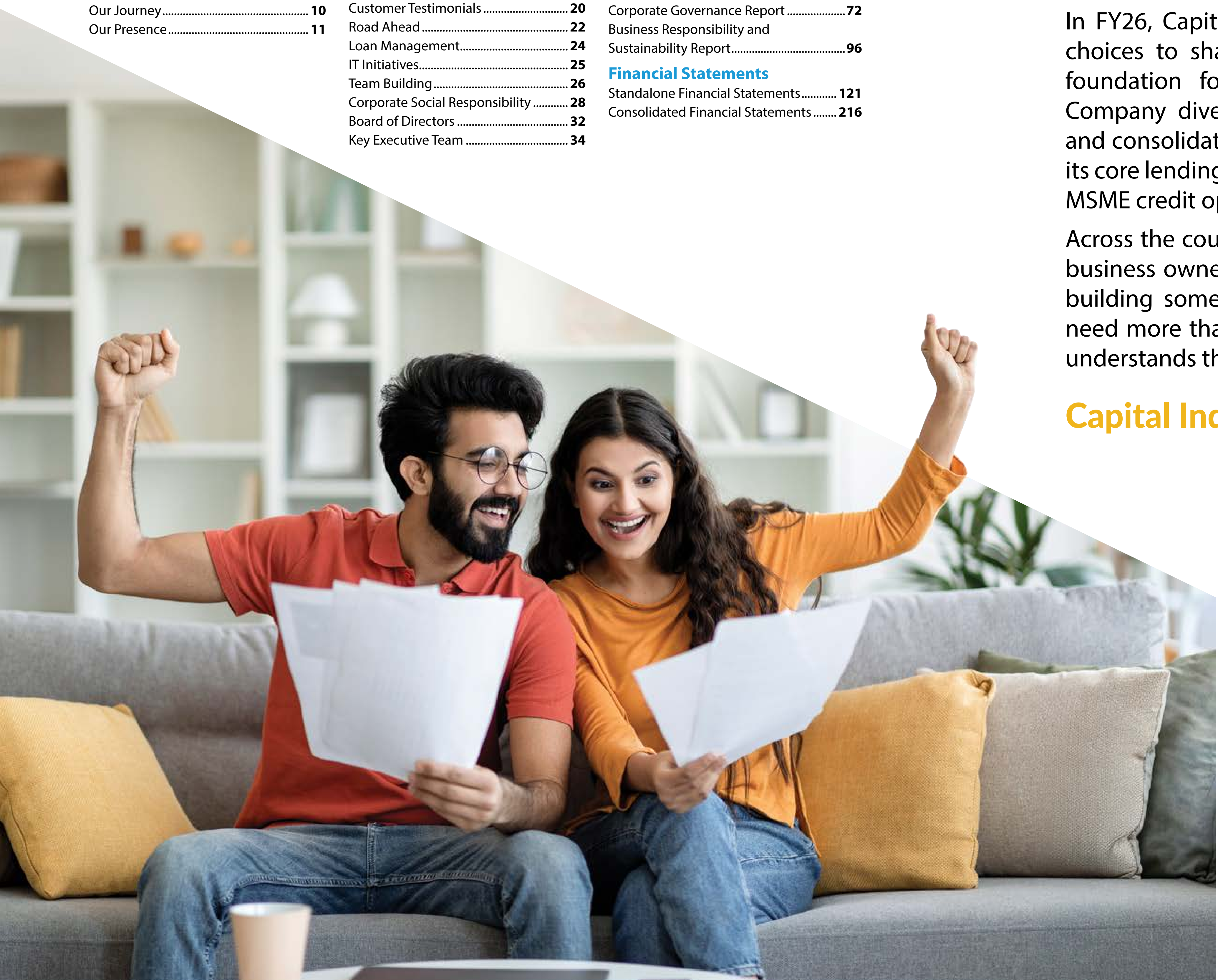
Capital India Finance Limited
Annual Report 2025-26

CAPITALINDIA
Rediscover Business

Millions of Dreams. One Direction.

Financing Aspirations. Building India.

Contents



Behind every loan is a dream that refused to wait.

In FY26, Capital India made a series of deliberate choices to sharpen its focus and strengthen the foundation for its next phase of growth. The Company divested its housing finance subsidiary and consolidated its capital and capabilities around its core lending business, focused on India's growing MSME credit opportunity.

Across the country, millions of entrepreneurs, small business owners and self-employed individuals are building something of their own. Their ambitions need more than capital—they need a partner who understands their journey.

Capital India is that partner.

INR 1,227.37 Crores

Back to growth

Capital India entered FY26 with a clear strategic intent: to scale its distribution and operational capabilities, with a sharper focus on secured credit for MSMEs, self-employed individuals and small business owners.

Each of them carries a plan. A purpose. A next step that needs capital behind it.

In FY26, Capital India expanded its distribution footprint significantly, taking its lending capabilities closer to the entrepreneurs and businesses it serves. This expansion strengthened its ability to originate quality secured credit, deepen market presence and build a scalable platform for growth.

The result: AUM returned to growth, reaching INR 1,227.37 Crores at the end of FY26

The Shift was Structural

Over the years, we have built a strong and resilient foundation for the future by strengthening our business model, enhancing operational efficiency and sharpening our strategic focus.

Beyond these operational milestones, FY26 also marked a defining phase in the Company's broader journey. A strengthened capital base and liquidity position complemented the progress achieved across the business, reinforcing the resilience and discipline that have shaped a strong foundation. Together, these achievements have positioned the Company with greater confidence to pursue sustained growth and unlock future opportunities.

The year was not defined merely by the milestones we achieved, but by the direction we chose.

It reflected the quiet confidence of a strategy that has steadily matured in secured lending, disciplined capital allocation and responsible growth. Each step taken strengthened not only our balance sheet but also our ability to deliver more stable, resilient and sustainable returns across market cycles.

Transformation Complete

A strategic transformation has reshaped our lending portfolio, with capital redirected from non-core assets to a high-quality, secured MSME business, establishing a scalable platform for the future.

Growth Ready

Built on the strength of 46 branches, a healthy CRAR, an 'A' Credit Rating and a disciplined governance framework, Capital India enters its next phase with the confidence to grow responsibly and create enduring stakeholder value.

Yet, the true measure of our progress lies beyond financial outcomes. It is found in the institution we have continued to build—one where technology amplifies human expertise, governance inspires trust, operational excellence drives execution and innovation remains at the heart of every decision. These are not incremental improvements; they are the structural pillars of an organisation designed to endure, adapt and grow.

As we close another chapter, we recognise that transformation is not a destination but a continuing journey. The path ahead is illuminated by a stronger balance sheet, a resilient operating model and a clear strategic vision.

From the CEO's Desk

> "From strengthening our foundation to scaling our franchise, we are building Capital India for the next decade of growth."

Dear Shareholders,

Every institution reaches defining moments where the decisions it makes shape not only the next year, but the next decade. FY26 was one such year for Capital India Finance Limited (CIFL).

Our objective during the year was not simply to grow faster, but to grow stronger. We invested across every pillar of our franchise - expanding our distribution footprint, strengthening our leadership team, deepening our liability franchise and building the organisational capabilities required to support our next phase of growth. These investments were guided by a singular objective: to build a scalable, resilient and future-ready institution capable of delivering sustainable value across economic cycles.

The benefits of these investments are already becoming evident. During the year, our disbursements grew by 62%, reflecting the strength of our expanded distribution network and our growing ability to serve customers across a wider geography. Our Assets Under Management grew by 22%, despite our continued focus on recalibrating the portfolio through the measured run-down of legacy assets and the build-up of a higher-quality, secured and more granular lending book.

This transition remains central to our strategy. Rather than pursuing growth for its own sake, we have consciously prioritised improving the quality of our franchise. This deliberate shift strengthens our earnings profile, enhances balance sheet resilience and improves long-term risk-adjusted returns.

Strengthening Our Financial Foundation

The year also marked significant progress in strengthening our liability franchise. We delivered one of our strongest fundraising years, further diversifying our borrowing profile and reinforcing the confidence that lending partners continue to place in our strategy and governance. A reduction in our cost of funds, coupled with a marginal improvement in portfolio yields, resulted in an expansion of spreads and strengthened the overall earnings profile of the Company.

Today, CIFL is supported by a resilient and well-capitalised balance sheet. Comfortable liquidity, a well-capitalised balance sheet and diversified funding sources provide us with the flexibility to pursue growth opportunities while remaining resilient through changing market conditions. Our financial strength goes beyond ensuring stability - it provides us with a strategic advantage to invest with confidence, support our customers through economic cycles and create long-term value for our stakeholders.

Navigating an Evolving Landscape

The external environment continues to evolve. India's long-term structural growth story remains compelling, driven by entrepreneurship, increasing formalisation, digital adoption and growing credit penetration. At the same time, geopolitical developments, including the conflict in the Middle East, evolving global trade dynamics and periods of macroeconomic uncertainty have contributed to a more discerning operating environment across the financial sector. We have responded by further strengthening our underwriting framework, enhancing portfolio monitoring, reinforcing our collection capabilities and maintaining disciplined risk management while continuing to support our customers. We believe institutions that remain prudent during uncertain times emerge stronger when conditions improve.

The Next Phase of Growth

FY27 begins with a clear roadmap focused on disciplined execution and sustainable growth. Having invested strategically in expanding our franchise, our focus now shifts towards improving productivity, enhancing operating leverage and delivering profitable growth. FY27 will also mark the next phase of our digital journey as we leverage technology, artificial intelligence and data analytics to simplify processes, improve decision-making, strengthen risk management and enhance productivity across the organisation. We believe technology will not replace human touch in financial services - it will empower our people to serve customers faster, better and more efficiently while preserving the trust that remains at the heart of our business.

Creating Enduring Value

Our ambition is defined by the strength of the institution we build, the trust we earn from our stakeholders and the positive impact we create for our customers, employees, partners and shareholders. We remain committed to building a financial institution that combines innovation with prudence, growth with responsibility and ambition with discipline.

I would like to express my sincere gratitude to our Board of Directors for their guidance, our lending partners and investors for their continued confidence, our customers for their trust and, above all, our employees, whose commitment, resilience and passion continue to drive our progress. Every milestone we have achieved reflects their dedication and belief in our shared purpose.

The investments have been made. The franchise is stronger. The balance sheet is resilient. We now enter the next phase of our journey with confidence - not merely to grow, but to build an institution that creates enduring value for decades to come.

Warm regards,

Pinank Shah
Chief Executive Officer

About Us

Where ambition seeks opportunity, we provide the confidence to move forward. Where businesses envision growth, we deliver the capital to make it possible. Together, we are building a stronger and entrepreneurial India.

Capital India Finance Limited is a Non-Banking Financial Company registered with the Reserve Bank of India. Listed on both the NSE and the BSE, the Company provides secured, asset-backed credit to micro, small and medium enterprises, self-employed individuals and small business owners across India.

Our primary product is Loan Against Property. We originate, underwrite and service loans through our own branch network of 46 offices across 9 states, supported by a deeply passionate team.

Capital India is promoted by Capital India Corp Private Limited, a Core Investment Company registered with the RBI. The promoter, Mr. Sumit Kumar Narvar, is a first-generation entrepreneur with a 72.59% holding in the Company.

The Company holds an 'A' Category credit rating and was certified as a Great Place to Work in October 2025.

We originate, underwrite and service loans through our own branch network of 46 offices across 9 states, supported by a deeply passionate team

Our Values

Passion
Being passionate about helping our customers achieve their financial goals.

Relationship
Doing business with trust and transparency for long-standing fiduciary relationships.

Integrity
Being ethical, honest and fair with customers, partners, investors and employees.

Innovation
Staying ahead of the curve by leveraging new lending approaches, research, rigour and technology.

Our Journey

1994

Incorporated as Bhilwara Tex-Fin Limited. Launched public issue and listed equity shares on BSE.

2017

Acquired by Capital India Corp LLP. Rebranded as Capital India Finance Limited.

2018

Equity infusion of INR 250 Crores (preferential issue). Received an A- rating from ACUITÉ for long-term borrowings.

2019

Equity infusion of INR 250 Crores (Rights Issue). Invested in RapiPay Fintech (PPI licence). AUM crossed INR 500 Crores.

2020

Received Authorised Dealer Category II licence from RBI.

2021

Strategic shift to MSME and retail lending. Received MTSS authorisation from RBI.

2025

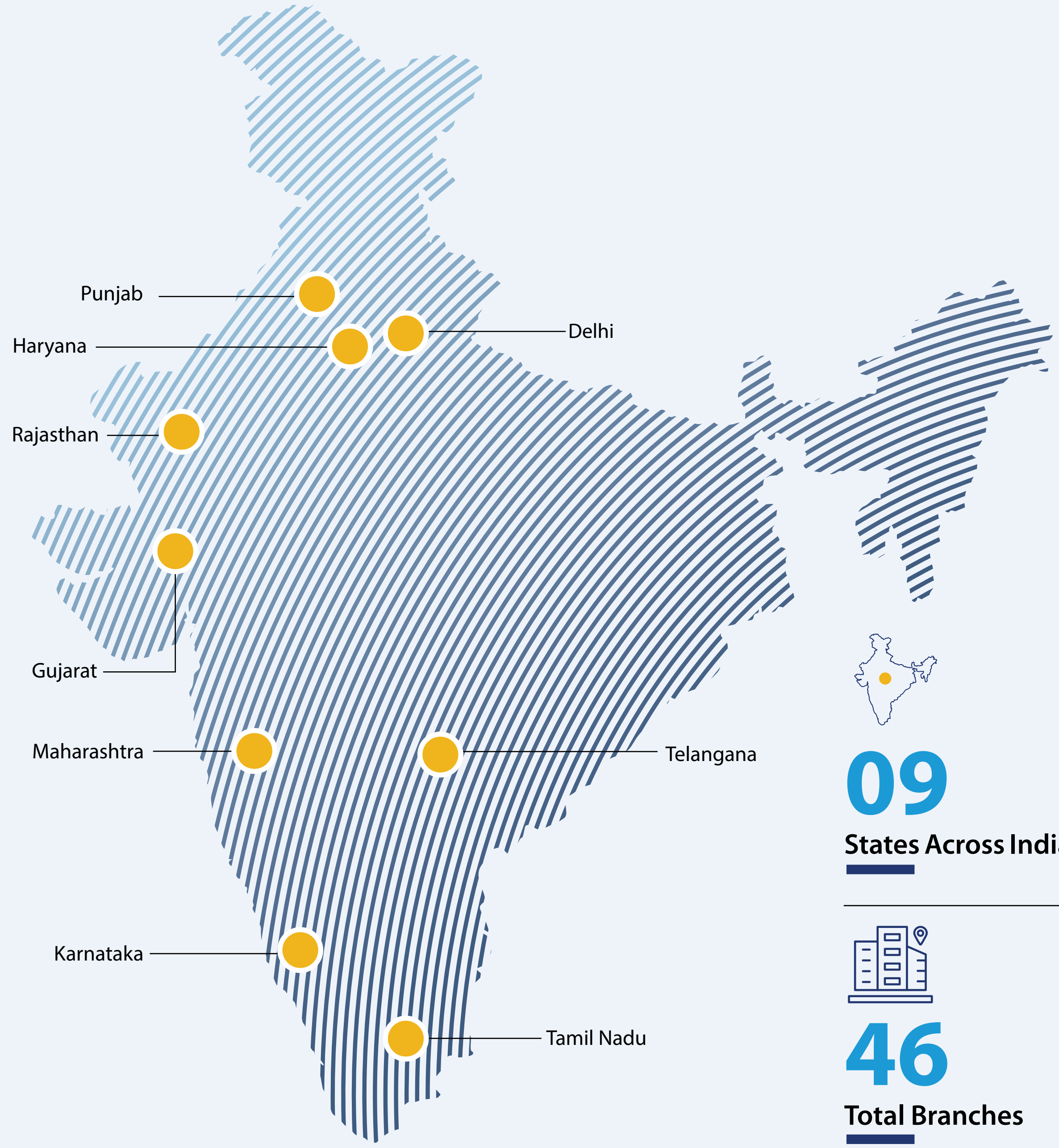
AUM crossed INR 1,000 Crores. Received dual credit rating with the highest rating of "A". Listed on the National Stock Exchange.

2026

AUM crossed INR 1,200 Crores. Distribution network of 46 branches. Strategic sale of Housing subsidiary for a consideration of INR267 crores. Certified as a Great Place to Work.

Our Presence

Capital India operates through 46 branches across nine states, with a concentrated presence in key MSME markets. The branch network expanded during FY26 into the NCR belt, with new territories in Haryana and Punjab. The Company also consolidated five branches in legacy geographies and redeployed capital to higher-potential markets.



09
States Across India

46
Total Branches

Lending Services

Delhi | Gujarat | Haryana | Karnataka | Maharashtra | Punjab | Rajasthan | Tamil Nadu | Telangana

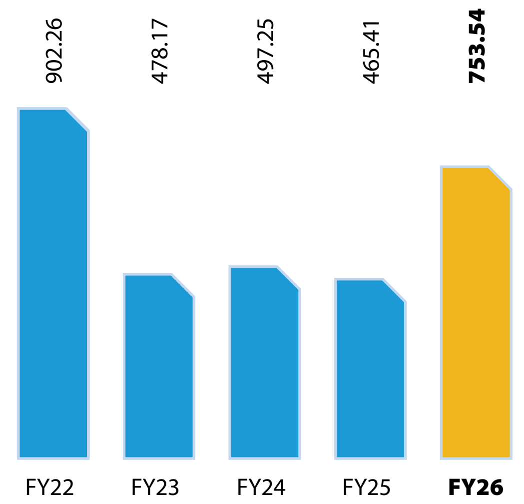
Key Performance Indicators

Performance Over the Years

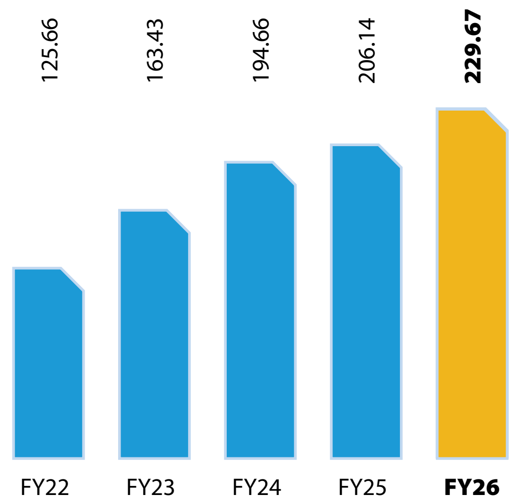
Every dream needs a direction. Ours was to bridge the gap between aspiration and opportunity by enabling entrepreneurs, businesses and emerging enterprises with access to responsible, relationship-driven financial solutions. That direction has grown into a resilient financial services platform. We have strengthened our branch network, enhanced our digital capabilities, refined our risk framework and built an operating model that combines agility with prudence.

Each relationship nurtured, every business empowered and every milestone achieved is one more dream that found its footing.

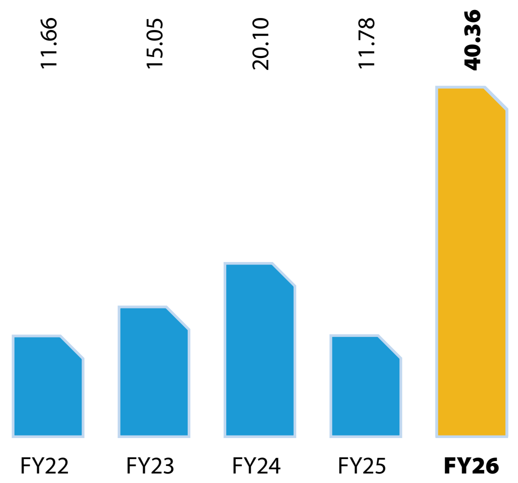
Disbursement (INR in Crores)



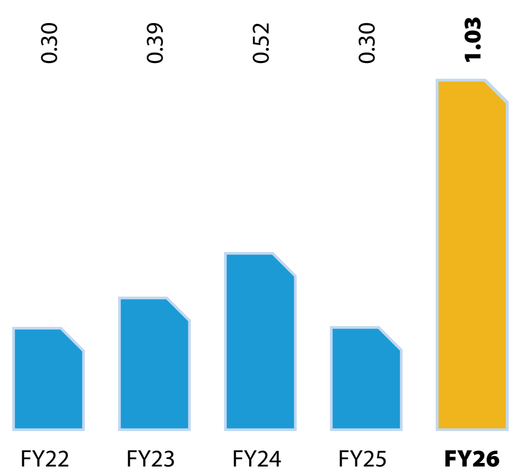
Total Revenue (INR in Crores)



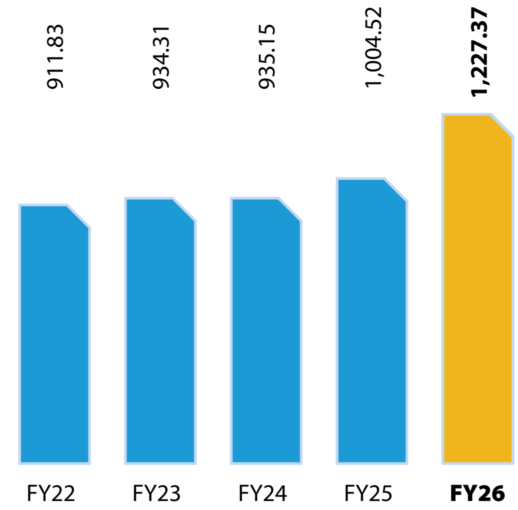
Profit After Tax (INR in Crores)



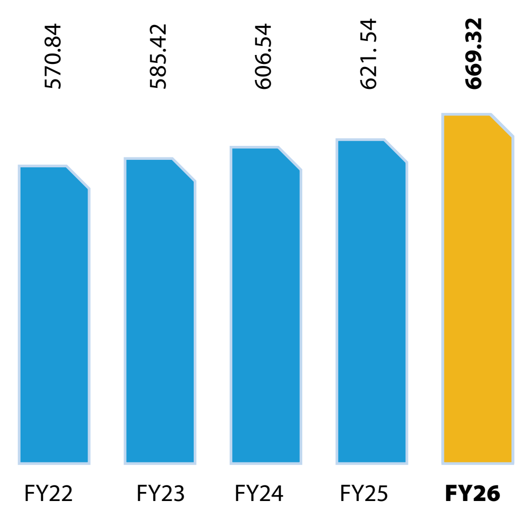
Earnings Per Share (INR)



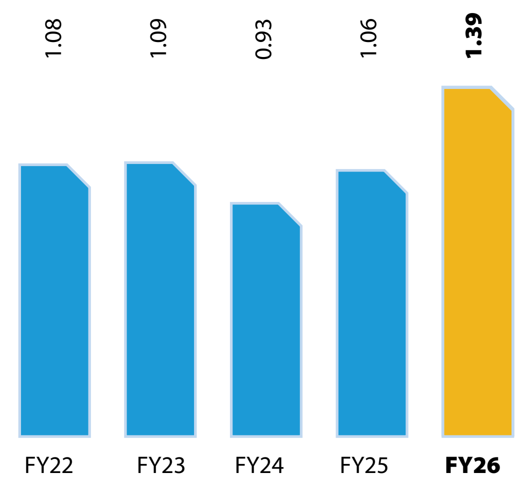
Assets Under Management (INR in Crores)



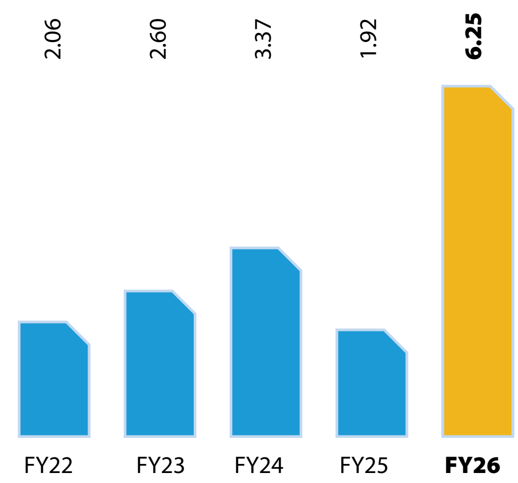
Net Worth (INR in Crores)



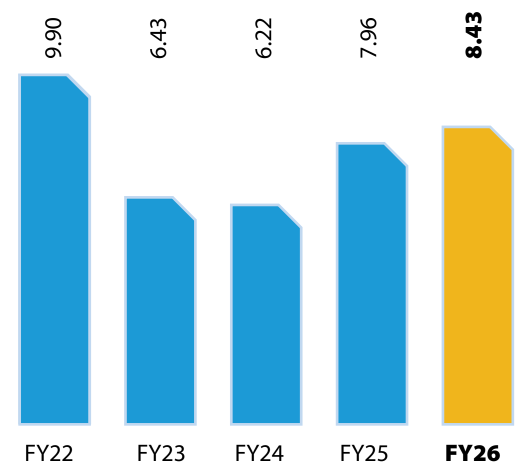
Debt Equity Ratio (Times)



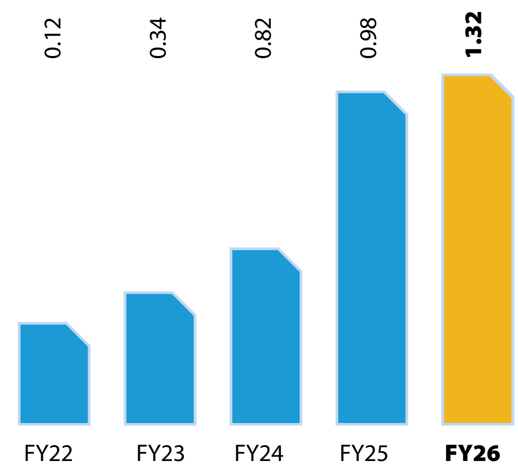
Return on Equity (%)



Net Interest Margin (%)



Net NPA (%)



Our Borrowing Franchise

The Company's borrowing franchise comprises 23 lending partners across Banks, financial institutions and debt capital markets. Four new lenders were added during FY26. The Company also issued Non-Convertible Debentures during the year, diversifying its funding base into the debt capital markets.

Public Sector Lenders

sidbi, SBI, Bank of Baroda, Union Bank, Canara Bank, Indian Bank, Indian Overseas Bank, Punjab & Sind Bank, UCO BANK

Private Sector Lenders

IDBI BANK, AU Small Finance Bank, Bandhan Bank, Dhanlaxmi Bank, RBL BANK, Poonawalla Fincorp, Utkarsh Small Finance Bank, Jana Small Finance Bank, Hinduja Leyland Finance, Karur Vysya Bank, Bajaj Finserv, Tourism Finance Corporation of India Ltd.

INR618 Crores
Funds Raised in FY26

INR938 Crores
Outstanding Debt

23
Lending Partners

The Group Ecosystem

The Capital India Ecosystem

Capital India is a financial services platform, anchored in secured retail lending and extended through a group of regulated entities that address adjacent segments of India's credit, payments and distribution value chain.

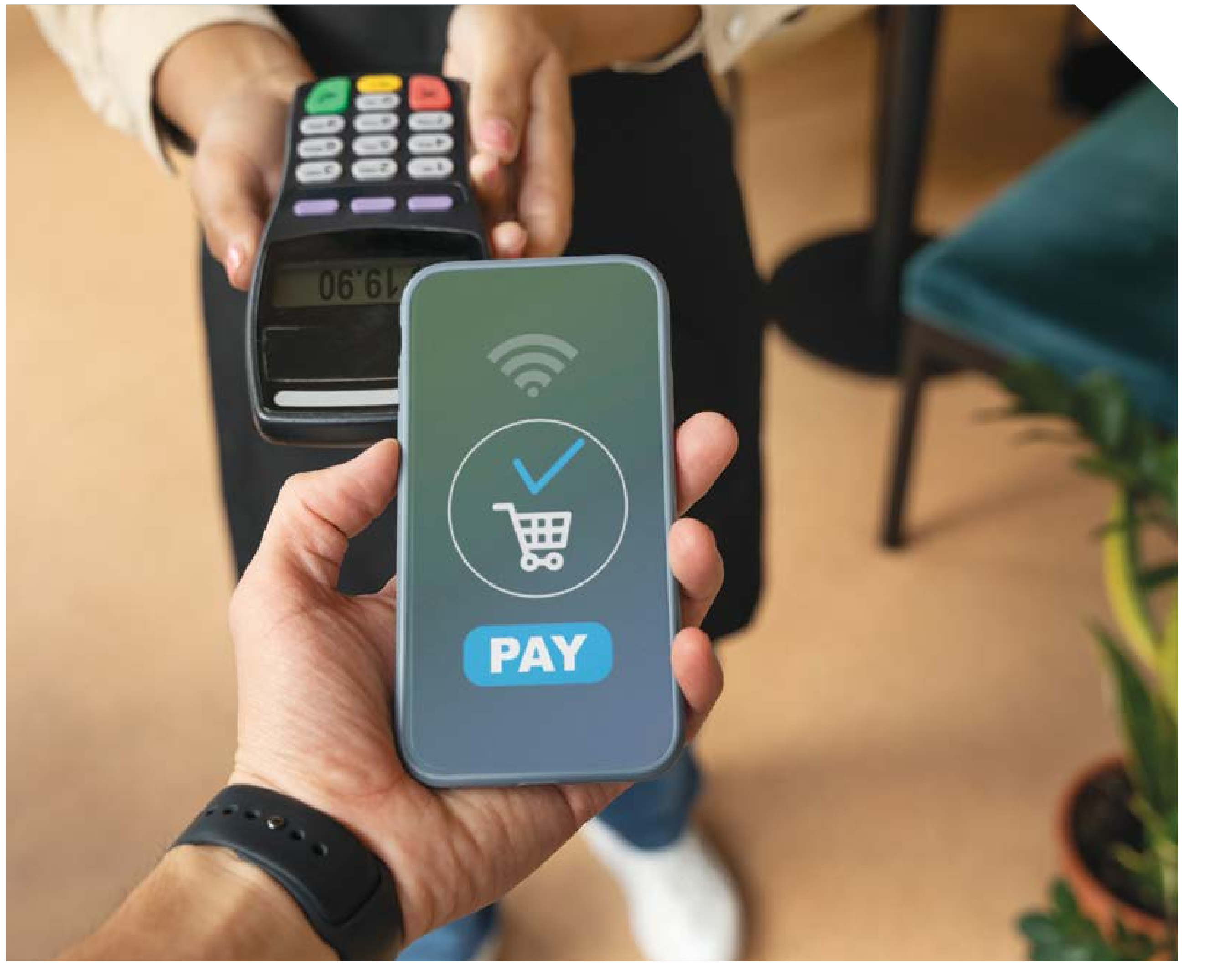
The Group Architecture

Capital India Finance Limited (CIFL)

The primary earning engine of the group. A middle-layer NBFC registered with the Reserve Bank of India, CIFL provides secured and customised credit solutions to MSMEs, self-employed individuals and small business owners. The core+ product suite comprises of Loans Against Property - MSME credit. During FY26, CIFL's AUM has crossed the INR 1,200 Crores milestone.

