	-	0.20	-
2 Commission received														
- Shriram General Insurance Company Limited	-	-	139.30	150.58	-	-	-	-	-	-	-	-	139.30	150.58
- Shriram Life Insurance Company Limited	-	-	127.08	145.23	-	-	-	-	-	-	-	-	127.08	145.23
3 Commission received on mutual fund														
- Shriram Asset Management Company Limited	-	-	0.17	-	-	-	-	-	-	-	-	-	0.17	-

51 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of the families of Key management personnel		(Rs. in crores)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	Total
4 Dividend Received														
- Armour Insurance Services WLL	-	-	-	-	0.45	-	-	-	-	-	-	-	0.45	-
5 Deposit accepted														
- Key management personnel														
- Parag Sharma	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	0.10	-	1.57	1.25	0.10	-
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	1.25	1.25
- Shriram Asset Management Company Limited	-	-	25.00	-	-	-	-	-	-	-	-	-	25.00	-
- Shriram Automall India Limited	-	-	-	-	36.25	75.23	-	-	-	-	-	-	36.25	75.23
- Shriram Wealth Limited	-	-	50.00	-	-	-	-	-	-	-	-	-	50.00	-
- Cartradeexchange Solutions Private Limited	-	-	-	-	14.76	22.93	-	-	-	-	-	-	14.76	22.93
6 Gratuity, leave encashment, bonus and leave travel allowances received														
- Shriram Automall India Limited	-	-	-	-	-	0.13	-	-	-	-	-	-	-	0.13
- Shriram Life Insurance Company Limited	-	-	-	0.13	-	-	-	-	-	-	-	-	-	0.13
- Shriram Value Services Limited	-	-	-	0.34	-	-	-	-	-	-	-	-	-	0.34
- Shriram Credit Company Limited	-	-	0.15	-	-	-	-	-	-	-	-	-	0.15	-
- Novac Technology Solutions Private Limited	-	-	-	1.71	-	-	-	-	-	-	-	-	-	1.71
7 Insurance claims														
- Shriram General Insurance Company Limited	-	-	1.59	0.89	-	-	-	-	-	-	-	-	1.59	0.89
8 Insurance premium received														
- Shriram Life Insurance Company Limited	-	-	-	0.07	-	-	-	-	-	-	-	-	-	0.07
9 Interest received														
- Shriram Credit Company Limited	-	-	0.17	-	-	-	-	-	-	-	-	-	0.17	-
- Shriram Insight Share Brokers Limited	-	-	0.43	-	-	-	-	-	-	-	-	-	0.43	-
10 Investment in mutual fund redeemed														
- Shriram Asset Management Company Limited	-	-	81.76	145.51	-	-	-	-	-	-	-	-	81.76	145.51
11 Repayment of loan given														
- Shriram Credit Company Limited	-	-	10.00	-	-	-	-	-	-	-	-	-	10.00	-
- Shriram Insight Share Brokers Limited	-	-	20.00	-	-	-	-	-	-	-	-	-	20.00	-
12 Non-convertible debenture (secured) issued														
- Shriram General Insurance Company Limited	-	-	-	15.00	-	-	-	-	-	-	-	-	-	15.00
- Shriram Life Insurance Company Limited	-	-	-	30.00	-	-	-	-	-	-	-	-	-	30.00
13 Other income														
- Shriram Asset Management Company Limited	-	-	0.00	0.01	-	-	-	-	-	-	-	-	0.00	0.01
14 Recovery of common sharing expenses														
- Shriram Automall India Limited	-	-	-	-	0.30	0.30	-	-	-	-	-	-	0.30	0.30
- Shriram Insight Share Brokers Limited	-	-	0.01	0.02	-	-	-	-	-	-	-	-	0.01	0.02
- Shriram Fortune Solutions Limited	-	-	0.04	0.06	-	-	-	-	-	-	-	-	0.04	0.06
- Shriram Credit Company Limited	-	-	0.02	0.12	-	-	-	-	-	-	-	-	0.02	0.12
- Shriram General Insurance Company Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	0.03	0.03



51 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of the families of Key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
- Shriram Capital Private Limited	0.04	-	-	0.04	-	-	-	-	-	-	-	-	0.04	0.04
- Shriram Asset Management Company Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	0.03	0.03
- Shriram Wealth Limited	-	-	0.03	0.03	-	-	-	-	-	-	-	-	0.03	0.03
15 Rent and electricity income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	1.58	2.61	-	-	-	-	-	-	1.58	2.61
16 Sale of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shriram Automall India Limited	-	-	-	-	0.10	-	-	-	-	-	-	-	0.10	-
17 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.

The Company has procured bank guarantee of Rs. 5.83 crores (March 31, 2025: 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 financial years ended March 31, 2026 and March 31, 2025.

All the above transactions were entered into in the ordinary course of business on an arm's length basis

Breakup of Related Party Transactions

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of the families of Key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
III) Balance outstanding at the year end														
i) Assets														
1 Commission and other receivables	-	-	31.93	32.04	-	-	-	-	-	-	-	-	31.93	32.04
- Shriram General Insurance Company Limited	-	-	11.94	11.96	-	-	-	-	-	-	-	-	11.94	11.96
- Shriram Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2 Security deposit receivables	-	-	0.10	0.10	-	-	-	-	-	-	-	-	0.10	0.10
- Shriram Life Insurance Company Limited	-	-	0.01	0.01	-	-	-	-	-	-	-	-	0.01	0.01
- Shriram Asset Management Company Limited	-	-	0.00	-	-	-	-	-	-	-	-	-	0.00	-
- Way2wealth Brokers Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-

51 RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of the families of Key management personnel		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
3 Investment in equity shares	-	-	-	-	222.48	202.62	-	-	-	-	-	-	222.48	202.62
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Investment in mutual fund	-	-	40.57	10.01	-	-	-	-	-	-	-	-	40.57	10.01
- Shriram Asset Management Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Liabilities														
1 Deposit	-	-	-	-	-	-	-	-	0.18	0.07	-	-	0.18	0.07
a) Public deposit	-	-	-	-	-	-	-	-	0.00	0.00	-	-	0.00	0.00
- Key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Pradeep Kumar Panja	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Parag Sharma	-	-	-	-	-	-	-	-	-	1.19	-	-	-	1.19
- R. Chandrasekar	-	-	-	-	-	-	-	-	-	-	3.70	2.90	3.70	2.90
- Close members of key management personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) Deposit from corporates	-	-	25.00	24.27	-	-	-	-	-	-	-	-	25.00	24.27
- Shriram Asset Management Company Limited	-	-	-	-	177.65	140.03	-	-	-	-	-	-	177.65	140.03
- Shriram Automall India Limited	-	-	52.86	-	-	-	-	-	-	-	-	-	52.86	-
- Shriram Wealth Limited	-	-	-	-	50.28	38.82	-	-	-	-	-	-	50.28	38.82
- Cartradeexchange Solutions Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2 Non-convertible debenture (secured)														
a) Privately placed	-	-	167.35	135.60	-	-	-	-	-	-	-	-	167.35	135.60
- Shriram Life Insurance Company Limited	-	-	513.73	423.24	-	-	-	-	-	-	-	-	513.73	423.24
- Shriram General Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) Public issue	-	-	26.69	26.69	-	-	-	-	-	-	-	-	26.69	26.69
- Shriram Life Insurance Company Limited	-	-	0.00	0.00	-	-	-	-	-	-	-	-	0.00	0.00
- Shriram Insight Share Brokers Limited	-	-	-	-	7.15	7.14	-	-	-	-	-	-	7.15	7.14
- Shriram Automall India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Subordinated debt	-	-	316.34	316.34	-	-	-	-	-	-	-	-	316.34	316.34
- Shriram Life Insurance Company Limited	-	-	207.47	238.59	-	-	-	-	-	-	-	-	207.47	238.59
- Shriram General Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Trade payables	6.30	6.00	-	-	-	-	-	-	-	-	-	-	6.30	6.00
- Shriram Capital Private Limited	-	-	-	-	1.55	3.79	-	-	-	-	-	-	1.55	3.79
- Shriram Automall India Limited	-	-	124.03	113.46	-	-	-	-	-	-	-	-	124.03	113.46
- Shriram Value Services Limited	-	-	7.09	1.50	-	-	-	-	-	-	-	-	7.09	1.50
- Novac Technology Solutions Private Limited	-	-	0.87	0.93	-	-	-	-	-	-	-	-	0.87	0.93
- Shriram Insight Share Brokers Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-



51 RELATED PARTY TRANSACTIONS (Contd.)														(Rs. in crores)			
Promoter		Promoter group		Associates		Employee's benefit plan		Key management personnel		Close members of the families of Key management personnel		Total					
March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025				
Particulars																	
- Shriram Wealth Limited	-	0.21	0.07	-	-	-	-	-	-	-	-	0.21	0.07				
- Auggeo Asset Management Private Limited	-	-	-	0.00	-	-	-	-	-	-	-	0.00	-				
- Way2wealth Brokers Private Limited	-	0.03	0.14	-	-	-	-	-	-	-	-	0.03	0.14				
5 Other financial liabilities																	
- Shriram Fortune Solutions Limited	-	1.67	2.50	-	-	-	-	-	-	-	-	1.67	2.50				
6 Provision for Share Appreciation rights																	
-	-	-	-	-	-	9.84	0.07	-	-	-	-	9.84	0.07				
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	0.05				
- S. Sunder	-	-	-	-	-	-	0.00	0.00	0.00	-	-	0.00	0.00				
- U Balasundararao	-	-	-	-	-	-	0.00	0.00	0.00	-	-	0.00	0.00				
- D. V. Ravi	-	-	-	-	-	-	0.00	0.00	0.00	-	-	0.00	0.00				
- Umesh Revankar	-	-	-	-	-	-	0.00	0.00	-	-	-	0.00	-				
- G. M. Jilani	-	-	-	-	-	-	0.02	0.02	-	-	-	0.02	-				
- R. Chandrasekar	-	-	-	-	-	-	0.01	0.01	0.01	-	-	0.01	0.01				
- Shriram Capital Private Limited	67.15	-	-	-	-	-	-	-	-	-	-	67.15	67.15				
- Shriram General Insurance Company Limited	-	0.01	-	-	-	-	-	-	-	-	-	0.01	-				
- Shriram Value Services Limited	-	26.75	26.75	-	-	-	-	-	-	-	-	26.75	26.75				

Income/ expenses are presented excluding GST.

Amounts less than Rs. 1.00 lac are presented as Rs. 0.00 crores in the above statement.

The Company has procured bank guarantee of Rs. 5.83 crores (March 31, 2025: 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 financial years ended March 31, 2026 and March 31, 2025.

All the above transactions were entered into in the ordinary course of business on an arm's length basis.

52 SHARE-BASED PAYMENTS	
A. Shriram Finance Limited (“the Company”):	
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.	
Particulars	Number of options
As at April 01, 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 29 (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
Allotted during the year*	1,181,491
Lapsed during the year	8,265
As at March 31, 2026	1,144,434
*Refer note 29 (A)	
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.

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.

52 SHARE-BASED PAYMENTS (Contd.)

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 share option outstanding in the balance sheet as at March 31, 2026 is Rs. 20.66 crores (March 31, 2025: Rs. 42.92 crores) [Refer note 30].

52.02: Share Appreciation Rights (SAR) (cash-settled)

52.02.01: 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, 2024	-
Granted during the year	1,280,000
As at March 31, 2025	1,280,000
Granted during the year	1,790,000
Exercised during the year	11,250
Lapsed during the year	33,750
As at March 31, 2026	3,025,000

52.02.02: 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:

Grant I

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.)*	872.10	872.10	872.10	872.10
Exercise price per share (in Rs.)	467.98	467.98	467.98	467.98
Exercise period	1 year	2 years	3 years	4 years
Dividend yield	1.65%	1.70%	2.34%	2.56%
Volatility	33.94%	35.07%	33.27%	32.98%
Risk free rate of interest	5.72%	6.51%	6.62%	6.81%
Fair value per share appreciation right as on March 31, 2026 (in Rs.)	417.85	441.49	443.44	449.67



52 SHARE-BASED PAYMENTS (Contd.)

Grant II

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
No. of SARs granted	447,500	447,500	447,500	447,500
Grant date	March 30, 2026	March 30, 2026	March 30, 2026	March 30, 2026
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.)*	872.10	872.10	872.10	872.10
Exercise price per share (in Rs.)	868.22	868.22	868.22	868.22
Exercise period	2 years	3 years	4 years	5 years
Dividend yield	1.70%	2.34%	2.56%	2.59%
Volatility	35.07%	33.27%	32.98%	34.49%
Risk free rate of interest	6.51%	6.62%	6.81%	6.94%
Fair value per share appreciation right as on March 31, 2026 (in Rs.)	200.71	227.89	256.44	291.44

52.02.03: Other information regarding employee share-based payment plans is as below

Particulars	March 31, 2026	(Rs. in crores) March 31, 2025
Expenses arising from share appreciation rights (Refer note 39)	28.13	0.26
Closing balance of liability for share appreciation plan (Refer note 27)	27.99	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	01 November, 2021	01 May, 2022	01 July, 2023	01 August, 2023	01 May, 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%

52 SHARE-BASED PAYMENTS (Contd.)

Vesting period from the grant date

	ESOP Scheme 2016 (Tranche VI - 16)
Completion of 4 year	25%
Completion of 5 year	25%

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 the period ended December 11, 2024 is shown in the following table:

Particulars	(Rs. in crores) Period ended December 11, 2024
Expense arising from equity-settled share based payment transactions	4.56
Expense arising from cash-settled share based payment transactions	-
Total expense arising from share based payment transactions	4.56



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 to 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, 2026	March 31, 2025	March 31, 2026	March 31, 2025
A)	To Subsidiary				
	- Shriram Housing Finance Limited (upto December 11, 2024)	-	-	-	-
	- Shriram Overseas Investments Limited (formerly Shriram Overseas Investments Private Limited)	-	-	-	-
B)	To Associate				
	- Shriram Automall India Limited	-	-	-	-

(II) Disclosures relating to investments

The Company holds 44.56% (March 31, 2025: 44.56%) of equity shares of its associate company. The Company had sold its entire stake in its subsidiary SHFL on December 11, 2024 [Refer note 42]. The Company acquired 100% stake in Shriram Overseas during the financial year 2025-26. Disclosure relating to transactions with these Companies is given in note 51.

54 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.

55 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, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	5,745.82	-	5,745.82	10,681.40	-	10,681.40
Bank balance other than above	2,053.79	143.52	2,197.31	10,286.81	397.53	10,684.34
Derivative financial instruments	1,131.71	3,552.35	4,684.06	240.96	284.54	525.50
Receivables						

55 MATURITY ANALYSIS OF ASSETS AND LIABILITIES (Contd.)

Particulars	(Rs. in crores)			(Rs. in crores)		
	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(I) Trade receivables	51.78	-	51.78	50.82	-	50.82
(II) Other receivables	-	-	-	-	-	-
Loans	108,519.77	173,932.67	282,452.44	103,114.23	142,278.56	245,392.79
Investments	1,750.10	13,242.95	14,993.05	5,201.73	10,586.23	15,787.96
Other financial assets	3,247.12	88.28	3,335.40	3,376.88	133.95	3,510.83
Non-financial assets						
Current tax assets (net)	-	607.36	607.36	-	432.07	432.07
Deferred tax assets (net)	-	4,263.92	4,263.92	-	3,694.86	3,694.86
Investment property	-	-	-	-	-	-
Property, plant and equipment	-	1,108.99	1,108.99	-	1,025.68	1,025.68
Goodwill	-	1,189.45	1,189.45	-	1,189.45	1,189.45
Other intangible assets	-	336.96	336.96	-	698.95	698.95
Other non-financial assets	66.68	340.33	407.01	45.43	276.52	321.95
Non-current assets held for sale/disposal	0.97	-	0.97	0.97	-	0.97
Total assets	122,567.74	198,806.78	321,374.52	132,999.23	160,998.34	293,997.57
Liabilities						
Financial Liabilities						
Derivative financial instruments	11.59	48.18	59.77	67.07	208.34	275.41
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	5.65	-	5.65	1.02	-	1.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	326.77	-	326.77	297.83	-	297.83
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	0.23	-	0.23
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2.49	-	2.49	1.37	-	1.37
Debt securities	16,203.28	36,669.91	52,873.19	10,626.34	43,522.52	54,148.86
Borrowings (other than debt securities)	43,509.74	82,410.12	125,919.86	39,521.04	81,927.38	121,448.42
Deposits	16,886.14	52,594.20	69,480.34	14,764.43	41,321.56	56,085.99
Subordinated liabilities	199.80	2,218.77	2,418.57	162.52	2,351.46	2,513.98
Other financial liabilities	2,663.44	705.71	3,369.15	1,446.50	690.11	2,136.61
Non-financial liabilities						
Current tax liabilities (net)	405.40	-	405.40	38.98	-	38.98
Provisions	130.27	267.72	397.99	130.86	213.52	344.38
Other non-financial liabilities	196.61	0.14	196.75	234.52	0.15	234.67
Total liabilities	80,541.18	174,914.75	255,455.93	67,292.71	170,235.04	237,527.75
Net	42,026.56	23,892.03	65,918.59	65,706.52	(9,236.70)	56,469.82



56 FAIR VALUE MEASUREMENT

56.01: 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, 2026.

56.02: 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, 2026 (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	-	3,187.65	-	3,187.65
Currency swaps	-	690.78	-	690.78
Interest rate swaps	-	479.08	-	479.08
Cross currency interest rate swaps	-	325.43	-	325.43
Interest rate caps	-	1.12	-	1.12
Total derivative financial instruments	-	4,684.06	-	4,684.06
<i>Financial assets held for trading</i>				
Mutual funds	40.57	-	-	40.57
Government securities	351.30	-	-	351.30
Equity instruments	123.58	-	20.29	143.87
Certificate of deposits	-	381.68	-	381.68
Venture capital fund	-	-	-	-
Total financial assets held for trading	515.45	381.68	20.29	917.42
Total assets measured at fair value on a recurring basis	515.45	5,065.74	20.29	5,601.48
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	515.45	5,065.74	20.29	5,601.48

(Rs. in crores)				
Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	41.48	-	41.48
Currency swaps	-	-	-	-
Interest rate swaps	-	8.34	-	8.34
Cross currency interest rate swaps	-	9.95	-	9.95
Interest rate caps	-	-	-	-
Total derivative financial instruments	-	59.77	-	59.77
Total financial liabilities measured at fair value on a recurring basis	-	59.77	-	59.77
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	-	59.77	-	59.77

56 FAIR VALUE MEASUREMENT (Contd.)

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	-	87.54	-	87.54
Currency swaps	-	349.74	-	349.74
Interest rate swaps	-	71.66	-	71.66
Cross currency interest rate swaps	-	16.02	-	16.02
Interest rate caps	-	0.54	-	0.54
Total derivative financial instruments	-	525.50	-	525.50
<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	4,565.11	27.67	5,198.54
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	4,565.11	27.67	5,198.54

(Rs. in crores)				
Liabilities measured at fair value on a recurring basis	Level-1	Level-2	Level-3	Total
<i>Derivative financial instruments</i>				
Forward contracts	-	188.92	-	188.92
Currency swaps	-	12.49	-	12.49
Interest rate swaps	-	64.05	-	64.05
Cross currency interest rate swaps	-	8.39	-	8.39
Interest rate caps	-	1.56	-	1.56
Total derivative financial instruments	-	275.41	-	275.41
Total financial liabilities measured at fair value on a recurring basis	-	275.41	-	275.41
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	-	275.41	-	275.41

56 FAIR VALUE MEASUREMENT (Contd.)

56.03: 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).

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.

56.04: Transfer between fair value hierarchy levels

During the financial year there were no transfers between Level-1 and Level-2.

56.05: 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.

56 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, 2026	As at March 31, 2025
Opening balance	27.67	25.40
Unrealised gains and losses related to balances held at the end of the year	(7.38)	2.27
Closing balance	20.29	27.67

56.06: 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, 2026	As at March 31, 2025		
Equity instruments measured at FVTPL	20.29	27.67	Based on the net asset value	Based on the net asset value

56.07: 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, 2026		As at March 31, 2025	
	Favourable changes 5% increase	Unfavourable changes 5% decrease	Favourable changes 5% increase	Unfavourable changes 5% decrease
Equity instruments based on the net asset value	21.30	19.28	29.05	26.29



56 FAIR VALUE MEASUREMENT (Contd.)

56.08: 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.

(Rs. in crores)

As at March 31, 2026	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	5,745.82	1,455.80	4,290.02	-	5,745.82
Bank balance other than cash and cash equivalents	2,197.31	14.55	2,180.30	-	2,194.85
Receivables					
(I) Trade receivables	51.78	-	-	51.78	51.78
(II) Other receivables	-	-	-	0.02	0.02
Loans	282,452.44	-	-	277,577.99	277,577.99
Investments at amortised cost	13,853.15	9,595.84	-	4,194.29	13,790.13
Other investments	222.48	-	-	222.48	222.48
Other financial assets	3,335.40	-	3,157.76	146.69	3,304.45
Total financial assets	307,858.38	11,066.19	9,628.08	282,193.25	302,887.52
Financial liabilities:					
Trade payables	332.42	-	-	332.42	332.42
Other payables	2.49	-	-	2.51	2.51
Debt securities	52,873.19	-	-	50,623.61	50,623.61
Borrowings (other than debt securities)	125,919.86	-	-	125,371.39	125,371.39
Deposits	69,480.34	-	-	76,741.05	76,741.05
Subordinated liabilities	2,418.57	-	-	2,491.58	2,491.58
Other financial liabilities	3,369.15	-	-	3,369.15	3,369.15
Total financial liabilities	254,396.02	-	-	258,931.71	258,931.71
Off-balance sheet items					
Other commitments	226.59	-	-	226.59	226.59
Total off-balance sheet items	226.59	-	-	226.59	226.59

(Rs. in crores)

As at March 31, 2025	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	-	-	-	-	-
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	3,510.83	-	3,225.26	251.98	3,477.24
Total financial assets	281,435.10	11,639.65	20,868.27	245,699.76	278,207.68
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	2,136.61	-	-	2,136.61	2,136.61
Total financial liabilities	236,634.31	-	-	236,675.93	236,675.93

56 FAIR VALUE MEASUREMENT (Contd.)

(Rs. in crores)

As at March 31, 2025	Carrying amount	Fair value			
		Level-1	Level-2	Level-3	Total
Off-balance sheet items					
Other commitments	218.85	-	-	218.85	218.85
Total off-balance sheet items	218.85	-	-	218.85	218.85

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.

56.09: 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.

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.

56 FAIR VALUE MEASUREMENT (Contd.)

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, 2026	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	5,745.82	-	-	-	-	5,745.82
Bank balance other than cash and cash equivalents	2,197.31	-	-	-	-	2,197.31
Derivative financial instruments	-	4,684.06	-	-	-	4,684.06
Receivables						
(I) Trade receivables	51.78	-	-	-	-	51.78
(II) Other receivables	-	-	-	-	-	-
Loans	282,452.44	-	-	-	-	282,452.44
Investments	13,853.15	-	123.58	793.84	222.48	14,993.05
Other financial assets	3,335.40	-	-	-	-	3,335.40
Total financial assets	307,635.90	4,684.06	123.58	793.84	222.48	313,459.86
Financial liabilities:						
Derivative financial instruments	-	59.77	-	-	-	59.77
Payables						
(I) Trade payables	332.42	-	-	-	-	332.42
(II) Other payables	2.49	-	-	-	-	2.49
Debt securities	52,873.19	-	-	-	-	52,873.19
Borrowings (other than debt securities)	125,919.86	-	-	-	-	125,919.86
Deposits	69,480.34	-	-	-	-	69,480.34
Subordinated liabilities	2,418.57	-	-	-	-	2,418.57
Other financial liabilities	3,369.15	-	-	-	-	3,369.15
Total financial liabilities	254,396.02	59.77	-	-	-	254,455.79

(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	-	525.50	-	-	-	525.50
Receivables						
(I) Trade receivables	50.82	-	-	-	-	50.82
(II) Other receivables	-	-	-	-	-	-
Loans	245,392.79	-	-	-	-	245,392.79
Investments	10,912.30	-	110.81	4,562.23	202.62	15,787.96
Other financial assets	3,510.83	-	-	-	-	3,510.83
Total financial assets	281,232.48	525.50	110.81	4,562.23	202.62	286,633.65
Financial liabilities:						
Derivative financial instruments	-	275.41	-	-	-	275.41
Payables						
(I) Trade payables	298.85	-	-	-	-	298.85
(II) Other payables	1.60	-	-	-	-	1.60

56 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
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	2,136.61	-	-	-	-	2,136.61
Total financial liabilities	236,634.31	275.41	-	-	-	236,909.72

57 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.

57.01: Introduction and risk profile

57.01.01: 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.

57.01.02: 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.

57.01.03: 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

57 RISK MANAGEMENT (Contd.)

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.

57.01.04: 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.

57.02: 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 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

57.02.01: 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.

57.02.02: 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 57.02.02.01).

- How the Group defines, calculates and monitors the probability of default, exposure at default and loss given default (Refer notes 57.02.02.01 to 57.02.02.04)
- When the Group considers there has been a significant increase in credit risk of an exposure (Refer note 57.02.02.05)
- The Group’s policy of segmenting financial assets where ECL is assessed on a collective basis (Refer note 57.02.02.07)
- The details of the ECL calculations and categorisation of loans for stage 1, stage 2 and stage 3 assets (Refer note 7.1(VI))

57.02.02.01: 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

57 RISK MANAGEMENT (Contd.)

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.

57.02.02.02: 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.

57.02.02.03: 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.

57.02.02.04: 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.

57.02.02.05: 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 57.02.02.01 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 57.02.02.07), the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

57.02.02.06: 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.

57.02.02.07: 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

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- 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

57.02.03: Analysis of risk concentration

The maximum credit exposure to any individual client or counterparty as of March 31, 2026 was Rs. 151.31 crores (March 31, 2025: Rs. 50.52 crores).

Credit risk exposure analysis

(Rs. in crores)				
Particulars	Stage 1 collective	Stage 2 collective	Stage 3 collective	Total
As at March 31, 2026	265,726.75	20,746.33	13,743.27	300,216.35
As at March 31, 2025	230,161.54	17,915.58	11,838.79	259,915.91

57.03: 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.

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RISK MANAGEMENT (Contd.)

57.03.01: 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, 2026:

Particulars	(Rs. in crores)						
	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
Financial assets							
Cash and cash equivalents	5,745.82	-	-	-	-	-	5,745.82
Bank balance other than above	1,071.61	340.65	641.53	143.52	-	-	2,197.31
Derivative financial instruments	182.49	377.98	571.24	2,690.93	367.82	493.60	4,684.06
Financial assets at FVTPL	540.39	-	233.16	-	-	20.29	793.84
Loans *	38,351.75	37,799.35	68,040.98	162,200.59	39,139.20	5,121.07	350,652.94
Financial investments at FVTOCI	-	-	-	-	-	123.58	123.58
Financial investments at amortised cost	217.47	273.64	839.53	2,521.69	1,372.46	8,761.51	13,986.30
Trade receivables	51.78	-	-	-	-	-	51.78
Other receivables	-	-	-	-	-	-	-
Other financial assets	1,194.19	966.28	1,086.65	60.32	14.00	13.96	3,335.40
Total undiscounted financial assets	47,355.50	39,757.90	71,413.09	167,617.05	40,893.48	14,534.01	381,571.03
Financial liabilities							
Derivative financial instruments	5.81	1.95	3.83	15.58	18.16	14.44	59.77
Deposits *	4,342.06	5,084.50	10,861.15	46,963.85	15,043.39	-	82,294.95
Debt securities *	11,329.62	2,583.96	4,048.51	26,768.36	7,301.72	10,756.42	62,788.59
Borrowings (other than debt securities) *	14,607.05	13,459.45	22,690.52	69,378.06	17,102.94	4,440.35	141,678.37
Subordinated liabilities *	51.55	2.76	291.62	1,740.94	137.73	1,002.83	3,227.43
Trade payables	332.38	0.04	-	-	-	-	332.42
Other payables	2.70	-	-	-	-	-	2.70
Other financial liabilities	2,198.07	161.96	360.30	388.80	249.62	209.08	3,567.83
Total undiscounted financial liabilities	32,863.43	21,292.67	38,252.10	145,240.01	39,835.40	16,408.68	293,892.29
Net undiscounted financial assets/ (liabilities)	14,492.07	18,465.23	33,160.99	22,377.04	1,058.08	(1,874.67)	87,678.74
Cumulative net undiscounted financial assets/ (liabilities)	14,492.07	32,957.30	66,118.29	88,495.33	89,553.41	87,678.74	

* Includes future interest



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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	2.07	137.45	101.45	218.15	18.74	47.64	525.50
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	-	-	-	-	-	-	-
Other financial assets	1,330.32	807.58	1,238.98	97.60	20.07	16.28	3,510.83
Total undiscounted financial assets	62,975.65	37,426.87	63,457.40	140,246.37	32,176.11	9,750.86	346,033.26
Financial liabilities							
Derivative financial instruments	2.99	3.36	60.72	136.84	30.54	40.96	275.41
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) *	12,519.61	11,587.25	23,553.17	69,680.34	18,266.15	4,418.51	140,025.03
Subordinated liabilities *	91.85	62.92	156.62	1,934.27	221.47	1,071.69	3,538.82
Trade payables	298.85	-	-	-	-	-	298.85
Other payables	1.60	-	-	-	-	-	1.60
Other financial liabilities	1,008.30	120.06	372.49	360.69	232.49	238.86	2,332.89
Total undiscounted financial liabilities	20,532.87	20,381.72	39,285.67	134,814.48	48,551.39	18,332.44	281,898.57
Net undiscounted financial assets/ (liabilities)	42,442.78	17,045.15	24,171.73	5,431.89	(16,375.28)	(8,581.58)	64,134.69
Cumulative net undiscounted financial assets/ (liabilities)	42,442.78	59,487.93	83,659.66	89,091.55	72,716.27	64,134.69	

* Includes future interest

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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, 2026

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)							
In respect of income tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	174.52	174.52
VAT demand where the Group has filed appeal before various appellates	-	-	-	-	-	2.67	2.67
Service tax demands where the Group has filed appeal before various authorities	-	-	-	-	-	2,944.37	2,944.37
GST demand where the Group has filed appeals	-	-	-	-	-	86.99	86.99
Stamp duty demand raised by District Registrar office against which the Group has filed appeal	-	-	-	-	-	6.69	6.69
Stamp duty demand raised by District Sub-Registrar office Radhapuram against which the Group has filed reply	-	-	-	-	-	33.48	33.48
Estimated amount of contracts remaining to be executed on capital account, net of advances	19.65	-	-	-	-	-	19.65
Commitments related to loans sanctioned but undrawn	226.59	-	-	-	-	-	226.59
Capital infusion plan in Shriram Overseas Investments Limited	-	-	-	200.00	-	-	200.00
Other Commitments	0.10	-	-	-	-	-	0.10
Total contingent liabilities and commitments	246.34	-	-	200.00	-	3,248.72	3,695.06

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
(Rs. in crores)							
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
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	



57 RISK MANAGEMENT (Contd.)

57.04: 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.

57.04.01: 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	(Rs. in crores)		
	As at March 31, 2026		
	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
Debt instrument	250.00	29.77	(38.95)
Term loans	19,507.74	2,132.54	(2,734.56)
Total floating rate borrowings	19,757.74	2,162.31	(2,773.51)
	As at March 31, 2025		
	Carrying amount	Favourable change 1% increase	Unfavourable change 1% decrease
	650.00	69.01	(87.61)

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, 2026 and March 31, 2025.

57.04.02: 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 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 into cross currency swaps and forward contract. When a derivative is entered into 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 22 and 23 for terms and conditions of foreign currency borrowings.

57 RISK MANAGEMENT (Contd.)

Exposure to currency risk

The summary quantitative data about exposure to currency risk (based on notional amounts) as reported:

As at March 31, 2026

Particulars	(Amount in crores)					
	Contracts in EURO		Contracts in USD		Contracts in JPY	
	EURO	INR	USD	INR	JPY	INR
Total foreign currency exposure in respect of recognised assets and liabilities	111.56	11,618.31	956.93	84,381.71	3,000.00	1,923.90
Cross currency interest rate swap/ forward exchange contracts	111.56	11,618.31	956.93	84,381.71	3,000.00	1,923.90
Net exposure	-	-	-	-	-	-

As at March 31, 2025

Particulars	(Amount in crores)					
	Contracts in EURO		Contracts in USD		Contracts in JPY	
	EURO	INR	USD	INR	JPY	INR
Total foreign currency exposure in respect of recognised assets and liabilities	105.48	10,853.44	1,073.51	93,219.31	-	-
Cross currency interest rate swap/ forward exchange contracts	105.48	10,853.44	1,073.51	93,219.31	-	-
Net exposure	-	-	-	-	-	-

Movement in Cash flow hedge reserve

Cash flow hedge reserve	(Rs. in crores)					
	As at March 31, 2026			As at March 31, 2025*		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	-	(473.42)	(473.42)	-	(266.34)	(266.34)
Add: Changes in the fair value during the year	-	1,128.02	1,128.02	-	(285.60)	(285.60)
Less: Income tax relating to items that will be reclassified to profit or loss	-	(283.90)	(283.90)	-	71.88	71.88
Less: Adjustment for discontinued operations	-	-	-	-	6.64	-
Balance at the end of the year	-	370.70	370.70	-	(473.42)	(473.42)

* 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.