RapiPay Fintech Private Limited

The Group's material Subsidiary operates a neo-banking and digital lending platform. RapiPay operates a Banking-as-a-Service platform across assisted digital payments, merchant onboarding and small-ticket digital credit. In FY26, RapiPay achieved its first full year of EBITDA profitability. RapiPay anchors the group's phygital distribution architecture and holds a direct partnership with Banks & NBFCs.



MSME

Empowering Micro, Small and Medium Enterprises through Accessible Finance

The MSME lending vertical provides Loans Against Property (LAP) and unsecured term loans to micro, small and medium enterprises, self-employed individuals and small business owners for their business needs. LAP is offered through two specialised segments, Prime Mortgage and Affordable Mortgage, each with its own risk-pricing framework and origination workflow.

Performance

Secured MSME accounted for 77% of total AUM at year end. Net Interest margin with other income improved from 7.96% in FY25 to 8.43% during FY26, registering a jump of 47 bps, supported by addition in interest yield by 19 bps and reduction in cost of borrowing. The weighted average cost of funds declined by 62 bps as of March 2026 through active liability management and the addition of lower-cost debt during the year.

Presence

46
No. of Branches

09
States

Total Income FY 2025-26 (INR in Crores)

229.67

Disbursement (INR in Crores)

753.54

Opportunities and Challenges

Opportunities	Challenges
Expanding addressable market: rising formalisation, digital adoption and increasing entrepreneurship among MSMEs across Tier II and Tier III cities.	**Asset quality sensitivity:** MSMEs remain exposed to economic cycles, supply chain shifts and cash flow variability, requiring continuous portfolio monitoring.
Financial inclusion: significant credit gaps in semi-urban and rural markets for lenders with established branch networks and on-ground origination capability.	**Competitive intensity:** banks, fintechs and other NBFCs are expanding MSME portfolios, placing pressure on pricing and customer acquisition costs.
Government support: credit guarantee schemes, infrastructure investments and policy initiatives improving credit accessibility for small enterprises.	**Regulatory evolution:** changes in RBI guidelines, KYC/AML requirements and data privacy norms require ongoing investment in compliance infrastructure.
Cross-selling potential: existing borrower relationships create openings for working capital products, insurance and other financial services.	**Funding cost variability:** movements in borrowing costs and liquidity conditions can compress lending margins in the short term.

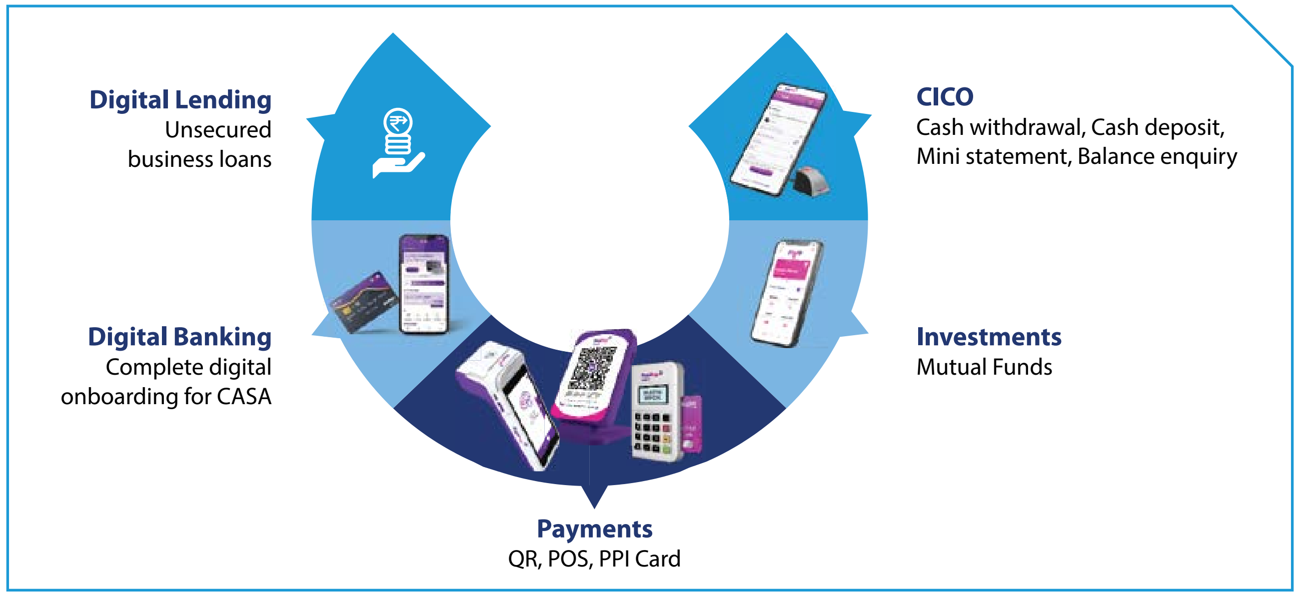
Outlook

The MSME credit market remains structurally underpenetrated. The Company will continue to scale its in-house origination model with a focus on branch-level profitability, balanced portfolio mix and measured geographic expansion into high-potential territories.

Digital Financial Services

Expanding Financial Inclusion through Digital Innovation

RapiPay Fintech Private Limited is a subsidiary of the Company operating as a neo-banking and digital financial services platform. The business serves underbanked and underserved customers through a network of more than 7,87,000 Direct Business Outlets (DBOs) and a self-service digital platform, NYE. Its product suite includes POS solutions, QR-based digital payments, business loans, prepaid payment instruments and Banking-as-a-Service capabilities.



Business Insights

50K
PPI Accounts Opened (FY26)

265
Disbursement (INR in Crores)

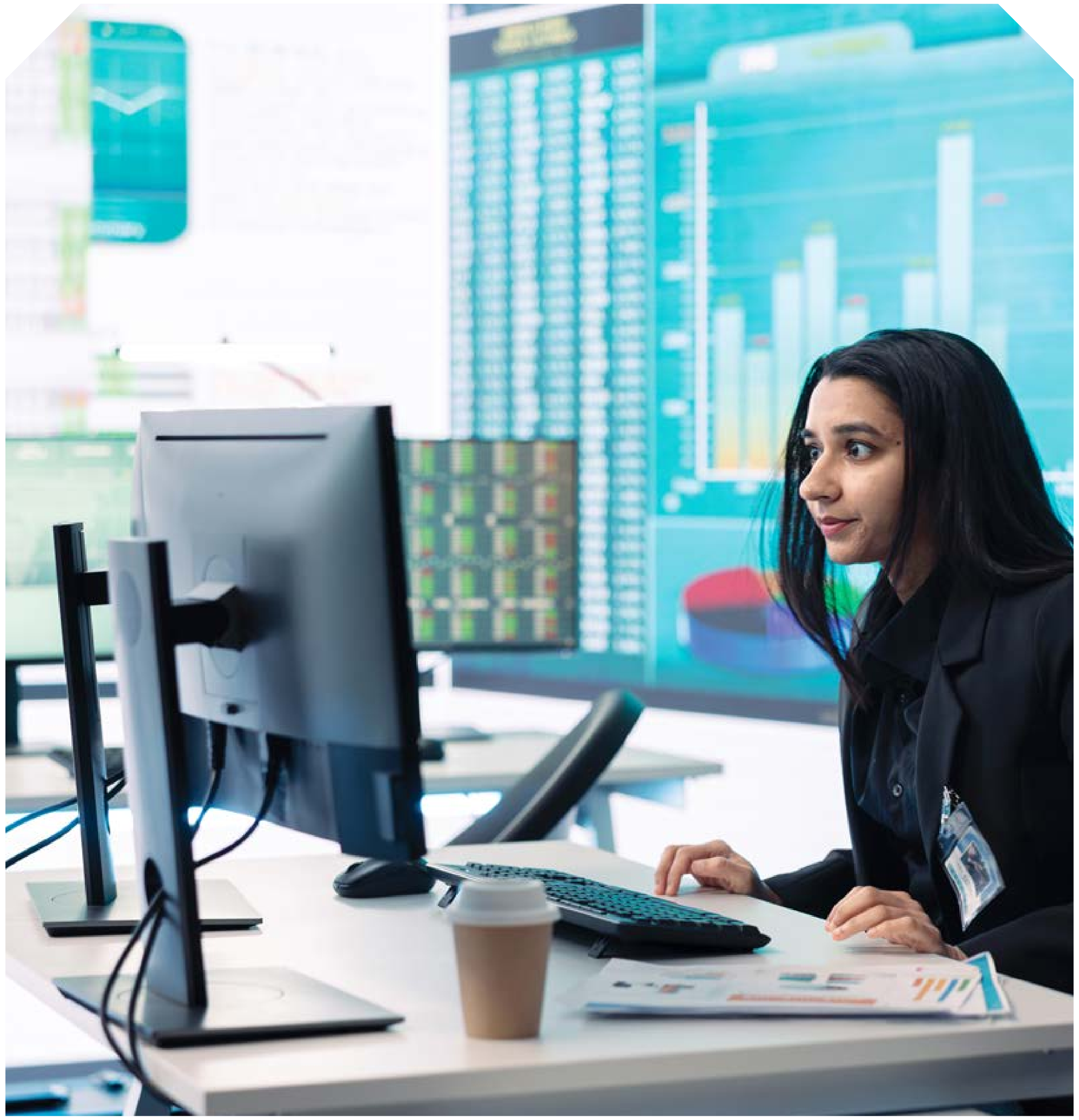
~124.6K
Micro-ATMs Launched (YTD)

~10 Crores
Customers Served (YTD)

339
Total Income (INR in Crores)

28
States

1,24,145
Average Ticket Size (FY26)



Performance

RapiPay achieved its first-ever positive EBITDA in FY26, recorded INR 6.88 Crores compared with Negative EBITDA of INR1.80 Crores in the prior year. The milestone reflects a deliberate shift in the revenue model from transaction-led volumes to credit-led earnings, supported by sustained cost discipline and a dedicated AI project that lowered the unit-economic breakeven point.

The lending portfolio grew to INR 236 Crores during the year, with new institutional lenders onboarded for FY27. Gross Transaction Value of approximately INR 48K Crores in FY26 demonstrates the scale of the payments infrastructure, which continues to serve as a distribution rail for higher-yield financial products.

Outlook

The immediate priority is to sustain and build on the EBITDA-positive trajectory through continued lending expansion, deeper institutional partnerships and operating cost discipline. The CICO network and DBO infrastructure provide a ready channel for new product introduction as the platform matures. The Company will align operations with evolving regulatory requirements while investing in technology and risk management to support long-term scalability.

Customer Testimonials

Empowering Business Journeys

01

"Capital India Finance made my business expansion journey simple and stress-free. Their team ensured a smooth loan process with quick approval, timely disbursement and constant support. Their trust and professionalism gave me the confidence to grow my business and I truly value their commitment."

Mr. Tejpal Sain
Proprietor, New Nice Looking Gents Parlour, Sikar

02

"Capital India Finance provided timely working capital with a smooth process, minimal documentation and exceptional support. Their responsive team made the entire experience effortless, enabling me to focus on growing my business with confidence."

Mr. Nandlal Pal
Proprietor, Nandal Interior Decoration

03

"Capital India Finance understood our business needs and delivered timely financial support through a seamless loan process. Their professionalism, transparency and prompt service helped us execute our projects efficiently and with confidence."

Mrs. Acthukolu Bhavani
Proprietor, SVR Construction

04

"Capital India Finance made business expansion simple with quick approvals, timely disbursement and unwavering support. Their customer-first approach gave me the financial confidence to grow my business and I truly value their professionalism."

Mrs. Swapna N
Proprietor, Swapna RO Water Purified Plant & Supplying

05

"Capital India Finance turned a challenging financing journey into a seamless experience. Their quick turnaround, transparent process and timely support strengthened my business and gave me the confidence to pursue new growth opportunities."

Mr. Kundella Suresh
Proprietor, Sai Ram Enterprises

06

"When traditional lenders turned me away, Capital India Finance believed in my potential. Their trust, guidance and timely financial support helped me expand my business, proving that the right partner can make all the difference."

Mr. Hanuman Ram Meghwal
Proprietor, Fancy Store

Road Ahead

FY27 Strategic Priorities

The priorities for FY27 follow directly from the decisions of FY26. Every item on this agenda has a proof point in the year that has just closed. The task ahead is focused execution.

Accelerate Secured MSME Lending

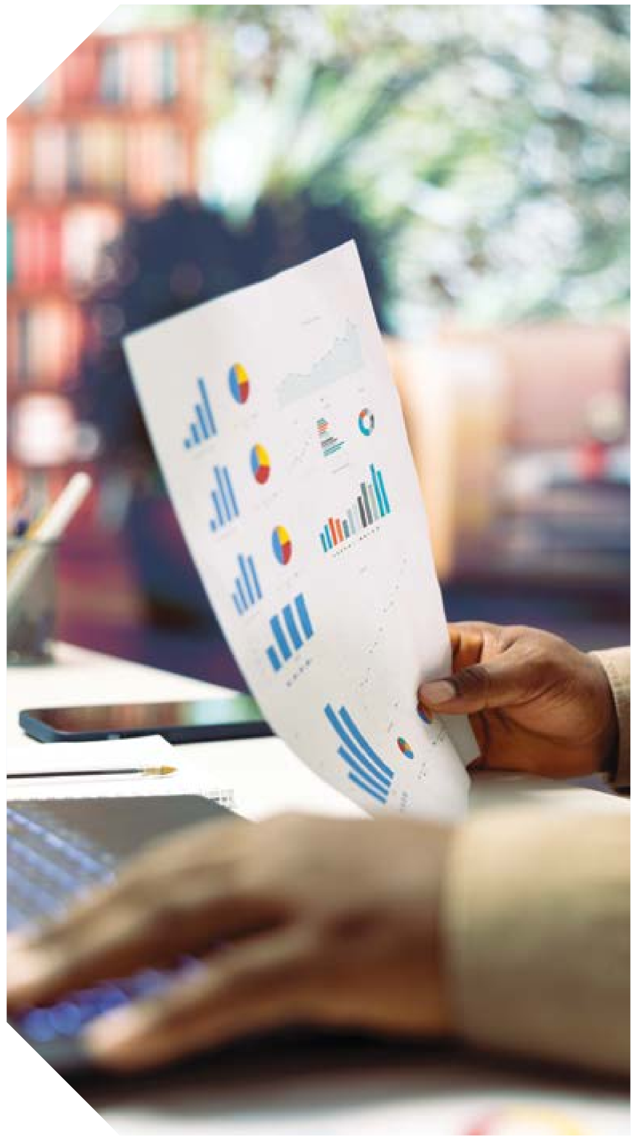
We will continue our focus on secured MSME products while increasing the share of our granular retail MSME portfolio. This growth will be driven by deepening our presence in existing markets, complemented by selective entry into new states.

Technology & Digital Transformation

We remain committed to enhancing automation and process improvement across the customer lifecycle — spanning onboarding, credit underwriting, collections and risk monitoring — to build a more efficient and scalable lending platform.

Improve Profitability & Operating Leverage

As we absorb front-loaded expansion costs through scale, our focus stays firmly on improving productivity and optimizing our cost-to-income ratio to strengthen overall operating leverage.



Subsidiary Profitability at Scale

RapiPay achieved EBITDA profitability in FY26 after a three-year loss-reduction trajectory. The priority for FY27 is to convert EBITDA profitability into sustained, recurring profitability at a higher base. This requires scaling the digital lending book beyond INR 236 Crores, leveraging partnerships with Banks & NBFCs partnership for payment and settlement volumes and improving the revenue yield per outlet across the 7,87,000-outlet network.

Loan Management

Optimising Every Step of the Lending Journey

At Capital India, our loan management framework is designed to deliver speed, precision and transparency across the lending lifecycle. By combining technology-led processes with on-ground expertise, we ensure robust credit evaluation, seamless loan servicing and disciplined portfolio management while delivering a superior customer experience.

STEP 01

Comprehensive Credit Assessment

Our credit appraisal framework is built on a robust, data-driven approach that delivers a holistic view of every customer. By combining financial documentation, credit bureau insights, alternative data and detailed on-site cash flow assessments, we evaluate repayment capacity with greater accuracy. This comprehensive assessment enables prudent credit decisions while supporting responsible lending.

STEP 02

Efficient Loan Approval & Disbursement

Our approval and disbursement process is designed to provide customers with timely access to credit without compromising governance. Digital workflows, supported by targeted physical verification where required, enable faster turnaround times, streamlined documentation and strong regulatory compliance. This balanced approach ensures a seamless borrowing experience tailored to individual customer requirements.

STEP 03

Smart & Convenient Collection Mechanism

We leverage a diversified collection ecosystem to make repayments simple, secure and convenient. Customers can repay through multiple digital modes, including, NACH and QR code-enabled payments etc., ensuring greater flexibility and operational efficiency. This integrated approach improves repayment discipline while enhancing customer convenience.

STEP 04

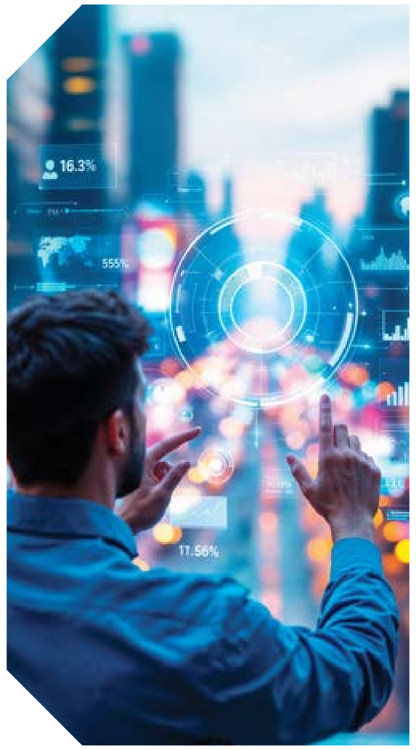
Proactive Delinquency Management

Our delinquency management framework focuses on early intervention, customer engagement and timely resolution to safeguard portfolio quality. Dedicated collection teams work closely with customers through structured follow-ups and field interactions to facilitate regular repayments. Where necessary, specialised legal recovery teams initiate appropriate proceedings in line with regulatory requirements, ensuring an effective balance between customer support and disciplined risk management.

Information Technology Initiatives

Strengthening Our Digital Foundation

Technology remains a key enabler of Capital India Finance Limited's growth, supporting operational excellence, digital transformation and secure business operations. During FY2025-26, the Company continued to invest in strengthening its technology infrastructure, enhancing customer experience, reinforcing cybersecurity and improving operational efficiency.



Enterprise Performance Optimisation & System Agility

The Company undertook several initiatives to improve the performance, scalability and reliability of its technology ecosystem.

- **Database & Report Optimisation:** Successfully executed targeted database and reporting enhancements, reducing core database utilisation, improving platform stability and increasing the scalability of enterprise reporting systems.

Digital Onboarding, Automation and Customer Experience

The Company continued to enhance its digital lending capabilities by simplifying customer journeys and automating key business processes.

- **Account Aggregator Integration:** Expanded automated financial data retrieval through the Account Aggregator framework, enabling faster and more efficient customer onboarding and credit assessment.
- **Hybrid Loan Processing & Digital Documentation:** Streamlined location-based hybrid loan processing workflows while expanding e-Sign and e-Stamping capabilities across regional operations, accelerating loan documentation and improving turnaround times.
- **Collections & Repayment Automation:** Optimised collections calling services and call recording infrastructure to improve operational efficiency. Successfully integrated the Bharat Bill Payment System (BBPS) through Airtel Payments Bank, enabling automated debt collections and paving the way for convenient UPI-based customer repayments.

Cybersecurity, Infrastructure & Technology Governance

The Company continued to strengthen its cybersecurity framework and governance standards to safeguard critical systems and customer information.

- **Privileged Access Management (PAM):** Deployed an enterprise-grade Privileged Access Management (PAM) solution, enabling comprehensive server activity audit logging and reinforcing Zero Trust access controls across critical infrastructure.
- **Fraud Prevention & Brand Protection:** Registered the Company's official customer care channels on the Government's Sanchar Saathi portal, helping customers identify authentic communication channels while significantly reducing the risk of financial fraud.
- **IT General Controls (ITGC) Compliance:** Successfully completed FY26 ITGC audit requirements and updated key IT policies, governance frameworks and operational procedures in line with auditor recommendations, further strengthening compliance and risk management.

Cost Optimisation & Operational Efficiency

The Company remained focused on improving technology efficiency while optimising infrastructure costs.

- **Cloud & Security Cost Rationalisation:** Implemented strategic optimisation initiatives across cloud and communication infrastructure, improving resource utilisation, reducing operating costs and enhancing the overall efficiency of the Company's technology environment.

Team Building

Building Teams
Inspiring Excellence

Employee Engagement Activities

At Capital India Finance Limited, employee engagement extends beyond workplace interactions—it is about creating an environment where people feel connected, valued and inspired to perform at their best. Throughout FY26, the Company strengthened its people-first culture through a series of initiatives focused on employee well-being, learning, recognition, communication and belonging. These programmes not only enhanced employee experience but also reinforced the values that define the organisation.

HR Induction Programme

Recognising that a meaningful onboarding experience lays the foundation for long-term success, the Company comprehensively revamped its HR Induction Programme during the year. To support rapid hiring and ensure timely integration, two to three induction batches were conducted every month, enabling more than 350 new employees to gain a comprehensive understanding of the Company's culture, values, policies and business ecosystem. The structured programme helped new team members transition seamlessly into their roles while fostering a strong sense of belonging from the very beginning.

Continuous Learning & Development

Building future-ready capabilities remained a key priority throughout the year. Weekly training programmes across Sales, Operations, Credit and other functions equipped employees with the latest product knowledge, operational processes, underwriting practices, compliance requirements and customer engagement skills. During FY26, the Company conducted 149 structured training programmes, reinforcing a culture of continuous learning and enabling employees to deliver superior customer experiences while strengthening operational excellence.

Health & Wellness

Employee well-being continued to remain central to the Company's people agenda. Health check-up camps and wellness initiatives were organised to encourage preventive healthcare and promote healthier lifestyles. By supporting employees' physical well-being, the Company continues to nurture a healthier, happier and more productive workforce.

Soulful Start Mornings

To foster a positive and purpose-driven work environment, employees came together each morning for Soulful Start Mornings. Beginning the day with a moment of prayer and reflection encouraged mindfulness, gratitude and positivity while strengthening the sense of unity and shared purpose across the organisation.

Celebrating the Families Behind Our Success.

Dil Se Ghar Tak

The Company continued its signature Dil Se Ghar Tak initiative, celebrating the invaluable encouragement and unwavering support provided by employees' families. During the year, leadership teams visited the families of more than 20 employees, expressing gratitude for the trust, resilience and sacrifices that contribute to individual and organisational success. These heartfelt interactions strengthened the emotional bond between the Company and employees' families while reinforcing the belief that every professional achievement is made possible through the support of loved ones.

HR Connect & Town Halls

The monthly HR Connect initiative continued to provide employees across locations with a platform for open dialogue, enabling the timely resolution of concerns and strengthening organisational transparency. Complementing these interactions, regular Town Hall meetings kept employees informed about the Company's strategic priorities, business performance and future direction, fostering a culture of openness, inclusiveness and collaboration.

Through these initiatives, Capital India Finance Limited continues to cultivate a workplace where employees feel empowered, appreciated and connected. By investing in people, encouraging continuous learning and promoting an inclusive culture, the Company is building a high-performing organisation capable of delivering sustainable growth and long-term value.

The Spirit of Celebration at Work

At Capital India Finance Limited, celebrations are more than festive occasions—they are opportunities to strengthen relationships, foster inclusion and reinforce the values that bring our people together. Throughout the year, employees came together to celebrate festivals, national occasions and sporting achievements, creating memorable experiences that nurtured camaraderie, pride and a strong sense of belonging.

Republic Day: Celebrating Unity in Diversity

Republic Day was commemorated with great enthusiasm as employees proudly embraced the colours of the nation and participated in engaging team activities. The celebrations reflected the values of unity, diversity and patriotism while strengthening the bonds that connect colleagues across functions and locations.

Spreading Festive Cheer: Christmas Celebrations

The festive spirit filled our workplaces as employees came together to celebrate Christmas with warmth, joy and togetherness. Employees dressed in festive shades of white, green and red, creating a vibrant and cheerful atmosphere. The celebration served as a fitting conclusion to the year, reflecting our culture of appreciation, unity and shared happiness.

Lighting the Way: Diwali Celebrations

Diwali at Capital India symbolises hope, renewal and collective progress. As beautifully decorated workplaces and illuminated diyas brightened the festive season, employees celebrated the spirit of togetherness while embracing the values of resilience, prosperity and optimism. The occasion reinforced our commitment to creating lasting value for our customers, communities and stakeholders while celebrating the people who drive our success every day.

Honouring the Women Who Inspire Us

International Women's Day was celebrated through a thoughtful gesture of appreciation. The celebration reflected a culture built on respect, gratitude and inclusivity, recognising the invaluable contributions of women across the organisation and reinforcing our commitment to fostering an equitable and supportive workplace.

Building Team Spirit Through Sport

Sport continued to serve as a powerful platform for collaboration, resilience and healthy competition. The Capital India Premier League brought employees together in an exciting cricket tournament that celebrated teamwork, determination and sportsmanship.

The Company's sporting achievements extended beyond internal competitions with participation in the IDFC Bank Cricket Tournament. The tournament provided an excellent opportunity to strengthen inter-organisational relationships while showcasing the talent, teamwork and sporting spirit that define the Capital India family.

Together, these celebrations reflect the Company's commitment to creating an engaging workplace where people connect beyond their professional responsibilities, celebrate shared successes and build lasting relationships that contribute to a vibrant and high-performing organisational culture.

Corporate Social Responsibility

Building Stronger Communities Together

At Capital India Finance Limited, we believe that sustainable business growth is intrinsically linked to the well-being and progress of the communities we serve. Guided by our commitment to responsible corporate citizenship, our Corporate Social Responsibility (CSR) initiatives are designed to create measurable, long-term impact by addressing critical developmental challenges across education, healthcare, livelihood, rural infrastructure, environmental sustainability and animal welfare.

Our CSR Philosophy

Our approach is guided by three core principles:

- **Empowerment:** Enabling individuals and communities with knowledge, skills and opportunities for sustainable development.
- **Inclusivity:** Ensuring that our initiatives benefit underserved and vulnerable sections of society.
- **Sustainability:** Creating long-term social value through interventions that generate lasting impact.

Creating Sustainable Communities through Inclusive Development

Implemented through our philanthropic arm, Atulya Foundation, our CSR programmes follow an integrated, community-focused approach that empowers underserved communities through sustainable, long-term interventions rather than isolated initiatives. During FY26, our efforts remained centred on strengthening rural communities by expanding access to quality education, creating livelihood opportunities for women, promoting animal welfare, improving access to healthcare and inspiring aspirations among rural youth.

Through sustained engagement with local communities and key stakeholders, we remain committed to fostering inclusive opportunities that uphold dignity, encourage self-reliance and contribute to long-term social and economic development.

FY 2025–26: Driving Meaningful Impact

During FY26, the Company invested INR 40 Lakhs towards Corporate Social Responsibility initiatives, with programmes primarily implemented across Bulandshahr district, Uttar Pradesh. These interventions were designed to address critical community needs while creating sustainable, measurable outcomes across education, livelihood development and social well-being.

Promoting Quality Education

Education continued to be a cornerstone of our CSR agenda. Recognising the challenges faced by government schools—including teacher shortages, limited access to digital learning resources, inadequate opportunities for extracurricular development and constrained learning environments—Atulya Foundation implemented a range of initiatives to strengthen educational outcomes and enrich the overall learning experience.

Dedicated Shiksha Saathi volunteers were deployed across primary schools and Anganwadi centres to provide classroom support, reinforce foundational learning and supplement academic instruction. To foster technology-enabled education, smart classrooms equipped with digital learning solutions were established, while teachers received structured training to effectively integrate digital tools into everyday teaching practices.

Beyond classroom learning, the Foundation organised sports tournaments, summer camps, cultural programmes and experiential learning activities to encourage the holistic development of students. Regular cleanliness drives, school greening initiatives and hygiene improvement programmes contributed to creating safer and more conducive learning environments. In addition, a community library—equipped with a curated collection of books, mentorship support and a dedicated librarian—served as a valuable learning resource for students and young aspirants preparing for competitive examinations.

Empowering Women Through Livelihood Development

Empowering rural women through sustainable livelihood opportunities remained a key focus of our CSR initiatives during the year. The Foundation facilitated structured skill development programmes centred on advanced stitching techniques and hands-on training in the operation of industrial electric sewing machines, enabling participants to build industry-relevant capabilities.

The programme strengthened participants' technical proficiency, enhanced product quality and introduced them to modern production processes. Women also received practical exposure to product finishing, packaging, quality standards and market preparedness, equipping them with the knowledge and skills required to transition from traditional tailoring practices to sustainable income-generating enterprises.

Beyond vocational training, the initiative fostered greater confidence, financial independence and entrepreneurial spirit among participants, laying a strong foundation for long-term economic empowerment and improved livelihoods within the community.