Nature and terms and conditions of outstanding derivative contracts

As at March 31, 2026

Particulars	(Rs. in crores)					
	Rate of interest	Maturity date	Notional amounts - assets	Fair Value - assets	Notional amounts - liabilities	Fair Value - liabilities
(i) Currency derivatives:						
Spots and forwards	-	April 02, 2026 to February 07, 2035	46,782.96	3,187.65	1,490.60	41.48
Currency swaps	2.530% to 2.988%	August 31, 2026 to January 31, 2028	4,998.11	690.78	-	-
Cross currency interest rate swaps	USD 3M CME SOFR + 1.75%	April 30, 2027	792.97	106.53	-	-
Cross currency interest rate swaps	USD 3M CME SOFR + 1.90%	August 30, 2029	167.76	22.61	-	-
Cross currency interest rate swaps	USD 6M CME SOFR + 2.08%	November 15, 2027	337.92	41.10	-	-

57 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	Rate of interest	Maturity date	Notional amounts - assets	Fair Value - assets	Notional amounts - liabilities	Fair Value - liabilities
Cross currency interest rate swaps	3M EURIBOR + 1.45%	June 01, 2027	361.80	71.63	-	-
Cross currency interest rate swaps	6M EURIBOR + 1.15%	April 25, 2026	76.15	29.02	-	-
Cross currency interest rate swaps	USD O/N SOFR + 2.92826%	December 13, 2026	26.73	8.02	-	-
Cross currency interest rate swaps	INR 3M OIS + 2.00%	September 29, 2028	-	-	500.00	9.95
Cross currency interest rate swaps	USD O/N SOFR + 2.00%	September 28, 2026	332.72	46.52	-	-
Sub-total (i)			53,877.12	4,203.86	1,990.60	51.43
(ii) Interest rate derivatives:						
Interest rate swaps	4.08% to 6.625%	April 22, 2027 to December 15, 2031	11,878.67	126.45	-	-
Interest rate swaps	USD 3M CME SOFR + 2.00%	April 06, 2026 to February 16, 2027	1,932.18	1.08	2,106.85	2.66
Interest rate swaps	USD 3M CME SOFR + 1.75%	March 23, 2027 to June 01, 2027	2,076.00	1.47	666.56	1.12
Interest rate swaps	USD O/N SOFR + 2%	December 27, 2027	368.27	2.03	-	-
Interest rate swaps	USD O/N SOFR + 2.10%	May 24, 2027	833.00	0.81	-	-
Interest rate swaps	USD O/N SOFR + 2.25%	September 29, 2026	863.10	3.02	-	-
Interest rate swaps	3M EURIBOR + 2.10%	September 15, 2026	-	-	445.00	0.72
Interest rate swaps	3M EURIBOR + 1.40%	December 20, 2027	445.75	10.22	-	-
Interest rate swaps	INR 3M OIS + 2.05%	May 30, 2026	-	-	150.00	0.30
Interest rate swaps	USD O/N SOFR + 1.65%	December 20, 2027	5,732.10	21.10	-	-
Interest rate swaps	USD O/N SOFR + 1.70%	June 20, 2028	1,908.00	11.24	-	-
Interest rate swaps	USD O/N SOFR + 1.70%	June 26, 2030	1,082.75	12.74	-	-
Interest rate swaps	USD O/N SOFR + 1.75%	December 18, 2029	2,122.50	16.79	-	-
Interest rate swaps	EURIBOR 6M + 1.15% 0.00% Floor	February 07, 2035	3,578.27	223.07	-	-
Interest rate swaps	INR 3M OIS + 2.05%	May 29, 2026	-	-	300.00	0.57
Interest rate swaps	USD 6M CME SOFR + 1.45% 0.00% Floor	February 07, 2035	874.60	4.75	-	-
Interest rate swaps	USD 6M CME SOFR + 1.70%	March 20, 2028	1,080.06	6.96	-	-
Interest rate swaps	USD O/N SOFR + 1.65%	January 31, 2028	649.28	0.87	-	-

57 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	Rate of interest	Maturity date	Notional amounts - assets	Fair Value - assets	Notional amounts - liabilities	Fair Value - liabilities
Interest rate swaps	USD O/N SOFR + 2.05%	March 10, 2031	1,307.03	11.50	-	-
Interest rate swaps	USD O/N SOFR + 2.05%	March 17, 2031	1,307.10	9.33	-	-
Interest rate swaps	INR 3M Tbill + 0.00%	June 30, 2026	-	-	200.00	0.21
Interest rate swaps	INR 12M Tbill + 1.86%	April 29, 2026	-	-	1,883.00	1.93
Interest rate swaps	INR O/N OIS + 1.90%	June 30, 2026	-	-	200.00	0.83
Interest rate swaps	EURIBOR 6M + 1.70% 0.00% Floor	January 22, 2032	420.88	7.71	-	-
Interest rate swaps	JPY O/N TONAR + 1.05%	March 15, 2029	878.25	7.94	-	-
Interest rate caps	6M EURIBOR + 1.15%	April 18, 2026	-	1.12	-	-
Sub-total (ii)			39,337.79	480.20	5,951.41	8.34
Total (i)+(ii)			93,214.91	4,684.06	7,942.01	59.77

As at March 31, 2025

(Rs. in crores)

Particulars	Rate of interest	Maturity date	Notional amounts - assets	Fair Value - assets	Notional amounts - liabilities	Fair Value - liabilities
(i) Currency derivatives:						
Spots and forwards	-	April 02, 2025 to February 07, 2035	20,764.01	87.54	27,295.83	188.92
Currency swaps	2.530% to 4.716%	July 18, 2025 to January 31, 2028	6,514.26	349.74	649.28	12.49
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	0.62
Cross currency interest rate swaps	USD 6M CME SOFR + 2.08%	November 15, 2027	337.92	0.01	-	-
Cross currency interest rate swaps	3M EURIBOR + 1.45%	June 01, 2027	-	-	361.80	0.33
Cross currency interest rate swaps	6M EURIBOR + 1.15%	April 25, 2026	-	-	228.46	7.44
Cross currency interest rate swaps	USD O/N SOFR + 2.92826%	December 13, 2026	53.45	6.65	-	-
Cross currency interest rate swaps	USD O/N SOFR + 2.00%	September 28, 2026	332.72	4.00	-	-
Sub-total (i)			28,795.33	453.30	28,732.49	209.80
(ii) Interest rate derivatives:						
Interest rate swaps	4.08% to 6.907%	July 18, 2025 to December 15, 2031	9,441.44	2.21	6,012.25	5.66
Interest rate swaps	USD 3M CME SOFR + 2.00%	January 20, 2026 to February 16, 2027	3,609.71	9.29	2,670.89	13.72

57 RISK MANAGEMENT (Contd.)

(Rs. in crores)

Particulars	Rate of interest	Maturity date	Notional amounts - assets	Fair Value - assets	Notional amounts - liabilities	Fair Value - liabilities
Interest rate swaps	USD 3M CME SOFR + 1.75%	March 23, 2027 to June 01, 2027	2,742.56	16.24	-	-
Interest rate swaps	USD O/N SOFR + 2.00%	December 27, 2027	552.40	0.10	-	-
Interest rate swaps	USD O/N SOFR + 2.10%	May 24, 2027	-	-	833.00	2.63
Interest rate swaps	USD O/N SOFR + 2.25%	September 29, 2026	1,233.00	1.37	-	-
Interest rate swaps	3M EURIBOR + 2.10%	September 15, 2026	445.00	1.93	-	-
Interest rate swaps	3M EURIBOR + 1.40%	December 20, 2027	-	-	445.75	0.29
Interest rate swaps	INR 3M OIS + 2.05%	May 30, 2026	-	-	150.00	1.34
Interest rate swaps	USD O/N SOFR + 1.65%	December 20, 2027	2,122.99	10.81	3,609.10	20.53
Interest rate swaps	USD O/N SOFR + 1.70%	June 20, 2028	-	-	1,908.00	3.90
Interest rate swaps	USD O/N SOFR + 1.75%	December 18, 2029	-	-	2,122.50	2.19
Interest rate swaps	EURIBOR 6M + 1.15% 0.00% Floor	February 07, 2035	2,212.52	23.97	1,365.75	3.25
Interest rate swaps	INR 3M OIS + 2.05%	May 29, 2026	300.00	0.46	-	-
Interest rate swaps	USD 6M CME SOFR + 1.45% 0.00% Floor	February 07, 2035	-	-	874.60	4.53
Interest rate swaps	USD 6M CME SOFR + 1.70%	March 20, 2028	-	-	1,080.06	0.77
Interest rate swaps	USD O/N SOFR + 1.65%	January 31, 2028	649.28	1.87	-	-
Interest rate swaps	USD O/N SOFR + 2.05%	March 12, 2031	-	-	1,307.03	1.21
Interest rate swaps	USD O/N SOFR + 2.05%	March 17, 2031	1,307.10	2.90	-	-
Interest rate swaps	INR 3M T-bill + 0.00%	June 30, 2026	200.00	0.02	-	-
Interest rate swaps	INR 12M T-bill + 1.86%	April 29, 2026	-	-	1,883.00	4.03
Interest rate swaps	INR O/N OIS + 1.90%	June 30, 2026	200.00	0.49	-	-
Interest rate caps	6M EURIBOR + 1.15%	April 18, 2026	-	-	-	1.56
Interest rate caps	INR 12M OIS + 0.00%	October 03, 2025	300.00	-	-	-
Interest rate caps	INR 12M OIS + 0.00%	April 21, 2025	400.00	0.54	-	-
Sub-total (ii)			25,716.00	72.20	24,261.93	65.61
Total (i)+(ii)			54,511.33	525.50	52,994.42	275.41

57 RISK MANAGEMENT (Contd.)

57.04.03: 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.

58 DISCLOSURE REGARDING AUDITORS REMUNERATION DISCLOSED UNDER LEGAL AND PROFESSIONAL FEES

In addition to the auditors remuneration shown in note - 41 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. Nil (March 31, 2025: Rs. 0.60 crores) shown under legal and professional charges in the same note referred above.

59 SEGMENT REPORTING

The Group operates in a single reporting segment i.e. financing. Its associate is primarily engaged in the business of facilitation service and the associate of step-down subsidiary is primarily engaged in providing insurance brokerage services. Since, these companies do not meet the quantitative thresholds laid down under the Ind AS 108 - Operating segments for reportable segments, they have not been considered for segment reporting.

i) Information about geographical areas

The Group primarily operates within India. The step-down subsidiary operates within Singapore and the associate of step-down subsidiary operates within Bahrain. Therefore it neither generates any revenue from outside India (except dividend) nor have any non-current asset located outside India (except investments in shares held at FVTOCI) for the financial years ended March 31, 2026 and March 31, 2025.

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Revenue by geographical location		
India	48,192.65	41,859.47
Outside India (Discontinued operations) (Refer note 44)	0.45	-
Total	48,193.10	41,859.47

Particulars	(Rs. in crores)	
	As at March 31, 2026	As at March 31, 2025
Total assets by geographical location		
India	321,374.52	293,997.57
Outside India (Discontinued operations) (Refer note 44)	-	-
Total	321,374.52	293,997.57



59 SEGMENT REPORTING (Contd.)

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, 2026 and March 31, 2025.

60 TRANSFER OF FINANCIAL ASSETS

60.01: 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, 2026	As at March 31, 2025
Securitisation		
Carrying amount of transferred assets measured at amortised cost (held as collateral)	37,436.26	36,718.21
Carrying amount of associated liabilities [borrowings (other than debt securities)-measured at amortised cost]	38,459.58	38,052.08
Fair value of assets (A)	36,458.51	36,222.28
Fair value of associated liabilities (B)	39,197.43	38,014.87
Net position at fair value (A-B)	(2,738.92)	(1,792.59)

60.02: 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, 2026	As at March 31, 2025
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	1,688.10	3,168.98
Carrying amount of exposures retained by the Group at amortised cost	168.81	316.90

60.03: 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.

61 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025
Professional charges on resource mobilisation	44.69	545.25
Professional charges on securitisation	34.82	10.40
Advertisement and publicity	-	0.04
Legal and professional charges	0.41	-
Miscellaneous expenses	1.46	-
Expenses of discontinued operations (Refer note 44)	0.14	-
Total	81.52	555.69

62A DETAILS OF CSR EXPENSES

Particulars	(Rs. in crores)	
	Year ended March 31, 2026	Year ended March 31, 2025 *#
a) Gross amount required to be spent by the Group during the year	182.97	134.11
b) Amount approved by the Board to be spent during the year	182.97	134.11
c) Amount spent during the year		
- On purposes other than construction/acquisition of any asset		
Paid in cash	183.01	134.13
Yet to be paid in cash	-	-
Total	183.01	134.13

* 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, 2026 and March 31, 2025.

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, 2026 and March 31, 2025.

The provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, are not applicable to the Subsidiary for the financial year ended March 31, 2026, as it does not meet the specified thresholds of net worth, turnover, or net profit as defined under Section 135(1) of the Act in the immediately preceding financial year.

62B CONTRIBUTION TO POLITICAL PARTY

During the year ended March 31, 2026, the Company has made a contribution of Rs. 25.00 crores to political party duly registered with Election Commission of India. This contribution was as per the provisions of section 182 of the Companies Act, 2013. There was no such contribution made during the financial year ended March 31, 2025.

63 MOVEMENT IN PROVISIONS

a) Provision for indirect taxes - (contested)

Particulars	(Rs. in crores)			
	Opening balance	Additional provision	Utilisation/ reversal during the year	Closing balance
As at March 31, 2026	89.14	-	0.12	89.02
As at March 31, 2025	89.19	-	0.05	89.14

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.

63 MOVEMENT IN PROVISIONS (Contd.)

b) Provision for share appreciation rights

(Rs. in crores)				
Particulars	Opening balance	Additional provision	Utilisation/ reversal during the year	Closing balance
As at March 31, 2026	0.26	27.99	0.26	27.99
As at March 31, 2025	-	0.26	-	0.26

c) Provision for long term incentive plan

(Rs. in crores)				
Particulars	Opening balance	Additional provision	Utilisation/ reversal during the year	Closing balance
As at March 31, 2026	-	54.65	-	54.65
As at March 31, 2025	-	-	-	-

64 DSA COMMISSION

Transaction Costs in the nature of Direct Selling Agent commission mainly pertaining to the Two-Wheeler loans were treated as upfront expenditure, considering the relatively shorter tenure and the overall materiality involved.

Consequent to the increase in the estimated Two-Wheeler portfolio, these transaction costs have been considered as a part of cash flows for estimation of effective interest rate (EIR) for loans granted from January 01, 2026. Accordingly, the transaction costs are not treated as an upfront expenditure and have been amortised at EIR over the loan tenure. Consequently, fees and commission expenses and interest income is lower by Rs. 51.50 crores and Rs. 2.52 crores respectively for the year ended on March 31, 2026. The impact of changes in estimates is not material in the opinion of the management.

65 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, 2026	As at March 31, 2025
The principal amount remaining unpaid to supplier as at the end of the year	5.65	3.23
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	-	-

66 RELATIONSHIP WITH STRUCK OFF COMPANIES

66.01: 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, 2026 and March 31, 2025 are given below:

Name of the struck off company	Relationship with the struck off company	(Rs. in crores)		Nature of transaction
		*Balance outstanding as at March 31, 2026	March 31, 2025	
Shares held by struck off company**				
Frichem Private Limited	Not a related party	0.00	-	Equity shares held
G. V. Trading and Leasing Private Limited	Not a related party	0.00	0.00	Equity shares held
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	Equity shares held
Unickon Fincap 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, 2026 and March 31, 2025, 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. 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.

66.02: 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.

66.03: Shriram Overseas Investments Limited (Shriram Overseas) (Formerly known as Shriram Overseas Investments Private Limited)

Shriram Overseas 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 May 09, 2025 to March 31, 2026.

67 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, 2026 and March 31, 2025. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

68 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, 2026 and March 31, 2025.

69 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has not entered into any new scheme of arrangements during the financial years ended March 31, 2026 and March 31, 2025.

70 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.

71 UNDISCLOSED INCOME

There are no transactions that are not recorded in the books of accounts for the financial years ended March 31, 2026 and March 31, 2025.

72 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 consolidated financial statements of the Company for the financial years ended March 31, 2026 and March 31, 2025.

73 WHISTLE-BLOWER COMPLAINTS

There were no whistle blower complaints received by the Group during the financial years ended March 31, 2026 and March 31, 2025.

74 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, 2026 and March 31, 2025 other than those disclosed in note 42.

75 EVENTS AFTER REPORTING DATE

The Board of Directors at its meeting held on December 19, 2025 approved the issuance of 471,121,055 fully paid-up equity shares of face value of Rs. 2/- each fully paid-up on a preferential basis to MUFG Bank Ltd. ("MUFG"), a company incorporated under the laws of Japan at a price of Rs. 840.93 per share (including a premium of Rs. 838.93 per share) ("Issue Price") for an amount aggregating to Rs. 39,617.98 crores representing 20% of the post equity share capital on a fully diluted basis ("Preferential Issue"). An 'Investment Agreement' in this regard was executed between, among others, the Company and MUFG on the same date. The requisite resolutions were approved by the shareholders at the extraordinary general meeting on January 14, 2026.

Upon receipt of necessary statutory and regulatory approvals, on April 08, 2026, the Board of Directors of the Company approved the allotment of 471,121,055 fully paid-up equity shares of face value of Rs. 2/- each fully paid-up at an issue price on a preferential basis to MUFG on receipt of the subscription amount of Rs. 39,617.98 crores in terms of the Investment Agreement dated December 19, 2025. Pursuant to the allotment of equity shares, MUFG has become a minority public shareholder of the Company representing 20% equity stake on a fully diluted basis and the paid-up equity share capital of the Company stood increased on April 08, 2026 from Rs. 376.31 crores comprising of 1,881,565,371 equity shares of Rs. 2/- each fully paid up to Rs. 470.54 crores comprising of 2,352,686,426 equity shares of Rs. 2/- each fully paid up. The proceeds are being utilised as per the objects of the preferential issue.

76 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 *	Land at Levinjipuram Village (Panagudi), Tamil Nadu - 15 Cents	14,957.00	SCUF	No	4.00	These assets were acquired on merger. The process for change in name is not yet completed.

76 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
2	PPE *	Land at Levinjipuram Village (Panagudi), Tamil Nadu - 16 Cents	15,941.00	SCUF	No	4.00	These assets were acquired on merger. The process for change in name is not yet completed.
3	PPE *	Land at Vadakkankulam, Radhapuram Taluka, Tamil Nadu - 10 Cents	8,750.00	SCUF	No	4.00	These assets were acquired on merger. The process for change in name is not yet completed.
4	PPE *	Land at Levinjipuram Village (Panagudi), Tamil Nadu - 15 Cents	14,957.00	SCUF	No	4.00	These assets were acquired on merger. The process for change in name is not yet completed.
5	PPE *	Building- Akash Deep Plaza-Golmuri, Jamshedpur, Jharkhand -1800 sq. ft.	1,136,000.00	SCUF	No	4.00	These assets were acquired on merger. The process for change in name is not yet completed.
6	PPE *	Land in Tanukarkulam Village-Survey No.179(1D), Tamil Nadu - 10 Cents	12,240.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
7	PPE *	Land in Tanukarkulam Village-Survey No.179, Tamil Nadu - 10 Cents	12,240.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
8	PPE *	Land in Tanukarkulam Village-Survey No.179(1E1), Tamil Nadu - 5 Cents	9,240.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
9	PPE *	Land in Tanukarkulam Village-Survey No.179(1F), Tamil Nadu - 10 Cents	12,240.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
10	PPE *	Land in Tanukarkulam Village -Survey No.179(1E), Tamil Nadu - 10 Cents	12,240.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.

76 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 Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,672.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
12	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,671.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
13	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,671.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
14	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,672.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
15	PPE *	Land at Radhapuram, Tirunelveli, Chennai, Tamil Nadu- 10 Cents	37,672.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
16	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,672.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
17	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu -10 Cents	37,671.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
18	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,671.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
19	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	37,671.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
20	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	36,010.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
21	PPE *	Land at Radhapuram, Tirunelveli, Tamil Nadu - 10 Cents	39,760.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
22	PPE *	Land at Vadakankulum Taluka, Tanugarkulam village, Tirunelveli District, Tamil Nadu - 30 Cents	51,426.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.

76 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
23	PPE *	Building -Flat 308, 309 Sakar III, Ahmedabad, Gujarat-1- 770 sq. ft.	3,985,155.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.
24	Non - current asset held for sale/ disposal**	Building- 117, B Wing, Dalamal Towers, No 211, Nariman Point, Mumbai, Maharashtra - 400 021- 855 sq. ft.	18,735,273.00	Erstwhile STFC	No	4.00	The process for change in name is not yet completed.