Strengthening Animal Welfare

Addressing the growing challenge of abandoned and stray cattle in rural communities remained an important focus of our CSR efforts during the year. Atulya Foundation continued to support the operation and upkeep of a dedicated cattle shelter by providing nutritious fodder, veterinary care, healthcare assistance and round-the-clock maintenance to ensure the well-being of the animals.

The initiative has significantly enhanced the welfare of more than 30 stray cattle while contributing to reduced crop damage and fostering greater community awareness about responsible animal care and protection. Beyond safeguarding animal welfare, the shelter has evolved into a valuable community asset, creating local employment opportunities and reinforcing sustainable rural development through its continued operations.

Building Sustainable Communities

The impact of our CSR initiatives extends beyond individual programmes. By integrating education, livelihood development and animal welfare into a holistic, community-centric development model, we continue to strengthen rural communities while creating opportunities for inclusive and sustainable growth.

During FY 26, our initiatives contributed towards advancing sustainable development through:

- **Promoting Quality Education (SDG 4):** Strengthening learning outcomes through enhanced educational infrastructure, digital learning and academic support.
- **Advancing Gender Equality (SDG 5):** Empowering rural women through skill development and sustainable livelihood opportunities.
- **Supporting Sustainable Communities (SDG 11):** Enhancing community well-being through integrated rural development initiatives.
- **Protecting Life on Land (SDG 15):** Promoting animal welfare and responsible care through the operation and maintenance of a dedicated cattle shelter.

Our commitment to creating meaningful social impact was further recognised through prestigious national and international accolades, including:

- Global Sustainability Award 2025 for contributions towards SDG 9 – Industry, Innovation & Infrastructure.
- Two AVA Digital Awards 2026 for excellence in impact communication and digital storytelling.

As we move forward, Capital India Finance Limited remains committed to building resilient communities through collaborative partnerships, responsible governance and sustainable development initiatives that create enduring value for society and future generations.

Board of Directors

Leadership at the Helm

Vinod Somani

Non-Executive Chairman (Independent)

Mr. Vinod Somani is a Fellow Member of the Institute of Chartered Accountants of India (ICAI) and has been a Senior Partner at M/s KG Somani & Co., Chartered Accountants, since 1986. With nearly four decades of professional experience, he has developed extensive expertise in auditing, financial reporting, corporate governance and regulatory compliance.

Over the course of his career, he has led audits of nationalised banks, insurance companies and public sector enterprises, while advising clients on matters relating to the Companies Act, taxation and financial regulations. Under his leadership, M/s KG Somani & Co. was registered as a SEBI Category IV Merchant Banker, providing him with significant exposure to merchant banking and capital market advisory services.

He has also contributed to public sector governance as a member of the MoU Task Force and the Expert Panel on the Memorandum of Understanding for Central Public Sector Enterprises (CPSEs), reflecting his deep understanding of financial oversight, governance and regulatory frameworks.

Surender Rana

Executive Vice Chairman

Mr. Surender Rana is a veteran banking professional with over 34 years of distinguished service at the State Bank of India (SBI), where he held diverse leadership roles culminating as Deputy Managing Director (Agri & SME). His extensive experience spans branch management, SME and agricultural finance, international banking and structured finance, reflecting a deep commitment to financial inclusion and sustainable credit delivery. He successfully led large operational networks of over 1000 branches as General Manager and Chief General Manager, driving growth, regulatory compliance and digital transformation initiatives that enhanced efficiency and customer reach.

As Deputy Managing Director, Mr. Rana played a pivotal role in building SBI's Agriculture Business Vertical and pioneering the cash flow-based lending model for SMEs, a landmark initiative that expanded credit access without compromising asset quality. He was instrumental in aligning SBI's strategies with national programs such as MUDRA, PMEGP and Stand-Up India, strengthening the Bank's role in supporting MSMEs and rural enterprises. His active collaboration with NBFCs through co-lending and refinancing models further advanced inclusive lending and risk governance. Mr. Rana's career exemplifies visionary leadership, innovation and a deep-rooted commitment to empowering India's MSME and agricultural sectors.

Keshav Porwal

Managing Director

Mr. Keshav Porwal is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of India (ICAI). He also holds a Bachelor of Science degree from Kanpur University, Uttar Pradesh.

As the Managing Director of the Company, he provides strategic leadership and drives its transformation into a diversified and trusted financial services institution. He plays a pivotal role in shaping the Company's growth strategy, strengthening operational excellence and fostering sustainable value creation.

With nearly two decades of experience across the financial services and real estate sectors, he has built a strong track record in structuring and executing complex real estate transactions and private equity investments with leading developers across India. His expertise spans real estate finance, structured lending, risk management, product development and capital deployment. He has also successfully led restructuring and business transformation initiatives for medium-sised enterprises in the automotive and hospitality sectors.

Yogendra Pal Singh

Independent Director

Mr. Yogendra Pal Singh is a distinguished Indian Police Service (IPS) officer of the 1981 batch, with an accomplished career spanning law enforcement, vigilance, anti-corruption and institutional governance.

During his service, he held several senior leadership positions across executive policing, vigilance, police training and armed police in Uttar Pradesh. He also served with the Central Bureau of Investigation (CBI) for nine years, where he handled complex investigations in Special Crime and Anti-Corruption, rising to the positions of Deputy Inspector General (Special Crime) and Joint Director, heading the Anti-Corruption Zone for Mumbai and Delhi.

Following his tenure in public service, he served as General Manager and Head of Anti-Corruption at the International Cricket Council (ICC), Dubai, from June 2011 to March 2017, leading global anti-corruption initiatives to uphold the integrity of international cricket. His extensive experience in governance, ethics, risk management and investigative oversight brings valuable strategic insight to the Board.

Rashmi Fauzdar

Independent Director

Ms. Rashmi Fauzdar brings over 32 years of distinguished experience in banking regulation, policy formulation, foreign exchange administration and currency management. During her illustrious career with the Reserve Bank of India (RBI), she held several senior leadership positions, contributing significantly to India's financial and regulatory landscape.

Her key assignments included serving as Regional Director for Punjab, Haryana and the Union Territory of Chandigarh, Banking Ombudsman for multiple jurisdictions and Chief General Manager of the Foreign Exchange Department. Across these roles, she played an instrumental role in strengthening regulatory oversight, enhancing banking governance and driving the effective implementation of financial sector policies.

Her deep regulatory expertise and comprehensive understanding of the banking ecosystem bring valuable strategic perspective and governance insight to the Board.

Jyuthika Mahendra Jivani

Independent Woman Director

Ms. Jyuthika Mahendra Jivani brings over 37 years of distinguished experience with the Reserve Bank of India (RBI), having built an accomplished career spanning regulatory, operational, supervisory and policy functions. Joining the RBI as a Direct Recruit Officer in Grade B, she progressed through the ranks to serve as Regional Director (Grade F), Nagpur, before superannuating in October 2017.

During her tenure, she held key positions across several critical departments, including Banking, Public Debt Operations, Urban Cooperative Bank Supervision, Planning and Budget, Government and Bank Accounts, External Investments and Operations, Rural Planning and Credit and the Secretary's Department. Her broad-based experience across these strategic functions has equipped her with deep expertise in banking operations, financial regulation, public debt management, institutional governance and policy implementation.

Her extensive regulatory experience and comprehensive understanding of India's financial ecosystem bring valuable strategic insight and governance expertise to the Board.

General Dalbir Singh Suhag (Retd.)

Independent Director

General Dalbir Singh Suhag (Retd.) is the former Chief of the Army Staff of the Indian Army and former High Commissioner of India to Seychelles. He served as the 25th Chief of the Army Staff from July 2014 to December 2016, following his tenure as Vice Chief of the Army Staff.

Over a distinguished military career spanning four decades, General Suhag held several strategic command and leadership positions. He led key operational assignments in Sri Lanka, Nagaland and the Kashmir Valley, commanded the 8 Mountain Division in Kargil along the Line of Control, served as Inspector General of the Special Frontier Force (SFF) and later commanded the Eastern Army, overseeing counter-insurgency operations in the North-Eastern region and safeguarding India's borders with China, Myanmar and Bangladesh.

In recognition of his exceptional leadership and distinguished service, General Suhag has been conferred with some of India's highest military honours, including the Param Vishisht Seva Medal (PVSM), Uttam Yudh Seva Medal (UYSM), Ati Vishisht Seva Medal (AVSM) and Vishisht Seva Medal (VSM). In 2017, he was also awarded the Legion of Merit (Degree of Commander) by the President of the United States for exceptionally meritorious service as Chief of the Army Staff.

Key Executive Team

Pinank Shah
Chief Executive Officer

A highly experienced professional with over 2 decades in the financial services sector, with expertise in business strategy, operations and sustainable growth.

Manvinder Singh Walia
Chief Operating Officer

A seasoned professional with 3 decades of experience in building and scaling large distribution frameworks in financial services, with expertise in growth strategy, market penetration and operational excellence.

Vikas Srivastava
Chief Financial Officer

A finance professional with over 2 decades of experience in banking and financial services, specialising in strategic growth, operational excellence and high-impact financial solutions.

Mohit Sirpurkar
Head-Risk & Policy

A seasoned credit risk professional with 2 decades of experience in banking and financial services, with expertise in credit risk governance, underwriting, portfolio management, regulatory compliance and stressed asset resolution.

Navin Mishra
Chief Human Resource Officer

An HR professional with over 2 decadesof experience across BFSI and fintech, with deep expertise in talent management, organisational development and strategic HR leadership.

Srinivas Vasuki Nidumolu
Chief Technology Officer

A seasoned professional with over 2 decades of experience in Information Technology, specialised in the Fintech and e-commerce domains.

Sulabh Kaushal
Chief Compliance Officer & Company Secretary

A legal and compliance professional with 15 years of experience in governance, secretarial and regulatory affairs, with a strong track record of enabling business-aligned compliance.

Corporate Information

Board of Directors

Mr. Vinod Somani Non-Executive Chairman (Independent)	**Mr. Surender Rana** Executive Vice Chairman	**Mr. Keshav Porwal** Managing Director	**Mrs. Rashmi Fauzdar** Independent Woman Director
Mr. Yogendra Pal Singh Independent Director	**Ms. Jyuthika Mahendra Jivani** Independent Woman Director	**General Dalbir Singh Suhag (Retd.)** Independent Director	

Key Managerial Personnel

Mr. Pinank Jayant Shah Chief Executive Officer	**Mr. Vikas Srivastava** Chief Financial Officer	**Mr. Sulabh Kaushal** Chief Compliance Officer & Company Secretary

Internal Auditor
Mr. Tarun Saboo

Statutory Auditors
V. Sankar Aiyar & Co.
Chartered Accountants
2-C, Court Chambers,
35, New Marine Lines,
Mumbai – 400020

Secretarial Auditors
Arun Gupta & Associates
Company Secretaries
Madan Park, East Punjabi Bagh,
New Delhi – 110026

Registrar & Share Transfer Agent
KFin Technologies Limited
Selenium Tower B, Plot Nos. 31 & 32,
Hyderabad – 500032

Registered Office
701, 7th Floor,
Aggarwal Corporate Tower,
Plot No. 23, District Centre,
Rajendra Place,
New Delhi – 110008

Corporate Office
Level – 20, Birla Aurora,
Dr. Annie Besant Road, Worli,
Mumbai – 400030

Contact Us
Email: secretarial@capitalindia.com
Website: www.capitalindia.com
Ph. No.: +91 11 6914 6000 /
+91 22 4503 6000

Trustees
Catalyst Trusteeship Limited
901, 9th Floor, Tower B, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel (W),
Mumbai – 400013

SBICAP Trustee Company Limited
Mistry Bhavan, 4th Floor, 122 Dinshaw Wachha Road,
Near KC College, Churchgate, Mumbai,
Maharashtra – 400020

Lenders
- AU Small Finance Bank Limited
- Bajaj Finance Limited
- Bandhan Bank Limited
- Bank of Baroda
- Canara Bank
- Dhanlaxmi Bank Limited
- Hinduja Leyland Finance Limited
- IDBI Bank Limited
- Indian Bank
- Indian Overseas Bank
- Jana Small Finance Bank Limited
- Karur Vysya Bank
- MAS Financial Services Limited
- Poonawalla Fincorp Limited
- Punjab & Sind Bank
- RBL Bank Limited
- Small Industries Development Bank of India
- State Bank of India
- Tourism Finance Corporation of India Limited
- UCO Bank
- Union Bank of India
- Utkarsh Small Finance Bank Limited

Management Discussion and Analysis

Global Economy

The global economy grew by an estimated 3.3% in calendar year 2025, supported by easing inflation, gradual monetary policy normalisation and steady business sentiment across major regions. Advanced economies expanded by 1.7%, while emerging and developing economies grew by 4.4%, reinforcing their role as the primary engines of global output growth.

Inflationary pressures moderated across most major economies during the year, enabling central banks to begin calibrated easing cycles. Capital flows to emerging markets remained constructive, supported by narrowing interest-rate differentials and improving risk appetite. Trade activity recovered gradually, although supply-chain reconfiguration and tariff-related adjustments continued to reshape global commerce patterns.

The outbreak of the conflict in West Asia has led to severe disruption of global supply chains. This poses an unprecedented challenge for the global economy – higher prices and lower global growth. Further intensification of the conflict, its prolongation and a widening geographical spread remain the key downside risks to the global outlook.For financial services companies in India, the global environment remained relevant through its influence on interest-rate expectations, liquidity conditions, currency movements and borrower confidence. A more accommodative global monetary stance improved funding conditions and supported credit demand across domestic markets.

(**Sources:** IMF World Economic Outlook, World Bank, Reserve Bank of India)

Indian Economy

India remained one of the fastest-growing major economies during FY26, with real GDP growth estimated at 7.7%, supported by domestic consumption, public capital expenditure, manufacturing activity, rural demand and a resilient services sector. The broad-based nature of this expansion sustained credit demand across households, MSMEs, self-employed individuals and small business segments.

Manufacturing and Industrial Momentum: Industrial output grew by 7.8% in December 2025, the fastest expansion in over two years, with manufacturing growing by 8.1% during the period. The HSBC India Manufacturing PMI remained in expansion territory at 53.9 in March 2026, reflecting sustained business activity and investment sentiment. Agricultural output reached a record 376.56 million tonnes in FY26, an increase of approximately 18.8 million tonnes over the previous year, strengthening rural incomes and consumption across semi-urban and rural markets.

Stable Macroeconomic Environment: Headline retail inflation stood at 3.93% in May 2026, within the Reserve Bank of India's target corridor. In response, the RBI reduced the repo rate to 5.25% and introduced targeted trade-support measures to mitigate the impact of global trade disruptions. GST collections rose 7.1% to INR 19.35 Lakhs Crores in FY26, reflecting healthy business activity and continued formalisation of the economy.

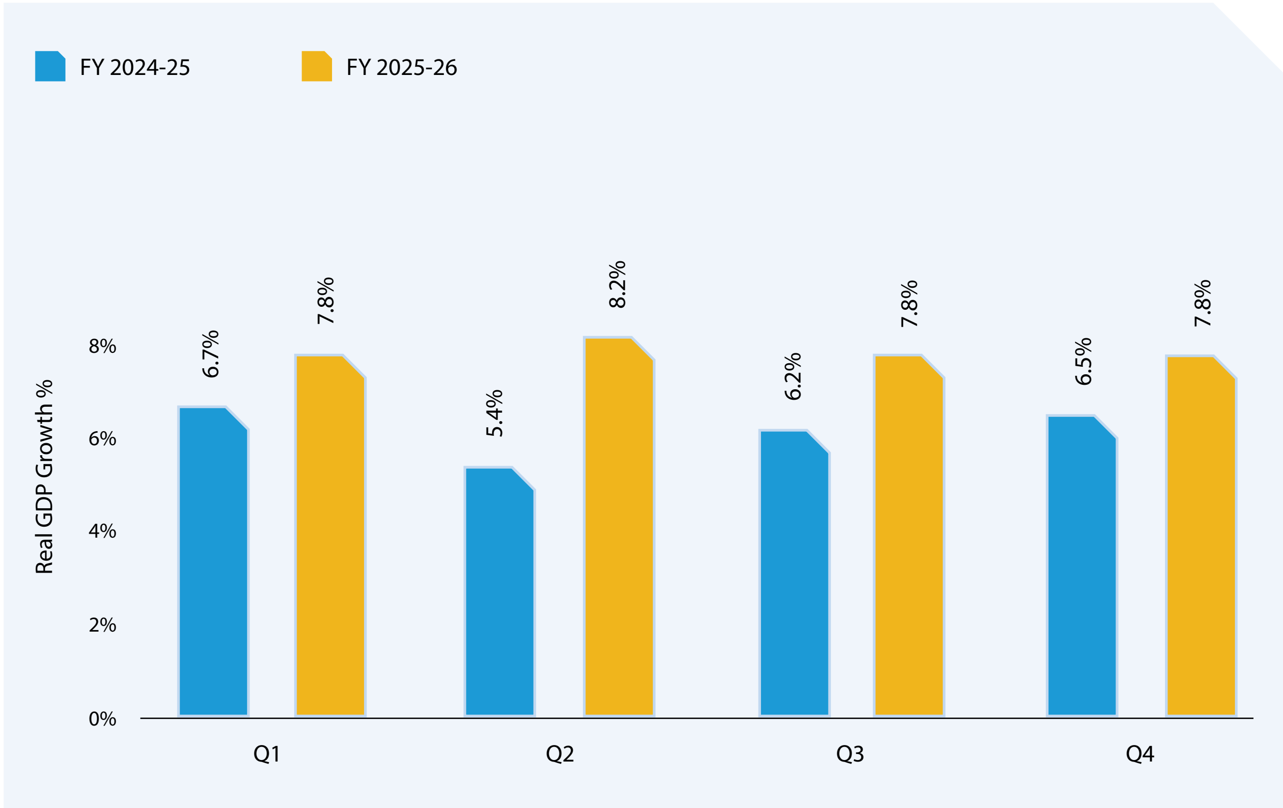
Expanding Financial Participation: Continued formalisation, digital adoption and rising economic participation across semi-urban and rural markets strengthened the opportunity for financial institutions focused on credit penetration and inclusion. For NBFCs serving MSME and secured retail segments, these conditions translated into a wider addressable market and sustained credit demand.

Outlook: The Indian economy is expected to maintain its growth trajectory in FY27, with real GDP projected to expand by 7.0%-7.4%. Continued government investment in infrastructure, manufacturing capacity and digital infrastructure is expected to support economic activity and business sentiment. Rising credit penetration, increasing MSME activity, deeper digital adoption and expanding participation from semi-urban and underpenetrated markets are expected to sustain demand for formal finance. For NBFCs with established distribution networks and secured lending capabilities, these structural tailwinds represent durable growth opportunities.

Looking ahead, elevated energy and other commodity prices coupled with supply shock due to disruptions in the Strait of Hormuz would act as a drag on domestic production in 2026-27. Heightened volatility in global financial markets and with its spillover into domestic financial conditions would weigh on growth prospects.

(Sources: PIB, IBEF, PRS India, RBI, Global Economics Times, Reuters, Monetary Policy Statement, The Economic Times, Economic Survey 2025-26, IMF)

Economic Performance Snapshot



NBFC Sector: Evolving Role in India's Credit Architecture

Non-Banking Financial Companies continued to play a vital complementary role within India's financial ecosystem during FY26, extending credit to segments that remain underserved by traditional banking channels.

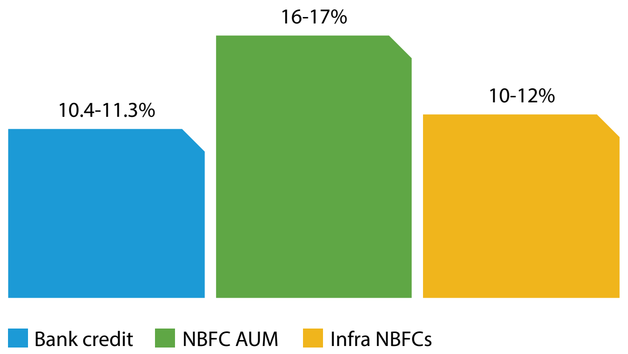
NBFCs accounted for approximately 18 to 19% of total credit in the economy, with assets under management projected to exceed INR 50 Lakhs Crores by March 2027. Total bank credit surpassed INR 200 Lakhs Crores as of January 2026 and within this expanding landscape, NBFCs continued to bridge financing gaps across retail, MSME, vehicle finance, housing and gold loan segments.

Sectoral Performance and Credit Expansion: Credit growth across the NBFC sector remained healthy, supported by macroeconomic resilience, domestic demand and increasing formalisation. Secured lending, MSME finance, vehicle finance and gold loans remained the principal growth segments.

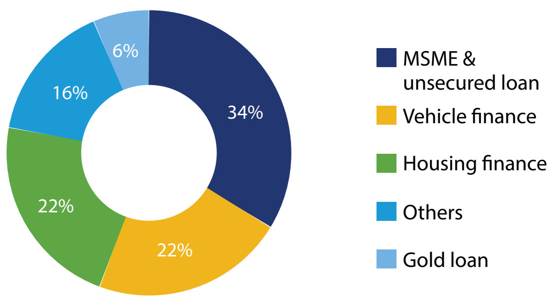
Structural Growth Drivers: The sector's growth trajectory is underpinned by several structural factors: deepening digital infrastructure (Account Aggregator frameworks, Aadhaar-enabled eKYC, UPI integrations); regulatory strengthening through the RBI's Harmonised Regulatory Framework; expansion of co-lending models and priority sector lending-linked products; targeted policy support through the Partial Credit Guarantee Scheme, Special Liquidity Scheme and ECLGS; and the rising entrepreneurial ecosystem driven by Atmanirbhar Bharat and related government initiatives. For NBFCs with secured lending capabilities, diversified borrowing franchises and established branch networks, these structural enablers support long-term, risk-calibrated portfolio growth.

(Sources: Economic Times, Wright Research, RBI, ICRA, Care Edge)

NBFCs lead credit growth over banks (FY26)



NBFC AUM composition accross asset class (FY26)



MSME Sector: Credit Demand and Structural Opportunity

Micro, Small and Medium Enterprises remained central to India's economic activity during FY26, contributing approximately 30% of GDP, 40% of total exports and employment for over 110 million individuals. The sector's growing formalisation, digital adoption and integration with domestic and global value chains continued to increase the requirement for timely, structured and formal credit.

Strengthening Credit Access: MSME lending continued to be the key driver of industrial credit growth during FY26, registering substantially higher growth than credit extended to large industries, as noted in the Economic Survey 2025-26. The Self-Reliant India (SRI) Fund, established with a corpus of INR 50,000 Crores to provide equity support, had assisted 682 enterprises through investments worth INR 15,442 Crores as of November 2025. Revised MSME classification norms expanded the eligible borrower base, while enhanced credit guarantee coverage improved access to working capital for micro and small enterprises. The additional INR 10,000 Crores Fund of Funds strengthened funding availability for startups and innovation-led enterprises.

The NBFC Opportunity: Access to formal finance remains the most important enabler for MSME growth. Small businesses require credit for working capital, business expansion, equipment acquisition, inventory management and operational continuity. A large segment of MSMEs continues to be served inadequately by traditional banking channels. NBFCs are positioned to serve this gap through relationship-led sourcing, flexible underwriting, collateral-backed lending, faster turnaround and customised credit solutions. Secured MSME lending, particularly Loan Against Property and related products, provides a risk-managed route to support small businesses while maintaining portfolio discipline.

(**Sources:** Economic Survey 2025-26, Ministry of MSME, PIB, Union Budget 2025-26)

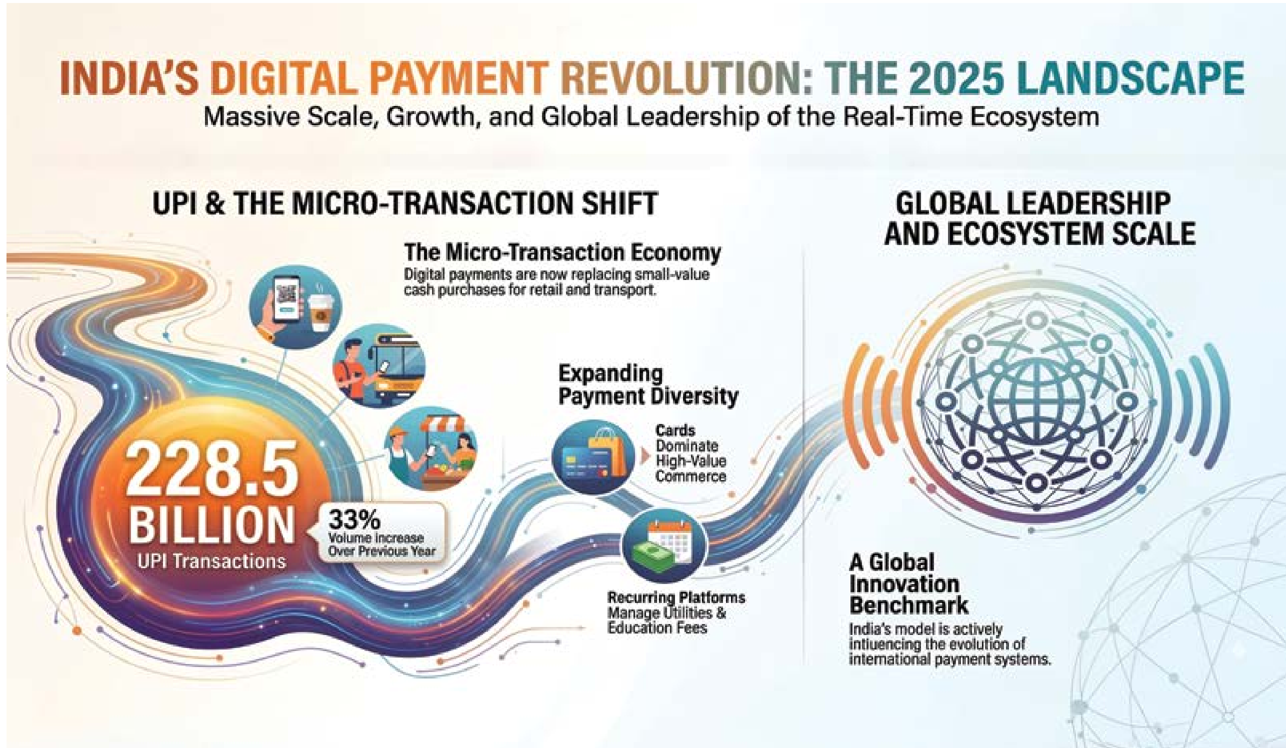
Digital Financial Services and Fintech Ecosystem

India's digital financial ecosystem continued to expand rapidly during FY26, supported by digital public infrastructure, smartphone penetration, real-time payments, embedded finance and increasing consumer acceptance of digital financial services.

The digital lending market is projected to reach USD 515 billion by 2030, expanding at a CAGR of 33.5%, driven by rising digital adoption, availability of alternative data, advances in artificial intelligence and analytics and increasing demand for seamless borrowing experiences. The growth of digital payments has also created stronger data trails, improved transaction visibility and enabled new financial-service models across credit, merchant services, insurance distribution and compliance.

For financial-services companies, the opportunity extends beyond digital disbursement into customer acquisition, risk assessment, collections efficiency and cross-selling. Companies that combine physical distribution, technology-led delivery and prudent risk management are better positioned to serve MSMEs, merchants and underbanked customers across India's expanding digital economy.

(**Sources:** IMARC, IMF, Worldline, RBI, Economic Times)



Opportunities and Threats

Capital India operates at the intersection of secured MSME lending and a broader technology-enabled financial-services ecosystem. Its growth opportunity lies in scaling the core lending franchise while selectively leveraging its capital base, distribution capabilities and financial-services adjacencies. The principal headwinds relate to credit quality, funding conditions, regulatory change, competitive intensity and execution discipline.

Opportunities	Threats
Secured MSME and LAP Growth The continued formalisation of small businesses and the persistent MSME financing gap support demand for secured business credit. Capital India's focus on Prime and Affordable Loan Against Property, together with its branch-led presence in Tier-2 and Tier-3 markets, provides scope for calibrated portfolio expansion.	**Asset Quality and Portfolio Concentration** MSMEs and self-employed borrowers can be sensitive to cash-flow disruption, sector-specific stress and economic volatility. Rapid portfolio expansion or excessive concentration across particular geographies, industries or borrower categories could increase delinquencies and provisioning requirements.
Focused Capital Allocation The strategic decision to divest the housing-finance subsidiary is intended to sharpen the Company's focus on MSME and retail lending and support more efficient allocation of capital towards priority growth areas.	**Funding Cost and Margin Pressure** Changes in interest rates, liquidity conditions and lender risk appetite may affect the cost and availability of borrowings. Competitive pricing in secured MSME and LAP products may also place pressure on yields and lending spreads.
Technology-enabled and Phygital Scale Digital workflows, centralised loan-management systems and data-led underwriting can support faster sourcing, improved credit assessment, stronger collections and better operating productivity. The wider RapiPay and NYE ecosystem also creates potential to extend financial access through a broad phygital distribution network.	**Regulatory and Compliance Complexity** The Company operates within an evolving regulatory environment covering scale-based NBFC regulations, digital lending, KYC and AML requirements, data governance. Increasing compliance expectations may raise operating complexity and require continued investment in systems, controls and governance.
Funding and Partnership-led Scalability Capital India's diversified borrowing franchise, credit rating and strong capital position provide a foundation for balance-sheet growth and partnership-led lending models. As of March 2026, the Company had a CRAR of 40.99%, providing capital headroom for disciplined expansion.	**Execution and Operating Scalability** Branch expansion and AUM growth require credit appraisal, collections, technology systems, talent and internal controls to scale at a corresponding pace. Weak execution or inadequate collection infrastructure in newly entered markets could affect customer experience and portfolio quality.
Diversified and Capital-light Adjacencies The Group's fintech ecosystem provides an opportunity to diversify beyond lending. RapiPay and NYE offer technology-enabled banking and financial-services capabilities.	**Competitive Intensity** Capital India competes with banks, NBFCs, HFCs and digital-first lending platforms for customers, funding and talent. This may increase customer-acquisition costs, compress pricing and require continued improvement in turnaround time, service quality and product differentiation.

Company Overview

Capital India Finance Limited (CIFL) is a middle-layer Non-Banking Financial Company registered with the Reserve Bank of India, listed on both the NSE and BSE (NSE Symbol: CIFL; BSE Scrip Code: 530879). The Company provides secured and customised financial solutions to MSMEs, self-employed individuals and small business owners, with a primary focus on Loan Against Property and related asset-backed credit products.

The Company is promoted by Capital India Corp Pvt Ltd, a Core Investment Company registered with the RBI, led by Mr. Sumit Kumar Narvar, a first-generation entrepreneur. The promoter group holds 72.59% of the Company's equity. The Board of Directors comprises 7 members, including 5 Independent Directors, bringing domain expertise spanning banking, financial services, audit, risk management and public administration.

The senior management team, led by Managing Director Keshav Porwal, CEO Pinank Shah, Executive Vice Chairman Surender Rana, CFO Vikas Srivastava and COO M.S. Walia, brings cumulative experience of over 150 years across retail and corporate lending, distribution, fund raising, risk, technology and compliance.

CIFL holds a dual credit rating with the the highest level of 'A', reflecting the Company's balance-sheet strength, governance standards and operational credibility. The Company was recognised as a Great Place to Work (certified October 2025 to October 2026), affirming the quality of its workplace culture and employee engagement practices.

The promoter group holds

72.59%

of the Company's equity.

From Opportunity to Platform: CIFL's Strategic Response

The sectoral tailwinds outlined above converge directly on CIFL's business model and strategic positioning. The Company's evolution over the past several years has been deliberate: a progressive transition from a wholesale and structured lending portfolio toward a granular, secured MSME credit franchise, complemented by fintech adjacencies that extend the platform's reach and revenue diversification.

MSME credit demand, driven by formalisation, policy support and entrepreneurial activity, aligns with CIFL core lending capability in Loan Against Property and secured business finance. The credit gap in semi-urban and Tier 2/ Tier 3 markets, where traditional banking coverage remains limited, is addressed through the Company's expanding branch network, which grew from 29 to 46 branches across 9 states during FY26.

Digital adoption across the lending lifecycle, from onboarding and credit assessment to portfolio monitoring and collections, is embedded in the Company's technology architecture and supports scalable, cost-efficient credit delivery.

The Company's group ecosystem adds further strategic depth. RapiPay Fintech Pvt. Ltd. , CIFL's subsidiary operating in neo-banking, digital lending and Banking-as-a-Service, provide phygital distribution across more than 787,000 direct business outlets and 17,000 pin codes, reaching over 100 million unique customers. RemitX, operating under an AD II licence from the RBI, provides capital-light, fee-based income through forex and cross-border remittance services.

The strategic sale of the housing finance subsidiary during FY26, for a consideration of INR 267 Crores, reflected the Company's focus on concentrating capital and management bandwidth into its core MSME lending and financial services platform.

For CIFL, the opportunity is defined by the convergence of MSME credit demand, geographic expansion, unit economics improvement and financial services diversification into a scalable, risk-managed platform.

Product Portfolio

CIFL offers a diversified suite of credit products centred on secured MSME lending. The portfolio is structured across two primary product categories, both designed for end-use-driven business-purpose financing.

Prime Loan Against Property (LAP): Tailored financing for working capital needs, business expansion and acquisition of productive assets. The average ticket size ranges between INR 70 and 75 Lakhs, with yields ranging 13% to 15% per annum. Prime LAP is available against residential, commercial and industrial properties.

Affordable Loan Against Property (LAP): Micro and affordable asset-backed financing of up to INR 40 Lakhs, designed for smaller MSMEs and self-employed borrowers. The average ticket size ranges from INR 8 Lakhs to 10 Lakhs, with yields ranging from 17% to 24% per annum.

The product suite also includes Commercial Property Purchase financing and Lease Rental Discounting, providing funding against future rental receivables from leased commercial properties. MSME Unsecured Loans address working capital requirements through a streamlined phygital underwriting process, enabling faster approvals and seamless disbursement.

FY26 Operating Review

FY26 was a year of deliberate investment and strategic repositioning for CIFL. The Company completed the transition of its loan book from a legacy wholesale and structured portfolio to a granular, secured MSME credit franchise. Simultaneously, the Company accelerated distribution expansion, scaled its team, improved unit economics across yield and cost of funds and executed the strategic sale of its housing finance subsidiary to concentrate capital into the core MSME lending business.

Assets Under Management: AUM grew 22% year-on-year from INR 1,004 Crores in FY25 to INR 1,227 Crores in FY26. MSME Secured accounted for 77% of the portfolio, with MSME Unsecured at 17%, Education loans at 4% and other products at 2%. The portfolio mix continued to shift toward secured, granular retail MSME credit, consistent with the Company's strategic direction.

Disbursements: Disbursements grew 62% year-on-year from INR 465 Crores in FY25 to INR 754 Crores in FY26, reflecting the combined impact of branch expansion, team scaling and stronger origination capability. The disbursement trajectory has accelerated from INR 366 Crores in FY21, demonstrating the scaling of the Company's lending franchise over a five-year period.

Yield, Cost of Funds and Spread: Net portfolio yield improved by 19 basis points year-on-year to 15.28%, reflecting the growing share of higher-yielding Affordable LAP in the portfolio mix. The weighted average cost of funds improved by 62 basis points to 10.22% over the year, with incremental debt raised at below 10% during FY26, enabled by diversified borrowing and improved credit standing. As a result, the net interest spread expanded by 81 basis points to 5.06%, the strongest spread performance in the Company's recent history and a clear validation of the MSME lending pivot at the unit-economics level.

Branch Network and Distribution: The Company expanded its branch network from 29 to 46 branches across 9 states during FY26. The geographic footprint spans Delhi NCR, Haryana, Punjab, Rajasthan, Gujarat, Maharashtra, Telangana, Karnataka and Tamil Nadu. This expansion positions the Company to deepen its presence in existing markets while entering new geographies selectively.

Borrowing Franchise: The Company raised total funds of INR 618 Crores during FY26, with outstanding debt at INR 938 Crores. The borrowing franchise now comprises 23 lenders, with 4 new lenders added during the year, spanning public sector banks, private banks, small finance banks and NBFCs. The Company successfully issued Non-Convertible Debentures during FY26, diversifying its funding base into the debt capital markets. Gearing remained conservative at 1.39 times, providing substantial headroom for future growth.

Team and Capability: The workforce scaled from 616 to 894 employees during FY26, an addition of 278 professionals across lending, credit, collections, risk, technology and support functions. This investment in human capital is integral to the Company's distribution-led growth model and supports the operational requirements of a rapidly expanding branch network.

Key Financial Indicators

(INR in Crores)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Total Income	229.67	206.14
Gain on sale of Housing subsidiary	97.92	-
Total Expenditure	282.18	193.26
Profit Before Tax	45.41	12.88
Profit After Tax	40.36	11.78
Net Worth	669.32	621.54
Debt-to-Equity (times)	1.39	1.06
CRAR	40.99%	36.08%
Net NPA	1.32%	0.98%

Analytical Commentary

Total income for FY26 included a one-time gain of INR 97.92 Crores on the strategic sale of the housing finance subsidiary. Excluding this exceptional item, adjusted total income grew 11.4% year-on-year to INR 229.67 Crores, driven by a 14.9% increase in interest income (from INR 162.00 Crores to INR 186.09 Crores) on the back of a 25% expansion in the loan book and a 19 basis point improvement in portfolio yield.

The expense base expanded in line with the Company's deliberate investment in distribution and organisational capability. Employee costs rose 30.4% to INR 83.75 Crores, reflecting the scaling of the team from 616 to 894 professionals. Other operating expenses increased 47.4% to INR 80.08 Crores, driven by the establishment and ramp-up of new branches. Finance costs rose 16.6% to INR 82.44 Crores, a more moderate increase than the 33.4% growth in borrowings, reflecting the 62 basis point improvement in cost of funds.

Credit costs increased from INR 4.04 Crores in FY25 to INR 35.91 Crores in FY26. Net NPA remained at 1.32%, reflecting the underlying health of the secured MSME portfolio.

The Company's reported PAT of INR 40.36 Crores (FY25: INR 11.78 Crores) included the benefit of the exceptional item. Adjusted for the one-time gain, the operating result reflected the front-loaded cost of building distribution capability and team capacity. The Company's strategic intent is to absorb these investment-phase costs through scale as the branch network matures and the portfolio grows. The improving trajectory in yield, spread and cost of funds provides the unit economics foundation for this transition.

Net worth strengthened to INR 669.32 Crores (FY25: INR 621.54 Crores), supported by profit retention and equity accretion. CRAR stood at 40.99%, well above regulatory requirements, providing substantial capital headroom for future growth. Gearing remained conservative at 1.39 times.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

(i)	Debtors Turnover	: Not applicable, being an NBFC
(ii)	Inventory Turnover	: Not applicable, being an NBFC
(iii)	Interest Coverage Ratio	: Not applicable, being an NBFC
(iv)	Current Ratio	: Not applicable, being an NBFC
(v)	Debt Equity Ratio	: 1.39 times
(vi)	Operating Profit Margin (%)	: Not applicable
(vii)	Net Profit Margin (%)	: 17.57%

Debt Equity Ratio, as on March 31, 2026 increased compared with the previous year, mainly on account of increased Debt as on date. The debt raise was in line with business requirements to support future disbursements.

Net Profit Margin increased during FY26, mainly due to exceptional gain from sale of home loan subsidiary. However, company observed higher overhead cost in FY26 due to expansion in branches and increased head count in FY 26.

Details of any change in Return on Net Worth as compared to the immediately previous financial year, along with a detailed explanation thereof

The return on Net Worth improved during the year mainly due to increase in net profit for FY26. Further, the Net Worth increased by INR 47.78 Crores.

Strategic Path to Expansion and Diversification

CIFL's strategic priorities are focused on accelerating secured MSME lending, scaling the distribution network, diversifying the borrowing franchise and enhancing technology-enabled credit delivery.

Accelerating Secured MSME Lending: The Company will continue to deepen its MSME lending portfolio, focusing on increasing the share of granular retail credit through Affordable LAP and Prime LAP products. Portfolio diversification across product types, geographies and customer segments is expected to strengthen asset quality and reduce concentration risk.

Scaling Distribution: The expansion of the branch network from 29 to 46 branches during FY26 establishes the operational infrastructure for the next phase of growth. The Company plans to deepen its presence in existing markets while selectively entering new states, with a focus on Tier 2 and Tier 3 towns where MSME credit demand remains significantly underserved.

Improving Profitability and Operating Leverage: As the branch network matures and the portfolio scales, the Company expects to absorb front-loaded expansion costs through operating leverage. Continued improvement in yield, cost of funds and spread is expected to support the transition from the current investment phase to sustainable profitability.

Harnessing Leadership Expertise: The Company's experienced leadership team, with deep domain expertise across lending, distribution, risk management and financial services, enables swift adaptation to evolving market conditions and identification of emerging opportunities across MSME customer segments.

Technology and Credit Lifecycle

CIFL operates a technology supported lending lifecycle designed for scalability, risk control and operational efficiency.

The four-stage lending journey comprises:

01. Hybrid Appraisal, combining advanced scoring models with on-ground verifications;

02. Multi-Layered Verification, with parallel tracks for RCU checks, legal assessment and technical valuations;

03. Final Underwriting, consolidating field data and financial analysis for informed sanction decisions; and

04. Loan Management and Collection, driven by a centralised lending management platform.

Credit assessment combines human intelligence with data driven models. Personal discussions with customers assess business viability beyond the balance sheet. On-site field evidence verifies operational legitimacy. Robust Risk Containment Unit checks ensure document authenticity and fraud prevention. Custom scoring models, calibrated for the unique income patterns and cash-flow characteristics of small businesses, support informed and risk-aware credit decisions.

The collection architecture operates with 100% mandate coverage through NACH and PDCs, supported by dedicated enforcement teams, zonal recovery reach and shared accountability between sales and credit functions for portfolio quality. The technology stack is designed for cost efficiency, leveraging digital tools and automation across sourcing, underwriting, collections and customer servicing.

Internal Control Systems and Their Adequacy

CIFL has established internal control systems commensurate with the scale, nature and complexity of its NBFC operations. The framework encompasses loan origination, credit appraisal, sanctioning, disbursement, collections, KYC and AML compliance, regulatory reporting, financial reporting, data integrity and asset safeguarding.

The internal control environment is supported by independent internal audits, management review and oversight by the Audit Committee of the Board. Audit observations and recommendations are reviewed periodically and corrective actions are implemented to strengthen the control environment. A continuous assessment of processes and systems supports proactive identification and mitigation of operational risks, fraud prevention and regulatory adherence.

The Company continues to evaluate and enhance its digital controls, process workflows and reporting systems to support operational efficiency, compliance discipline, portfolio monitoring and business resilience.

Risk Management Framework

Risk management forms an integral part of CIFL's business strategy and governance framework. The Company follows a structured risk management approach supported by defined policies, delegated approval mechanisms, portfolio monitoring, internal controls and Board-level oversight through the Risk Management Committee.

Credit and Portfolio Discipline: The credit risk framework is supported by prudent underwriting standards, borrower assessment, collateral evaluation, delegated approval mechanisms, portfolio monitoring and collection oversight. Regular portfolio reviews enable the identification of emerging risks and the timely implementation of corrective action.

Technology-Enabled Monitoring: Technology-enabled systems across loan processing, customer onboarding, portfolio monitoring, reporting, fraud prevention and risk analytics support operating efficiency, data integrity and control across the credit lifecycle.

Governance and Oversight: The Risk Management Committee and the Board of Directors provide oversight of risk policies, control mechanisms, key exposures and mitigation actions. Risk frameworks are periodically reviewed to ensure alignment with business objectives and regulatory requirements.

Risk Category	Risk Overview	Mitigation Approach
Credit and Collateral Risk	Credit risk being arises from the possibility of customers unable to meet repayment obligations, which may affect asset quality and portfolio performance. The Company's secured MSME lending model places collateral assessment and customers cash-flow evaluation at the centre of credit decisions.	The Company mitigates this risk through prudent underwriting standards, borrower assessment, collateral evaluation, delegated approval mechanisms, product-specific lending policies, exposure monitoring and periodic portfolio reviews.
Collection and Asset Quality Risk	Delays in repayment or customer stress may affect collection efficiency, asset quality and profitability.	Regular portfolio monitoring, collection follow-ups, early warning indicators, customer engagement and corrective action mechanisms support portfolio quality and recovery outcomes.
Liquidity and ALM Risk	Liquidity risk may arise from mismatches between asset and liability maturities, funding constraints or adverse market conditions.	The Company manages liquidity through asset-liability monitoring, funding diversification, liquidity planning, treasury oversight and periodic review of borrowing and repayment profiles.
Interest Rate and Funding Risk	Changes in interest rates and funding costs may affect spreads, profitability and lending competitiveness.	Diversified borrowing sources, pricing discipline, monitoring of cost of funds and regular assessment of market conditions support management of this risk.
Technology and Cybersecurity Risk	Technology risk encompasses system disruptions, data breaches, cyber incidents, identity theft, unauthorised access and compromise of sensitive customer information.	Restricted system access, encrypted protocols, multi-layer access controls, cybersecurity monitoring and business continuity mechanisms are maintained and periodically reviewed by management.
Fraud and Operational Risk	Fraud and operational risks may arise from internal or external acts of deception, process failures, documentation gaps, system errors or control weaknesses.	Process controls, maker-checker mechanisms, fraud detection systems, internal audits, whistle-blower mechanisms, real-time alerts and periodic fraud risk reviews mitigate these risks.
Compliance and Regulatory Risk	The compliance risk arises from failure to comply with applicable laws, RBI guidelines, KYC/AML requirements, internal policies or regulatory reporting obligations.	Business-specific compliance manuals, KYC/AML frameworks, limit monitoring systems, regulatory reporting processes and periodic compliance reviews across business units, zones and departments address this risk.
Concentration and Portfolio Risk	Concentration in specific geographies, borrower segments, products or collateral types may increase vulnerability to localised stress or sector-specific disruption.	Portfolio concentration monitoring across products, geographies and customer segments, combined with diversification, credit filters and portfolio-level reviews, supports disciplined growth.

Board's Report

To,
The Members,
Capital India Finance Limited ("Company")

Your Board of Directors ("Board") is pleased to present the 32nd Annual Report of the Company, along with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2026 (**"FY 2025-26"** or **"period under review"**).

This report provides an overview of the Company's operational and financial performance during the year, including key developments, and governance practices.

The summarized financial results of the Company for the year under review are as follows:

1. FINANCIAL HIGHLIGHTS

(INR in Lakhs)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Total Income	53,284.24	55,022.44	22,966.81	20,614.04
Less: Total Expenditure	60,221.31	56,212.95	28,217.97	19,325.74
Add: Exceptional Item	10,638.06	-	9,791.83	-
Profit/(Loss) before tax for the year from Continuing and Discontinued Operations	3,640.48	(889.05)	4,540.67	1,288.30
Less: Tax Expense	551.91	133.40	504.83	110.20
Profit/(Loss) for the year (Owners of the Company from continuing operations)	3,996.73	(123.50)	4,035.84	1,178.10
Profit/(Loss) for the year (Owners of the Company from discontinued operations)	(107.59)	278.26	-	-
Other Comprehensive Income (Owners of the Company)	11.15	40.63	15.86	8.65
Total Comprehensive Income for the year (Owners of the Company)	**3,900.29**	**195.39**	**4,051.70**	**1,186.75**
Add: Balance brought forward from previous year	(2,328.30)	(2,587.98)	9,134.38	8,197.00
Less: Appropriations:				
• Transfer to Special Reserve under Section 45-IC of the RBI Act, 1934	649.30	291.27	807.17	235.62
• Dividend on equity shares	77.94	77.73	77.94	77.73
• Other Addition/ Deductions during the year	9.56	(433.29)	(7.83)	(63.98)
• Surplus in the Statement of Profit/(Loss)	835.19	(2,328.30)	12,308.80	9,134.38

2. STATE OF COMPANY'S AFFAIRS

The Company is registered with the Reserve Bank of India (**"RBI"**) as a Non-Banking Financial Company (**"NBFC"**) not accepting public deposits. It holds a Certificate of Registration dated March 24, 1998, issued by the RBI under Section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act"). The Company is primarily engaged in providing financial services to the Retail and Small and Medium Enterprises (SME) sectors.

The Company is also registered with the RBI as an Authorised Dealer and holds an Authorised Dealer Category-II License, permitting it to undertake specified foreign exchange services.

In addition, the Company has initiated the process of obtaining a Corporate Agency Licence from the Insurance Regulatory and Development Authority of India (IRDAI), which will enable it to undertake the distribution of insurance products as a corporate agent. The application has been made pursuant to the approval of the Board of Directors at its meeting held on August 13, 2025, and subsequent approval of the shareholders on September 25, 2025.

This initiative is aimed at further strengthening the Company's position in the financial services sector by enabling it to directly distribute insurance products to its customers. Upon receipt of the requisite licence, the Company intends to broaden its service offerings, enhance customer engagement, and create additional revenue streams through commission-based income. It is also expected to facilitate cross-selling opportunities and provide greater flexibility in catering to diverse customer needs.

During the period under review, on standalone basis, the Company's total income was INR 22,966.81 Lakhs as compared to INR 20,614.04 Lakhs during the previous financial year and the Company has earned a Profit before tax of INR 4,540.67 Lakhs as compared to the Profit before tax of INR 1,288.30 Lakhs during the previous financial year.

On consolidated basis, the Company's total income was INR 53,284.24 Lakhs as compared to INR 55,022.44 Lakhs during the previous financial year and the Company has incurred a Profit before Tax from Continued Operations of INR 3700.99 Lakhs as compared to the Loss before Tax from Continued Operations of INR (1190.51) Lakhs incurred during the previous financial year.

The Financial Statements, both on Standalone and Consolidated basis forms part of this Annual Report.

3. 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 INR 807.17 Lakhs to Special Reserve Account for the financial year ended on March 31, 2026

The amounts proposed to be transferred to the other reserves, viz. general reserve, statutory reserve, ESOP reserve are mentioned in financial statements.

4. CAPITAL ADEQUACY

As on March 31, 2026, the Capital to Risk Assets Ratio ("CRAR") of your Company was 40.99% (Tier-I: 40.76%, Tier-II: 0.23%) of the aggregate risk weighted assets on balance sheet which is well above the minimum requirement of 15% as prescribed by RBI.

5. SHARE CAPITAL

During the period under review, the Company allotted equity shares to eligible employees upon the exercise of vested stock options granted under the CIFL Employee Stock Option Plan, 2018.

As on March 31, 2026, the capital structure of the Company stands as follows:

Particulars	Details
Authorised Share Capital	INR 214,00,00,000 (Indian Rupees Two Hundred and Fourteen Crores only) divided into 102,00,00,000 (One Hundred and Two Crore) Equity Shares having face value of INR 2 (Indian Rupees Two only) each and 1,00,00,000 (One Crore) Preference Shares having face value of INR 10 (Indian Rupees Ten only) each.
Paid-up Share Capital	INR 78,21,12,600 (Indian Rupees Seventy Eight Crores Twenty One Lakhs Twelve Thousand Six Hundred only) divided into 39,10,56,300 (Thirty Nine Crore Ten Lakhs Fifty Six Thousand Three Hundred) fully paid-up Equity Shares having face value of INR 2 (Indian Rupees Two only) each.

These equity shares rank pari-passu with the existing equity shares of the Company in all respects.

During the year under review, your Company has not issued any equity shares with differential rights or Sweat equity shares.

6. FUND RAISING

During the period under review, the Company has issued and allotted the following Non-Convertible debentures (NCD's):

Sl No.	Name of Debenture holder	No. of NCD's	Face Value (INR in Lakhs)	Amount (INR in Lakhs)	Date of Allotment
1.	The Kangra Central Coop Bank Ltd.	5,000	1,00,000	50,00,00,000	July 28, 2025

These NCDs are listed on BSE Limited and remained outstanding as on March 31, 2026.

7. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business activity of the Company during the period under review.

8. LISTING OF EQUITY SHARES

During the period under review, the Equity Shares of the Company were listed on the National Stock Exchange of India Limited (**"NSE"**), with effect from April 17, 2025.

As a result, the Company's Equity Shares are now listed and actively traded on both the BSE Limited (**"BSE"**) and the NSE, enhancing market accessibility and shareholder participation.

The Annual Listing fees, as prescribed have been paid to both the Stock Exchanges up to March 31, 2027.

9. DETAILS OF HOLDING, SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANY(IES)

➢ **Holding Company**

Capital India Corp Private Limited, holding 72.59% of the paid-up share capital of the Company, continues to be the holding company and promoter entity of your Company.

➢ **Subsidiary Company**

As on March 31, 2026, the Company has the following subsidiaries:

S. No.	Name of Subsidiary	Percentage (%) of Shareholding
1.	Rapipay Fintech Private Limited	52.50
2.	Capital India Asset Management Private Limited	100.00
3.	NYE Investech Private Limited* (Formerly known as Kuants Wealth Private Limited)	52.50
4.	Rapipay Payments Private Limited (Formerly known as NYE Insurance Broking Private Limited)*	52.50

*Step-down Subsidiary through Rapipay Fintech Private Limited

During the year under review, the Company divested its entire equity stake in its material subsidiary, People Home Finance Limited (Formerly known as Capital India Home Loans Limited) for a consideration of INR 266.53 crore, resulting in a gain of INR 97.92 crore in its financial statements. Consequently, CIHL ceased to be a subsidiary of the Company with effect from August 11, 2025.

This strategic divestment aligns with the Company's objective of strengthening its focus on retail lending, optimising capital allocation, and streamlining operations.

The proceeds will be reinvested into core business initiatives to drive growth, strengthen capital utilisation, and enhance overall financial performance.

The Board believes that this move will enable the Company to sharpen its strategic focus and create long-term value for its stakeholders.

➢ **Joint Venture / Associate Company**

The Company does not have any associate or joint venture during the period under review.

Notes:

- As required under Rule 8 (1) of the Companies (Accounts) Rules, 2014, the Board's Report has been prepared on Standalone Financial Statements basis. A report on the performance and financial position of each of the Company's Subsidiary as per Section 129(3) of the Companies Act, 2013 (**"Act"**), read with the Companies (Accounts) Rules, 2014, in the prescribed form AOC-1 is attached as **Annexure I** to the Board's Report.
- As required under Regulation 16(1)(c) and 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as **"Listing Regulations"**), the Board has approved and adopted the Policy for determining Material Subsidiaries. The Policy is available on the Company's website at https://capitalindia.com. Also, details of the Material Subsidiary(ies) are given in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report.
- The standalone audited financial statements of each of the subsidiary of the Company are available on the Company's website at https://capitalindia.com under the "Investors" tab. Members interested in obtaining a copy of financial statements of the subsidiaries may write to the Company at secretarial@capitalindia.com.
- The Annual Report of the Company, containing Financial Statements, will be placed on the website of the Company at https://capitalindia.com under the "Investors" tab.

10. DIVIDEND AND DIVIDEND DISTRIBUTION POLICY

Pursuant to the provisions of regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in accordance with the Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025, the Company has adopted a Dividend Distribution Policy, which outlines the key parameters and circumstances to be considered by the Board of Directors while determining the declaration of dividend and/or the retention of profits. This Policy ensures a balanced approach to rewarding shareholders while supporting the Company's long-term growth objectives.

The Dividend Distribution Policy is available on the Company's website at https://capitalindia.com under the **"Investors" tab**.

In accordance with the aforesaid policy, the eligibility criteria prescribed under the aforesaid RBI Directions, the provisions of Section 123 of the Companies Act, 2013, the Companies (Declaration and Payment of Dividend) Rules, 2014 and Regulation 43 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and after considering the operational profitability and overall financial position of the Company during the financial year 2025–26, the Board has not recommended any dividend for the financial year 2025–26.

11. INTERNAL FINANCIAL CONTROL SYSTEM

Internal Financial Controls laid down by the Company is a systematic set of controls and procedures to ensure orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Internal financial controls not only require the system to be designed effectively but also to be tested for operating effectiveness periodically.

The Board is of the opinion that internal financial controls with reference to the financial statements are adequate and operating effectively. The internal financial controls are commensurate with the size, scale, and complexity of operations.

Internal Control Systems and their adequacy are discussed in more detail in Management Discussion and Analysis.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board is governed by the relevant provisions of the Act and the rules made thereunder, the Listing Regulations, the Articles of Association of the Company, and all other applicable laws. It is structured to comply with, and reflect, the best practices of corporate governance prevailing from time to time.

i. Board of Directors

The Company aims for an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the effectiveness of the Board and separate its functions of governance and management. As on March 31, 2026, the Board of the Company consists of the following 7 (Seven) Directors:

S. No.	Name	DIN	Designation
1.	Mr. Vinod Somani	00327231	Non-Executive Chairman (Independent)
2.	Mr. Surender Rana	10315624	Executive Vice Chairman
3.	Mr. Keshav Porwal	06706341	Managing Director
4.	Mr. Yogendra Pal Singh	08347484	Independent Director
5.	General Dalbir Singh Suhag (Retd.)	10742056	Independent Director
6.	Ms. Rashmi Fauzdar	07599221	Independent Woman Director
7.	Ms. Jyuthika Mahendra Jivani	10558392	Independent Woman Director

ii. Fit and Proper Criteria

Based on the declarations received from the Directors of the Company as of March 31, 2026, and as recorded by the Board, none of the Directors were disqualified from holding office under Section 164(2) of the Act.

All Directors comply with the Fit and Proper Criteria prescribed under the Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025, as amended from time to time, and have submitted their respective declarations in this regard.

Further, none of the Directors are disqualified under any provisions of Section 164(2) of the Act. All Directors have made the necessary disclosures as required under Section 184 and other applicable provisions of the Act.

Details including the brief resumes and other relevant information of the Directors proposed to be appointed or re-appointed at the forthcoming AGM, as stipulated under the Secretarial Standard-2 issued by the Institute of Company Secretaries of India and Regulation 36 of the Listing Regulations, are provided separately in the Notice convening the AGM.

iii. Changes in Directors

During the period under review, the following changes took place in the directorships of the Company:

a. Mr. Surender Rana (DIN: 10315624) was appointed as an Additional Director in the category of Whole-time Director and designated him as the Executive Vice Chairman of the Company with effect from November 18, 2025. Subsequently, the members of the Company, by way of postal ballot through remote e-voting on February 12, 2026, approved his appointment as Whole-time Director, designated as the Executive Vice Chairman of the Company, for a term of 3 (three) consecutive years commencing from November 18, 2025.

Except for the change mentioned above, there were no other changes in the composition of the Board of Directors of the Company during the period under review.

iv. Declaration of Independence

The Company has received necessary declarations from all its Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16 of the SEBI Listing Regulations. Further, in compliance with Rule 6(1) & (2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors have submitted declarations regarding their online registration with the Indian Institute of Corporate Affairs (IICA) for inclusion or renewal of their names in the databank of Independent Directors.

The Board is of the opinion that the Independent Directors of the Company possess the requisite qualifications, experience, and expertise, uphold the highest standards of integrity, and maintain independence from the Management of the Company.