* Refer note 17

** Refer note 20

77 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, 2026 and March 31, 2025.

78 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, 2026 and March 31, 2025.

79 WILFUL DEFAULTER

The Holding Company and its subsidiary has not been declared as a wilful defaulter by any bank or financial institution or other lender during the financial years ended March 31, 2026 and March 31, 2025.

80 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.

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 24, 2026

For G. D. Apte & Co.
Chartered Accountants

ICAI Firm Registration No.: 100515W

Anagha M. Nanivadekar
Partner
Membership No.: 121007
Mumbai
April 24, 2026

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

Jugal Kishore Mohapatra
Chairman
DIN: 03190289
Mumbai
April 24, 2026

S. Sunder
Joint Managing Director and CFO
DIN: 08189901
Mumbai
April 24, 2026

Parag Sharma
Managing Director and CEO
DIN: 02916744
Mumbai
April 24, 2026

U Balasundararao
Company Secretary and CCO
Mumbai
April 24, 2026

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)
1	2	3	4	5	6	7	8	9
Parent Shriram Finance Limited	99.68%	65,704.93	99.74%	9,998.15	100.06%	888.81	99.77%	10,886.96
Subsidiaries Indian Shriram Overseas Investments Limited (From 09 th May, 2025)	0.54%	354.68	0.05%	5.51	0.01%	0.07	0.05%	5.58
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%)	(0.01)	-	-	0.00%	(0.01)
Associates (Investment as per the equity method)								
Indian Shriram Automall India Limited	0.32%	209.11	0.20%	20.50	-0.07%	(0.64)	0.18%	19.86
Foreign Inter-company eliminations and consolidation adjustments	Not applicable -0.53%	Not applicable (350.13)	Not applicable 0.00%	Not applicable	Not applicable 0.00%	Not applicable	Not applicable 0.00%	Not applicable
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%	65,918.59	100.00%	10,024.15	100.00%	888.24	100.00%	10,912.39

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

Jugal Kishore Mohapatra
Chairman
DIN: 03190289
Mumbai
April 24, 2026

Parag Sharma
Managing Director and CEO
DIN: 02916744
Mumbai
April 24, 2026

S. Sunder
Joint Managing Director and CFO
DIN: 08189901
Mumbai
April 24, 2026

U Balasundararao
Company Secretary and CCO
Mumbai
April 24, 2026

NOTICE

NOTICE is hereby given that the **Forty-Seventh Annual General Meeting of the Members of SHRIRAM FINANCE LIMITED** (the “Company”) will be held on **Friday, July 10, 2026 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

- To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026, 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, 2026, 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, as circulated to the Members, be and are hereby considered and adopted.”
- To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026, 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 Consolidated Balance Sheet of the Company as at March 31, 2026, 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, as circulated to the Members, be and are hereby considered and adopted.”
- To declare a final dividend of Rs. 6/-per Equity Share of face value of Rs. 2/-each fully paid-up and to confirm the payment of Interim Dividend of Rs. 4.80 per Equity Share of face value of Rs. 2/- each fully paid-up declared by the Board of Directors at its meeting held on October 31, 2025 for the Financial Year ended March 31, 2026 and in this regard, to pass the following resolution as an Ordinary Resolution:**
“RESOLVED THAT a final dividend of Rs. 6/- per equity share of face value of Rs. 2/- each fully paid-up of

the Company (i.e. 300%), as recommended by the Board of Directors, be and is hereby declared for the Financial Year ended March 31, 2026 and that the same be paid out of the profits of the Company for the Financial Year ended March 31, 2026 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 3, 2026.

RESOLVED FURTHER THAT an Interim Dividend of Rs. 4.80 per equity share on 188,11,08,190 equity shares of face value of Rs. 2/- each fully paid-up of the Company amounting to Rs. 902,93,19,312/- (Rupees Nine Hundred and Two crores Ninety-Three Lakhs Nineteen Thousand Three Hundred and Twelve Only), declared by the Board of Directors at its meeting held on October 31, 2025, for the Financial Year ended March 31, 2026, paid to the eligible Members on November 17, 2025, subject to deduction of tax at source, as applicable be and is hereby noted and confirmed.”

- To appoint a director in place of Mr. D. V. Ravi (DIN 00171603), 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. D. V. Ravi (DIN 00171603), 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.”
- To fix remuneration of M/s. G. D. Apte & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No.100515W), 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. 100,00,000/- (Rupees One crore Only) (exclusive of certification fees, goods and services tax and reimbursement of out of pocket expenses) for the Financial Year ending March 31, 2027.

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), 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. 100,00,000/- (Rupees One crore Only) (exclusive of certification fees, goods and services tax and reimbursement of out of pocket expenses) for the Financial Year ending March 31, 2027.

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. **Appointment of Mr. Morihiko Fuji (DIN 11544762) as a Non-Executive and Non-Independent Director (Nominee of MUFG Bank Ltd.) of the Company and in this regard, to pass the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to (i) the provisions of Sections 152, 161 and other applicable provisions, if

any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other applicable rules made thereunder, Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the “Listing Regulations”) (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), (ii) the rules, regulations, guidelines, clarifications, circulars and notifications issued by the Reserve Bank of India (“RBI”) in this regard, from time to time, (iii) the policy on fit & proper criteria for appointment of directors of the Company, (iv) the Investment Agreement dated December 19, 2025 executed between, among others, the Company and MUFG Bank Ltd., Investor (“MUFG”), (v) the approval of the shareholders’ granted at the Extra-Ordinary General Meeting of the Company held on January 14, 2026, (vi) the provisions of Articles of Association of the Company and (vii) based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company (“Board”), Mr. Morihiko Fuji (DIN 11544762), nominee of MUFG, who has given his consent to act as Director of the Company and who was appointed by the Board as per Section 161(1) of the Act and Article 21 of the Articles of Association of the Company as an Additional Director of the Company with effect from April 24, 2026 in the category of Non-Executive and Non-Independent Director, being eligible, be and is hereby appointed as a Non-Executive and Non-Independent Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board (including the Nomination and Remuneration Committee) and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all steps and give such directions as may be required, necessary, expedient, incidental or desirable and to delegate all or any of its powers herein conferred to any Director(s) or officer(s) of the Company to give effect to the above resolution and matter incidental thereto.”

8. **Appointment of Mr. Shinichi Fujinami (DIN 11545464) as a Non-Executive and Non-Independent Director (Nominee of MUFG Bank Ltd.) of the Company and in this regard, to pass the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to (i) the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other applicable rules made thereunder, Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015 as amended (the “Listing Regulations”) (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), (ii) the rules, regulations, guidelines, clarifications, circulars and notifications issued by the Reserve Bank of India (“RBI”) in this regard, from time to time, (iii) the policy on fit & proper criteria for appointment of directors of the Company, (iv) the Investment Agreement dated December 19, 2025 executed between, among others, the Company and MUFG Bank Ltd., Investor (“MUFG”), (v) the approval of the shareholders’ granted at the Extra-Ordinary General Meeting of the Company held on January 14, 2026, (vi) the provisions of Articles of Association of the Company and (vii) based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company (“Board”), Mr. Shinichi Fujinami (DIN 11545464), nominee of MUFG, who has given his consent to act as Director of the Company and who was appointed by the Board as per Section 161(1) of the Act and Article 21 of the Articles of Association of the Company as an Additional Director of the Company with effect from April 24, 2026 in the category of Non-Executive and Non-Independent Director, being eligible, be and is hereby appointed as a Non-Executive and Non-Independent Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board (including the Nomination and Remuneration Committee) and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all steps and give such directions as may be required, necessary, expedient, incidental or desirable and to delegate all or any of its powers herein conferred to any Director(s) or officer(s) of the Company to give effect to the above resolution and matter incidental thereto.”

9. **Re-appointment of Mr. Parag Sharma (DIN 02916744) as Whole Time Director designated as Managing Director & CEO of the Company and payment of remuneration to him and in this regard, to pass the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and any other rules framed thereunder and Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 and Remuneration Policy of the Company and the

recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Parag Sharma (DIN 02916744) as a Whole Time Director designated as Managing Director & CEO of the Company for a period of 5 (five) years with effect from December 13, 2026 to December 12, 2031 (both days inclusive) and that he shall perform such duties and exercise such powers as may from time to time be lawfully entrusted to and conferred upon him by the Board of Directors and he be paid the remuneration as per the details given below:

A. **Fixed Pay:**

Fixed Pay upto Rs. 1,34,00,004/- per annum or Rs. 11,16,667/- per month, consisting of basic salary, allowances and contribution to provident fund, national pension scheme (‘retirement benefits’) as per the following:

Basic Salary	Rs. 7,06,651/- per month
Contribution to Provident Fund	Rs. 84,798/- per month (12% of the Basic Salary)
Contribution to National Pension Scheme	Rs. 98,931/- per month (14% of the Basic Salary)
Allowances:	
(i) House Rent Allowance	Rs. 1,40,385/- per month
(ii) Conveyance	Rs. 50,000/- per month
Perquisites:	
Not exceeding 10% of the Fixed Pay	
(i) Premium on Group Health/Personal Accident/Life Insurance policies	As applicable to other employees in accordance with policy of the Company
(ii) Club Fees	Subscription limited to maximum of two clubs. No lifetime membership or admission fees shall be paid by the Company. All official expense in connection with such membership incurred would be reimbursed by the Company.
(iii) Expenditure on official entertainment	Actuals
(iv) Gratuity	Not exceeding half months’ salary for each completed year of service
(v) Encashment of leave at the end of the tenure	As per the Company’s policy
(vi) Telephone, mobile, internet, data card and other communication facilities at his residence	Expenses incurred shall be paid or reimbursed as per the rules of the Company



(vii) Leave	As per the Company's policy
(viii) Other benefits	As applicable to other employees in accordance with the Company's policy

The Board on the recommendation of the Nomination and Remuneration Committee may approve further increase in the Fixed Pay up to Rs. 3,00,00,000/- per annum or Rs. 25,00,000/- per month during the tenure of his re-appointment. The above-mentioned Fixed Pay will also cover the annual increase in his basic salary, allowances and retirement benefits as linked to the revision in the basic salary effective from April 1, 2027 till the end of his tenure. The quantum of the annual increase in the Fixed Pay will be performance-based and as may be decided by the Board of Directors on recommendation of Nomination and Remuneration Committee.

B. Variable Pay:

- i. In addition to the Fixed Pay as mentioned above, Mr. Parag Sharma will be entitled to performance-based variable pay linked to achievement of performance parameters such as growth in business volumes and profits, Net Interest Margin (NIM), product innovation/ offerings, branch expansion in new and existing geographies, laying and implementing the digital roadmap (digitalisation) for the Company, etc. as assessed by the Nomination and Remuneration Committee and the Board of Directors every year subject to limit of 50% of the Fixed Pay for every financial year or part thereof as determined by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.
- ii. Mr. Parag Sharma will be entitled to grant of Stock Appreciation Rights (“SAR”) Units under the Shriram Finance Limited Employees Phantom Stock Appreciation Rights Plan 2024 (PSAR Plan) or grant of options/units under any other share-linked employee benefit scheme/plan as may be framed by the Company in future such that the value of the benefit/perquisite arising out of grant of such SAR Units as per the vesting schedule of 4 years under PSAR Plan or grant of options/ units under such other share-linked employee benefit scheme/plan as may be framed by the Company shall be subject to limit of 50% of the Fixed Pay drawn by Mr. Parag Sharma for every financial year or part thereof as determined by the Board of Directors on the recommendation of the Nomination

and Remuneration Committee subject to achievement of his performance parameters such as growth in business volumes and profits, NIM, product innovation/offerings, branch expansion in new and existing geographies, laying and implementing the digital roadmap (digitalisation) for the Company, etc. as assessed by the Nomination and Remuneration Committee and the Board of Directors at their sole discretion.

Variable component of Remuneration:

Particulars	Proposed (in Rs.)
Variable Pay	Up to 100% of the Fixed Pay
1. Cash component	Up to 50% of Variable Pay
2. Non-Cash component (Share-Linked Instruments)	Up to 50% of Variable Pay
% of Variable Pay to Fixed Pay and	Up to 100% of the Fixed Pay
% of Variable Pay in Total Remuneration	Up to 50% of Total Remuneration

Other Applicable Terms:

- i. Mr. Parag Sharma shall not be paid any sitting fees for attending Meetings of the Board or Committee thereof.
- ii. The Board may revise, alter and vary the terms and conditions of his re-appointment, including his remuneration, within the above limits of remuneration fixed by the Members as mentioned in this resolution, in accordance with the policies of the Company, subject to the applicable provisions of Schedule V to the Act.
- iii. Unless the Board decides otherwise, Mr. Parag Sharma will not be liable to retire by rotation at the Annual General Meeting till such time he holds the office of the Managing Director & CEO of the Company.

RESOLVED FURTHER THAT if in any financial year, the Company has no profits or its profits are inadequate, Mr. Parag Sharma shall be entitled to receive the Fixed Pay as per clause (A) of this resolution including retirement and other perquisites as set out above, subject to compliance with the applicable provisions of Schedule V to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

10. To enter into Material Related Party Transaction(s) with MUFG Bank Ltd. and in this regard, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Regulation 23 and other applicable regulations read with Schedule XII to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the applicable provisions of the Companies Act, 2013 read with other rules framed thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Materiality of Related Party Transactions (RPTs) and dealing with (RPTs), based on the approvals of the Audit Committee and Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to the Company for entering into/carrying out

Sr. No.	Proposed Transactions	Amount (Rs.in crores)
1.	Repayment/Prepayment of the existing borrowings and payment of interest thereon	4,424
2.	Borrowings through loans/working capital limits/debt securities/ refinancing / securitisation by way of pass-through certificates/ any other method and payment of interest and principal/redemption thereon	20,432
3.	Corporate Guarantee for securitisation transactions	1,000
4.	Derivative transactions/contracts (notional value) including hedge unwinding gain/loss, CSA margin (maximum o/s at any point of time and interest thereon)	4,620
5.	Treasury related expenses and syndication/advisory fees	324
6.	Placing Fixed Deposits (FDs) (Lien marked / Free), receipt of interest on FDs and maturity of FDs	2,700
	Total	33,500
7.	Any other transactions / arrangements, subject to approval of the Audit Committee from time to time	The value of transaction will be as approved by the Audit Committee from time to time within the overall ceiling/limit of Rs.33,500 crores.

RESOLVED FURTHER THAT the above sub-limits shall be inter-changeable within the overall ceiling of Rs. 33,500 crores, depending on market opportunities and conditions and that such transactions shall be reported to the Audit Committee from time to time.

RESOLVED FURTHER THAT all the transactions of the above nature between the Company and MUFG, to the extent undertaken before the date hereof, during present or prior period and outstanding, or proposed to be undertaken, on arm’s length and ordinary course of business nature thereof, be and are hereby approved and confirmed in all respects.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee constituted by the Board of the Company) or person/(s) as authorised

the following related party transaction(s)/contract(s)/ arrangement(s)/agreements(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) falling within the definition of ‘Related Party Transaction’ under Regulation 2(1)(zc) of the Listing Regulations with MUFG Bank Ltd. (“MUFG”), being a related party of the Company under Regulation 2(1)(zb) of the Listing Regulations, for an aggregate amount not exceeding Rs. 33,500 crores (Rupees Thirty - Three Thousand Five Hundred crores only) during the financial year 2026-27 and on such terms and conditions as set out in the Explanatory Statement annexed to this Notice, provided that such transaction(s)/contract(s)/arrangement(s)/ agreements(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Company:

by the Board be and are hereby authorised to do and perform all such acts, deeds, matters and things, as it/they may consider necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), agreement(s) and such other documents, as applicable, in this regard and to take necessary steps 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) authorised by the Board expressly by the authority of this resolution.”



Notes:

1. The Ministry of Corporate Affairs (“MCA”) vide its General Circular Nos. 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. 03/2025 dated September 22, 2025 (“MCA Circulars”) has allowed the Companies to conduct the Annual General Meeting through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) till further orders. In compliance with the aforesaid MCA Circulars, the 47th Annual General Meeting of the Members of the Company (“47th AGM” or “Meeting”) 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 Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a Member of the Company. Since this 47th AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with, in line with the MCA Circulars and as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”). As this 47th 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 of the 47th AGM.
3. Institutional investors, who are Members of the Company, are encouraged to attend and vote at the 47th AGM of the Company through VC/OAVM facility.
4. Institutional/Corporate Members (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/Authorization etc., authorizing its representative to attend the 47th 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/Authorization shall be sent by registered email address to the Scrutinizer at sfstd.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 10 is annexed and form part of this Notice.
6. The brief details of the Directors, who are proposed to be appointed/re-appointed as per the Notice of this

47th AGM is annexed hereto as per the requirements of Regulation 36(3) of the Listing Regulations, as amended and the Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India.

7. The payment of Final Dividend for Financial Year 2025-26, upon declaration by the Members at the 47th AGM, will be made subject to deduction of tax at source, as applicable, before August 9, 2026 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 3, 2026 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 3, 2026.
8. Pursuant to the provisions of Section 91 of the Act, the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, July 4, 2026 to Friday, July 10, 2026 (both days inclusive) for the purpose of payment of the Final Dividend and 47th AGM of the Company.
9. The facility of joining the 47th AGM through VC/OAVM will be opened 30 minutes before and will remain open for 15 minutes after the scheduled start time of the 47th 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 47th AGM. Members can view the proceedings of the 47th AGM by logging on the website of CDSL at <https://www.evotingindia.com> using their secure login credentials. The recorded transcript of the 47th 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 and the relevant Rules made thereunder read with MCA Circulars has extended the relaxation from sending physical copies of Notice and Financial Statements to the Members of the Company.
12. Accordingly, Notice of the 47th AGM along with the Annual Report for F.Y. 2025-26 had been 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/companysecretary@shriramfinance.in) mentioning Folio No/DP ID and Client ID.