During the period under review, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees and reimbursement of expenses incurred for attending the meetings of Board and its Committees.

v. Statement regarding the opinion of the Board with regard to integrity, expertise and experience (including proficiency) of the Independent Directors appointed during the year

With respect to the integrity, expertise and experience (including proficiency) of the Independent Director(s) during the FY 2025-26, the Board of Directors have taken on record the declarations and confirmations submitted by the Independent Director(s). The Board is of the opinion that all the Independent Directors are persons of integrity, possessing the relevant expertise and experience and their continued association as Directors will be of immense benefit and in the best interest of the Company.

vi. Directors and Officers (D&O) Liability Insurance

Your Company has an Insurance for its Directors/Officers for such quantum and risks as determined by the Board of the Company.

vii. Retirement by Rotation

Pursuant to Section 152 of the Companies Act, 2013, unless the Articles of Association provide otherwise, not less than two-thirds of the total number of directors of a public company (excluding Independent Directors) shall be liable to retire by rotation, and out of such directors, one-third shall retire at every Annual General Meeting. In accordance with the aforesaid provisions of the Act and the Articles of Association of the Company, Mr. Keshav Porwal, Managing Director (DIN: 06706341), is liable to retire by rotation at the ensuing AGM and, being eligible, has offered himself for re-appointment.

viii Key Managerial Personnel (KMP)

As on the date of this Report, the Company has the following KMPs in accordance with the provisions of the Act read with the rules made thereunder:

Mr. Keshav Porwal	:	Managing Director
Mr. Surender Rana	:	Executive Vice Chairman
Mr. Pinank Jayant Shah	:	Chief Executive Officer
Mr. Vikas Srivastava	:	Chief Financial Officer
Mr. Sulabh Kaushal	:	Chief Compliance Officer & Company Secretary

During the period under review:

- Mr. Surender Rana was appointed as Executive Vice Chairman, designated as Key Managerial Personnel of the Company with effect from November 18, 2025.

ix. Board Meetings

During the period under review, Six (6) Board meetings were convened. Details regarding the composition of the Board, the meetings held during the year, and the attendance of each Director are provided in the Corporate Governance Report, which forms an integral part of this Annual Report. The intervals between consecutive meetings were within the limits prescribed under the Companies Act, 2013, and the applicable rules and Listing Regulations.

x. Committees of the Board

a. Statutory Committees

In accordance with the applicable provisions of the Act, the Listing Regulations, and the RBI master directions and guidelines, the Board has constituted the following Statutory Committees:

i. Audit Committee
ii. Nomination & Remuneration Committee
iii. Stakeholders Relationship Committee
iv. Corporate Social Responsibility Committee
v. Risk Management Committee
vi. Investment Committee
vii. Asset-Liability Committee
viii. IT Strategy Committee
ix. Write-off & Settlement Committee
x. Review Committee
xi. Identification Committee

b. Non-Statutory Committees

The Company has also constituted the following Non-Statutory Committees to oversee its day-to-day operations:

i. Credit Committee
ii. Credit Committee of Board
iii. Management Committee
iv. Securities Issuance Committee

c. Other Committees

The following other non-Board Committees have been constituted in accordance with applicable regulatory requirements:

i. IT Steering Committee
ii. Information Security Committee
iii. Product Evaluation Committee
iv. Special Committee of Executives

xi Separate Meeting of Independent Directors

In compliance with the provisions of Schedule IV to the Act read with Regulation 25 of the Listing Regulations, the Independent Directors convened a meeting on March 30, 2026, during FY 2025-26. This meeting was held without the presence of Non-Independent Directors or members of the management team and inter alia reviewed the following:

a) The performance of Non-Independent Directors and the Board as a whole;

b) The performance of the Chairman of the Board, taking into account the views of Executive and Non-Executive Directors; and

c) The quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

13. POLICIES GOVERNING THE APPOINTMENT AND REMUNERATION OF THE DIRECTORS, EXECUTIVES AND EMPLOYEES

The Nomination & Remuneration Committee (**"NRC"**) has been constituted to undertake the functions in accordance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations as amended from time to time.

Further as per the requirements of Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025, the Board has adopted a Policy on Diversity of the Board of Directors and a Policy on Compensation of Directors, Executives and other Employees.

The purpose of this Policy is to establish and govern the procedure as applicable inter-alia in respect to the following:

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to Directors, Key Management Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

NRC develops the competency requirements of the Board based on the industry and strategy of the Company, conducts a gap analysis and recommends the reconstitution of the Board, as and when required. It also recommends to the Board the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence, before recommending them to the Board. Besides the above, NRC ensures that the new Directors are familiarized with the operations of the Company and endeavors to provide relevant training to the Directors.

During the year under review, the Policy on Compensation of Directors, Executives and Other Employees, have been revised in line with the updated Reserve Bank of India Master Directions notified on November 28, 2025 and extant laws framed by the Securities and Exchange Board of India.

The updated Policy on Compensation of Directors, Executives and other Employees is available on the website of the Company at URL https://capitalindia.com/wp-content/uploads/2025/11/Policy-on-Compensation-of-Directors-Executives-and-Other-Employees.pdf.

The Company has also formulated a Fit and Proper Criteria Policy for inter-alia determining the qualification, technical expertise, positive attributes, integrity and independence of the Directors. The Company has received declarations from all the Directors of the Company that they meet the criteria laid down in the Fit and Proper Criteria Policy and the applicable provisions of the Master Directions issued by the RBI in this regard.

In addition, the Company has formulated policy on Succession Planning for Directors and Key Managerial Personnel to ensure continuity and smooth functioning of the Company.

14. REMUNERATION OF THE DIRECTORS AND EMPLOYEES

The disclosure required pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including amendments thereto), forms part of this report as **Annexure II**.

The disclosure required pursuant to Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, with respect to information of employees of the Company will be provided upon request by a Member. In terms of the provisions of Section 136(1) of the Act, the Annual Report is being sent to all the Members of the Company whose email address(es) are registered with the Company/ Depository Participants via electronic mode, excluding the aforesaid Annexure which shall be made available for inspection by the Members via electronic mode. If any Member is interested in obtaining a copy thereof, the Member may write to the Company at its Registered Office in this regard or send an email to secretarial@capitalindia.com.

15. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (**"POSH"**), the Company has a Policy on Prevention of sexual harassment of women at workplace and matters connected therewith and has also complied with the provisions relating to the constitution of Internal Committee (**"IC"**). It is our constant endeavor to ensure that we provide harassment free, safe and secure working environment to all employees especially women.

Status of Complaints under the POSH Act during the Financial Year 2025-26 is detailed below:

Particulars	Number of Complaints
Number of complaint(s) of sexual harassment received in the year	Nil
Number of complaint(s) disposed off during the year	Nil
Number of case(s) pending for more than ninety days	Nil
Number of case(s) pending at end of Financial Year	Nil

16. PERFORMANCE EVALUATION OF THE DIRECTORS, BOARD AND ITS COMMITTEES

The Nomination & Remuneration Committee (**"NRC"**) has devised a policy for the performance evaluation of the Independent Directors, Board, its Committees and the other Directors and has laid down the performance evaluation and assessment criteria/parameters. The Independent Directors in terms of Schedule IV to the Act and the provisions of the Listing Regulations, at its separate meeting, evaluated the performance of the Chairman, Non-Independent Directors, the Board as a whole and the flow of information between the management and the Board.

NRC has carried out the performance evaluation of each of the Directors, without the presence of the Director being evaluated and the Board carried out a formal evaluation of its own performance and the Board Committees. The Board of Directors has expressed their satisfaction with the evaluation process.

The criteria/parameters laid down for the evaluation of performance of the Independent Directors is provided in the Corporate Governance report, forming part of this Annual Report.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report is forming a part of this Annual Report.

18. RBI GUIDELINES

The Reserve Bank of India ("RBI"), vide the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 dated November 28, 2025, had introduced a comprehensive regulatory framework for Non-Banking Financial Companies (**"NBFCs"**), superseding the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

The Company has complied with the requirements stipulated under these Directions and has taken proactive steps to align itself with the revised regulatory framework. It has ensured timely implementation of the prescribed policies, systems and processes, demonstrating its continued focus on strong governance standards, effective risk management and sustainable business growth.

Further, the Company remains complaint with all applicable RBI Directions, circulars, regulations, guidelines and other regulatory requirements as prescribed by RBI from time to time.

19. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act in preparation of the Financial Statements for the financial year ended on March 31, 2026 and state that:

a. in the preparation of the Annual Financial Statements for the financial year ended March 31, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2026 and of the profit & loss of the company for the financial year ended on March 31, 2026;

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. the Directors have prepared the Annual Financial Statements on a going concern basis;

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

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

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the period under review.

20. PUBLIC DEPOSITS

The Company did not accept any public deposits during the period under review. Accordingly, the disclosures required under the Act, the rules framed thereunder, and the applicable provisions of the RBI's Master Directions on NBFC relating to public deposits are not applicable to the Company.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company, being an NBFC registered with the RBI and engaged in the business of giving loans in the ordinary course of its business, is exempted from complying with the requirements to disclose in the financial statement the full particulars of the loans given, investment made, guarantee given, or security provided.

During the year under review, details of the investments made by the Company are provided in Note no. 7 to the financial statements forming part of this Annual Report.

22. AUDITORS

a) STATUTORY AUDITORS

In compliance with the relevant provisions of the Act read with the rules made thereunder and the circular no. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 issued by the Reserve Bank of India and the related FAQs issued thereafter and based on the recommendation of the Board of Directors, the members in their 30th AGM appointed V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration no. 109208W) as Statutory Auditors of the Company for a period of 3 (three) consecutive years, to hold the office of the Statutory Auditors from the conclusion of the 30th AGM until the conclusion of the 33rd AGM.

V. Sankar Aiyar & Co. has conducted the Statutory Audit for the period ended on March 31, 2026. The audit report submitted by the Statutory Auditors on the Financial Statements of the Company forms part of this Annual Report. There have been no qualifications, reservations or adverse remarks or disclaimers given by the Statutory Auditors in their report.

b) SECRETARIAL AUDITORS

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, the Board had appointed Arun Gupta & Associates, Company Secretaries, as the Secretarial Auditors of the Company to undertake the Secretarial Audit for a term of five (5) consecutive years commencing from April 01, 2025 to March 31, 2030.

The Secretarial Auditors have submitted their report in Form MR-3, forms part of this report as **Annexure III**. There are no qualifications, reservations or adverse remarks or disclaimers in the Secretarial Audit Report.

Further, pursuant to Regulation 24A of the Listing Regulations, every listed company shall annex with its annual report the Secretarial Audit Report of its material subsidiaries incorporated in India. In compliance with the said requirement, the Secretarial Audit Report(s) of Rapipay Fintech Private Limited, the material subsidiary of the Company, for the financial year 2025-26 forms part of this Annual Report as **Annexure IIIA**.

c) **INTERNAL AUDIT**

The Company has established an independent Internal Audit function that provides assurance to the Audit Committee, the Board of Directors and the Senior Management regarding the adequacy and effectiveness of the Company's internal control framework, risk management practices and governance processes. The Internal Audit function periodically evaluates the design and operating effectiveness of internal controls and recommends measures for continuous improvement.

Further, in compliance with the applicable guidelines issued by the Reserve Bank of India (RBI), the Company has adopted and implemented an Internal Audit Policy, which governs the scope, methodology and reporting framework of the internal audit function.

23. COST RECORDS

The provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, are not applicable to the Company for the period under review.

24. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134 of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as on March 31, 2026 in Form MGT-7 is available on the website of the Company at https://capitalindia.com/wp-content/uploads/2026/08/Annual-Return-2025-26.pdf

25. CORPORATE GOVERNANCE REPORT

It continues to be the Company's commitment to uphold high standards of corporate governance through fair and transparent practices. The Company has established robust systems and processes to ensure effective compliance with all applicable statutory and regulatory requirements. It remains conscious of its fiduciary responsibilities and is dedicated to safeguarding the interests of its stakeholders while contributing positively to society at large.

The report on Corporate Governance in accordance with Regulation 34 read with Schedule V to the Listing Regulations and Master Directions is presented in a separate section, forming part of this Annual Report.

A certificate from Divya Rani & Associates, Company Secretaries confirming compliance to the conditions of Corporate Governance as stipulated under Para E of Schedule V to the Listing Regulations is enclosed to the Corporate Governance Report.

26. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

A report on Business Responsibility & Sustainability Reporting (**"BRSR"**) of your Company for the financial year 2025-26, in accordance with Regulation 34(2)(f) of the Listing Regulations forms part of this Annual Report.

27. RELATED PARTY TRANSACTIONS

All Related Party Transactions entered into by the Company during the financial year under review were in the ordinary course of business and on an arm's length basis and were in compliance with the provisions of the Companies Act, 2013 ("the Act"), the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

During the year under review, the Company did not enter into any material related party transaction as per the limit specified under Section 188 of the Act or Regulation 23 of the Listing Regulations read with the Company's Policy on Related Party Transactions. Accordingly, the disclosure of particulars of contracts or arrangements with related parties in Form AOC-2, as prescribed under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is not applicable to the Company for the financial year under review.

The details of Related Party Transactions entered into during the year, pursuant to the applicable Accounting Standards, are disclosed in **Note No. 43** to the Financial Statements forming part of this Annual Report.

Pursuant to the provisions of Section 188 of the Act, read with the rules framed thereunder, and Regulation 23 of the Listing Regulations, the Company has adopted a Policy on Related Party Transactions for identification, review, approval and monitoring of related party transactions. Consequent to the revisions introduced by SEBI in the criteria for determination of material related party transactions, effective **December 19, 2025**, the Policy was suitably amended to incorporate the revised thresholds and other applicable regulatory changes.

The Policy on Related Party Transactions is available on the website of the Company and can be accessed at: https://capitalindia.com/wp-content/uploads/2026/05/Policy-on-Related-Party-Transactions-1.pdf.

28. CODE OF CONDUCT

The Board of Directors of the Company has adopted a Code of Conduct applicable to the Directors and Senior Management Personnel, which is accessible on the Company's website at https://capitalindia.com/wp-content/uploads/2025/07/Code-of-Conduct-for-Board-of-Directors-and-Senior-Management-Personnel.pdf.

The Code of Conduct outlines the principles of ethical and professional behaviour to be adhered to by Directors and designated employees in the performance of their roles. It emphasizes, among other things, integrity in the workplace, compliance with ethical business standards, and fair and transparent dealings with all stakeholders.

The Company has received confirmations from all members of the Board and Senior Management Personnel affirming their compliance with the Code of Conduct for the financial year under review.

29. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company remains committed to promoting ethical conduct across all its business operations. In line with the provisions of Section 177(9) and (10) of the Companies Act, 2013, read with the rules framed thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, and the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has in place a robust Vigil Mechanism, to be known as **Vigil Mechanism/Whistle Blower Policy**. This mechanism enables Directors and employees to report instances of unethical conduct, actual or suspected fraud, or violations of the Company's Code of Conduct.

The policy is designed to provide adequate safeguards against victimisation of whistle-blowers and ensures direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

The Vigil Mechanism / Whistle Blower Policy provides a formal channel for Directors and employees to approach the Vigilance and Ethics Officer or, in exceptional circumstances, the Chairman of the Audit Committee, thereby fostering a culture of transparency, accountability, and ethical governance.

The objective of the policy is to encourage responsible and secure whistle-blowing and to protect employees who raise concerns regarding serious irregularities within the Company.

During the financial year under review, no complaints relating to unethical or improper practices were received by the Company.

30. PREVENTION OF INSIDER TRADING

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, as amended from time to time ("PIT Regulations"), the Company has adopted and implemented:

(i) a Prohibition of Insider Trading Code to regulate dealing in the securities of the Company by designated persons in compliance with the regulations; and

(ii) a Code for Fair Disclosure of Unpublished Price Sensitive Information. The Board is responsible for the implementation of this Code. The Chief Compliance Officer & Company Secretary of the Company is Compliance Officer for the purposes of Insider Trading Code.

The Code and Policy can be accessed from the website of the Company at https://www.capitalindia.com.

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO

Your Company is in the business of Non-Banking Financial Services and is not involved in any manufacturing activity. The information as applicable and required to be provided under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is given hereunder:

a) **CONSERVATION OF ENERGY**

(i) Steps taken or impact on conservation of energy - The operations of your Company are not energy- intensive. However, adequate measures have been initiated for conservation of energy.

(ii) Steps taken by the Company for utilising alternate sources of energy - though the operations of the Company are not energy intensive, the Company shall explore alternative sources of energy, as and when the necessity arises.

(iii) Capital investment on energy conservation equipment - Nil

b) TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption - The minimum technology required for the business has been absorbed.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution - Not Applicable

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

(a) the details of technology imported - Not Applicable

(b) the year of import - Not Applicable

(c) whether the technology has been fully absorbed - Not Applicable

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof - Not Applicable

(e) Expenditure incurred on Research and Development - Not Applicable

c) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is into the business of foreign exchange and the earnings and outgo in foreign currencies are as under: (INR In Lakhs)

Particulars	For the year ended	
	31.03.2026	31.03.2025
Earnings in foreign currency	203.74	157.39
Outgo in foreign currency	25.30	16.56

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

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

33. MATERIAL CHANGES AND COMMITMENTS, IF ANY

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

However during the financial year 2025-26, pursuant to the approval of the Board of Directors at its meeting held on October 16, 2024, the Company has divested its entire shareholding of 99.82% in People Home Finance Limited (Formerly known as Capital India Home Loans Limited) by way of sale to Weaver Services Private Limited.

Consequently, upon completion of the transaction on August 11, 2025, People Home Finance Limited (Formerly known as Capital India Home Loans Limited) ceased to be a subsidiary of the Company with effect from the said date. Accordingly, CIHL is no longer a subsidiary of Capital India Finance Limited from August 11, 2025.

34. CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of Section 135 of the Act read with applicable rules thereunder, the Company has constituted a Corporate Social Responsibility (**"CSR"**) Committee. The Board of Directors has formulated and adopted a CSR Policy, which outlines the objectives, focus areas, governance structure, implementation strategy, and the monitoring and reporting framework for CSR activities.

Details regarding the composition of the CSR Committee and other relevant information are provided in the Corporate Governance Report, which forms part of this Annual Report. The CSR Policy is available on the Company's website at https://capitalindia.com/wp-content/uploads/2024/11/Policy-on-Corporate-Social-Responsibility-280423.pdf under the "**Investors"** section. A brief outline of the CSR Policy along with the Annual Report on CSR activities for the financial year 2025-26, in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is appended as **Annexure IV** to this Report.

Further, the Chief Financial Officer has certified that the CSR funds disbursed during the financial year under review have been utilised for the purposes and in the manner approved by the Board.

35. CREDIT RATING

The Company continues to hold credit ratings from Infomerics Valuation and Rating Limited (formerly known as Infomerics Valuation and Rating Private Limited) and Acuité Ratings and Research Limited in respect of various financial facilities availed from time to time. The details of the ratings outstanding as on March 31, 2026 are as follows:

Rating Agency	Rated Facility / Instrument	Rated Amount (in Crores)	Rating / Outlook
Infomercis Valuation and Rating Limited (formerly known as Infomerics Valuation and Rating Private Limited)	Bank Loan (Long Term)	900	IVR A / Negative
	Non-Convertible Debentures	100	IVR A / Negative
Acuite Ratings and Research Limited	Bank Loan (Long Term)	775	Acuite A- / Stable
	Bank Loan (Short Term)	25	Acute A2+ / Stable

36. CONSOLIDATED FINANCIAL STATEMENTS

The Company has prepared its Audited Consolidated Financial Statements in compliance with the provisions of Section 129(3) of the Companies Act, 2013 ("the Act"), read with the applicable Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act and the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, as amended from time to time. In accordance with these requirements, the Audited Consolidated Financial Statements, reflecting the consolidation of the accounts of the Company with its subsidiaries, form part of this Annual Report.

Further, pursuant to the provisions of Section 129 of the Act read with Rule 6 of the Companies (Accounts) Rules, 2014 and other applicable provisions, the financial statements of the subsidiaries of Rapipay Fintech Private Limited ("RFPL"), namely NYE Investech Private Limited (Formerly known as Kaunts Wealth Private Limited) and Rapipay Payments Private Limited (Formerly known as NYE Insurance Broking Private Limited, for the financial year ended March 31, 2026, have not been consolidated by the RFPL. These financial statements have, instead, been consolidated at the level of the holding company, Capital India Finance Limited (CIFL), in its consolidated financial statements for the financial year ended March 31, 2026.

The Annual Report, including the Balance Sheet, Statement of Profit and Loss, other financial statements and the notes thereto, is available on the Company's website at https://www.capitalindia.com.

37. RISK MANAGEMENT FRAMEWORK

Pursuant to the RBI Regulations and SEBI Listing Regulations, the Company has constituted a Risk Management Committee (**"RMC"**) and has also adopted a Risk Management Policy which provides for identification of key events/risks impacting the business objectives of the Company and attempts to develop risk policies and strategies to ensure timely evaluation, reporting and monitoring of key business risks. Details regarding the composition of the RMC and other relevant information are provided in the Corporate Governance Report, which forms part of this Annual Report.

The Risk Management Committee, constituted by the Board, has established and implemented a comprehensive risk management framework to identify, assess, monitor and mitigate various risks, including credit risk. The framework outlines processes for loan origination and approval, post-disbursement monitoring, and ongoing portfolio management, with the objective of maintaining a high-quality loan portfolio while optimizing returns.

The risk management framework is periodically reviewed and strengthened to align with evolving business needs, regulatory requirements, and changes in the external environment.

Further details on the Company's risk management framework are provided in the Management Discussion and Analysis Report forming part of this Annual Report.

38. FRAUD MONITORING AND REPORTING

During the year under review, no instances of fraud were reported to the Special Committee for Monitoring and Follow-up of Cases of Fraud (FMC), the Audit Committee of the Board, the Reserve Bank of India (RBI), or the Statutory Auditors. Further, no fraud involving employees, management personnel, or persons having a significant role in the Company's internal control system over financial reporting came to the notice of the Company.

The Company continues to maintain a robust and evolving fraud prevention and detection framework designed to safeguard its operations and assets. Key elements of this framework include enhanced front-end validations, automated fraud de-duplication controls, advanced early warning systems, and analytics-driven monitoring mechanisms.

Further, there was no fraud reported by the Statutory Auditors of the Company, under Section 143(12) of the Act and the rules made thereunder to the Audit Committee or Board during the period under review.

39. HUMAN RESOURCE-INITIATIVES

Driven by Purpose. Built Around People

We continue to uphold a strong people-first culture by focusing on nurturing talent, fostering engagement, and building a robust, future-ready workforce. This commitment was further validated through our certification as a **Great Place to Work® (GPTW)** in FY 2025-26.

As part of the GPTW assessment, over 350 employees participated in the survey, with an over 66% response rate. We secured an outstanding **Trust Index© score of 95**, one of the highest scores achieved by a first-time participant, reflecting strong employee confidence across key dimensions such as trust, leadership, workplace culture, and collaboration.

Beyond external recognition, we remain committed to continuously listening to our employees. Through regular leadership branch visits and monthly HR Connect sessions, we gather real-time feedback and insights on employee experience, organizational values, leadership effectiveness, and workplace engagement. These initiatives help us strengthen our culture and ensure that employee voices remain at the center of our decision-making.

In parallel, the Company adopted a strategic talent-building approach by combining young, high-potential leaders with experienced professionals. This balanced leadership mix is helping create a strong succession pipeline, ensuring that the organization is well-positioned to support its long-term growth ambitions and expansion plans.

Talent development continued to be a top priority, with targeted training programs across frontline sales, credit, operations, IT, and other functions, designed to enhance skills and performance. The Company also maintained a strong focus on continuous improvement by benchmarking its practices against industry standards and best-in-class processes across customer acquisition, credit delivery, collections, and workforce structures within NBFCs serving similar customer segments.

We foster a culture built on openness, respect, meritocracy, and trust, encouraging active employee participation and engagement at every level. Over the years, the Company has remained committed to supporting career progression through structured development opportunities, promoting both vertical growth and cross-functional mobility to help employees realize their full potential.

Recognizing that people are at the heart of our success, we continue to celebrate contributions that create meaningful impact. Through our performance-based recognition and rewards programs, we honour individuals and teams who consistently demonstrate excellence, innovation, and commitment to business objectives. These curated and aspirational rewards reinforce a culture of high performance while motivating employees to achieve greater milestones.

Key employee engagement initiatives included:

- **Health and well-being initiatives,** such as organizing a health check-up camp, emphasizing preventive healthcare and overall wellness. Ensuring a healthy workforce remains integral to the Company's employee care agenda.
- **Soulful Start Mornings**, beginning the day with a morning prayer to instil mindfulness, gratitude, and foster a connected, positive, and purpose-driven work culture.
- **Dil Se Ghar Tak**, As part of our people-first philosophy, we continued our signature initiative dedicated to recognizing the unwavering encouragement and support provided by employees' families. This effort extends our appreciation beyond the workplace, acknowledging the often-unseen role that families play in enabling individual and organizational success.

  During the year, leadership teams visited and recognized the families of nearly 20+ employees, celebrating the trust, resilience, and support that underpin the achievements of our high-performing colleagues. These visits led to several heartfelt and emotional interactions, with family members sharing inspiring stories of sacrifice, encouragement, and pride. The initiative strengthened the bond between the Company and employees' families, while reinforcing our belief that professional success is often a shared journey, made possible by the steadfast support of loved ones.
- **Learning & Development Initiatives:** Weekly Process and Product Training sessions are conducted across key functions such as Sales, Operations, and Credit to ensure that both new hires and existing employees remain aligned with organizational standards and business objectives. These programs cover a wide range of topics, including sales techniques, customer engagement and handling, underwriting guidelines, asset quality management, insurance products, compliance requirements, and process updates.

  These continuous learning initiatives aim to strengthen employee capabilities, promote consistency in execution, and equip teams with the knowledge, skills, and confidence required to deliver superior customer experiences, manage risks effectively, and drive sustainable business performance. During the last financial year, 149 training programs covering product, process, and mandatory compliance topics were delivered.
- **HR Induction Programme:** Keeping in mind the rapid onboarding of employees and the importance of familiarizing them early with the Company's culture, values, policies, and overall ecosystem, the HR Induction Programme was comprehensively revamped during the year. To enhance coverage and ensure the timely integration of new hires, 2 -3 induction batches were conducted every month. As a result, structured induction training was successfully delivered to more than 350 employees during the year, enabling them to better understand the organization, align with its values and expectations, and transition smoothly into their roles.

Furthermore, the monthly **HR Connect** initiative served as a vital platform for direct interaction with employees across different locations, fostering a deeper understanding of collective concerns and enabling the prompt delivery of appropriate solutions.

Regular employee Town Hall meetings promote transparency, inclusiveness, and open communication across the organization, keeping employees informed and engaged with the Company's strategic direction.

As the Company continues its journey toward becoming a leading NBFC in India, it remains steadfast in nurturing a people-centric, customer-centric, and compliance-centric culture as the foundation for sustainable growth.

As on March 31, 2026, the Company's workforce stood at 894 employees.

40. STATEMENT ON COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS

Your Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and such systems are adequate and operating effectively.

41. EMPLOYEE STOCK OPTIONS SCHEME

With a view to motivating, incentivize, and retain talent, your Company has instituted two Employee Stock Option Schemes, namely:

(a) CIFL Employee Stock Option Plan – 2018; and

(b) CIFL Employee Stock Option Plan - 2023

(collectively referred to as the **"CIFL ESOP Plans"**).

These Plans are designed to align employee interests with long-term shareholder value creation and to recognize the contributions of employees to the Company's growth and success.

The Nomination & Remuneration Policy oversees the implementation and administration of the CIFL ESOP Plans. The relevant disclosures pursuant to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**"SEBI SBEBSE Regulations"**), as on March 31, 2026, are available on the website of the Company at www.capitalindia.com.

A certificate from the Secretarial Auditor confirming that the CIFL ESOP Plans have been implemented in accordance with the SEBI SBEBSE Regulations will be presented before the members at the ensuing Annual General Meeting (AGM). A copy of the certificate will also be available for inspection at the Registered Office and Corporate Office of the Company during business hours.

42. WEBSITE

The Company's website www.capitalindia.com provides information about the businesses carried out by the Company. It is the primary source of information to all the stakeholders of the Company and the general public at large. It also contains the Financial Results, Annual Reports, CSR details, various Policies adopted by the Board and other general information about the Company and such other disclosures as required under various applicable regulations. In accordance with the Liquidity Risk Management Framework for Non-Banking Financial Companies, the Company on a quarterly basis provided a public disclosure on liquidity risk on its website.

43. OTHER DISCLOSURES

Your Directors states that no disclosure or reporting is required in respect of the following items during the period under review:

a) The Company has not bought back any of its securities;

b) The Company has not issued any bonus shares;

c) The Company has not issued any sweat equity shares;

d) The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;

e) The Company has transferred an amount of INR 1,53,014/- (Indian Rupees One Lakh Fifty-Three Thousand Fourteen only) towards unpaid dividend to the Investor Education and Protection Fund (IEPF) in accordance with the provisions of Section 125 of the Act;

f) There was no revision in the financial statements between the end of the financial year and the date of this report;

g) No application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year;

h) During the year under review, there was no instance of one-time settlement with Banks or Financial Institutions. Accordingly, the disclosure requirements prescribed under rule 8(5)(xii) of Companies (Accounts) Rules, 2014, related to 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 applicable; and

i) During the year under review, the Company has complied with the applicable provisions of Maternity Benefits Act, 1961.

44. CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company objective, projections, estimates and expectations may constitute forward looking statement within the meaning of applicable laws and regulations.

45. ACKNOWLEDGEMENTS

Your Directors would gratefully like to place their appreciation for the assistance and co-operation received from the Company's bankers during the period under review. The Directors also acknowledge, with appreciation, the support and co-operation rendered by various Government Agencies and Departments. Your Directors would also wish to place on record their deep sense of appreciation for the continued support from all the investors and other stakeholders of the Company.