13. As per Regulation 36 and 58 of the Listing Regulations, a letter providing the web link, including the exact path, where the complete details of Annual Report are available alongwith a static Quick Response code has been sent to the Members/Debentureholders who have not registered their email address with Company/RTA/Depository Participants (DPs).
14. Members may note that the Notice and Annual Report for F.Y. 2025-26 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 www.evotingindia.com/.
15. 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 DPs/Company's Registrar to the Issue and Share Transfer Agent, Integrated Registry Management Services Private Limited (“RTA”) latest by Friday, July 3, 2026 for receiving the Notice of the 47th 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.
16. Members attending the 47th AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
17. 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 3, 2026 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.
18. a) For Non-Individual Members, who acquire shares of the Company and becomes a Member after dispatch of the Notice of the 47th AGM, but holds shares as on the Cut-off Date for remote e-Voting i.e. Friday, July 3, 2026, 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 47th AGM, but holds shares as on the Cut-off Date for remote e-Voting i.e. Friday, July 3, 2026, 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 47th AGM and Members participating at the 47th 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 47th AGM. Members who have cast their vote by remote e-Voting prior to the 47th AGM will also be eligible to participate at the 47th 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”.

19. 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 47th AGM.
20. 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 – 600 032, 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 47th AGM. Members seeking to inspect such documents can send an e-mail at (secretarial@shriramfinance.in/companysecretary@shriramfinance.in)

21. 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 Scrutinizer to scrutinize the remote e-Voting and e-Voting process at the 47th AGM in a fair and transparent manner and they have consented to act as Scrutinizer.
22. Securities and Exchange Board of India (“SEBI”) vide its Circulars dated May 17, 2023, November 17, 2023, May 7, 2024, June 10, 2024 and Master Circular



No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026 (“SEBI Circulars”) has mandated Members 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 had sent individual communications to all the Members holding shares of the Company in physical form. In case of Physical Members 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 www.ipostatus.integratedregistry.in/KYCRegister.aspx. SEBI has mandated listed companies to issue securities in demat form only while processing investor service requests and any payments including dividend in respect of shares held in physical form shall only be made electronically upon registering the required KYC details with effect from April 1, 2024.

23. 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 dematerializing the shares to their demat account(s) after transmission of shares in their name by the RTA of the Company.
24. To support the ‘Green Initiative’, Members who have not yet registered their email address are requested to register their email address with their DPs 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.
25. In accordance with the provisions of Income Tax Act, 2025 read with amendment thereof, dividend declared or distributed or paid by a Company on equity shares shall be taxable in the hands of the Members and the Company shall be required to deduct tax at source (“TDS”) at prescribed rates from dividend paid to Members at the time of distribution or payment of dividend. 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, 2025.

Members are requested to note that in case their PAN is not registered or, not linked with Aadhaar the tax shall be deducted at source at 20%.

A Resident Individual Member with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 121 as per the Income Tax Rules, 2026, to avail the benefit of non-deduction of tax at source. For Non-Resident Member [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 41, 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 Members on or before Friday, July 3, 2026. A separate email was sent to 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.

26. Members are requested to intimate changes, if any pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), nomination details, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC etc., to their DP in case their shares are held in demat form and to RTA in case the shares are held in physical form.
27. Nomination Facility: As per the provisions of Section 72 of the Act read with 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 No. SH-13 with RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective DPs.
28. Non-Resident Members: Non-Resident Members are requested to immediately notify the following to the Company in respect of shares held in physical form and to their DPs in respect of shares held in dematerialized 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.
29. Members are requested to note that, dividends if not encashed for a 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 dividend remains unclaimed for a period of 7 (seven) consecutive years or more 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 Authority, may claim the same by making an online application to the IEPF Authority in web Form No.IEPF-5 available on www.mca.gov.in.
 30. 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 DPs and holdings should be verified from time to time.
 31. Pursuant to letter issued by the IEPF Authority on July 16, 2025, the Company successfully implemented the “100 Days Campaign- Saksham Niveshak” from July 28, 2025 to November 6, 2025, focused on proactive shareholders engagement. Through this campaign, the Company aimed to assist the Members to encash/collect their Dividend(s) lying in the Unclaimed Dividend Account(s) maintained by the Company by updating their KYC details and related matters, well before the same is transferred to IEPF Authority. The Company created awareness of this campaign through e-mails, newspaper- advertisement (English & Tamil version), website and intimation to stock exchanges etc. The Company was able to successfully credit dividend amount to the Members before it was due for transfer to IEPF Authority on account of these initiatives and guidance from the IEPF Authority. Subsequently, the Company has initiated Second “100 Days Campaign-Saksham Niveshak” from April 1, 2026 to July 9, 2026

to reach out to the Members of the Company. Members are encouraged to avail this opportunity to update their KYC and bank account details and claim their dividend/shares within the stipulated timelines thereby, avoiding transfer of such amounts to the IEPF Authority.

32. SEBI had opened the Special Window for re-lodgement of transfer requests for physical shares from July 7, 2025 till January 6, 2026, vide Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 2, 2025, encouraging investors to re-lodge transfer deeds, which were lodged prior to the deadline of April 1, 2019 and rejected/returned due to deficiency in the documents/process/or otherwise. Further, SEBI vide Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, has re-opened the Special Window for transfer and dematerialisation of physical securities for a period of 1 (one) year from February 5, 2026 to February 4, 2027. In accordance with the Circulars, the Company has created awareness through newspaper-advertisement (English & Tamil version), website and stock exchanges filings to encourage Members to avail benefit from this facility.
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 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 - 600 017 before transfer to IEPF on the following respective dates. The intimation in this regard was 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
2019	August 2, 2026	--	2022	--	December 4, 2028 and April 10, 2029
2019 (erstwhile SCUF)	September 2, 2026	--	2022 (erstwhile SCUF)	--	December 2, 2028 and April 11, 2029
2020	--	November 29, 2026	2023	July 29, 2030	January 29, 2030
2020 (erstwhile SCUF)	--	November 28, 2026	2024	September 4, 2031	December 1, 2030 and March 1, 2031
2021	July 30, 2028	December 4, 2027 and April 30, 2028	2025	August 23, 2032	November 30, 2031 and March 1, 2032
2021 (erstwhile SCUF)	September 2, 2028	December 6, 2027 and April 29, 2028	2026	--	December 6, 2032

- 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 for 7(seven) consecutive years or more 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 2025-2026, the Company had transferred 4,61,310 Equity shares of face value of Rs. 2/- each in respect of which the following dividend was not claimed for 7 (seven) consecutive years or more as mentioned below:

Financial Year	Type of Dividend	No. of Shares Transferred to IEPF Authority	Filing date of Form No. IEPF-4
2017-2018	Final Dividend	3,46,950	October 29, 2025
2017-2018 (erstwhile SCUF)	Final Dividend	21,665	October 31, 2025
2018-2019	Interim Dividend	88,645	January 23, 2026
2018-2019 (erstwhile SCUF)	Interim Dividend	4,050	January 29, 2026

- iii. **You are requested to claim the following unclaimed amounts:**

- a. **Fixed Deposits:** If you have placed any fixed deposit with the Company, you are requested to claim the maturity and interest amounts thereon, if unclaimed/unencashed by you, by sending an email to customersupport@shriramfinance.in
- b. **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, if unclaimed/unencashed by you, by sending a request at stfcipo@integratedindia.in.

The Investors who have a claim on above dividends, equity shares, fixed deposits and NCDs may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. 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 Standard on General Meetings (“SS-2”), Regulation 44 of the Listing Regulations read with SEBI Master circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, as amended, 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 47th 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 7, 2026 (9.00 a.m. IST)** and ends on **Thursday, July 9, 2026 (5:00 p.m. IST)**. During this period, Members holding shares either in physical form or in dematerialized form, as

on **Friday, July 3, 2026 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 47th AGM through VC/OAVM facility and have not cast their vote on the Resolutions proposed in the Notice of the 47th AGM through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the 47th AGM.

THE INSTRUCTIONS OF MEMBERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of Individual Members holding shares in demat mode.

In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members 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 Members holding securities in Demat mode CDSL/NSDL is given below:

Type of Members	Login Method
Individual Members 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 & My Easi New (Token) Tab.
	2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the Company. On clicking the e-Voting 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 & My Easi New (Token) 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 e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of Members	Login Method
Individual Members 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 held 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. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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 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
Individual Members (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 Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Members 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 Members 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.com or call at toll free no.: 022-4886 7000 and 022-2499 7000

Step 2: Access through CDSL e-Voting system in case of Members holding shares in physical mode and Non-Individual Members in demat mode.

- (i) Login method for e-Voting and joining virtual meetings for Physical Members and Members other than Individual holding in Demat form.

- The Members should log on to the e-Voting website www.evotingindia.com.
- Click on “Shareholders” module.
- Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in physical form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- 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.
- If you are a first-time user follow the steps given below:

	For Physical Members and other than Individual Members holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat Members as well as Physical Members) Members 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.

- After entering these details appropriately, click on “SUBMIT” tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, Members 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.
- For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- Click on the EVSN for Shriram Finance Limited on which you choose to vote.
- 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.
- Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 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.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 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.
- There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.
- Additional Facility for Non – Individual Members and Custodians –For Remote Voting only.
 - Non-Individual Members (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 scrutinizer to verify the same.
- Alternatively Non-Individual Members are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer 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 scrutinizer to verify the same.

INSTRUCTIONS FOR MEMBERS ATTENDING THE 47TH AGM THROUGH VC/OAVM & FOR E-VOTING AT THE MEETING ARE AS UNDER:

1. The procedure for attending Meeting & e-Voting at the 47th 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 the Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
3. Members who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the 47th AGM.
4. Members are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
6. Please note that Members 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 Members, who are present in the 47th 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 47th AGM.
8. If any Votes are cast by the Members through the e-Voting available at the 47th AGM and if the same Members have not participated in the Meeting through VC/OAVM facility, then the votes cast by such Members may be considered invalid as the facility of e-Voting at the Meeting is available only to the Members attending the Meeting.

PROCESS FOR THOSE MEMBERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical Members - Please provide necessary details like Folio No., Name of Member, 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 Members - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat Members – 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 47th 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, AVP, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400 013 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 & Chief 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/companysecretary@shriramfinance.in

Instructions for attending/joining the 47th AGM through VC/OAVM are as under:

1. Members will be provided with a facility to attend the 47th 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 47th 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. **Questions prior to 47th AGM:** Members are requested to send their questions in advance from Monday, July 6, 2026 to Wednesday, July 8, 2026 mentioning their name, demat account number/folio number, email ID, mobile number at SFLAGM2026@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 47th AGM would require microphone and speakers/headphone.

8. **Speaker Registration during 47th AGM:** 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 6, 2026 to Wednesday, July 8, 2026 mentioning their name, demat account number/folio number, email ID, mobile number at SFLAGM2026@shriramfinance.in. Only those Members who have registered themselves as speakers will be allowed to express their views/ask questions during the 47th AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the 47th AGM.
9. **Scrutinizer's Report and declaration of results:**
 - i. The Scrutinizer shall, immediately after the conclusion of voting at the 47th AGM, first count the votes cast at the Meeting, thereafter unblock the votes through e-Voting and make a consolidated Scrutinizers' report of the total votes cast in favour or against, within 2 (two) working days of the conclusion of the 47th AGM, to the Chairman or Mr. Umesh Revankar, Executive Vice Chairman or Mr. Parag Sharma, Managing Director & CEO or Mr. S. Sunder, Joint 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 Scrutinizer'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 47th AGM of the Company.

By Order of the Board
For Shriram Finance Limited

U Balasundararao
Company Secretary & Chief Compliance Officer
Membership No.: FCS 12952

Mumbai
June 3, 2026

CIN: L65191TN1979PLC007874

Regd. Office: Sri Towers, Plot No.14A, South Phase,

Industrial Estate, Guindy, Chennai 600 032,

Tel No: +91 44 4852 4666 Fax: +91 44 4852 5666.

Website: www.shriramfinance.in

Email id: companysecretary@shriramfinance.in



ANNEXURE TO NOTICE

Explanatory Statement in respect of Item Nos. 7 to 10 pursuant to Section 102 (1) of the Companies Act, 2013

ITEM NOS. 7 and 8

The Board of Directors of the Company (“**Board**”) at its meeting held on December 19, 2025 had *inter-alia* approved: (i) the execution of the Investment Agreement on December 19, 2025 (“**Investment Agreement**”) between, among others, the Company and MUFG Bank Ltd., Investor (“**Investor**”/“**MUFG**”); (ii) the issuance of 471,121,055 fully paid-up Equity Shares of face value of Rs. 2/- each fully paid up equivalent to 20% of the post preferential Equity Share capital of the Company (on a fully diluted basis) as on the date of completion of the Preferential Issue in terms of the Investment Agreement, for cash, at an issue price of Rs. 840.93 per Equity Share for an aggregate consideration not exceeding Rs. 396,179,828,781.15 to MUFG (“**Preferential Issue**”), subject to the approval of the Members, Reserve Bank of India (“**RBI**”), Competition Commission of India (“**CCI**”) and other applicable regulatory approvals and subject to the completion of other conditions precedent as agreed between the Investor and the Company in terms of the Investment Agreement.

The Investment Agreement, among other matters, provides for certain identified rights in favour of the Investor, including the right to nominate retiring non-executive and non-independent directors to the Board of the Company (subject to the shareholding thresholds mentioned below) (the “**Director Nomination Right**”):

Shareholding Thresholds	Maximum number of Investor Directors
At least 15%	Entitled to nominate 2 (two) Investor Directors
Less than 15% but not less than 10%	Entitled to nominate 1 (one) Investor Director
Less than 10%	The Investor shall not be entitled to nominate any directors to the Board

Further, the Members of the Company at its Extra-Ordinary General Meeting held on January 14, 2026 *inter-alia* approved the Preferential Issue and the special rights granted to the Investor under the Investment Agreement, including the Director Nomination Right.

The Preferential Issue was completed on April 8, 2026, after receipt of all necessary statutory and regulatory approvals (including the approval of the CCI received on March 25, 2026).

Pursuant to the above, in accordance with Section 160 and other applicable provisions, if any, of the Companies Act, 2013 (“**Act**”), the Company had received a communication from the Investor on February 12, 2026 nominating Mr. Morihiko Fuji and Mr. Shinichi Fujinami as directors on the Board, in the Non-Executive and Non-Independent category.

The Nomination and Remuneration Committee and the Board vide their resolutions passed by circulation on February 12, 2026, respectively, had assessed and determined that Mr. Morihiko Fuji and Mr. Shinichi Fujinami satisfy the applicable ‘fit and proper’ criteria for appointment as directors of the Company in terms of the extant RBI regulations/circulars applicable with respect to the appointment of directors on the board of directors of NBFCs.

Further, the Company received approval from the RBI on April 22, 2026 for the change in composition of the Board under the Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025.

In terms of Sections 152 and 161(1) of the Act and the Articles of Association of the Company, the Board, basis the recommendation of the Nomination and Remuneration Committee, had reviewed the candidature of Mr. Morihiko Fuji and Mr. Shinichi Fujinami, and was of the opinion that they are each a person of integrity and considering their respective qualifications, extensive knowledge and rich experience in the matters of Financial Services and Banking, Governance Ethics and Regulatory Oversight, Audit and Risk Management, the appointment of Mr. Morihiko Fuji and Mr. Shinichi Fujinami is in the interest of the Company.

Accordingly, the Board, based on the recommendation of the Nomination and Remuneration Committee, at its meeting on April 24, 2026 appointed Mr. Morihiko Fuji (DIN 11544762) and Mr. Shinichi Fujinami (DIN 11545464), nominees of MUFG as Additional Directors, in the category of Non-Executive and Non-Independent Directors (“**Nominee Directors**”) with effect from April 24, 2026, liable to retire by rotation, subject to approval of Members of the Company. As per Regulation 17 (1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Listing Regulations**”) they shall hold office up to the date of next general meeting or three months from the effective date of appointment, whichever is earlier.

Brief profile of the Nominee Directors

Mr. Morihiko Fuji

Mr. Morihiko Fuji, aged 48 years, holds a Bachelors’ Degree of Arts in Economics from the University of Tokyo, Japan. Mr. Morihiko is a senior banking professional with over two decades of experience at MUFG Bank Ltd., Japan. He currently serves as the Managing Director and Head of Global Commercial Banking Planning Division since April 2026. Prior to that he served as the Managing Director and Head of Business Development Office Corporate Planning Division.

Over the years, he has held various leadership positions in Corporate Planning and Strategic Alliance functions, overseeing corporate planning, internal management oversight, governance, risk management and group-wide M&A strategy.

He has also been seconded to Union Bank, U.S. (2013 - 2018), where he was responsible for financial and strategic planning and M&A execution. His experience includes cross-border transactions, strategic investments, and development of retail and digital financial services initiatives across Japan and Asia.

Mr. Shinichi Fujinami

Mr. Shinichi Fujinami, aged 50 years, holds a Bachelors’ Degree of Economics from the University of Tokyo, Japan. He currently serves as the Managing Director and Head of Global Commercial Banking Planning Division since May 2026. Prior to that he served as the Managing Director and Head of the Japanese Corporate Banking Division for the Americas (U.S. West) and Head of the Los Angeles Branch at MUFG Bank Ltd., covering the bank’s business with Japanese corporate clients on the U.S. West Coast.

He has over two decades of experience in the banking industry, with a focus on corporate banking, planning, and strategy. Prior to taking the JCB West role in May 2024, he held the Head of JCB Planning position since April 2022, in addition to being the Deputy Head of JCB Americas which is a role he took on in October 2023.

He joined Bank of Tokyo-Mitsubishi in 1999. Since then, he has held various strategic roles within the firm, primarily in the corporate banking and planning divisions in Japan and in the United States, where he was able to garner extensive relevant experience.

The disclosures and details of terms and conditions of appointment of Mr. Morihiko Fuji and Mr. Shinichi Fujinami as stipulated under Regulation 36(3) of the Listing Regulations and the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are provided in the Annexure to this Explanatory Statement.

The Company has received from the said Nominee Directors all statutory disclosures/declarations from the said Nominee Directors including the (i) consent in writing to act as director under section 152(5) of the Act in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the said rules, to the effect that they are not disqualified under Section 164 of the Act from being appointed as a director of the Company and (iii) declaration that they are not related to any director of the Company and not debarred from holding the office of Director by virtue of any order issued by the Securities and Exchange Board of India (SEBI) or any other such authority.