By order and on behalf of the Board
Capital India Finance Limited

Vinod Somani	Keshav Porwal
Non-Executive (Chairman Independent)	Managing Director
DIN: 00327231	DIN: 06706341

Date: May 20, 2026
Place: Mumbai

Annexure I

FORM AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures for the year ended March 31, 2026:

PART-A: SUBSIDIARIES

(INR In Lakhs)

S. No.	Particulars	Name of Subsidiary companies			
		Capital India Asset Management Private Limited	Rapipay Fintech Private Limited	NYE Investech Private Limited (Formerly Known as Kuants Wealth Private Limited	Rapipay Payments Private Limited (Formerly known as NYE Insurance Broking Private Limited)
1	The date since when the subsidiary was acquired	September 12, 2017	September 21, 2019	April 14, 2022	June 01, 2022
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable			
3	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.				
4	Share Capital (Paid – up)	7.00	3,970.72	496.78	75.00
5	Reserves & surplus	(5.85)	179.19	117.68	(0.45)
6	Total Assets	1.32	15,875.58	664.11	82.31
7	Total Liabilities	0.17	11,725.67	49.65	7.76
8	Investments	-	2,381.03	-	-
9	Turnover	-	33,870.11	27.56	5.23
10	Profit before tax	(0.51)	(1,459.83)	(225.26)	(0.31)
11	Provision for tax	-	-	-	-
12	Profit after tax	(0.51)	(1,459.83)	(225.26)	(0.31)
13	Proposed dividend	-	-	-	-
14	% of shareholding	100.00	52.50	52.50*	52.50*

*Held through Rapipay Fintech Private Limited

Note:

1. Names of subsidiaries which are yet to commence operations: Rapipay Payments Private Limited (Formerly known as NYE Insurance Broking Private Limited)
2. Names of subsidiaries which have been liquidated or sold during the year: People Home Finance Limited (Formerly known as Capital India Home Loans Limited)

PART B: ASSOCIATES & JOINT VENTURES: Nil: Since the Company does not have any joint venture arrangements, the disclosure of information relating to joint ventures is not applicable.

For and on behalf of Board of Directors
Capital India Finance Limited

	Vinod Somani	Keshav Porwal
	Non-Executive Chairman Independent)	Managing Director
	DIN: 00327231	DIN: 06706341
Pinank Jayant Shah	Vikas Srivastava	Sulabh Kaushal
Chief Executive Officer	Chief Financial Officer	Chief Compliance Officer & Company Secretary
		M. No.: A34674

Annexure II

Particulars of employees for the year ended on March 31, 2026 as required under Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	**Name of the Director**	**Ratio to the median**
	Keshav Porwal	65.21
The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	**Name of Director/CEO/ CFO /CS**	**% increase**
	Keshav Porwal	47% (Compensation Realignment considering lower base)
	Pinank Jayant Shah	12%
	Vikas Srivastava	10%
	Sulabh Kaushal	-
The percentage increase in the median remuneration of employees in the financial year	10%	
The number of permanent employees on the rolls of Company	894 as on March 31, 2026	
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Percentage increase in the salaries of employees other than KMPs: 10% Percentage increase in managerial remuneration: 20%	
Affirmation that the remuneration is as per the remuneration policy of the company	Yes, the remuneration paid is as per the remuneration policy of the Company.	

Annexure III

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31stMarch, 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,
Capital India Finance Limited
(CIN: L74899DL1994PLC128577)
701, 7th Floor, Aggarwal Corporate Tower,
Plot No. 23, District Centre, Rajendra Place,
New Delhi-110008

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and representations made by the management. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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 made available to us and maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

i) The Companies Act, 2013 (**"the Act"**) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 (**"SCRA"**) and the rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018,

   d. The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act, 2013 and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable during the Audit Period);**

   h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 **(Not Applicable during the Audit Period);**

   i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and

   j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder ('Listing Regulations').

vi) Other laws as applicable to the Company are based on the discussion with the heads of the department:

   a. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Provisions of The Employees State Insurance Act, 1948;

   b. The Employees Compensation Act, 1923, The Equal Remuneration Act, 1976, and all other allied labour laws;

   c. Income Tax Act, 1961;

   d. The Prevention of Money Laundering Act, 2002;

   e. The Central Goods and Service Tax Act, 2017 and other respective States Goods and Service Tax Acts;

   f. The Maharashtra Shops and Establishments (Regulation of Employment and Condition of Service) Act, 2017;

g. Delhi Shops and Establishment Act, 1954;

h. Other State laws on Shops and Commercial Establishments, wherever applicable;

i. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

j. Reserve Bank of India Act, 1934, and rules, regulations, circulars, notification issued by Reserve Bank of India, from time to time for Non-Banking Finance Company and Authorised Dealers Category-II;

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 Uniform Listing Agreement entered into by the Company with BSE Limited & National Stock Exchange of India Limited as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standard, 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 Women Director. There were changes in the composition of the Board of Directors that took place during the period under review which were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notices were given to all Directors/Members to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board and Committees were carried with requisite majority while the views of the dissenting members, wherever any, were captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Chief Compliance Officer & Company Secretary and taken on record by the Board of Directors at their meeting(s), we have an opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period,

1. The Company's Equity Shares were listed and commenced trading on National Stock Exchange of India Limited (NSE) with effect from 17th April, 2025.

2. The Company has issued and alloted 5000 (Five Thousand) fully paid, Senior, Secured, Rated, Listed, Redeemable, Taxable Non-Convertible Debentures each having a face value INR 1,00,000 (Indian Rupees One Lakh only) aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores only), by way of Private Placement.

3. The Members of the Company in their 31st Annual General Meeting held on 25th September, 2025 have approved the:
   a) Declaration of dividend on Equity Shares for the Financial Year 2024-25.
   b) Alteration of Object Clause of the Memorandum of Association of the Company
   c) Raising of the funds by way of issuance of debt securities approved by the Shareholders.

4. The Company has allotted 19,24,406 (Nineteen Lakhs Twenty Four Thousand Four Hundred Six) equity shares to the employees pursuant to the excise of Options granted and vested under CIFL Employee Stock Option Plan, 2018.

5. The Company has granted of 53,00,000 (Fifty Three Lakhs) employee stock options exercisable into not more than 53,00,000 (Fifty Three Lakhs) equity shares of the Company pursuant to the CIFL Employee Stock Option Plan, 2018.

6. The Members of the Company approved the appointment of Mr. Surender Rana (DIN: 10315624) as Wholetime Director, designated him as Executive Vice Chairman of the Company through Postal Ballot dated 12th February, 2026.

For **Arun Gupta & Associates**
Company Secretaries
Firm Unique Code: S2009DE121300

Arun Kumar Gupta
Proprietor
Membership No.: A21227
C.P. No.: 8003
PR 7185/2025
UDIN: A021227H000384524

Place: New Delhi
Date: 20/05/2026

Note 1: 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,
Capital India Finance Limited
(CIN: L74899DL1994PLC128577)
701, 7th Floor, Aggarwal Corporate Tower,
Plot No. 23, District Centre, Rajendra Place,
New Delhi-110008

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit, including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management's Representation Letter about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standard 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.

7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For **Arun Gupta & Associates**
Company Secretaries
Firm Unique Code: S2009DE121300

Arun Kumar Gupta
Proprietor
Membership No.: A21227
C.P. No.: 8003
PR 7185/2025
UDIN: A021227H000384524

Place: New Delhi
Date: 20/05/2026

Annexure III-A

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31stMarch, 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,
Rapipay Fintech Private Limited
(CIN: U72200DL2009PTC189149)
701, 7th Floor, Aggarwal Corporate Tower,
Plot No. 23, District Centre, Rajendra Place,
New Delhi-110008

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and representations made by the management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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 made available to us and maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

i) The Companies Act, 2013 ("the Act") and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company during the Audit Period)**

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;

v) Regulations and Guidelines as prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable;

vi) We have relied on the representation made by the Company and its officer for system and mechanism framed by the Company for compliances under the following Act, Laws & Regulations of the Company:

a. The Payment and Settlement Systems Act, 2007;

b. Master Direction on Prepaid Payment Instruments, 2021 (PPIs) (as amended);

c. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Provisions of The Employees State Insurance Act, 1948

d. The Employees Compensation Act, 1923, The Equal Remuneration Act, 1976, and all other allied labour laws;

e. Income Tax Act, 1961;

f. The Prevention of Money Laundering Act, 2002;

g. The Central Goods and Service Tax Act, 2017 and the applicable State Goods and Service Tax Act(s);

h. Delhi Shops and Establishment Act, 1954;

i. Other State laws on Shops and Commercial Establishments, wherever applicable;

j. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

k. Reserve Bank of India Act, 1934 and rules, regulations, circulars, notification issued by Reserve Bank of India from time to time for Prepaid Instruments Company;

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standard, 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 Woman Director. There are 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 was given to all Directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions were carried through with the unanimous consent, therefore dissenting members views are not required to be captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we have an opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above has occurred in the Company.

For **Arun Gupta & Associates**
Company Secretaries
Firm Unique Code S2009DE121300

Arun Kumar Gupta
Proprietor
Membership No.: A21227
C.P. No.: 8003
PR 7185/2025
UDIN: A021227H000283203

Place: New Delhi
Date: 07/05/2026

Note 1: 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,
Rapipay Fintech Private Limited
(CIN: U72200DL2009PTC189149)
701, 7th Floor, Aggarwal Corporate Tower,
Plot No. 23, District Centre, Rajendra Place,
New Delhi-110008

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit, including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation Letter about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standard 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.
7. The maximum liability of my firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For **Arun Gupta & Associates**
Company Secretaries
Firm Unique Code: S2009DE121300

Arun Kumar Gupta
Proprietor
Membership No.: A21227
C.P. No.: 8003
PR 7185/2025
UDIN: A021227H000283203

Place: New Delhi
Date:

Annexure IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES OF THE COMPANY FOR THE FINANCIAL YEAR 2025-26

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

Capital India Finance Limited has adopted a Corporate Social Responsibility (CSR) Policy in line with the provisions of Section 135 of the Companies Act, 2013, read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. The policy outlines the Company's CSR vision, focus areas, and implementation framework.

As a socially responsible organization, the Company is committed to fostering an empowered, inclusive, and sustainable ecosystem. We believe that true national progress is achieved when every section of society and the environment coexist and thrive in harmony.

Through its philanthropic arm, Atulya Foundation, the Company works closely with underserved and last-mile communities, enabling access to essential services and opportunities that support sustainable and prosperous livelihoods. Our key focus areas include Education, Livelihood, Rural Development, Health & Hygiene, Sustainable Environment, and Disaster Response.

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. Yogendra Pal Singh	Chairman	1	1
2.	Ms. Rashmi Fauzdar	Member	1	1
3.	Ms. Jyuthika Mahendra Jivani	Member	1	1
4	Mr. Keshav Porwal	Member	1	1

3. PROVIDE THE WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

a. CSR Policy:
https://www.capitalindia.com/wp-content/uploads/2024/11/Policy-on-Corporate-Social-Responsibility-280423.pdf

b. CSR Projects approved:
https://www.capitalindia.com/wp-content/uploads/2026/04/CSR-Action-Plan-2025-26.pdf

c. Current Composition of CSR Committee:
https://www.capitalindia.com/investor-corporate-governance

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.

Not Applicable

5.

a) Average net profit of the company as per sub-section (5) of section 135: **INR 2,008.74 Lakhs**

b) Two percent of average net profit of the company as per sub-section (5) of section 135: **INR 40.17 Lakhs**

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

d) Amount required to be set-off for the financial year, if any: **INR 4.11 Lakhs**

e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **INR 36.06 Lakhs**

6.

a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) **INR 40 Lakhs**

b) Amount spent in Administrative Overheads **NIL**

c) Amount spent on Impact Assessment, if applicable **NA**

d) Total amount spent for the Financial Year [(a)+(b)+(c)] **INR 40 Lakhs**

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per s ub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
INR 40,00,000/-	NA	NA	NA	NA	NA

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

Sl. No.	Particular	Amount (in INR Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	40.17
(ii)	Total amount spent for the Financial Year	44.11*
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	3.94
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	3.94

*Includes excess amount of INR 4.11 Lakhs carried forward from previous financial years.

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 INR)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount Spent in the Financial Year	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	Deficiency, if any
			(in INR)	(in INR)	Amount (in INR)	Date of Transfer	(in INR)	
1	FY-1				NA			
2	FY-2				NA			
3	FY-3				NA			

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR:

○Yes ☑ No

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

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	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address
N.A.							

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUB-SECTION (5) OF SECTION 135. NOT APPLICABLE

For and on behalf of
Corporate Social Responsibility Committee of Capital India Finance Limited

Mr. Yogendra Pal Singh
Independent Director & Chairman of CSR Committee
DIN: 08347484

Keshav Porwal
Managing Director
DIN: 06706341

Corporate Governance Report

1. CORPORATE GOVERNANCE PHILOSOPHY

Capital India Finance Limited (**"Company"**) is committed to maintaining the highest standards of corporate governance and business ethics. The Company's governance framework is founded on the principles of transparency, accountability, integrity, and responsible decision-making, which collectively support sustainable growth and protect the interests of all stakeholders.

The Company's Corporate Governance philosophy is guided by the following core principles:

a) Maintaining an optimum Board composition with a diverse mix of skills, experience, and expertise to provide effective oversight and strategic direction;

b) Ensuring a structured and timely flow of information to the Board, enabling Directors to efficiently discharge their fiduciary and governance responsibilities;

c) Fostering a culture of ethical conduct, professionalism, and compliance across all levels of management and employees;

d) Establishing robust internal control mechanisms and risk management systems to ensure operational efficiency and regulatory compliance; and

e) Providing timely, accurate, and transparent disclosure of all material operational, financial, and corporate information to stakeholders.

These guiding principles enable the Company to conduct its affairs in a fair, transparent, and accountable manner, while consistently adhering to the highest standards of corporate governance and reinforcing stakeholder trust and confidence.

The Company is following the provisions of Corporate Governance specified under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations").

2. BOARD OF DIRECTORS

The Company is managed and controlled by a professional and qualified Board of Directors (**"Board"**). The Board plays a pivotal role in safeguarding and enhancing the long-term interests of the Company's stakeholders. It provides leadership, strategic direction, and independent oversight to the Company's management while discharging its fiduciary responsibilities. In doing so, the Board upholds the highest standards of ethics, transparency, and disclosure.

As on March 31, 2026, the Board of the Company comprises 7 (Seven) Directors, including 2 (Two) Executive Directors and 5 (Five) Non-Executive Independent Directors. The composition of the Board is in compliance with the provisions of the Companies Act, 2013 and the rules framed thereunder (collectively referred to as the **"Act"**), as well as the applicable provisions of the Listing Regulations.

The Board maintains an optimal combination of executive, non-executive, independent directors and women directors, thereby ensuring a balanced and diverse leadership structure in line with statutory and regulatory requirements.

During the period under review, 6 (Six) meetings of the Board were held on May 14, 2025, July 16, 2025, August 13, 2025, September 24, 2025, November 14, 2025, and February 13, 2026.

The attendance of the members of the Board at the Board Meetings and the last Annual General Meeting held during the period under review, shareholding in the Company and position held in Board/Board committees of other companies, is as follows:

S. No.	Name, Designation and DIN of Director	No. of Board meetings held during the tenure of director/ financial year 2025-26	No. of Board meetings attended during the financial year 2025-26	Whether attended the last Annual General Meeting of the Company held on September 25, 2025	Number of shares and convertible instruments held in the Company as on March 31, 2026	Number of Directorships in other Companies as on March 31, 2026[1]	No. of Committee position held in other public Companies as on March 31, 2026[2]		Names of the other listed entities where the director is a director and the category of directorship
							Membership	Chairmanship	
1.	Mr. Vinod Somani (Non-Executive Chairman - Independent) (00327231)	6	6	Yes	Nil	Nil	Nil	Nil	Nil
2.	Mr. Surender Rana (Executive Vice Chairman) (10315624)[3]	1	1	N.A.	Nil	Nil	Nil	Nil	Nil
3.	Mr. Keshav Porwal (Managing Director) (06706341)	6	6	Yes	Nil	Nil	Nil	Nil	Nil
4.	Mr. Yogendra Pal Singh (Independent Director) (08347484)	6	6	Yes	Nil	Nil	Nil	Nil	Nil
5.	Ms. Rashmi Fauzdar (Independent Woman Director) (07599221)	6	6	Yes	Nil	Nil	Nil	Nil	Nil
6.	Ms. Jyuthika Mahendra Jivani (Independent Woman Director) (10558392)	6	5	No	Nil	Nil	Nil	Nil	Nil
7.	General Dalbir Singh Suhag (Retd.) (10742056)	6	6	Yes	Nil	Nil	Nil	Nil	Nil
1	Excludes directorship in the Company, deemed public company, private companies, foreign companies and Section 8 companies.								
2	Includes audit committee and stakeholders' relationship committee in all public limited companies.								
3	Mr. Surender Rana was appointed as an Executive Vice Chairman of the Company w.e.f. November 18, 2025.								

[1] Excludes directorship in the Company, deemed public company, private companies, foreign companies and Section 8 companies.
[2] Includes audit committee and stakeholders' relationship committee in all public limited companies.
[3] Mr. Surender Rana was appointed as an Executive Vice Chairman of the Company w.e.f. November 18, 2025.

Inter-se relationship among Directors

None of the Directors are in any way related to each other.

Key Board skills/expertise/competencies

The Board of the Company is skill-based, comprising Directors who collectively possess the necessary skills, knowledge, and experience to effectively govern and guide the organization. The Company has identified key skill sets relevant to its business operations, the industry in which it operates, and in alignment with its Policy on Compensation of Directors, Executives and Other Employees.

The Directors are individuals of eminence with expertise across diverse domains such as business, industry, finance, law, administration, and economics. Their collective experience and professional acumen contribute meaningfully to the strategic direction and overall effectiveness of the Board, enhancing the Company's governance framework and performance.

The Directors of the Company and the Board as a whole possess such skills and knowledge as outlined below:

Core Skills / Expertise / Competencies	VS	SR	KP	YPS	RF	JMJ	DSS
Leadership experience and ability in inspiring, motivating other officials together with practical understanding of the business of the Company.	-	✓	✓	-	-	-	-
Experience and ability to identify opportunities and threats to the Company and to develop strategies, inter-alia to grow revenue and market share, build brand awareness and equity.	-	✓	✓	-	-	-	-
Strong understanding of corporate finance, accounts and performance management principles.	✓	✓	✓	✓	✓	✓	✓
Familiarity with diverse business functions such as finance, risk, investment, etc.	✓	✓	✓	✓	✓	✓	✓
Experience and ability to acknowledge corporate governance and best management practices.	✓	✓	✓	✓	✓	✓	✓
An entrepreneurial mindset with outstanding organizational and leadership skills.	✓	✓	✓	✓	✓	✓	✓
Analytical abilities and problem-solving skills.	✓	✓	✓	✓	✓	✓	✓
Excellent communication and public speaking skills.	✓	✓	✓	✓	✓	✓	✓
Experience in identifying key risks to the Company related to each key area of operations, the ability to monitor risk, compliance and knowledge of legal and regulatory requirements that are applicable to the Company.	✓	✓	✓	✓	✓	✓	✓
Experience and stature necessary to be highly effective, working with other members of the Board in serving the long-term interests of shareholders.	✓	✓	✓	✓	✓	✓	✓
Ability and willingness to devote sufficient time to the affairs of the Board and the Company and to carry out their duties effectively.	✓	✓	✓	✓	✓	✓	✓

Mr. Vinod Somani – **VS**, Mr. Surender Rana –**SR**, Mr. Keshav Porwal – **KP**, Mr. Yogendra Pal Singh – **YPS**, Ms. Rashmi Fauzdar – **RF**, Ms. Jyuthika Mahendra Jivani – **JMJ**, General Dalbir Singh Suhag (Retd.) – **DSS**

Confirmation of Independence from Independent Directors

During the period under review, all the Independent Directors have confirmed and submitted a declaration to the effect that they meet the criteria of independence as laid down under the Act and the Listing Regulations.

The Independent Directors have also submitted a declaration that they have registered themselves with the Indian Institute of Corporate Affairs (IICA) for inclusion of their name in the Data Bank as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Based on the disclosures received from all the Independent Directors, your Board confirms that, in its opinion, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

Change in Independent Director

During the period under review, there were no changes in the composition of the Independent Directors of the Company.

Familiarization Programme for Independent Directors

All Independent Directors are periodically familiarized with various aspects of the Company to enable them to perform their roles effectively. This includes detailed briefings on their roles, rights, and responsibilities, the Company's business model, corporate governance practices, financial performance, business operations, and other relevant matters.

Additionally, updates are provided on changes in statutory and regulatory frameworks, the economic environment, and other developments that may impact the Company. This structured familiarization process ensures that Independent Directors are well-informed and equipped to make timely and prudent decisions in the best interest of the Company and its stakeholders.

The details of familiarization programme in terms of Regulation 25(7) of the Listing Regulations is uploaded on the website of the Company and can be accessed at https://capitalindia.com/wp-content/uploads/2026/05/Familiarization-Programme.pdf

Board Functioning and Procedure

The Company ensures that all Directors and Members of the Board and its Committees receive timely and proper notice of upcoming meetings. A detailed agenda, along with relevant supporting documents, is circulated in advance to enable thorough preparation and informed decision-making during the meetings. This process ensures effective participation and deliberation, thereby supporting the Company's commitment to transparency, accountability, and good governance.

The Company has a well-established framework for the meetings of the Board and its Committees, which seeks to systematize the decision-making process during the meetings in an informative and efficient manner. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation during the meeting. The Members of the Board/Committees express their opinion and decisions taken based on the consensus arrived at, after detailed discussion/deliberation at the Board/Committee Meeting and the same is accordingly recorded in the minutes of the meetings.

3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in strengthening the Company's corporate governance framework by focusing on specific issues and ensuring their timely and effective resolution. The guidelines applicable to Board meetings are also extended to all Committee meetings, ensuring consistency in governance practices. The composition and terms of reference of each Committee comply with the applicable provisions of the Act, the Listing Regulations, and other relevant directions, circulars, and guidelines issued by the Reserve Bank of India (**"RBI"**), as amended from time to time.

The Board oversees the functioning of the Committees and remains accountable for their actions. Each Committee has the authority to engage external experts, advisors, or legal counsel as deemed necessary to support its responsibilities. Minutes of all Committee meetings are circulated to the respective members and presented to the Board for noting. The composition of the Committees is detailed below:

a. Audit Committee

The Audit Committee has been constituted in terms of the provisions of Section 177 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 18 of the Listing Regulations and applicable directions issued by RBI, to provide assistance to the Board of Directors in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company. The Chief Compliance Officer & Company Secretary of the Company acts as the Secretary to the Audit Committee.

Meetings

During the period under review, 4 (Four) meetings of the Audit Committee were held on May 14, 2025, August 13, 2025, November 14, 2025, and February 13, 2026. The intervening period between Audit Committee Meetings was within the maximum time gap prescribed under the Act and the Listing Regulations. The requisite quorum was present in all the meetings held during the year.

The composition of the Audit Committee and the attendance of its members at the meetings held during the period under review are set out below:

Name of Member	Designation in Committee	Category	No. of Committee meetings held during the tenure of member/ financial year 2025-26	No. of Committee meetings attended during the financial year 2025-26
Mr. Vinod Somani	Chairman	Non-Executive Chairman (Independent)	4	4
Mr. Yogendra Pal Singh	Member	Independent Director	4	4
Ms. Rashmi Fauzdar	Member	Independent Woman Director	4	4
Ms. Jyuthika Mahendra Jivani	Member	Independent Woman Director	4	4

In addition to the members of the Audit Committee, these meetings were attended by Managing Director, Chief Executive Officer, Chief Financial Officer, Finance Controller, Internal Auditors, Statutory auditors and other senior executives who were considered necessary for providing inputs to the Committee.

The Board had accepted all recommendations of the Committee.

Terms of Reference

The terms of reference of the Audit Committee of the Board includes the following:

1) To approve the remuneration and terms of appointment of auditors of the company;
2) To review and monitor the auditor's independence and performance, and effectiveness of audit process;
3) To do examination of the financial statement and the auditors' report thereon;
4) To approve or make subsequent modification of transactions of the company with related parties;
5) To make scrutiny of inter-corporate loans and investments;
6) To review valuation of undertakings or assets of the Company, wherever it is necessary;
7) To do evaluation of internal financial controls and risk management systems;
8) To monitor the end use of funds raised through public offers and related matters;
9) To oversee the vigil mechanism established by the Company for Directors and employees to report genuine concerns.
10) To investigate any activity within its terms of reference;
11) To seek information from any employee;
12) To obtain outside legal or other professional advice;
13) To secure attendance of outsiders with relevant expertise, if it considers necessary;
14) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
15) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
16) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
17) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
    i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    ii. Changes, if any, in accounting policies and practices and reasons for the same;
    iii. Major accounting entries involving estimates based on the exercise of judgment by management;
    iv. Significant adjustments made in the financial statements arising out of audit findings;
    v. Compliance with listing and other legal requirements relating to financial statements;
    vi. Disclosure of any related party transactions;
    vii. Modified opinion(s) in the draft audit report;
18) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
19) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
20) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
21) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
22) Discussion with the internal auditors on any significant findings and follow up there on;
23) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
24) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
25) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
26) To review the functioning of the Whistle Blower mechanism, in case the same is existing;
27) 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;
28) to consider and comment on:
    - rationale,
    - cost-benefits and
    - impact on the listed entity and its shareholders of schemes involving merger, demerger, amalgamation etc.; and
29) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

b. Nomination & Remuneration Committee

The Nomination & Remuneration Committee (**"NRC"**) has been constituted in terms of the provisions of Section 178 of the Act, Regulation 19 of the Listing Regulations and applicable directions issued by RBI. The Chief Compliance Officer & Company Secretary of the Company acts as the Secretary to the NRC.

Meetings

During the period under review, 3 (Three) meetings of the NRC were held on May 13, 2025, May 30, 2025, and September 24, 2025.

The composition of the NRC and the attendance of its members at the meetings held during the period under review are set out below:

Name of the member	Designation in Committee	Category	No. of Committee meetings held during the tenure of member/ financial year 2025-26	No. of Committee meetings attended during the financial year 2025-26
Mr. Yogendra Pal Singh	Chairman	Independent Director	3	3
Mr. Vinod Somani	Member	Non-Executive Chairman (Independent)	3	3
Ms. Rashmi Fauzdar	Member	Independent Woman Director	3	3

The necessary quorum was present for the meeting held during the year.

Terms of Reference

The terms of reference of the NRC include the following:

1. identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment & removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. formulate the criteria for determining qualifications, positive attributes and independence of a Director, recommend to the Board a policy, relating to the remuneration for the directors, Key Management Personnel and other employees.

   While formulating the policy under sub-section (3) of section 178 of the Companies Act ensure that:

    a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors of the quality required to run the company successfully;
    b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    c. remuneration to Directors, Key Management Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
3. devising a policy on diversity of Board of Directors.
4. evaluation of the balance of skills, knowledge and experience for every appointment of an independent director 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.

5. decide on extending or continuing the term of appointment of Independent Director, based on the report of performance evaluation of Independent Directors.

6. recommend to the Board, all the remuneration, in whatever form payable to Senior Management.

7. review the appropriateness and relevance of the remuneration policy.

8. ensure that all provision regarding disclosures of remuneration are fulfilled.

9. ensure that no director, executive or other employee is involved in any decision as to their own remuneration.

10. formulate the Company's Employee Stock Option Scheme(s) or other incentive schemes (if any) as applicable, approve grant of options and make amendments to terms of such schemes.

Annual Performance Evaluation

Pursuant to the relevant provisions of the Act read with the rules made thereunder, the Listing Regulations and the Performance Evaluation Policy (**"PEP"**) of the Company, the Board, along with the NRC, has conducted a formal evaluation of the performance of the Board, its Committees, and individual Directors, including Independent Directors. The Independent Directors' performance evaluation was carried out by the entire Board excluding the Director being evaluated.

Further, the Independent Directors, at their separate meeting, reviewed the performance of the Non-Independent Directors, the Board as a whole, and the Chairman of the Board, after considering the views of the Executive Director. They also assessed whether the quality, quantity, and timeliness of information provided by the management to the Board were adequate to facilitate informed decision-making and enable the Board to effectively perform its functions and responsibilities.

The evaluation has been carried out through a questionnaire, as provided in the PEP, covering various aspects of the functioning of the Board, its Committees and performance of the Directors, such as, adequacy of the constitution and composition of the Board and its Committees, discharge of roles and responsibilities by the Board, its Committees and Directors, frequency of the meetings, attendance, regulatory compliances and corporate governance. The individual Directors and members of the Board and its Committees had submitted their response on a scale of 1 (strongly disagree) – 5 (strongly agree) for evaluating the Board as a whole, Committees of the Board and of their peer Board members, including Chairman of the Board.

c. Stakeholders Relationship Committee

The Stakeholders Relationship Committee ("SRC") has been constituted in terms of the provisions of Section 178 of the Act, Regulation 20 of the Listing Regulations and applicable directions issued by RBI. The Chief Compliance Officer & Company Secretary of the Company acts as the Secretary to the Stakeholders Relationship Committee.

Other Information as required under SEBI Listing Regulations are mentioned below:

S. No.	Particulars	Details
i,	Name of Non-Executive Director heading the Stakeholders Relationship Committee	Mr. Vinod Somani, Non-Executive Chairman (Independent)
ii,	Name and designation of the Compliance Officer	Mr. Sulabh Kaushal, Chief Compliance Officer & Company Secretary
iii.	Number of shareholders' complaints received during the financial year	1 (One) shareholder complaint was received during the financial year 2025-26.
iv.	Number of complaints not resolved to the satisfaction of shareholders	All the complaints were resolved to the satisfaction of the shareholders.
v.	Number of pending complaints	No complaints were pending unresolved as on March 31, 2026.

Meeting

During the period under review, 1 (one) meeting of the Stakeholders Relationship Committee was held on May 13, 2025.

The composition of the SRC and the attendance of its members at the meetings held during the period under review are set out below:

Name of the member	Designation in Committee	Category	No. of Committee meetings held during the tenure of member/ financial year 2025-26	No. of Committee meetings attended during the financial year 2025-26
Mr. Vinod Somani	Chairman	Non-Executive Chairman (Independent)	1	1
Mr. Yogendra Pal Singh	Member	Independent Director	1	1
Ms. Rashmi Fauzdar	Member	Independent Woman Director	1	1
Ms. Jyuthika Mahendra Jivani	Member	Independent Woman Director	1	1

The necessary quorum was present for the meeting held during the year.