The Company has also obtained a certificate from a practicing company secretary confirming that the Nominee Directors

have not been debarred or disqualified from being appointed as directors of the Company by the Securities and Exchange of India, Ministry of Corporate Affairs or any such other Statutory Authority.

The Board, therefore, recommends the appointment of Mr. Morihiko Fuji (DIN 11544762) and Mr. Shinichi Fujinami (DIN 11545464) as Directors, in the Non-Executive and Non-Independent category, effective April 24, 2026, liable to retire by rotation, at set out at Item Nos. 7 & 8 of this Notice, for approval by way of an Ordinary Resolution.

Neither Mr. Morihiko Fuji (DIN 11544762) nor Mr. Shinichi Fujinami (DIN 11545464) are related to any Directors or Key Managerial Personnel (“**KMP**”) of the Company.

Except Mr. Morihiko Fuji and Mr. Shinichi Fujinami and their relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise in the resolutions set out at Item Nos. 7 & 8 of this Notice.

ITEM NO. 9

The Members of the Company at its 43rd Annual General Meeting held on June 23, 2022 approved the appointment of Mr. Parag Sharma (DIN 02916744) as Whole Time Director designated as Joint Managing Director & Chief Financial Officer of the Company for a period of 5 (five) years with effect from December 13, 2021 to December 12, 2026 (both days inclusive), liable to retire by rotation and payment of remuneration to him.

Further, the Members of the Company passed an ordinary resolutions (i) on February 21, 2023 through Postal Ballot for restructuring and revision of his remuneration (ii) for elevation and re designation of Mr. Parag Sharma as Managing Director & CFO with effect from June 1, 2024, along with revision in his remuneration at its 45th Annual General Meeting held on July 30, 2024 and (iii) on December 2, 2025 through Postal Ballot for elevation and re-designation as Managing Director & CEO with effect from December 5, 2025.

The present tenure of Mr. Parag Sharma as Managing Director & CEO of the Company will expire on December 12, 2026.

Mr. Parag Sharma is eligible for re-appointment pursuant to Section 196(3) of the Companies Act, 2013 (the “**Act**”) read with part I of Schedule V to the Act. Mr. Parag Sharma meets the fit and proper criteria for director as prescribed under Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025.

Mr. Parag Sharma, aged 56 years, is a commerce graduate from Delhi University as well as a graduate from the Institute of Cost Accountants of India (ICMAI). He has been working with Shriram Group for more than three decades and rose to the position of Managing Director & CEO with



effect from December 5, 2025. He plays important role of steering further improvement in the business performance and profitability, enhancing credit rating of the Company, overseeing optimum utilisation of surplus short-term funds through smart treasury initiatives, growing new businesses, etc in addition to effective mobilising funds required for growth of business of the Company in cost effective manner as a Managing Director & CFO up to December 4, 2025.

Mr. Parag Sharma is leading the executive team of the organisation and ensuring alignment for delivery of business results. He is responsible for growth in business volumes and profits, Net Interest Margin (NIM), product innovation/offerings, branch expansion in new and existing geographies, laying and implementing the digital roadmap (digitalisation) for the Company.

He is a member of various committees constituted by the Board including Stakeholders' Relationship Committee, Customer Service Committee, Corporate Social Responsibility Committee, IT Strategy Committee, Risk Management Committee, Asset Liability Management Committee, Banking & Finance Committee, Environmental, Social and Governance Committee, Special Committee of the Board for Monitoring and follow-up cases of Frauds, Review Committee for treatment of Wilful Defaulters, Securities Transfer Committee, Investment Review Committee, Allotment Committee (NCDs), ESOP Allotment Committee, etc.

Considering Mr. Parag Sharma's significant contributions to the Company's growth and stability and his dedicated service of more than three decades, the Board of Directors in its meeting held on April 24, 2026, based on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Parag Sharma for a further period of 5 (Five) years with effect from December 13, 2026 upto December 12, 2031, subject to approval of Members, on terms and conditions including remuneration as mentioned in the resolution set out at Item no. 9 of this Notice of the Annual General Meeting. In addition to the Fixed Pay, Mr. Parag Sharma will be entitled to Variable Pay linked to achievement of performance parameters by him as assessed by the Nomination and Remuneration Committee and the Board of Directors at their sole discretion. The Variable Pay is divided into two parts – viz. (i) Cash Variable Pay subject to limit of 50% of the Fixed Pay in a financial year or part thereof and (ii) grant of SAR Units at a discount not exceeding twenty percentage on the average closing price of fully paid-up equity shares of the Company during the 90 trading days preceding the date of grant under the PSAR Plan or grant of options/units under any other share-linked employee benefit scheme/plan as may be framed by the Company in future such that the value of the benefit/ perquisite arising out of grant of such SAR Units as per the vesting schedule of 4 years under PSAR Plan or grant of options/units as per the

vesting schedule of such other share-linked employee benefit scheme/plan as may be framed by the Company subject to limit of 50% of the Fixed Pay drawn by him for a financial year or part of the financial year during the tenure of his appointment.

While the value of the Variable Pay under PSAR Plan will be determined as on the date of the grant of SAR Units to Mr. Parag Sharma, however, the actual benefit/perquisite will be based on the value as on the date of vesting / exercise of such SAR Units.

The provisions with respect to Malus and/or Clawback shall be applicable for Variable Pay as prescribed in the Remuneration Policy of the Company in accordance with RBI Circular. The appointment of Mr. Parag Sharma 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.

The Company has received from a Member the notice under Section 160 of the Act proposing the candidature of Mr. Parag Sharma for the office of director.

The Ordinary Resolution at Item No.9 and the Explanatory Statement as set out in this Notice may be considered as a written Memorandum setting out terms and conditions of re-appointment and remuneration of Mr. Parag Sharma in terms of Section 190 of the Act.

The Board of Directors is of the opinion that continuity of services of Mr. Parag Sharma in the capacity Managing Director & CEO is in the interest of the Company and its stakeholders' for effective implementation of the Company's future growth plans. The Nomination and Remuneration Committee and the Board recommend to the Members passing of the resolution as set out in Item no.9 of this Notice.

The Board considers that the remuneration proposed to be paid to Mr. Parag Sharma as a Whole Time Director designated as Managing Director & CEO of the Company is reasonable and commensurate with his qualification and experience.

Disclosures and details of terms and conditions of re-appointment of Mr. Parag Sharma as stipulated under Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India are provided in the Annexure to this Explanatory Statement.

Except Mr. Parag Sharma and his relatives, 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.

All relevant documents referred in this Notice will be available for inspection to the Members of the Company without any fee at the Registered Office of the Company between 09:00 A.M. to 5:00 P.M. on all working days (except Saturdays,

Sundays and Public Holidays) from the date of dispatch of this Notice up to the date of AGM i.e. Friday, July 10, 2026.

ITEM NO. 10

Pursuant to the Special Resolutions passed by the Members of the Company at their Extra-Ordinary General Meeting held on January 14, 2026 and upon receipt of necessary regulatory approvals, on April 8, 2026, the Company allotted 471,121,055 fully paid-up equity shares of face value of Rs. 2/- each fully paid-up at an issue price of Rs. 840.93 per share (including a premium of Rs. 838.93 per share) on a preferential basis to MUFG Bank Ltd. ("MUFG") on receipt of the subscription amount of Rs. 39,617.98 crores in terms of Investment Agreement dated December 19, 2025 executed between, among others, the Company and MUFG Bank Ltd., Investor ("MUFG") *inter-alia*, between the Company and MUFG dated December 19, 2025. Consequently, MUFG has become a public shareholder of the Company representing 20% equity stake on a fully diluted basis.

Accordingly, MUFG is classified as a related party of the Company effective from April 8, 2026 in terms of Regulation 2(1)(zb) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and all transactions with MUFG from April 8, 2026 are subject to the compliance with the applicable provisions of the Companies Act, 2013 (the "Act") and Listing Regulations read with Industry Standards on Related Party Transactions.

During the financial year 2026-27, the following related party transactions (RPTs) are proposed to be undertaken by the Company with MUFG, in the ordinary course of business and at an arm's length basis, to meet its business requirements for an amount aggregating upto Rs. 33,500 crores, which will exceed the above mentioned materiality threshold for RPTs:

Sr. No.	Proposed Transactions	Amount (Rs. in crores)
1.	Repayment/Prepayment of the existing borrowings and payment of interest thereon	4,424
2.	Borrowings through loans/working capital limits/debt securities/refinancing/ securitisation by way of pass-through certificates/any other method and payment of interest and principal/redemption thereon.	20,432
3.	Corporate Guarantee for securitisation transactions	1,000
4.	Derivative transactions/contracts (notional value) including hedge unwinding gain/loss, CSA margin (maximum o/s at any point of time) and interest thereon)	4,620
5.	Treasury related expenses and syndication/advisory fees	324
6.	Placing Fixed Deposits (FDs) (Lien marked / Free), receipt of interest on FDs and maturity of FDs	2,700
	Total	33,500
7.	Any other transactions/arrangements, subject to approval of the Audit Committee from time to time	The value of transaction will be as approved by the Audit Committee from time to time within the overall ceiling/ limit of Rs. 33,500 crores.

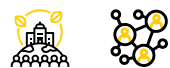
Note: The above sub-limits shall be inter-changeable within the overall ceiling of Rs. 33,500 crores, depending on market opportunities and conditions.

In terms of Regulation 23 of the Listing Regulations, material related party transactions and any subsequent material modifications thereof, require prior approval of the shareholders through ordinary resolutions, even if such transactions are in the ordinary course of business of the Company and at an arm's length basis.

As per the Listing Regulations, where the annual consolidated turnover of the listed entity exceeds Rs. 40,000 crores, a related party transaction between the listed entity and related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds Rs. 3,000 crores plus 2.5% of the annual consolidated turnover of the listed entity above Rs. 40,000 crores or Rs. 5,000 crores, whichever is lower.

The annual consolidated turnover of the Company as per the last audited financial statements for the year ended March 31, 2026 is Rs. 48,132.95. Accordingly, the materiality threshold for seeking shareholders' approval for related party transactions of the Company is Rs. 3,203.32 crores.

The Company being an NBFC undertakes in the ordinary course of its business various transactions of the type/nature mentioned in the table below with various entities/person(s) consisting of banks, NBFCs, institution(s), body corporate(s) etc. MUFG and its subsidiaries are amongst such entities/ persons. As of April 7, 2026 i.e. prior to MUFG becoming a Related Party, the outstanding amount under such existing transactions stood at Rs. 10,000 crores.



The details of the RPTs entered/to be entered into between the Company with the MUFG are as under:

1. Repayment/Prepayment of the existing borrowings and payment of interest thereon:

The Company being an NBFC, in the ordinary course of business, entered into various transactions with MUFG prior to its classification as a related party on April 8, 2026. During the financial year 2026-27, the Company will continue to make repayment/prepayment of the existing borrowings and payment of interest thereon in terms of the existing agreements and as may be mutually agreed between the Company and MUFG.

2. Borrowings:

The Company borrows money from various banks/NBFCs/institutions/body corporate (lenders) for onward lending, working capital requirements and/or for general corporate purpose of the Company. The outstanding borrowings of the Company as at March 31, 2026 amounted to Rs. 2,50,689.88 crores.

The value of transactions with respect to the proposed borrowings (including payment of principal and interest thereon) for the financial year 2026-27 would be up to Rs. 20,432 crores i.e. approx. 42.45% of annual consolidated turnover of the Company for the financial year 2025-26.

a. Funded and non-funded facilities:

Funded and non-funded facilities are availed on a short term/long term basis in one or more tranches by the Company in ordinary course of business from various lenders on the basis of sanctioned amount and agreement entered with various lenders, including MUFG, as per the resource mobilisation plan of the Company.

The type of facility, terms, end-use and tenure of the transaction, in each case, depends on the funding requirements of the Company and the prevailing market rates. The facilities are availed by the Company on the basis of competitive rates received for similar type of loans from other lenders at that point in time. The interest and fee payments are consequential to the transactions originating out of principal transactions in the form of loan, cash credit facility etc. Therefore, the quantum of such consequential transactions depends on the value of the principal transaction. MUFG is one of the major foreign lenders in India and it is in the interest of the Company to have MUFG as one of the lenders to ensure high availability of resources.

b. Issuance of debt securities

The Company in the ordinary course of its business raises funds by way of issuance of debt securities,

which may be secured or unsecured, at prevailing market rate of interest and conditions, cost of funds, tenor etc. through public issue/private placement in onshore/offshore market in accordance with policies of the Company. The investment in Non-Convertible Debentures of the Company happens through the Electronic Bidding Platform of stock exchanges as per the prescribed SEBI norms. The issuance would be made at the terms uniformly applicable to all investors (including MUFG). The interest payment and any fee are consequential to the principal transactions and would be in accordance with the terms of issue uniformly applicable to all investors. This is in furtherance of the fund raising activities of the Company and in the interest of the Company.

c. Securitisation

The Company generally undertakes assets backed (loan receivables) securitisation transactions through trust or special purpose vehicle (SPV) which issues Pass-Through Certificates to the investors in accordance with RBI Directions on Securitisation and respective policies framed by the Company thereunder and such other laws as may be applicable from time to time.

The Company may undertake securitisation (Pass-Through Certificates) transactions with MUFG through SPV, basis the business requirements, market dynamics and liquidity position of the Company at that point in time. The exposure to MUFG along with other lenders provides additional leverage to the Company to borrow from multiple sources. The Company may create fixed deposits or provide corporate guarantee in favour of trust (in lieu of fixed deposits) for the benefit of PTC holders (including MUFG) to cover certain obligations (like repayment shortfalls, credit enhancement, or liquidity support) if the underlying assets underperform. The Company benefits from the securitisation transactions by raising funds at very competitive rates and is therefore, in the interest of the Company.

3. Corporate Guarantee for securitisation transaction:

In case of securitisation transactions, the Company appoints trust for the benefit of the holders ("Investors") of Pass Through Certificates issued by the trust and it may provide credit collateral in the form of a guarantee, in the ordinary course of business, to meet any defaults/delays in relation to payments to be made to the trustee acting on behalf of the Investors, under the Transaction Documents.

The Company may, if required, issue a Corporate Guarantee for securitisation transactions in favour of trust for the benefit of the investors/PTC holders including MUFG.

The value of the proposed corporate guarantee for securitisation transaction for the financial year 2026-27 would be up to Rs. 1,000 crores i.e. approx. 2.08% of annual consolidated turnover of the Company for the financial year 2025-26.

4. Derivative transactions - Hedging and CSA limits

The Company in the ordinary course of business raises funds from various banks/NBFCs/institutions/body corporate (lenders) to meet the onward lending, working capital requirements and/or for general corporate purpose of the Company. In this connection, the Company is exposed to interest rate risk and currency risk, in relation to borrowings from onshore/offshore markets.

To prudently manage these financial risks and ensure stability of cash flows, the Company enters into derivative contracts including Forex, SPOT, Forward, Options (onshore and offshore), Overnight Index Swaps (OIS), Interest Rate Swaps (IRS), MIFOR-based instruments for credit equivalent (LER limits) with banks including MUFG for hedging purposes at the prevailing market rates.

In certain circumstances, the Company may unwind hedges prior to maturity which may result in either a gain or loss, depending on prevailing market conditions at the time of termination.

The Company, in accordance with its policy, may enter into such derivative contracts to manage risks associated with its borrowings with MUFG at the prevailing market rates.

Further, in accordance with the regulatory requirements, the Company is required to post margin with various banks under Credit Support Annex (CSA) agreements to secure its derivative exposures. This margin acts as collateral and is adjusted on a daily basis to reflect changes in the market value of outstanding derivative positions.

Any margin posted under these CSA arrangements would also accrue interest at the prevailing market rates, in accordance with the terms agreed with the respective banks.

The Company will also enter CSA agreements with MUFG to secure its derivative exposures, with margin adjusted on a daily basis in line with market movements and the funds may be deployed towards maintaining CSA margin.

The value of the proposed derivative transactions (Hedging and CSA limits) for the financial year 2026-27 would be up to Rs. 4,620 crores i.e. approx. 9.60% of annual consolidated turnover of the Company for the financial year 2025-26.

5. Treasury related expenses & Syndication/Advisory fees:

The Company in the ordinary course of business operations incurs treasury-related expenses including foreign remittance charges, SWIFT charges, and commissions on forex transactions to facilitate cross-border and domestic financial flows. The Company may also avail services from MUFG for routine treasury related activities.

Further, in connection with its borrowings, the Company engages banks for providing syndication and related financing services including arranger, coordinator, upfront, Export Credit Agency (ECA) with fees determined at rates comparable to those for similar syndication transactions. The Company may also avail services from MUFG for the purpose of facilitating raising of funds.

The value of the proposed treasury related expenses & Syndication/Advisory fees for the financial year 2026-27 would be up to Rs. 324 crores i.e. approx. 0.67% of annual consolidated turnover of the Company for the financial year 2025-26.

6. Placing Fixed Deposits (FDs) (Lien marked / Free), receipt of interest on FDs and maturity of FDs:

The Company may, depending on its liquidity needs, park funds in the form of FDs with MUFG at the best interest rates available and may also create fixed deposits with MUFG for the purpose of securitisation transaction. The proposed transactions are at an arm's length basis and placed with MUFG on terms similar to those offered by other unrelated banks, depending on commercially viable arrangements for the Company.

The value of the proposed fixed deposits to be placed and interest thereof for the financial year 2026-27 would be up to Rs. 2,700 crores i.e. approx. 5.61% of annual consolidated turnover of the Company for the financial year 2025-26.

7. Other transactions/arrangements:

In the ordinary course of business and on an arm's length basis, the Company, in its interest, may enter into any other transactions and/or arrangements not covered above with MUFG, subject to prior approval of the Audit Committee, for an amount as may be mutually agreed between the Company and MUFG, provided that the aggregate value of all above mentioned transactions (1 to 7) taken together shall not exceed Rs. 33,500 crores during the financial year 2026-27.

The Audit Committee at its meeting held on June 3, 2026 reviewed the relevant details of the proposed transactions with MUFG including rationale, material terms, justification as to why the proposed related party transactions are in the interest of the Company and the basis of pricing as required under SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated July 11, 2023 (updated as on January 30, 2026) ('SEBI Master Circular') read with RPT Industry

Standards, provided by the Management of the Company.

Further, the Audit Committee also reviewed and took note of the certificate, placed before the meeting, provided by the Managing Director & Chief Executive Officer and Chief Financial Officer of the Company confirming that the terms of proposed related party transactions are in the interest of the Company.

After considering the details on related party transactions as provided by the Management, the Audit Committee has approved the material related party transactions proposed to be undertaken with MUFG during the financial year 2026-27 for an aggregate amount not exceeding Rs. 33,500 crores (Rupees Thirty-Three Thousand Five Hundred crores Only) in the ordinary course of business and at arm's length basis, subject to the approval of the Members of the Company.

Further, the Board of Directors at its meeting held on June 3, 2026 approved the material related party transactions proposed to be undertaken with MUFG during the financial year 2026-27 and recommends passing of the resolution as set out at Item No.10 of this Notice.

Any subsequent 'material modification' in the proposed transactions, as determined by the Audit Committee as a part of Company's 'Policy on Materiality of Related Party Transactions (RPTs) and dealing with RPTs will be placed before the shareholders for approval, in terms of Regulation 23(4) of the Listing Regulations.

Mr. Morihiko Fuji and Mr. Shinichi Fujinami, Non-Executive and Non-Independent Directors (Nominee(s) of MUFG) and their relatives are interested in the above Resolution. None of the other Directors, Key Managerial Personnel and their relatives are concerned/interested in the above resolution except to the extent of their shareholding, if any, in the Company and MUFG.

Neither the Promoter nor any of the Promoter group entities are interested, directly or indirectly, in the proposed transactions with MUFG.

The Members may please note that in terms of the applicable provisions of the Listing Regulations, the related party(ies) as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not) shall not vote to approve the Ordinary Resolution as set out at Item No.10 of this Notice. Thus, the said proposal is being placed before the non-related party shareholders for their approval.

The details as required under Regulation 23 of the Listing Regulations read with SEBI Master Circular read with RPT Industry Standards are as follows:

(a) Information as placed before the Audit Committee in the format as specified in the RPT Industry Standards, to the extent applicable: Please refer "Annexure – A".

(b) Justification as to why the proposed transaction is in the interest of the listed entity, basis for determination of price and other material terms and conditions of RPT: Please refer "Annexure – A".

(c) Disclose the fact that the Audit Committee has reviewed the certificates provided by the CEO/ Managing Director/Whole Time Director/ Manager and CFO of the Listed Entity as required under the RPT Industry Standards:

The Audit Committee at its meeting held on June 3, 2026, *inter-alia*, reviewed and took note of the certificate, placed before the meeting, provided by the Managing Director & Chief Executive Officer and Chief Financial Officer of the Company confirming that the terms of proposed related party transactions are in the interest of the Company.

(d) Disclosure that the material RPT or any material modification thereto, has been approved by the Audit Committee and the Board of Directors recommends the proposed transaction to the shareholders for approval:

The proposed material RPTs have been approved by the Audit Committee and the Board and recommends the proposed transactions to the shareholders for approval.

(e) Provide web-link and QR Code, through which shareholders can access the valuation report or other reports of external party, if any, considered by Audit Committee while approving the RPT:

Not applicable as no such valuation report may be necessary having regard to nature of the related party transaction.

The external party report will be obtained for pricing and arm's length compliance for the proposed transactions at the time of review of the transactions undertaken during the F.Y. 2026-27.

(f) The Audit Committee and Board of Directors, while providing information to the shareholders, can approve redaction of commercial secrets and such other information that would affect competitive position of listed entity and affirm that, in its assessment, the redacted disclosures still provides all the necessary information to the public shareholders for informed decision making:

Not Applicable

(g) Any other information that may be relevant:

All relevant information forms part of this statement setting out material facts pursuant to Section 102 of the Act.

Annexure A

Minimum Information to be provided to the Audit Committee and shareholders for approval of Related Party Transactions as per RPT Industry Standards:

Sr. No.	Particulars of the information	Information provided by the Management
PART A: Minimum information of the proposed RPT		
A(1): Basic details of the related party		
1.	Name of the related party	MUFG Bank Ltd.('MUFG')
2.	Country of incorporation of the related party	Japan
3.	Nature of business of the related party	MUFG, Japan's premier bank, operates a global network spanning approximately 40 (forty) countries and offers a comprehensive range of commercial and investment banking services to businesses, governments, and individuals worldwide.

A(2): Relationship and ownership of the related party

Sr. No.	Particulars of the information	Information provided by the Management
1.	Relationship between the Company and the related party and Shareholding of the related party, whether direct or indirect, in the Company.	MUFG is a public shareholder of the Company holding 47,11,21,055 equity shares representing 20% of paid-up equity share capital on a fully diluted basis, consequent to the preferential allotment. Accordingly, MUFG became a related party in terms of Companies Act, 2013 and Ind AS 24 (as an investing entity having significant influence over the Company) with effect from April 8, 2026.
	Nature of concern (financial or otherwise)	Financial
	Shareholding of the Company, whether direct or indirect, in the related party.	The Company does not hold any shares of MUFG.
	Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the Company.	Not Applicable

A(3): Details of previous transactions with the related party

Sr. No.	Particulars of the information	Information provided by the Management																																													
1.	a) Total amount of all the transactions undertaken by the Company with the related party during the last financial year.	MUFG became a related party of the Company with effect from April 8, 2026 and hence, was not a related party during the last financial year. The following transactions took place with MUFG during the previous financial year 2025-26: <table><tr><th>Sr. No.</th><th>Nature/Type of Transactions</th><th>F.Y. 2025-26 (Rs. in crore)</th></tr><tr><td>1.</td><td>Securitisation – Payout (principal & interest)</td><td>1,037.58</td></tr><tr><td>2.</td><td>Securitisation deal - Borrowings</td><td>3,720.00</td></tr><tr><td>3.</td><td>Securitisation - Replenishment Deal</td><td>793.95</td></tr><tr><td>4.</td><td>ECB loans - Payout (interest due)</td><td>264.99</td></tr><tr><td>5.</td><td>Fresh ECB loans</td><td>139.06</td></tr><tr><td>6.</td><td>Supervision fees paid</td><td>34.73</td></tr><tr><td>7.</td><td>Correspondent Bank charges paid</td><td>0.01</td></tr><tr><td>8.</td><td>CSA margin inflow</td><td>1309.48</td></tr><tr><td>9.</td><td>CSA margin outflow</td><td>995.91</td></tr><tr><td>10.</td><td>Premium paid for forward contract</td><td>124.97</td></tr><tr><td>11.</td><td>Fixed Deposits placed</td><td>156.11</td></tr><tr><td>12.</td><td>Fixed Deposits matured</td><td>51.61</td></tr><tr><td>13.</td><td>Interest received on Fixed Deposits</td><td>2.97</td></tr><tr><td></td><td>Total</td><td>8,631.37</td></tr></table>	Sr. No.	Nature/Type of Transactions	F.Y. 2025-26 (Rs. in crore)	1.	Securitisation – Payout (principal & interest)	1,037.58	2.	Securitisation deal - Borrowings	3,720.00	3.	Securitisation - Replenishment Deal	793.95	4.	ECB loans - Payout (interest due)	264.99	5.	Fresh ECB loans	139.06	6.	Supervision fees paid	34.73	7.	Correspondent Bank charges paid	0.01	8.	CSA margin inflow	1309.48	9.	CSA margin outflow	995.91	10.	Premium paid for forward contract	124.97	11.	Fixed Deposits placed	156.11	12.	Fixed Deposits matured	51.61	13.	Interest received on Fixed Deposits	2.97		Total	8,631.37
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Sr. No.	Particulars of the information	Information provided by the Management
	b) Total amount of all the transactions undertaken by the subsidiary with the related party during the last financial year.	Nil
2.	Total amount of all the transactions undertaken by the Company or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	Not Applicable
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the Company or its subsidiary during the last financial year.	No default

A(4): Amount of the proposed transaction(s) *(All types of transactions taken together)*

Sr. No.	Particulars of the information	Information provided by the Management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	Rs. 33,500 crores
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3.	Value of the proposed transactions as a percentage of the Company's annual consolidated turnover for the immediately preceding financial year	69.60%
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the Company is not a party to the transaction)	Not Applicable
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year	6.08%
6.	Financial performance of the related party for the immediately preceding financial year (consolidated basis)	
	Particulars	As per last audited financial statements for F.Y. 2024-2025 (Rs. in crores)
	Turnover	5,50,895.40
	Profit After Tax	72,474.12
	Net worth	8,07,889.48

A(5): Basic details of the proposed transaction

Sr. No.	Particulars of the information	Information provided by the Management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	The approval is being sought for the related party transactions for the Financial Year 2026-27. Since the related party transactions are of recurring nature, the Company will continue to seek prior approval of Audit Committee and Members for the material related party transactions for every subsequent financial years.

Sr. No.	Particulars of the information	Information provided by the Management																											
		<table><tr><th>Sr. No.</th><th>Nature of Transaction</th><th>Amount (Rs. in crores)</th></tr><tr><td>1.</td><td>Repayment/Prepayment of the existing borrowings and payment of interest thereon</td><td>4,424</td></tr><tr><td>2.</td><td>Borrowings through Loans/Working Capital Limits/Debt Securities/Refinancing/ Securitisation by way of Pass-Through Certificates and payment of interest and principal/redemption thereon</td><td>20,432</td></tr><tr><td>3.</td><td>Corporate Guarantee for Securitisation transactions</td><td>1,000</td></tr><tr><td>4.</td><td>Derivative transactions/contracts- notional value (including CSA margin (maximum o/s at any point of time) and interest thereon, hedge unwinding gain/loss)</td><td>4,620</td></tr><tr><td>5.</td><td>Treasury Related Expenses and Syndication/ Advisory fees</td><td>324</td></tr><tr><td>6.</td><td>Placing Fixed Deposits (FDs) (Lien marked / Free), receipt of interest on FDs and maturity of FDs</td><td>2,700</td></tr><tr><td></td><td>Total</td><td>33,500</td></tr><tr><td>7.</td><td colspan="2">Any other transactions/arrangements, subject to approval of the Audit Committee from time to time within the overall ceiling/limit of Rs.33,500 crores.</td></tr></table>	Sr. No.	Nature of Transaction	Amount (Rs. in crores)	1.	Repayment/Prepayment of the existing borrowings and payment of interest thereon	4,424	2.	Borrowings through Loans/Working Capital Limits/Debt Securities/Refinancing/ Securitisation by way of Pass-Through Certificates and payment of interest and principal/redemption thereon	20,432	3.	Corporate Guarantee for Securitisation transactions	1,000	4.	Derivative transactions/contracts- notional value (including CSA margin (maximum o/s at any point of time) and interest thereon, hedge unwinding gain/loss)	4,620	5.	Treasury Related Expenses and Syndication/ Advisory fees	324	6.	Placing Fixed Deposits (FDs) (Lien marked / Free), receipt of interest on FDs and maturity of FDs	2,700		Total	33,500	7.	Any other transactions/arrangements, subject to approval of the Audit Committee from time to time within the overall ceiling/limit of Rs.33,500 crores.	
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2.	Details of each type of the proposed transaction	Please refer to the above Explanatory Statement of this Notice.																											
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Repayment/Prepayment of the existing borrowings and payment of interest thereon: As per the existing agreements entered into by the Company with MUFG prior to its classification as a related party and as may be mutually agreed upon. Borrowings: a. Loans/Working Capital Limits/Refinancing: As mutually agreed between the Company and MUFG for a period upto 5 years b. Debt Securities: As per the offer document for a period not exceeding 10 years c. Securitisation- PTCs, Corporate guarantee for securitisation and lien marked Fixed deposits: As per the remaining tenure of underlying loan asset pool being securitised, generally/ typically not exceeding 8 years Derivative transactions/contracts: As per the tenure of underlying transaction being hedged. Placing Fixed Deposits (FDs): As per the liquidity position, expected to be placed for a tenure upto 1 year. Treasury related expenses and syndication/advisory fees: For the F.Y. 2026-27 CSA margin & interest thereon: For the F.Y. 2026-27 Any other transactions/arrangements, subject to approval of the Audit Committee from time to time within the overall ceiling/limit of Rs.33,500 crores during the F.Y. 2026-27.																											

Sr. No.	Particulars of the information	Information provided by the Management
4.	Whether omnibus approval is being sought?	Yes Omnibus approval of the Members is sought for the related party transactions entered into/to be entered into between the Company and MUFG during the Financial Year 2026-27.
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Rs. 33,500 crores Not applicable since these are recurring transactions and approval is being sought only for F.Y. 2026-27.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the Company	The proposed related party transactions are in the interest of the Company and are undertaken/will be undertaken by the Company in the ordinary course of business and on an arm's length basis. It is ensured that such transactions with MUFG are conducted as if it is with an unrelated party, so that there is no conflict of interest. The Company may be able to source funds from MUFG at competitive market rates, for a longer tenure, while leveraging the benefits of a strategic public shareholder with a global presence and will not, in any manner, be detrimental to the interest of minority shareholders of the Company.
7.	Details of the promoter(s)/director(s)/key managerial personnel of the Company who have interest in the transaction, whether directly or indirectly. Explanation: Indirect interest shall mean interest held through any person over which an individual has control.	No. The nominees of MUFG viz. Mr. Morihiko Fuji and Mr. Shinichi Fujinami are appointed as additional directors by the Board of Directors of the Company, subject to approval of members at the ensuing 47 th Annual General Meeting. However, none of the directors of the Company, including the nominee directors as above, are concerned or interested in the proposal in terms of section 184(2) of the Companies Act, 2013. The Promoter do not hold any shares of MUFG and do not have any direct or indirect interest in the proposed transactions. None of the KMP have any direct or indirect interest in the proposed transactions.
	a. Name of the director/KMP	None of the directors of the Company, including Mr. Morihiko Fuji and Mr. Shinichi Fujinami, nominee directors, are concerned or interested in the proposal in terms of section 184(2) of the Companies Act, 2013.
	b. Shareholding of the director/KMP, whether direct or indirect, in the related party	No director of the Company hold any shares in MUFG.
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not applicable as no such valuation report may be necessary having regard to nature of the related party transaction. The external party report will be obtained for pricing and arm's length compliance for the proposed transactions at the time of review of the transactions undertaken during the F.Y. 2026-27.
9.	Other information relevant for decision making.	All relevant information forms part of this disclosure setting out the requisite facts.

PART B

B(1): Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

Sr. No.	Particulars of the information	Information provided by the Management	
		Treasury related expenses and syndication/advisory fees	Derivative transactions - Hedging and CSA limits
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No formal bidding process is mandated. However, the Company evaluates the charges/fees for the services availed/to be availed from banks/institutions and take decision in the best interest of the Company.	No formal bidding process is mandated. The derivative transactions are undertaken by the Company with various banks on a mutually agreed basis, at prevailing market rates. The Company ensures that such arrangements are evaluated in line with market practices and in the best interest of the Company.
2.	Basis of determination of price.	Comparable with prices for similar transactions charged by other similar banks/institutions in the ordinary course of business.	Comparable with prices for similar transactions charged by other similar banks in the ordinary course of business.
3.	In case of Trade advance (<i>of upto 365 days or such period for which such advances are extended as per normal trade practice</i>), if any, proposed to be extended to the related party in relation to the transaction, specify the following:		
	a. Amount of Trade advance	Nil	Nil
	b. Tenure	Not Applicable	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable	Not Applicable

B(5): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

Sr. No.	Particulars of the information	Information provided by the Management				
		Borrowings	Loans	Debt Securities	Refinancing	Securitisation – Pass -Through Certificates (PTCs)
1.	Material covenants of the proposed transaction	The Banking & Finance Committee of the Company will evaluate and, if considered appropriate, approve proposals to raise funds by way of loans and/or issuance of non convertible debt securities on the basis of sanction letters or term sheets, with all decisions taken in the best interests of the Company, such borrowings may be secured or unsecured and will be priced and structured at prevailing market rates and on terms reflecting the nature and tenor of each facility as mutually agreed between the parties. The loan may be availed for short term/long term basis and may be availed in tranches, from time to time. The arms’ length determination for the proposed borrowing transactions would be based on terms prevalent in market, as applicable for transactions comprising similar terms including tenure, amount borrowed, applicable interest rate etc. as applicable for similar rated securities.				In accordance with RBI Directions on Securitisation and respective policies framed by the Company thereunder and such other applicable laws, the Banking & Finance Committee of the Company will evaluate and, if considered appropriate, approve proposals to undertake securitisation (Pass-Through Certificates) transactions through special purpose vehicle (SPV), basis the business requirements, market dynamics and liquidity position of the Company at that point in time with MUFG as an investor to the PTCs issued by the SPV.