Terms of Reference

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

1. To take note of transfer and transmission of shares;

2. To approve requests of shareholders for dematerialization, re-materialisation of shares, issue or split of shares, consolidation of shares and issue of duplicate share certificates;

3. To look after the grievances of the security holders of the listed entity including but not limited to complaints related to:
   a. Transfer of shares;
   b. Non-receipt of annual report; and
   c. Non-receipt of declared dividends.

4. Review of measures taken for effective exercise of voting rights by shareholders;

5. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar to an Issue and Share Transfer Agent;

6. 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 shareholders of the company;

7. Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants;

8. To ensure expeditious redressal of investor complaints received through SCORES and other mediums; and

9. To ensure periodical reporting of investor grievances in the prescribed manner from time to time.

d. Corporate Social Responsibility Committee

In compliance with Section 135 of the Act, the Company has duly constituted Corporate Social Responsibility ("CSR") Committee. The Chief Compliance Officer & Company Secretary of the Company acts as the Secretary to the CSR Committee.

Meeting

During the period under review, 1 (one) meeting of the CSR Committee was held on May 13, 2025.

The composition of the CSR Committee and the attendance of its members at the meetings held during the period under review are set out below:

Name of the member	Designation in Committee	Category	No. of Committee meetings held during the tenure of member/ financial year 2025-26	No. of Committee meetings attended during the financial year 2025-26
Mr. Yogendra Pal Singh	Chairman	Independent Director	1	1
Mr. Keshav Porwal	Member	Managing Director	1	1
Ms. Rashmi Fauzdar	Member	Independent Woman Director	1	1
Ms. Jyuthika Mahendra Jivani	Member	Independent Woman Director	1	1

The necessary quorum was present for the meeting held during the year.

Terms of Reference

The terms of reference of the CSR Committee of the Board includes the following:

a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in the areas or subject, specified in Schedule VII to the Companies Act, 2013;

b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

c) monitor the Corporate Social Responsibility Policy of the Company from time to time; and

d) any other matter(s) in relation to above which the Committee deems fit and which is not reserved to be approved by the Board under the Companies Act, 2013 or any other applicable law, for the time being in force.

The CSR activities undertaken by the Company are in line with the CSR Policy of the Company and are pursuant to Section 135 and Schedule VII of the Companies Act, 2013. The CSR Policy detailing the summary of CSR activities along with relevant details is accessible at the Company's website at https://capitalindia.com/wp-content/uploads/2024/11/Policy-on-Corporate-Social-Responsibility-280423.pdf

e. Risk Management Committee

The Risk Management Committee (**"RMC"**) has been constituted in terms of the provisions of Regulation 21 of the Listing Regulations and applicable directions issued by RBI. The Chief Compliance Officer & Company Secretary of the Company acts as the Secretary to the RMC.

The Company has a Policy in place that is intended to ensure that an effective Risk Management framework is established and implemented within the organisation. The RMC investigates various risks which may impact the Company's ability to achieve its strategy, objectives and results.

Meetings

During the period under review, 4 (Four) meetings of the RMC were held on May 13, 2025, August 12, 2025, November 13, 2025, and February 12, 2026.

The attendance of the members of the RMC at their meeting held during the period under review is as follows:

Name of the member	Designation in Committee	Category	No. of Committee meetings held during the tenure of member/ financial year 2025-26	No. of Committee meetings attended during the financial year 2025-26
Mr. Vinod Somani[1]	Chairman	Non-Executive Chairman (Independent)	4	4
Ms. Rashmi Fauzdar	Member	Independent Woman Director	4	4
Ms. Jyuthika Mahendra Jivani	Member	Independent Woman Director	4	4
Mr. Surender Rana[2]	Member	Executive Vice Chairman	N.A.	N.A.
Mr. Keshav Porwal	Member	Managing Director	4	4
Mr. Pinank Jayant Shah[3]	Member	Chief Executive Officer	4	4
Mr. Manvinder Singh Walia[4]	Member	Chief Operating Officer	4	4
Mr. Chetan Bafna[5]	Member	Chief Credit Officer	3	3
Mr. Mohit Sirpurkar[6]	Member	Head – Risk and Policy	N.A.	N.A.

1 Mr. Vinod Somani was appointed as the Chairman of the Committee w.e.f. April 29, 2025.
2 Mr. Surender Rana was inducted as the Member of the Committee w.e.f. February 13, 2026.
3 Mr. Pinank Jayant Shah was inducted as the Member of the Committee w.e.f. April 29, 2025.
4 Mr. Manvinder Singh Walia was inducted as the Member of the Committee w.e.f. April 29, 2025.
5 Mr. Chetan Bafna was inducted as the Member of the Committee w.e.f. April 29, 2025 and he ceased to be the Member w.e.f. close of business hours of January 31, 2026.
6 Mr. Mohit Sirpurkar was inducted as the Member of the Committee w.e.f. February 13, 2026.

The necessary quorum was present for all the meetings held during the year.

The composition of the RMC as on the date of this Report is detailed below:

Name of the member	Designation in Committee	Category
Mr. Vinod Somani	Chairman	Non-Executive Chairman (Independent)
Mr. Surender Rana	Member	Executive Vice Chairman
Mr. Keshav Porwal	Member	Managing Director
Mrs. Rashmi Fauzdar	Member	Independent Woman Director
Ms. Jyuthika Mahendra Jivani	Member	Independent Woman Director
Mr. Pinank Jayant Shah	Member	Chief Executive Officer
Mr. Manvinder Singh Walia	Member	Chief Operating Officer
Mr. Mohit Sirpurkar	Member	Head – Risk and Policy

Terms of Reference of RMC

1. Create a suitable framework to enable all the future activities to take place in a consistent & controlled manner, and protecting/enhancing assets;
2. Formulate/amend policy(ies)/rules for identification of various risks, procedure to be followed for saving the Company from such risk and for mitigation of identified risks;
3. Approve all credit risk & operations related policies and credit strategy;
4. Review the portfolio composition, quality, delinquencies and Non-Performing Assets (NPAs);
5. Review the credit risk profile and any major development, internal and external, and their impact on portfolio and as a whole on the Company and its subsidiary(ies);
6. Review the non-compliance, limit breaches, audit / regulatory findings, and policy exceptions;
7. Review the recommendations made by the credit committee of the Board in respect of the amendments to be made in the Credit Policy Framework of the Company and recommend further the same to the Board, if deemed necessary
8. To accept the terms and conditions, including any subsequent modifications, if any, from time to time, in relation to the matters stated herein;
9. Any other matter in relation to above which the committee deems fit and which is not reserved to be approved by the Board under the Companies Act, 2013 or any other applicable law.

f. Other Committees of the Board

Apart from the above Committees, the Board also has the following Committees:

(a) Investment Committee
(b) Asset-Liability Committee
(c) IT Strategy Committee
(d) Credit Committee
(e) Securities Issuance Committee
(f) Write-off and Settlement Committee
(g) Review Committee
(h) Identification Committee
(i) Management Committee

The Composition of the above Committees and the details of the meetings held during the financial year 2025-26, along with the attendance of Members is as under:

Composition as on March 31, 2026

S. No.	Name of Committee	Composition	Designation in the Committee
1	Investment Committee	Mr. Vinod Somani	Chairman
		Mr. Keshav Porwal	Member
		Mr. Surender Rana (w.e.f. 13.02.2026)	
		Mr. Pinank Jayant Shah	
2	Asset-Liability Committee	Mr. Keshav Porwal	Chairman
		Mr. Vinod Somani	Member
		Mr. Surender Rana (w.e.f. 13.02.2026)	
		Mrs. Rashmi Fauzdar	
		Mr. Pinank Jayant Shah	
		Mr. Vikas Srivastava	
		Mr. Mohit Sirpurkar (w.e.f. 13.02.2026)	

S. No.	Name of Committee	Composition	Designation in the Committee
3	IT Strategy Committee	Mrs. Rashmi Fauzdar	Chairperson
		Mr. Yogendra Pal Singh	Member
		Ms. Rekha Kashyap	
		Mr. Keshav Porwal	
		Mr. Pinank Jayant Shah	
		Mr. V P Ravindran Menon	
		Mr. Srinivas Nidumolu	
4	Credit Committee	Mr. Vinod Somani	Chairman
		Mr. Surender Rana (w.e.f. 13.02.2026)	Member
		Mr. Keshav Porwal	
		Mr. Pinank Jayant Shah	
		Mr. Mohit Sirpurkar (w.e.f. 13.02.2026)	
5	Securities Issuance Committee	Mr. Vinod Somani	Chairman
		Mr. Keshav Porwal	Member
		Mr. Pinank Jayant Shah	
6	Write-off and Settlement Committee	Mr. Yogendra Pal Singh	Chairman
		Mr. Vikas Srivastava	Member
		Mr. Dilbag Dahiya	
7	Review Committee	Mr. Keshav Porwal (w.e.f. 13.02.2026)	Chairman
		Mr. Vinod Somani	Member
		Mr. Surender Rana (w.e.f. 13.02.2026)	
		Mrs. Rashmi Fauzdar	
		Mr. Pinank Jayant Shah	
8	Identification Committee	Mr. Mohit Sirpurkar (w.e.f. 13.02.2026)	Chairman
		Mr. Dilbag Dahiya	Member
		Mr. Subhendu Bhanja	
9	Management Committee	Mr. Surender Rana (w.e.f. 13.02.2026)	Chairman
		Mr. Pinank Jayant Shah	Member
		Mr. Keshav Porwal	
		Mr. V P Ravindran Menon	

Meetings

S. No.	Name of Committee	No. of Meetings	Date of Meetings
1	Investment Committee (IC[1])	5	May 13, 2025
			August 12, 2025
			November 13, 2025
			February 12, 2026
			March 24, 2026
2	Asset-Liability Committee (ALCO)	4	May 13, 2025
			August 12, 2025
			November 13, 2025
			February 12, 2026
3	IT Strategy Committee (IT)	4	May 13, 2025
			August 12, 2025
			November 13, 2025
			February 12, 2026
4	Credit Committee (CC)	-	-
5	Securities Issuance Committee (SIC)	-	-
6	Write-off and Settlement Committee (WOSC)	3	September 30, 2025
			March 24, 2026
			March 28, 2026
7	Review Committee (RC)	-	-
8	Identification Committee (IC[2])	1	March 30, 2026
9	Management Committee (MC)	19	April 17, 2025
			April 30, 2025
			May 28, 2025
			June 28, 2025
			July 28, 2025
			August 28, 2025
			September 22, 2025
			September 25, 2025
			October 06, 2025
			November 06, 2025
			December 08, 2025
			December 22, 2025
			December 29, 2025
			January 08, 2026
			January 09, 2026
			February 09,2026
			February 28, 2026
			March 20, 2026
			March 26, 2026

Members Attendance in the above Committees

Name of Director/ Member	IC[1]	ALCO	IT	CC	SIC	WOSC	RC	IC[2]	MC
Mr. Keshav Porwal	5/5	4/4	4/4	-	-	-	-	-	19/19
Mr. Surender Rana (w.e.f. 13.02.2026)	1/1	0/0	-	-	-	-	-	-	3/3
Mr. Vinod Somani	5/5	4/4	-	-	-	-	-	-	-
Mr. Yogendra Pal Singh	-	-	4/4	-	-	3/3	-	-	-
Ms. Rashmi Fauzdar	-	4/4	4/4	-	-	-	-	-	-
Mr. Pinank Jayant Shah	5/5	4/4	4/4	-	-	-	-	-	19/19
Mr. Ravindran Menon	-	-	4/4	-	-	-	-	-	19/19
Ms. Rekha Kashyap	-	-	0/4	-	-	-	-	-	-
Mr. Vikas Srivastava	-	4/4	-	-	-	3/3	-	-	-
Mr. Piyush Mistry	-	-	-	-	-	-	-	-	-
Mr. Chetan Bafna (upto 31.01.2026)	-	3/3	-	-	-	-	-	-	-
Mr. Mohit Sirpurkar (w.e.f. 13.02.2026)	-	0/0	-	-	-	-	-	1/1	-
Mr. Dilbag Dahiya	-	-	-	-	-	3/3	-	1/1	-
Mr. Subhendu Bhanja	-	-	-	-	-	-	-	1/1	-
Mr. Srinivas Nidumolu	-	-	4/4	-	-	-	-	-	-

4. REMUNERATION/SITTING FEES PAID TO DIRECTORS

Details of remuneration/sitting fees paid to all the Directors of the Company for the Financial Year 2025-26 are as under:

(INR in Lakhs)

Sr. No	Name	Sitting Fees	Salary	Perquisites and Benefits	Shares in profit/ Incentive	Total
1.	Mr. Vinod Somani	13.00	-	-	-	13.00
2.	Mr. Surender Rana	-	45.39	-	-	45.39
3.	Mr. Yogendra Pal Singh	10.90	-	-	-	10.90
4.	Mr. Keshav Porwal	-	192.00	9.05	-	201.05

Sr. No	Name	Sitting Fees	Salary	Perquisites and Benefits	Shares in profit/ Incentive	Total
5.	Ms. Rashmi Fauzdar	13.35	-	-	-	13.35
6.	Ms. Jyuthika Mahendra Jivani	8.50	-	-	-	8.50
7.	Gen Dalbir Singh Suhag (Retd.)	6.00	-	-	-	6.00

Notes:

a) Salary and perquisites include all elements of remuneration i.e. salary, reimbursement and other allowances and benefits including employer's provident fund contribution and perquisite value.

Tenure of Service of Executive Director

Sr. No.	Name & Designation of Executive Director	Period of appointment	Date of appointment	Notice period
1.	Mr. Keshav Porwal, Managing Director	3 years	November 27, 2025	3 Calendar months
2	Mr. Surender Rana, Executive Vice Chairman	3 years	November 18, 2025	3 Calendar months

The appointments of the Executive Director(s) are governed by the resolution passed by the Board of Directors and the Shareholders of the Company, which cover the terms and conditions of such appointments, read with the service rules of the Company. There is no separate provision for payment of severance fee under the resolution(s) governing the appointment of Executive Director(s). The remuneration paid to the Executive Director(s) of the Company is approved by the Shareholders of the Company upon the recommendation of the Nomination & Remuneration Committee and the Board. The Company's remuneration strategy is market driven and aims at attracting and retaining high caliber talent. The strategy is in consonance with existing industry practice and is directed towards rewarding performance, based on review of achievements on a periodical basis.

b) During the period under review, there were no other pecuniary relationships or transactions with Independent Directors of the Company.

c) Criteria of making payments to Non-Executive Directors: No remuneration payment is made to Non-Executive Directors other than the sitting fee.

d) No stock options were granted by the Company to its Independent Directors, and no pension was made part of their remuneration.

5. KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL AND CHANGES THEREIN

The Company has the following Key Managerial Personnel(s) & Senior Management Personnel(s) as on March 31, 2026:

Sl. No.	Name	Designation
1.	Keshav Porwal	Managing Director
2.	Surender Rana[1]	Executive Vice Chairman
3.	Vikas Kumar Srivastava	Chief Financial Officer
4.	Pinank Jayant Shah	Chief Executive Officer
5.	Sulabh Kaushal	Chief Compliance Officer and Company Secretary
6.	Ravindran Menon	Chief Executive officer - RemitX
7.	Mohit Sirpurkar[2]	Head - Risk and Policy
8.	Srinivas Vasuki Nidumolu	Chief Technology Officer
9.	Manvinder Singh Walia	Chief Operating Officer
10.	Navin Mishra	Chief Human Resources Officer

[1] Mr. Surender Rana has been appointed w.e.f. November 18, 2025.
[2] Mr. Mohit Sirpurkar has been appointed w.e.f. December 30, 2025.

During the period under review and up to the date of this Report, the following changes occurred in the Company's Senior Management Personnel:

1. Mr. Chetan Bafna ceased to be associated with the Company as Chief Credit Officer with effect from February 1, 2026.
2. Mr. Gaurav Vyas ceased to be associated with the Company as Chief Information Security Officer with effect from April 15, 2026.

6. GENERAL BODY MEETINGS

a. Annual General Meeting ("AGM")

The location, date and time of the AGMs held during the last 3 years along with Special Resolution(s) passed thereat are as follows:

Sr. No.	Year of AGM	Place	Date & Time	Brief description of Special Resolution(s) passed
1.	2025	Video Conferencing/ Other Audio Visual Means	September 25, 2025 11:00 A.M.	i) re-appointment of Mr. Keshav Porwal (DIN: 06706341) as Managing Director of the Company for a period of 3 (three) years. ii) approve amendment in the object clause of the Memorandum of Association of the Company. iii) approve raising of funds by way of issuance of debt securities.
2.	2024		September 26, 2024 11:00 A.M.	i) appointment of General Dalbir Singh Suhag (Retd.) (DIN: 10742056) as an Independent Director of the Company for a period of 5 (Five) consecutive years.
3.	2023		September 21, 2023 9:30 A.M.	i) re-appointment of Dr. Harsh Kumar Bhanwala (DIN: 06417704) as Executive Chairman of the Company for a period of 3 (Three) years. ii) appointment of Ms. Rashmi Fauzdar (DIN: 07599221) as an Independent Woman Director of the Company for a period of 5 (Five) consecutive years.

b. Extra-ordinary General Meeting

No Extra-ordinary General Meeting was held during the financial year ended on March 31, 2026.

c. Postal Ballot

During the financial year ended on March 31, 2026, the Company had passed the following resolutions through Postal Ballot:

- **Postal Ballot dated December 30, 2025**

The Company sought the approval of the shareholders by way of a special resolution passed through the postal ballot on February 12, 2026, for:

i. Appointment of Mr. Surender Rana (DIN: 10315624) as Wholetime Director, designated as the Executive Vice Chairman of the Company.

Mr. Arun Kumar Gupta, Company Secretary in Practice (COP No. 8003) of M/s. Arun Gupta & Associates, Company Secretaries, was appointed as the Scrutinizer to conduct the Postal Ballot through e-voting processes in a fair and transparent manner. The details of e-voting pattern are as under:

Particulars	Percentage of Total Votes Polled (in %)	Result
Votes in favour of the resolution	100.00	Passed with requisite majority on February 12, 2026
Votes against the resolution	0.00	
Total	**100.00**	

d. Whether any special resolution is proposed to be conducted through postal ballot

As of the date of this Report, no special resolution is proposed to be conducted through postal ballot.

e. Procedure for Postal Ballot(s)

Pursuant to the applicable circulars issued by the Ministry of Corporate Affairs, the Postal Ballot Notice(s) dated December 30, 2025, were sent in electronic mode to those Members whose email addresses are registered with the Company/Depositories as on the respective cut-off date. Hard copy of the Postal Ballot Notice along with the Postal Ballot Form(s) and pre-paid business reply envelope(s) were not sent to the Members for the Postal Ballot in accordance with the applicable Circulars and Members were required to communicate their assent or dissent only through the remote e-voting, whose facility was provided by Kfin Technoligies Limited.

The newspaper advertisement to this effect were published, both in Financial Express (English) and Jansatta (Hindi) newspapers, in accordance with the provisions of the Act and Secretarial Standard-2 on General Meetings.

Upon completion of the remote e-voting, the scrutinizer submitted his report on postal ballot addressed to the Chairman of the Company and the result of Postal Ballot were declared by the Company and submitted to the Stock Exchanges where shares of the Company were listed and uploaded on the website of the Company.

7. MEANS OF COMMUNICATION

The Company regularly discloses important information, including quarterly, half-yearly, and annual financial results, as well as press releases and Investor's Presentation on significant developments, on its official website at www.capitalindia.com. These disclosures are also submitted to the stock exchange(s) where the Company's securities are listed.

To ensure effective communication with shareholders, extracts of the financial results and other statutory information are published in leading newspapers, Jansatta (Hindi) and Financial Express (English). Additionally, the Company electronically files all mandatory reports and disclosures, including financial results, shareholding patterns, and the corporate governance report on the stock exchange(s) portals. A detailed Management Discussion and Analysis Report is provided as a part in this Annual Report.

8. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company promotes ethical conduct across all its business operations. In line with this commitment and pursuant to the provisions of Section 177(9) & (10) of the Act, the Listing Regulations, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (**"PIT Regulations"**) and as per applicable directions issued by RBI the Company has established and implemented a robust Vigil Mechanism within the Company to be known as the **'Vigil Mechanism / Whistle Blower Policy'**. This mechanism provides a safe and confidential platform for Directors and employees to report concerns relating to unethical behavior, actual or suspected fraud, or violations of the Company's Code of Conduct.

The objective of the Policy is to provide adequate safeguards against victimization of whistle blowers using the Vigil Mechanism, and to ensure direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

Accordingly, the Vigil Mechanism / Whistle Blower Policy offers a structured channel for Directors and employees to report such concerns to the Vigilance and Ethics Officer, or, where appropriate, directly to the Chairman of the Audit Committee.

The purpose of this Policy is to establish a clear framework that promotes responsible and secure whistle blowing. It seeks to encourage employees to raise concerns about serious irregularities or misconduct within the Company, while ensuring that they are protected from any form of retaliation or victimization for doing so in good faith.

During the period under review, no complaints regarding unethical conduct or improper activity were reported under the Vigil Mechanism. Furthermore, no individual was denied access to the Audit Committee, and the mechanism continues to operate effectively in accordance with the established policy framework.

9. CODE OF CONDUCT

A commitment to ethical and professional conduct is expected of every employee, including the members of the Board of Directors and senior management personnel of the Company.

The Code of Conduct is intended to serve as a basis for ethical decision making in the conduct of professional work. The Code of Conduct entitles that every individual in the organisation must know & respect existing laws, accept & provide appropriate professional views and be upright in his/her conduct & observe corporate discipline. The Code of Conduct is available on the website of the Company at www.capitalindia.com.

All the members of the Board and Senior Management Personnel affirm compliance with the Code of Conduct annually. Declaration signed by the Managing Director to this effect, is appended herewith and forms part of this Report.

10. COMPLIANCE CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY

A certificate from M/s Divya Rani & Associates, Company Secretaries, certifying the Company's compliance with the provisions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V to the Listing Regulations, is appended herewith and forms part of this Report.

11. DISCRETIONARY REQUIREMENTS

A) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

The Company has appointed separate individuals to the post of Chairperson, Managing Director and the Chief Executive Officer of the Company. As on March 31, 2026, the position is as under:

S. No.	Name	Designation
1.	Mr. Vinod Somani	Non-Executive Chairman - (Independent)
2.	Mr. Keshav Porwal	Managing Director
3.	Mr. Pinank Jayant Shah	Chief Executive Officer

B) Unqualified financial statements

The Auditors' Report on the Audited Annual Financial Statements (Standalone & Consolidated) of the Company does not contain any qualification from the Statutory Auditors, and it shall be the endeavor of the Company to continue the trend by building up accounting systems and controls which ensure complete adherence to the applicable accounting standards and practices obviating the possibility of the Auditors' qualifying their report as to the Audited Accounts.

C) Reporting of Internal Auditor

The Internal Auditors of the Company report directly to the Audit Committee.

12. GENERAL SHAREHOLDERS INFORMATION

A) Company Registration Details

The Corporate Identity Number (CIN) of the Company is L74899DL1994PLC128577.

B) Annual General Meeting

Date & Day	Monday, 07th September, 2026
Time	11:30 A.M.
Venue	VC/OAVM

C) Financial Year

The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March the following calendar year.

D) Dividend and its Payment

The Board of Directors has not recommended the payment of final dividend on the equity shares of the Company for the financial year under review.

E) Securities Listed on Stock Exchange & Payment of Listing Fees

The Company's Equity Shares are listed on **BSE Limited**, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, and on the **National Stock Exchange of India Limited**, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

The annual listing fees for the financial year 2025–26 have been duly paid to **BSE Limited** and the **National Stock Exchange of India Limited**.

F) Scrip code

The equity shares of the Company are listed on the BSE Limited under Scrip Code **530879** and on the National Stock Exchange of India Limited under Symbol **CIFL**. The Company's debt securities are listed on BSE Limited under Debt Scrip Code **976963**.

G) Registrar and Share Transfer Agent

Shareholders may correspond with the Registrar & Share Transfer Agent at the following address for all matters related to securities of the Company:

KFin Technologies Limited
Selenium Building, Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana 500 032
Toll Free No.: 1800-309-4001
Email ID: einward.ris@kfintech.com
Website: www.kfintech.com

H) Share Transfer System

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialized form. As per Regulation 40 of the Listing Regulations, requests for effecting transfer of securities shall not be processed unless the securities are held in demat form with a depository.

I) Distribution of Shareholding

The shareholding distribution of equity shares as on March 31, 2026, is given hereunder:

Shareholding between	No. of shareholders	% of Total	Total Shares	Amount (INR in Lakhs)	% of Amount
1 to 10,000	7,461	93.41	36,67,995	73,35,990	0.94
10,001 to 20,000	204	2.55	15,95,644	31,91,288	0.41
20,001 & above	323	4.04	38,57,92,661	77,15,85,322	98.65
Total	**7,988**	**100.00**	**39,10,56,300**	**78,21,12,600**	**100.00**

J) Dematerialisation of Shares and Liquidity

As on March 31, 2026, the number of equity shares held in dematerialised form was 39,02,61,800 (99.80%) and in physical form was 7,94,500 (0.20%) of the total equity share capital of the Company. To enable us to serve the shareholders better, we request our shareholders whose shares are in physical mode to get their shares dematerialised and update their bank accounts and email ids with respective DPs. The Company does not have any GDRs/ADRs or any Convertible instruments having any impact on equity.

K) The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.

L) CEO & CFO Certification

In accordance with Regulation 17(8) of the Listing Regulations, the Chief Executive Officer and the Chief Financial Officer of the Company have submitted a compliance certificate confirming the matters specified under Part B of Schedule II of the Listing Regulations.

M) Information on Deviation from Accounting Standards

There has been no deviation from the Accounting Standards in preparation of the Annual Financial Statements of the Company for the financial year 2025-26.

N) Investor Correspondence
Mr. Sulabh Kaushal
Chief Compliance Officer & Company Secretary

Capital India Finance Limited
701, 7th Floor, Aggarwal Corporate Tower,
Plot No. 23, District Centre, Rajendra Place,
New Delhi – 110008
Email: secretarial@capitalindia.com

During the year ended on March 31, 2026, the Company has resolved all the investors' complaints satisfactorily. There was no pending investor complaint as on March 31, 2026.

Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;

O) Commodity price risk or foreign exchange risk and hedging risk

The Company does not have any exposure to commodity price risks during the financial year ended on March 31, 2026.

Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A): Not Applicable

During the year under review, there were no funds raised through preferential allotment or qualified institutions placement. Funds were raised through private placement and there was no deviation in utilization of such funds.

P) Plant location

In view of the nature of the Company's business viz. Non-Banking Financial Services and activities of Authorised Dealer Category-II, the Company carries its business activities from various branch offices in India.

Q) Address for Correspondence

Registered Office:
701, 7th Floor, Aggarwal Corporate Tower,
Plot No. 23, District Centre, Rajendra Place,
New Delhi – 110008
Tel: 011-6954 6000
Email: secretarial@capitalindia.com
Website: www.capitalindia.com

Corporate Office:
Level - 20, Birla Aurora, Dr. Annie Besant Road,
Worli, Mumbai - 400030
Tel: 022-4503 6000

R) Disclosures

a) The Company has, except stated elsewhere in the Annual Report, not entered into any materially significant related party transactions which have potential conflict with the interest of the Company at large. Your Board, on the recommendation of the Audit Committee, has approved a Policy on Related Party Transactions. The policy can be accessed from the Website of the Company at www.capitalindia.com.

b) The Company has complied with the requirements of the Stock Exchange(s), Securities and Exchange Board of India ("SEBI") and other statutory authorities on all matters relating to capital markets during the last three years. During the period under review, no penalties or strictures have been imposed on the Company by the Stock Exchange(s), SEBI or other statutory authorities relating to the above.

c) Your Board has approved a Policy for determining material subsidiaries. The policy can be accessed from the Website of the Company at www.capitalindia.com.

d) The Company has obtained a certificate from M/s Divya Rani & Associates, Company Secretaries, to the effect that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/the Ministry of Corporate Affairs or any such statutory authority(ies).

e) Your Board had accepted all the necessary recommendations of the Committee(s) of the Board during the financial year ended on March 31, 2026.

f) The details of the total fees paid during the financial year 2025-26, for the services availed by the Company, to V. Sankar Aiyar & Co., Chartered Accountants, the Statutory Auditors of the Company, and all entities in the network firm/network entity of which the Statutory Auditors are part of, are provided below:

Statutory Auditors	Nature	INR in Lakhs
V. Sankar Aiyar & Co.	Taxation matters (Tax audit fees)	2.53
	Auditor's remuneration (net of GST credit availed)	24.41
	Certification fees and other service	5.37
	Total	**32.31**

g) The Company has framed a Policy on Prevention of Sexual Harassment at Workplace in accordance with the applicable laws for all employees of the Company to inter alia ensure that the employees are not subject to any form of sexual harassment and to constitute the Internal Committee.

Your Company is fully committed to protect the rights of all women, of any age, whether employed or not, who alleges to have been subjected to any act of sexual harassment within the Company's premises. Your Company provides a safe and healthy work environment.

Status of Complaints under the POSH Act during the Financial Year 2025-26 is detailed below:

Particulars	Number of Complaints
Number of complaint(s) of sexual harassment received in the year	Nil
Number of complaint(s) disposed off during the year	Nil
Number of case(s) pending for more than ninety days	Nil
Number of case(s) pending at end of Financial Year	Nil

h) Disclosure by the Company and its subsidiaries of the Loans and Advances in the nature of loans to firms/companies in which Directors are interested, as on March 31, 2026:

Loans & Advances by the Company

Sl. No.	Name of the Firm/Company	Amount of Loans/ Advances (In INR)
-	-	-

Loans & Advances by the Subsidiary(ies)

Sl. No.	Name of the Firm/Company	Amount of Loans/ Advances (In INR)
-	-	-

Details of Material Subsidiary

Sl. No.	Particulars	Name of the Company(ies) identified as Material Subsidiary
		Rapipay Fintech Private Limited
1.	Date of Incorporation	April 6, 2009
2.	Place of Incorporation	Delhi
3.	Name of the Statutory Auditors	Nangia & Co. LLP
4.	Date of Appointment of Statutory Auditors by Shareholders	July 04, 2025

During the year under review, the Company divested its entire equity stake in its material subsidiary, People Home Finance Limited (formerly known as Capital India Home Loans Limited), to Weaver Services Private Limited. The divestment was completed on August 11, 2025, and consequently, People Home Finance Limited ceased to be a material subsidiary of the Company with effect from that date.