Sr. No.	Particulars of the information	Information provided by the Management			
		Borrowings	Loans	Debt Securities	Refinancing
2.	Interest rate (<i>in terms of numerical value or base rate and applicable spread</i>)	The interest rate shall be mutually determined at the time of disbursement, based on the prevailing benchmark/base rate for the currency of disbursement (e.g., SOFR for USD, EURIBOR for EUR, MIBOR/Repo Rate for INR), plus an agreed spread. The final rate shall be recorded in the loan agreement at the time of disbursement. May usually range between 6% to 10% in case of INR borrowings.	Securities are offered through the EBP/ stock exchanges and at the same interest rate (May usually range between 6% to 10% in case of INR) and terms uniformly to all investors (related/ unrelated parties) and depending on prevailing market conditions and liquidity position of the Company at that point in time.	As may be mutually agreed at the time of disbursement of the loan. May usually range between 6% to 10% in case of INR borrowings.	It will vary basis the transaction and the business requirements, market dynamics and liquidity position of the Company at that point in time.
3.	Cost of borrowing <i>Note: This shall include all costs associated with the borrowing</i>	As per the agreement. Cost associated with the borrowings (loans) such as upfront fees, processing fees, documentation charges, any other applicable expenses would not exceed 4% of the loan amount.	As per the Offer Document Cost associated with the borrowings (securities) such as listing fees, trustee fees, documentation charges, any other applicable expenses would not exceed 4% of the issue size.	As per the agreement Cost associated with the borrowings such as upfront fees, processing fees, documentation charges, any other applicable expenses would not exceed 4% of the loan amount.	It will vary basis the transaction and the business requirements, market dynamics and liquidity position of the Company at that point in time.
4.	Maturity/due date	Upto 5 years	Not exceeding 10 years	Upto 5 years	Upto 8 years
5.	Repayment schedule & terms	As per the terms of the agreement quarterly/semi-annual/annual/bullet	As per the Offer Document quarterly/ semi-annual/annual/ bullet	As per the agreement quarterly/semi-annual/annual/bullet	As per the agreement
6.	Whether secured or unsecured	Secured/Unsecured Depending upon the business requirements, market conditions and liquidity position at that point in time.	Secured/Unsecured Depending upon the business requirements, market conditions and liquidity position at that point in time.	Secured/Unsecured Depending upon the business requirements, market conditions and liquidity position at that point in time.	Secured
7.	If secured, the nature of security & security coverage ratio	As per the agreement, the Company shall provide standard assets/receivables as security. security cover may usually range between 100% to 125%	As per the Offer Document, the Company shall provide standard assets/ receivables as security. security cover may usually range between 100% to 125%	As per the agreement, the Company shall provide standard assets/receivables as security. security cover may usually range between 100% to 125%	As per the agreement, the Company shall provide standard assets/receivables as security. security cover may usually range between 100% to 125%

Sr. No.	Particulars of the information	Information provided by the Management			
		Borrowings	Loans	Debt Securities	Refinancing
8.	The purpose for which the funds will be utilized by the Company	Onward lending, meeting working capital requirements and other general corporate purposes of the Company.	The Debt securities to be issued for (after meeting the issue related expenditures) for augmenting the long-term resources of the Company and 100% of the proceeds of the Debt securities shall be utilised in accordance with statutory and regulatory requirements (including requirements of RBI) and for financing of all the asset classes, onward lending, refinancing of existing debt, meeting working capital requirement and other general purposes of the Company as mentioned in the offer document(s).	Onward lending, meeting working capital requirements and other general corporate purposes of the Company.	Onward lending, repayment of existing liabilities and other general corporate purposes of the Company.

C (4): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

1.	Debt to Equity Ratio of the Company or its subsidiary based on last audited financial statements: a. Before transaction b. After transaction	Not Applicable to Shriram Finance Limited being a NBFC
2.	Debt Service Coverage Ratio of the Company or its subsidiary based on last audited financial statements: a. Before transaction b. After transaction	Not Applicable to Shriram Finance Limited being a NBFC

B(4): Disclosure only in case of guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the Company or its subsidiary.

Sr. No.	Particulars of the information	Information provided by the Management
1.	(a) Rationale for giving guarantee, surety, indemnity or comfort letter (b) Whether it will create a legally binding obligation on listed entity?	It is customary to give guarantee in connection with the securitisation transaction by the Company to trust/SPV for the benefit of MUFG. Yes
2.	Material covenants of the proposed transaction including: (i) commission, if any to be received by the Company; (ii) contractual provisions on how the Company will recover the monies in case such guarantee, surety, indemnity or comfort letter is invoked.	Nil Not Applicable, since the corporate guarantee has been given by the Company itself. For more details, refer to the above Explanatory Statement of this Notice.

Sr. No.	Particulars of the information	Information provided by the Management
3.	The value of obligations undertaken by the Company, for which a guarantee, surety, indemnity or comfort letter has been provided by the Company. Additionally, any provisions required to be made in the books of account of the Company shall also be specified.	Rs. 1,000 crores No provision is required to be made in the books of accounts of the Company. If any Corporate Guarantee is issued, the Company will disclose the same as contingent liabilities in the notes to the financial statements.

C(3): Disclosure only in case of transactions relating to any guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary

Sr. No.	Particulars of the information	Information provided by the Management
1.	If guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter is given in connection with the borrowing by a related party, provide latest credit rating of the related party <i>Note:</i> <i>a. Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any.</i> <i>b. This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</i>	The Corporate Guarantee may be provided for the securitisation transaction by the Company to trust/SPV for the benefit of MUFG and it will not be given in connection with borrowing by a related party. Hence, Not Applicable.
2.	Details of solvency status and going concern status of the related party during the last three financial years: <i>F.Y. 2024-25</i> <i>F.Y. 2023-24</i> <i>F.Y. 2022-23</i>	MUFG was not a related party during the last three financial years. However, MUFG is solvent and is a going concern during the last three financial years and as on date.
3.	The value of obligations undertaken by the Company, for which a guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee) surety, indemnity or comfort letter has been provided by the listed entity or its subsidiary. Additionally, any provisions required to be made in the books of account of the Company shall also be specified.	Rs. 1,000 crores No provision is required to be made in the books of accounts of the Company. If any Corporate Guarantee is issued, the Company will disclose the same as contingent liabilities in the notes to the financial statements.

Sr. No.	Particulars of the information	Information provided by the Management
4.	Default on borrowings, <i>if any</i> , over the last three financial years, by the related party from the Company or any other person. <i>Note: This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</i> In addition, state the following: a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting; b) Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting; c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation; d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016. <i>Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.</i> <i>F.Y. 2024-25</i> <i>F.Y. 2023-24</i> <i>F.Y. 2022-23</i>	Not Applicable

B(3): Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary

Sr. No.	Particulars of the information	Information provided by the Management
Placing Fixed Deposits (FDs) (Lien marked / Free), receipt of interest on FDs and maturity of FDs		
1.	Source of funds in connection with the proposed transaction. <i>Note: This item of disclosure is not applicable to listed banks/NBFCs/insurance companies/housing finance companies.</i>	Not Applicable to Shriram Finance Limited being a NBFC
2.	Where any financial indebtedness is incurred to make investment, specify the following: <i>Note: This item of disclosure is not applicable to listed banks/NBFCs/insurance companies/housing finance companies.</i> a. Nature of indebtedness b. Total cost of borrowing c. Tenure d. Other details	Not Applicable to Shriram Finance Limited being a NBFC
3.	Purpose for which funds shall be utilized by the investee company.	The investee company i.e. MUFG will utilise funds as per the objects permitted under applicable law.
4.	Material terms of the proposed transaction	Interest rates as offered to FDs of similar amount for similar tenure by other banks. Tenor: Upto 1 year

C(2): Disclosure only in case of transactions relating to any investment made by the listed entity or its subsidiary

Sr. No.	Particulars of the information	Information provided by the Management
1.	Latest credit rating of the related party <i>Note:</i> <i>a. Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any.</i> <i>b. This shall be applicable in case of investment in debt securities.</i>	Not Applicable. Since, the Company invest by placing fixed deposits with MUFG. Not Applicable Not Applicable
2.	Whether any regulatory approval is required. If yes, whether the same has been obtained.	Not Applicable

Mumbai
June 3, 2026
CIN: L65191TN1979PLC007874
Regd. Office: Sri Towers, Plot No.14A, South Phase,
Industrial Estate, Guindy, Chennai 600 032,
Tel No: +91 44 4852 4666 Fax: +91 44 4852 5666
Website: www.shriramfinance.in
Email id: companysecretary@shriramfinance.in

By Order of the Board
for **Shriram Finance Limited**

U Balasundararao
Company Secretary & Chief Compliance Officer
Membership No.: FCS 12952

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 STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Name of Director	Mr. D. V. Ravi
Date of Birth and Age	September 05, 1964 and 61 years
Directors Identification Number (DIN)	00171603
Date of first appointment on the Board	June 18, 2015
Nationality	Indian
Expertise in specific functional areas	Wide experience in financial service industry, insurance domain, corporate finance, strategic and business planning, governance, ethics and regulatory oversight, Audit & Risk Management, Human Resource, Information Technology, synergy creation, Mergers & Acquisitions and Leadership Development.
Qualifications	Commerce Graduate from the University of Bangalore, Post Graduate Diploma in Management from the Institute of Rural Management, Anand (IRMA).
Directorship held in other companies	Unlisted Companies: i. Shriram Capital Private Limited ii. DRP Consultants Private Limited iii. Shriram Properties Holdings Private Limited iv. Intelent Data Sciences Private Limited v. Shriram Investment Holdings Private Limited vi. Take Sports Management Private Limited vii. APA Engineering Private Limited viii. R.K.P. Management Consultants Private Limited Foreign Company: Eywa Pharma Pte Limited LLP: Navitas LLP
Membership/Chairmanship of Committees of such companies	Member of Finance Committee - Shriram Capital Private Limited
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	100 Equity Shares
Disclosure of relationships between directors/Key Managerial Personnel inter-se	There is no inter-se relationship between Mr. D. V. Ravi and other members of the Board of Directors and Key Managerial Personnel of the Company
Remuneration received from the Company in the F.Y. 2025-26 and F.Y. 2026-27	Nil. The Company does not pay any remuneration, sitting fees or commission to Non-Executive and Non-Independent Director
Terms and conditions of re-appointment along with details of remuneration sought to be paid	Mr. D. V. Ravi, Director is liable to retirement by rotation. No remuneration, sitting fees or commission is proposed to be paid to him.



Name of Director	Mr. D. V. Ravi
Number of Meetings of the Board attended during the F.Y. 2025-26 and F.Y. 2026-27	F.Y. 2025-26 Attended 5 out of 8 Board Meetings during the Financial Year 2025-26. Current F.Y. 2026-27 Attended 2 out of 3 Board Meetings held till the date of this Notice. Due to unavoidable family emergencies, Mr. D. V. Ravi conveyed his inability to attend certain Board Meetings during F.Y. 2025-26 and was granted leave of absence by the Chairman. Notwithstanding his absence, he has remained actively engaged in strategic matters and has reviewed the minutes and resolutions passed in the said meetings.

Brief Profile of Mr. D.V. Ravi

Mr. D.V. Ravi, is a Commerce graduate from the University of Bangalore and holds a Post-graduate Degree in Management from the Institute of Rural Management, Anand. He currently serves as Vice Chairman and Managing Director of Shriram Capital Private Limited, Promoter of the Company. He is also the non-executive director and co-founder of TAKE Solutions Ltd. (“TAKE”), a global technology solutions and service provider. Mr. Ravi has also spearheaded several successful mergers and acquisitions for TAKE. He has been part of the Shriram Group since 1992 and has an extensive experience and expertise in the financial services and insurance domains and actively participates and is involved in strategic matters of Shriram Group such as formulating Corporate Strategies, Building Teams and creating Synergy, Mergers & Acquisitions, Risk Management, Corporate Finance, Leadership development and Technology initiatives.

Mr. D. V. Ravi started his career in strategy and finance in the year 1987 with Karnataka Oil Seeds Federation, Bangalore where he held the responsibility of planning and managing the finance and technology initiatives of the entity.

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 STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Name of Director	Mr. Morihiko Fuji	Mr. Shinichi Fujinami
Date of Birth and Age	August 5, 1977 and 48 years	July 7, 1976 and 50 years
Directors Identification Number (DIN)	11544762	11545464
Date of first appointment on the Board	April 24, 2026	April 24, 2026
Nationality	Japan	Japan
Nature of Expertise in specific functional areas	<u>Leadership knowledge of Financial Service and Banking Industry –</u> Strong expertise and knowledge of financial service and banking industry in Japan and internal basis. <u>Strategic & Business Planning -</u> As a head of Mergers and Acquisition strategy and execution function of the largest bank in Japan, he has experienced various investment and management opportunities in Japan and other countries including, India. <u>Governance, Ethics & Regulatory Oversight –</u> Mr. Morihiko Fuji has experienced key roles of governance oversight into core subsidiaries of MUFG Group and earned expertise and knowledge on governance framework and management of regulatory issues. <u>Audit & Risk Management –</u> Mr. Morihiko Fuji has expertise and skills in risk management of various types of banking subsidiaries including a commercial bank and a brokerage firm. He also has strong experience in capital and liquidity management.	<u>Leadership knowledge of Financial Service and Banking Industry -</u> Over twenty years of leadership experience in corporate banking across Japan and the United States, overseeing regional operations and strategic client relationships. Demonstrated capability in aligning business growth, corporate governance, and organizational performance within a global financial institution. <u>Strategic & Business Planning -</u> Extensive background in formulating and executing strategic initiatives for corporate banking divisions. Skilled in developing mid-term business plans, optimizing client segmentation, and coordinating resource allocation to enhance profitability and efficiency across international markets. <u>Governance, Ethics & Regulatory Oversight -</u> Comprehensive expertise in governance design, ethical management, and regulatory compliance. Responsible for ensuring internal control frameworks and fostering transparent engagement with regulators, maintaining the integrity of multinational banking operations in complex cross-border environments. <u>Audit & Risk Management –</u> Proven track record in managing credit, operational, and business risks for large-scale banking operations. Experienced in implementing internal control measures, enhancing audit readiness, and establishing disciplined risk management structures to safeguard institutional soundness.



Name of Director	Mr. Morihiko Fuji	Mr. Shinichi Fujinami
Brief Resume and Profile of Director	Mr. Morihiko Fuji is a senior banking professional with over two decades of experience at MUFG Bank Ltd, Japan. He currently serves as the Managing Director and Head of Global Commercial Banking Planning Division since April 2026. Prior to that he served as the Managing Director and Head of Business Development Office Corporate Planning Division. Over the years, he has held various leadership positions in Corporate Planning and Strategic Alliance functions, overseeing corporate planning, internal management oversight, governance, risk management and group-wide M&A strategy. He has also been seconded to Union Bank, U.S. (2013–2018), where he was responsible for financial and strategic planning and M&A execution. His experience includes cross-border transactions, strategic investments, and development of retail and digital financial services initiatives across Japan and Asia.	Mr. Shinichi Fujinami is the Managing Director and Head of Global Commercial Banking Planning Division since May 2026. Prior to that he served as the Managing Director and Head of the Japanese Corporate Banking Division for the Americas (U.S. West) and Head of the Los Angeles Branch at MUFG Bank Ltd., covering the bank's business with Japanese corporate clients on the U.S. West Coast. He has over two decades of experience in the banking industry, with a focus on corporate banking, planning, and strategy. Prior to taking the JCB West role in May 2024, he held the Head of JCB Planning position since April 2022, in addition to being the Deputy Head of JCB Americas – which is a role he took on in October 2023. He joined Bank of Tokyo-Mitsubishi in 1999. Since then, he has held various strategic roles within the firm, primarily in the corporate banking and planning divisions in Japan and in the United States, where he was able to garner extensive relevant experience.
Qualifications	Bachelor of Arts in Economics, University of Tokyo, Japan.	Bachelors’ Degree of Economics from the University of Tokyo, Japan.
Directorship held in other companies	Nil	Nil
Membership/Chairmanship of Committees of such companies	Nil	Nil
Name of listed entities from which the person has resigned in the past three years	Nil	Nil
Shareholdings in the Company including shareholding as a beneficial owner	Nil	Nil
Disclosure of relationships between directors/Key Managerial Personnel inter-se	There is no inter-se relationship between Mr. Morihiko Fuji, other Members of the Board of Directors and Key Managerial Personnel of the Company.	There is no inter-se relationship between Mr. Shinichi Fujinami, other Members of the Board of Directors and Key Managerial Personnel of the Company.
Remuneration received from the Company in the F.Y. 2025-26 and F.Y. 2026-27	F.Y.2025-26 Not Applicable Current F.Y. 2026-27 The Company does not pay any remuneration, sitting fees or commission to Non-Executive and Non-Independent Directors.	F.Y.2025-26 Not Applicable Current F.Y. 2026-27 The Company does not pay any remuneration, sitting fees or commission to Non-Executive and Non-Independent Directors.
Terms and conditions of appointment along with details of remuneration sought to be paid	Director is liable to retirement by rotation. No remuneration, sitting fees or commission is paid to Non-Executive and Non-Independent Director.	Director is liable to retirement by rotation. No remuneration, sitting fees or commission is paid to Non-Executive and Non-Independent Director.

Name of Director	Mr. Morihiko Fuji	Mr. Shinichi Fujinami
Number of Meetings of the Board attended during the F.Y. 2025-26 and F.Y. 2026-27	F.Y. 2025-26 Nil. Since he did not hold directorship during the F.Y. 2025-26. Current F.Y. 2026-27 Attended 2 out of 2 Board Meetings entitled to attend from the date of his appointment till the date of this Notice.	F.Y. 2025-26 Nil. Since he did not hold directorship during the F.Y. 2025-26. Current F.Y. 2026-27 Attended 2 out of 2 Board Meetings entitled to attend from the date of his appointment till the date of this Notice.

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 STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Name of Director	Mr. Parag Sharma
Date of Birth and Age	July 12, 1969 and 56 years
Directors Identification Number (DIN)	02916744
Date of first appointment on the Board	December 13, 2021
Nationality	Indian
Expertise in specific functional areas	As set out at Item No. 9 in the Explanatory Statement of this Notice
Profile of Director	
Qualifications	Commerce graduate from Delhi University as well as a graduate from The Institute of Cost Accountants of India
Directorship held in other companies	Unlisted Company: Shriram Overseas Investments Limited (wholly owned subsidiary of Shriram Finance Limited)
Membership/Chairmanship of Committees of such companies	Shriram Overseas Investments Limited Audit and Risk Management Committee – Chairman Nomination and Remuneration Committee - Member Business Development Committee - Member
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	2,33,140 Equity Shares (0.01%)
Disclosure of relationships between directors/Key Managerial Personnel inter-se	There is no inter-se relationship between Mr. Parag Sharma, other Members of the Board and Key Managerial Personnel of the Company.
Remuneration received from the Company in the F.Y. 2025-26	Rs. 1,53,41,740/-
Terms and conditions of re-appointment along with details of remuneration sought to be paid	The re-appointment is for a term of 5 (five) years commencing from December 13, 2026, not liable to retire by rotation and the details of terms and conditions of re-appointment and remuneration to be paid are provided in the resolution set out at Item No. 9 of this Notice.
Number of Meetings of the Board attended during the F.Y. 2025-26 and F.Y. 2026-27	F.Y. 2025-26 Attended 8 out of 8 Board Meetings held during the Financial Year 2025-26. Current F.Y. 2026-27 Attended 3 out of 3 Board Meetings held till the date of this Notice.

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Corporate Office:

Shriram Finance Limited
Wockhardt Towers
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Mumbai - 400051, Maharashtra

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