S) As on the date of this report, the Company has not issued any outstanding Global Depository Receipts (GDRs), American Depository Receipts (ADRs), warrants, or any other convertible securities. Therefore, no disclosure regarding conversion date or impact on equity share capital is applicable.

T) The Company has complied with all the applicable requirements of Corporate Governance as specified under sub-paragraphs (2) to (10) of Paragraph C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

U) Credit Rating

The Company continues to hold credit ratings from Infomerics Valuation and Rating Limited (formerly known as Infomerics Valuation and Rating Private Limited) and Acuité Ratings and Research Limited in respect of various financial facilities availed from time to time. The details of the ratings outstanding as on March 31, 2026 are as follows:

Rating Agency	Rated Facility / Instrument	Rated Amount (in Crores)	Rating / Outlook
Infomercis Valuation and Rating Limited	Bank Loan (Long Term)	900	IVR A / Negative
	Non-Convertible Debenture	100	IVR A / Negative
Acuite Ratings and Research Limited	Bank Loan (Long Term)	775	Acuite A- / Stable
	Bank Loan (Short Term)	25	Acuite A2+ / Stable

During the financial year under review, Infomerics Valuation and Rating Limited rated our Non-Convertible Debentures as under:

Name of Credit Rating Agency	Instrument	Ratings and Outlook	Revision during the year (if any)
Infomerics Valuation and Rating Limited	Non- Convertible Debentures (NCD's)	IVR A/Stable	**No revision in Rating.** Outlook revised from Stable to Negative

V) Equity Shares in the Suspense Account

There were no outstanding equity shares in the Unclaimed Suspense account of the Company, as on March 31, 2026.

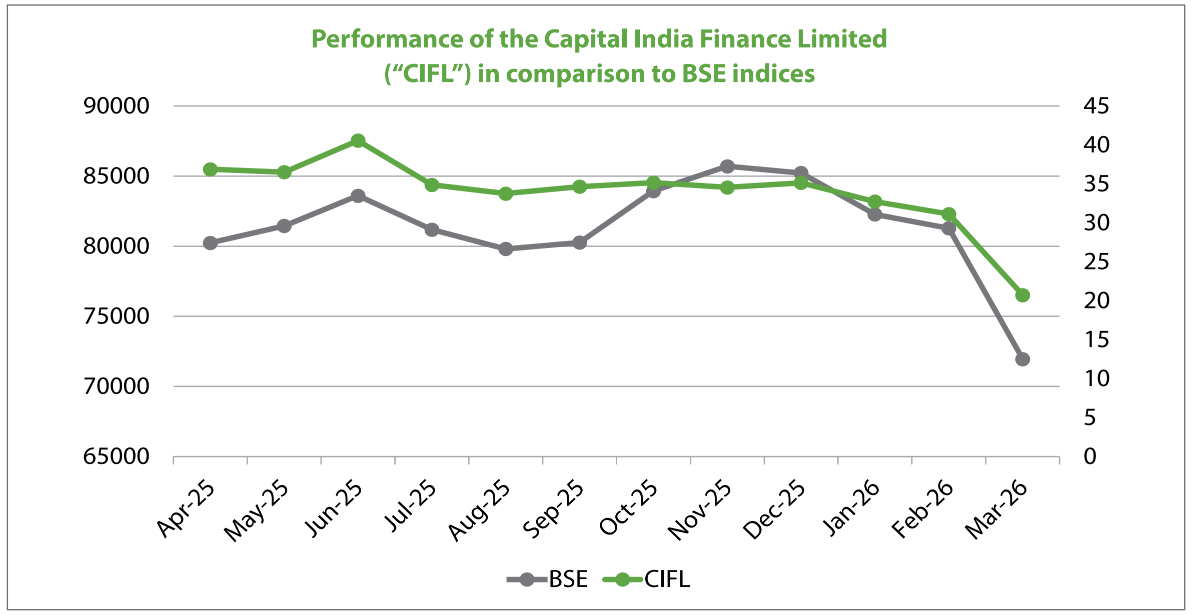
W) Stock Market Price at BSE Limited (BSE) and National Stock Exchange of India Limited

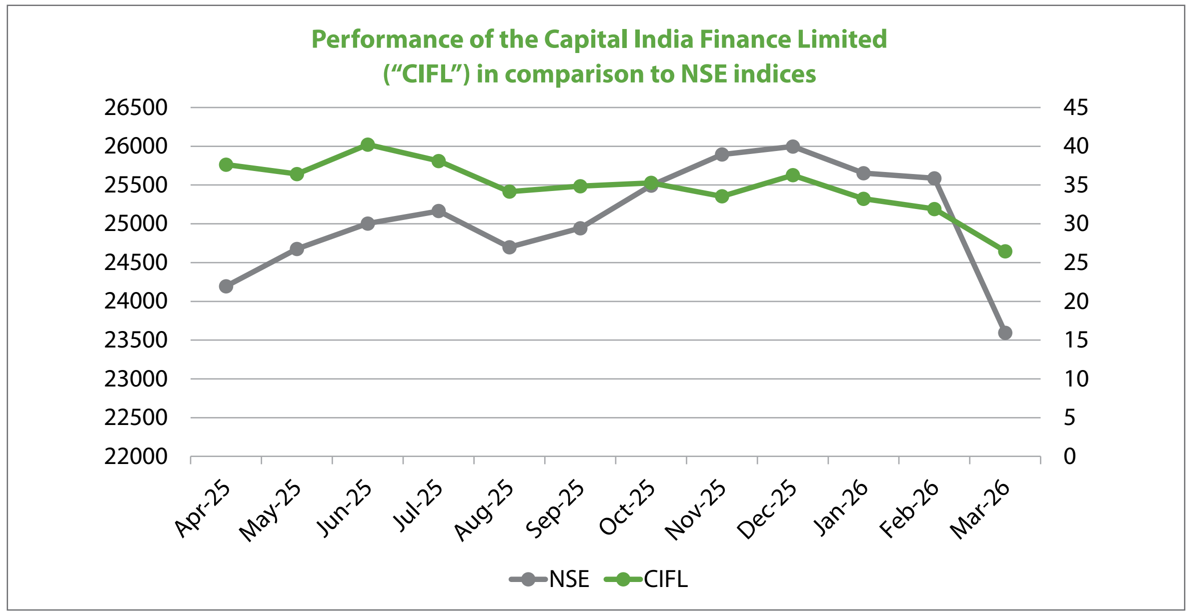
The monthly high and low market prices of equity shares at BSE Limited (BSE) and National Stock Exchange of India Limited* for the year ended on March 31, 2026, are as under:

Month	NSE High (INR)	NSE Low (INR)	No. of Shares Traded	BSE High (INR)	BSE Low (INR)	No. of Shares Traded
Apr-25	39.85	34.59	14,48,503	41.00	29.00	25,73,467
May-25	39.24	32.51	55,69,565	39.99	33.50	10,95,524
Jun-25	44.50	35.70	1,50,42,305	44.50	35.77	24,26,960
Jul-25	42.00	34.35	95,69,401	42.28	34.45	11,93,593
Aug-25	36.07	32.31	34,65,203	37.00	32.41	15,44,198
Sep-25	39.00	31.55	72,89,548	39.69	32.44	28,12,749
Oct-25	38.95	34.00	53,61,351	38.51	34.10	19,59,452
Nov-25	35.99	29.25	44,87,268	36.41	30.00	21,87,917
Dec-25	39.24	33.51	3,23,25,188	40.00	33.55	49,58,958
Jan-26	39.69	30.85	2,52,07,487	39.55	30.76	43,12,961
Feb-26	34.00	29.50	19,18,319	34.99	29.83	2,74,999
Mar-26	31.90	20.44	73,09,777	33.00	20.50	17,82,045

*The Company's equity shares were listed on the National Stock Exchange of India Limited ("NSE") on April 17, 2025.

X) Performance of the Company in comparison with the BSE and NSE Indices





Y) Details of the Directors seeking Appointment/Re-appointment

Inter alia, the following information related to the Director's appointment/re-appointments is being disclosed in the Notice convening the 32nd AGM of the Company:

a) brief resume;

b) nature of expertise in specific functional areas;

c) disclosure of relationships between directors inter-se;

d) names of listed entities in which the director also holds the directorship and the membership of Committees of the board; and

e) shareholding.

CEO & CFO CERTIFICATE

To,
The Shareholders and Board of Directors,
Capital India Finance Limited

Sub: Certificate under Regulation 17(8) and Regulation 33(2)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended on March 31, 2026

We, Pinank Jayant Shah, Chief Executive Officer and Vikas Srivastava, Chief Financial Officer of Capital India Finance Limited (**"Company"**), to the best of our knowledge and belief, certify that:

A. We have reviewed the financial statements and cash flow statements for the financial year ended March 31, 2026 (both standalone and consolidated basis) ("Financial Results") and to the best of our knowledge and belief:

   i. these financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and

   ii. these financial statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There is, to the best of our knowledge and belief, no transaction(s) entered into by the Company during the year ended March 31, 2026 which are fraudulent, illegal or violative of the Code of Conduct of the Company.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Company's internal control systems pertaining to the financial reporting and that we have disclosed to the Auditors' and the Audit Committee of the Board, 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 indicated to the Auditors and the Audit Committee of the Board:

   i. that there are no significant changes in internal control over financial reporting during the year; and

   ii. that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to these financial statements.

E. To the best of our knowledge and belief, there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 20, 2026
Place: Mumbai

Pinank Jayant Shah
Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

To,
The Shareholders
Capital India Finance Limited

Sub: Declaration by Managing Director under Schedule V of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015

I hereby declare that all the members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the financial year ended on March 31, 2026.

For and on behalf of the Board of
Capital India Finance Limited

Date: May 20, 2026
Place: Mumbai

Keshav Porwal
Managing Director

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,
Capital India Finance Limited
701, 7th Floor, Aggarwal Corporate Tower, Plot No. 23,
District Centre, Rajendra Place, New Delhi-110008

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Capital India Finance Limited (CIN: L74899DL1994PLC128577)**, having its registered office at 701, 7th Floor, Aggarwal Corporate Tower, Plot No. 23, District Centre, Rajendra Place, New Delhi-110008 (hereinafter referred to as **'the Company'**), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Directors	DIN	Designation	Date of appointment in Company
1.	Mr. Vinod Somani	00327231	Non-Executive Chairman (Independent Director)	20/12/2017
2.	Mr. Keshav Porwal	06706341	Managing Director	27/11/2017
3.	Mr. Yogendra Pal Singh	08347484	Independent Director	13/02/2019
4.	Ms. Rashmi Fauzdar	07599221	Independent Woman Director	24/08/2023
5.	Ms. Jyuthika Mahendra Jivani	10558392	Independent Woman Director	20/03/2024
6.	Mr. Dalbir Singh Suhag	10742056	Independent Director	13/08/2024
7.	Mr. Surender Rana	10315624	Executive Vice Chairman	18/11/2025

Ensuring the eligibility for appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Divya Rani & Associates**
Company Secretaries

Divya Rani
Proprietor
Membership No.: A64841
C.P. No. 26426
PR 6693/2025
Unique Code S2025HR1033200
UDIN: A064841H000540131

Place: New Delhi
Date: May 20, 2026

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
Capital India Finance Limited
701, 7th Floor, Aggarwal Corporate Tower, Plot No. 23,
District Centre, Rajendra Place
New Delhi-110008

1. I have examined the Compliance of conditions of Corporate Governance by **Capital India Finance Limited** (**the "Company"**) for the year ended 31st March, 2026 as stipulated under regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and paragraph C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").

Management's Responsibility

2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedure to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

3. My responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. I have examined the relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on my examination of the relevant records and according to the information and explanations given to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of regulation 46(2) and paragraph C, D and E of Schedule V of the Listing Regulations during the financial year ended 31st March 2026.

6. I state that such compliances are 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 **Divya Rani & Associates**
Company Secretaries

Divya Rani
Proprietor
Membership No.: A64841
C.P. No. 26426
PR 6693/2025
Unique Code S2025HR1033200
UDIN: A064841H000539832

Place: New Delhi
Date: May 20, 2026

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L74899DL1994PLC128577
2.	Name of the Listed Entity	Capital India Finance Limited
3.	Year of incorporation	1994
4.	Registered office address	701, 7th Floor, Aggarwal Corporate Tower, Plot No. 23, District Centre, Rajendra Place, New Delhi – 110008
5.	Corporate address	Level - 20, Birla Aurora, Dr. Annie Besant Road, Worli Mumbai - 400030
6.	E-mail	secretarial@capitalindia.com
7.	Telephone	011 69146000
8.	Website	www.capitalindia.com
9.	Financial year for which reporting is being done	2025-26
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (**"BSE"**) & National Stock Exchange of India Limited (**"NSE"**)
11.	Paid-up Capital	INR 78,21,12,600/- (Indian Rupees Seventy Eight Crores Twenty One Lakhs Twelve Thousand Six Hundred only)
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. Sulabh Kaushal Chief Compliance Officer & Company Secretary 011 691446000 secretarial@capitalindia.com
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

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Lending activities performed as Systemically Important Non-Deposit accepting Non-Banking Financial Company	Business of loans, advances and investments	89.15%
2.	Foreign Exchange services as an Authorised Dealer Category-II and Money Transfer Service Scheme	Business related to foreign exchange money changing activity and inward cross border international money transfers	10.85%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Financial Service Activities	649	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	NIL	Lending operations – 46 Foreign Exchange operations – 38	
International	NIL	NIL	NIL

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Lending operations – 9 Foreign Exchange operations –18
International (No. of Countries)	NIL

b. What is the contribution of exports as a percentage of the total turnover of the entity? NIL

c. A brief on types of customers

The Company primally focus on lending to corporates, Micro, Small and Medium Enterprises Entities and also Individuals, as per the need of the customer.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	894	795	88.93	99	11.07
2.	Other than Permanent (E)	27	21	77.78	6	22.22
3.	**Total employees (D + E)**	**921**	**816**	**88.60**	**105**	**11.40**
WORKERS						
4.	Permanent (F)	--	--	--	--	--
5.	Other than Permanent (G)	--	--	--	--	--
6.	**Total workers (F + G)**	**--**	**--**	**--**	**--**	**--**

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	--	--	--	--	--
2.	Other than Permanent (E)	--	--	--	--	--
3.	**Total differently abled employees (D + E)**	**--**	**--**	**--**	**--**	**--**
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	--	--	--	--	--
5.	Other than permanent (G)	--	--	--	--	--
6.	**Total differently abled workers (F + G)**	**--**	**--**	**--**	**--**	**--**

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	2	28.57
Key Management Personnel	5	NIL	NIL

20. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	46%	32%	44%	52%	34%	49%	52%	23%	48%
Permanent Workers	--	--	--	--	--	--	--	--	--

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. 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.	Capital India Corp Private Limited	Holding	72.59	No, the holding / subsidiary companies of the Company are not involved in the business responsibility initiatives of the Company.
2.	Rapipay Fintech Private Limited	Subsidiary	52.50	
3.	Capital India Asset Management Private Limited	Subsidiary	100.00	
4.	NYE Investech Private Limited (Formerly known as Kuants Wealth Private Limited)*	Step-down Subsidiary through Rapipay Fintech Private Limited	52.50*	
5.	Rapipay Payments Private Limited (Formerly known as NYE Insurance Broking Private Limited)*		52.50*	

*Held through Rapipay Fintech Private Limited

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
(ii) Turnover: INR 20,614.04 Lakhs as on March 31, 2025
(iii) Net worth: INR 62,153.57 Lakhs as on March 31, 2025

VII. Transparency and Disclosures Compliances

23. 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)	2025-26			2024-25		
		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	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Investors (other than shareholders)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Shareholders	Yes	1	0	N.A.	15	0	N.A.
Employees and workers	Yes	0	0	N.A.	0	0	N.A.
Customers	Yes, https://capitalindia.com/uploads/CorporateGovernance/Policy/Grievance%20Redressal%20Policy.pdf	235	5	N.A.	100	0	N.A.
Value Chain Partners	Yes	0	0	N.A.	0	0	N.A.
Other (please specify)	--	--	--	--	--	--	--

24. 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:

S. 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)
No Sustainability Issues identified during FY 25-26					

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. These nine principles are as follows:

P1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

P2 Businesses should provide goods and services in a manner that is sustainable and safe

P3 Businesses should respect and promote the well-being of all employees, including those in their value chains

P4 Businesses should respect the interests of and be responsive to all its stakeholders

P5 Businesses should respect and promote human rights

P6 Businesses should respect and make efforts to protect and restore the environment

P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

P8 Businesses should promote inclusive growth and equitable development

P9 Businesses should engage with and provide value to their consumers in a responsible manner

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)	Y	Y	Y	Y	Y	Y	N.A.	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Policies wherever stated have been approved by the Board/ Committee of the Board/ Senior Management of the Company.								
c. Web Link of the Policies, if available	www.capitalindia.com								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	N.A.	Y	Y

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	The Company strives to influence its value chain partners to participate in responsible and sustainable business conduct depending upon their means and resources. For this purpose, the Board of the Company has approved various policies such as Direct Selling Agents (DSA) Outsourcing Policy, Code of Conduct for Outsourced Activities, Fair Practice Code, Whistle Blower Policy, etc. These policies enable participation of value chain partners in fair and ethical conduct of their business.								
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.	All policies have been developed based on industry practices, as per the regulatory requirements and through appropriate consultation with relevant stakeholders.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Ensuring adherence to the values, principles and business ethics envisaged by the Principles of NGRBC in all dealings of the Company and its value chain partners and protecting the long-term interest of the stakeholders of the Company and ensuring highest standards of ethics, transparency and disclosures.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company constantly monitors the performance towards the goals and take adequate actions wherever required and have a robust governance mechanism to monitor the progress. The Board oversees the vision and focus towards our goals and as well as monitoring the progress against the stated vision and reviewing the policies and practices, ensuring that they remain effective.								

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)

   Doing business in a responsible and sustainable manner is one of the key imperatives for us at Capital India Finance Limited. We remain committed to promoting financial inclusion through affordable finance. We continuously engage in discussion with all our stakeholders to identify Ethical Business Conduct, Efficient and Transparent Customer Service, Corporate Governance, Risk Management, Human Capital Development, among other important issues. Engaging with stakeholders on sustainability issues builds trust, enhances brand reputation, and strengthens relationships with customers, investors, and communities.

   We instituted practices like Comprehensive Code of Conduct, sound risk culture, investment in emerging areas of cyber security and information security, employee welfare policies, monitoring consumption of resources in an efficient and prudent manner among several other practices.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Keshav Porwal Managing Director 022 - 4503 6000 secretarial@capitalindia.com
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.	No

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	As a practice, all the policies of the Company are reviewed periodically or on a need basis by department heads, business heads, senior management personnel/ respective committees and as and when required the policies are placed before the Board for their comments/ review/ approval. During this assessment, the efficacy of these policies is also reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with the extant regulations, as applicable.																	

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.									
Evaluation is a continuous process and is done internally by the Company.									

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	N.A.								
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.

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 categorycovered by the awareness programmes
Board of Directors	On an ongoing basis, the Company carries out familiarization programs for its directors, as required under the SEBI Listing Regulations and keeps the Directors and KMPs abreast on matters relating to the industry, business models, risk metrices, mitigation and management, governing regulations, ESG, information technology including cyber security, their roles, rights and responsibilities and major developments and updates on the Company, etc.		100%
Key Managerial Personnel			100%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective categorycovered by the awareness programmes
Employees other than BoD and KMPs	We aim towards formal and informal training and development of our employees, to help them stay ahead of latest trends and technology. Further, for certain relevant topics periodical awareness programs are carried out through emails, posters / banners (physical and digital) and other modes of internal communication. Such training / awareness programs are on array of topics, such as Code of Conduct, Ethics, Cyber Security, Data Privacy, Fraud Prevention, Functional Trainings, Insider Trading, Prevention of Sexual Harassment, Skill Upgradation, etc.		100%
Workers	N.A.		N.A.

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 :

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement/ agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement	NIL				
Compounding fee					

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement/ agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL			
Punishment				

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/ enforcementagencies/ judicial institutions
N.A.	

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.

N.A.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26	FY 2024-25
Directors	NIL	NIL
KMP's	NIL	NIL
Employees	NIL	NIL
Workers	N.A.	N.A.

6. Details of complaints with regard to conflict of interest:

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	N.A.	NIL	N.A.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	N.A.	NIL	N.A.

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.

N.A.

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
NIL		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has a separate Code of Conduct for Board of Directors and Senior Management Personnel of the Company which provides that Directors and Senior Management shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement.

A declaration from the Directors and Senior Management's affirmation to the said Code of Conduct is communicated to all stakeholders by the MD, through the Annual Report.

In addition, the Company has adopted a 'Policy on Related Party Transactions' to ensure compliance of the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 at the time of entering into any transaction with its related parties.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

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.

	Current financial year	Previous financial year	Details of improvements in environmental and social impacts
R&D	The Company operates in the financial services sector therefore this aspect doesn't relate to the nature of the business. However, the Company monitors its energy consumption, and waste generation as a part of its sustainability roadmap.		
Capex			

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The Company's present nature of business doesn't present opportunities for sustainable sourcing aspect in a holistic way.

b. If yes, what percentage of inputs were sourced sustainably?

N.A.

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) (b) E-waste (c) Hazardous waste and (d) other waste.

N.A.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

The Company operates in a financial services sector therefore this aspect doesn't relate to the nature of the business.

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, provide the web-link.
No					

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
Not Applicable		

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	FY 2024-25
As stated, the Company provides financial services to its customers and does not manufacture any products, hence this aspect does not relate to the nature of business of the Company.		

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:

	FY 2025-26			FY 2024-25		
	Re-used	Recycled	Safely Deposited	Re-used	Recycled	Safely Deposited
Plastics (including packaging)	N.A.					
E-waste						
Hazardous waste						
Other Waste						

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
N.A.	

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

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	795	795	100	--	--	NA	NA	795	100	NA	NA
Female	99	99	100	--	--	99	100	NA	NA	NA	NA
Total	894	894	100	--	--	99	11.07	795	88.93	NA	NA
Other than Permanent Employees											
Male	21	21	100	21	100	NA	NA	21	100	NA	NA
Female	6	6	100	6	100	6	100	NA	NA	NA	NA
Total	--	--	--	--	--	--	--	--	--	--	--

b. Details of measures for the well-being of workers: N.A.

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	N.A.										
Female											
Total											
Other than Permanent Workers											
Male	N.A.										
Female											
Total											

2. Details of retirement benefits, for Current FY and Previous and Financial Year.

Benefits	FY 2025-26			FY 2024-25		
	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%	-	Y	100%	-	Y
Gratuity	100%	-	N.A.	100%	-	N.A.
ESI	100%	-	Y	100%	-	Y
Others – please specify	-	-	-	-	-	-

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.

As a principle, the Company prohibits any kind of discrimination against any person with disability in any matter related to employment as per the Right of Person with Disabilities Act, 2016. Our various corporate offices have ramps for easy movement of differently abled people and wheelchair accessible restrooms are available.

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.

We prohibit discrimination against any person with disability in any matter related to employment. We further provide remuneration and equal opportunities at the time of recruitment as well as during employment irrespective of age, sex, color, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease (viz. HIV/Aids) or any other status of individuals, thereby presenting an opportunity to excel and grow best suited to the individual's suitability and ability to perform the related work.

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	100%	100%	N.A.	
Female	100%	100%		
Total	100%	100%		

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.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	N.A.
Other than Permanent Workers	
Permanent Employees	Redresses grievances through following mechanism: A. Employee portal B. Internal Committee for 'Prevention of sexual harassment of women at workplace'
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26			FY 2024-25		
	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	--	--	--	--	--	--
- Male	--	--	--	--	--	--
- Female	--	--	--	--	--	--
Total Permanent Workers	N.A.					
- Male						
- Female						

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	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	795	795	100	795	100	531	531	100	531	100
Female	99	99	100	99	100	85	85	100	85	100
Total	894	894	100	894	100	616	616	100	616	100
Workers										
Male	N.A.									
Female										
Total										

All the employees have access to relevant learning and development opportunities. The learning needs are identified by a combination of self, manager and department head and classified under functional, behavioural and organizational needs in their KRAs.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	%(B/A)	Total (C)	No. (D)	%(D/C)
Employees						
Male	795	795	100	531	531	100
Female	99	99	100	85	85	100
Total	894	894	100	616	616	100
Workers						
Male	N.A.					
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?

Organisation comprehends that occupational health & safety and overall physical & mental well-being of its employees is integral part to its success and growth aspirations. The Company ensures occupational health & safety awareness and build competency among associates at all levels to handle individual and team occupational health and safety responsibility, through organising appropriate trainings such as Yoga Sessions, training on strengthening of mental, social and emotional health, online training on food safety and personal hygiene, and so on.

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 ensures occupational health and safety awareness and build competency among associates at all levels to handle individual and team occupational health and safety responsibility, through organising appropriate trainings such as Yoga Sessions, training on strengthening of mental, social and emotional health, online training on food safety and personal hygiene, and so on

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N) - Not Applicable

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No) - Yes

11. Details of safety related incidents, in the following format: NIL

Safety Incident/ Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	--	--
	Workers	--	--
Total recordable work-related injuries	Employees	--	--
	Workers	--	--
No. of fatalities	Employees	--	--
	Workers	--	--
High consequence work-related injury or ill-health (excluding fatalities)	Employees	--	--
	Workers	--	--

12. Describe the measures taken by the entity to ensure a safe and healthy work place. - Please refer 10(a) above

13. Number of Complaints on the following made by employees and workers: NIL

Category	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	--	--	--	--	--	--
Health & Safety	--	--	--	--	--	--

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	We aim to respect the employees' dignity while maintaining a safe, hygienic, and humane work environment. Internal inspections are conducted on a regular basis to evaluate the working conditions and many areas of health and safety procedures in our offices.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions. NA

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of
   (A) Employees (Y/N) Y
   (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.

   All the values chain partners of abide with their respective contracts wherein it is clearly provided that they will be responsible for compliance with applicable laws such as GST, Provident Fund, Labour Law or any other applicable law including registration/ approval from statutory authority. Further, the Company has a system in place to check the statutory dues deducted and deposited through the challans submitted along with the bills by value chain partners.

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: NIL

	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	FY 2024-25	FY 2025-26	FY 2024-25
Employees		-	-	-
Workers		-	-	-

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) - No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	We expect all our value chain partners to follow extant regulations, including health and safety practices and working conditions.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. N.A.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   The Company has identified institutions, individuals or a group of individuals furthering the mission of the Company as its key stakeholder groups and it include employees, shareholders including prospective investors, customers, lenders, and the society.

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 & Marginalized 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
Employees	No	Multiple channels – physical and digital	Weekly	Employee Engagement
Shareholder	No	Multiple channels - physical and digital such as press releases, disclosure on stock exchanges etc.	Periodic and need based	To inform about the performance, major developments and other relevant updates regarding the Company
Customer	No	Multiple channels – physical and digital.	Periodic and need based	Servicing across the lifecycle of the customer, redressal to queries / grievances, periodic communication to provide relevant update.

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 ensures transparent communication and access to relevant information about its decisions that impact relevant stakeholders, keeping in mind the need to protect confidential competitive plans and information.

   Engagement with stakeholders is a continuous process, as a part of the Company's business activities. Such engagement is generally driven by the responsible business functions, with senior executives also participating based on the need of the engagement.

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. Continuous engagement with stakeholders helps in aligning expectations, thereby enabling the Company to better serve its stakeholders.

   The Company personnel interact with various stakeholders to understand the evolvement and relevance of ESG topics, their impact, and expectations from the Company. Based on such interactions, the Company has, over last few years, enhanced it's reporting on business responsibility. The Company believes that it is still learning the evolving aspects of ESG and lays significant importance to such interactions.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

   The Company through their CSR policies have taken up various initiatives and activities for the benefit of different segments of the society, with focus on the marginalised, poor, needy, deprived and underprivileged persons.

PRINCIPLE 5

Businesses should respect and promote human rights

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			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	--	--	--	--	--	--
Other than Permanent	--	--	--	--	--	--
Total Employees	--	--	--	--	--	--
Workers						
Permanent	N.A.					
Other than Permanent						
Total Workers						

Every employee in the organisation must adhere to the commitment of integrity and ensure following the principles of mutual respect, privacy, equal opportunities and non-discrimination, health, safety and environment, prevention of sexual harassment.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	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	795	0		795		530	0		530	100
Female	99	0		99		83	0		83	100
Other than Permanent										
Male	21	0		21		3	0		3	100
Female	6	0		6		2	0		2	100
Workers										
Permanent	N.A.									
Male										
Female										
Other than Permanent										
Male										
Female										

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	2	1,64,42,400	--	--
Key Managerial Personnel	5	1,40,32,323	--	--
Employees other than BoD and KMP	790	4,50,000	99	3,99,743
Workers				

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.
   a. Yes, the Company is committed to provide equal employment opportunities without any discrimination on the grounds of disability, gender, caste, religion, race, state, background, colour, and maintaining a work environment that is free from harassment.
   b. Abiding by the provisions of the Minimum Wages Act 1971, the minimum wages paid to the employees and contractors are revised periodically. The salary paid to employees of all categories fulfils all norms of the Act as prescribed.
   c. The Company has a zero-tolerance policy towards sexual harassment at the workplace, which has been implemented across all locations and installations. Internal Complaints Committees (ICCs) have been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received on sexual harassment.
   d. We have a comprehensive Whistle Blower Policy in place enabling employees to report malpractices such as misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, and matters affecting the interests of the Company with necessary safeguards for the protection of the whistleblower.

6. Number of Complaints on the following made by employees and workers: Nil

	FY 2025-26			FY 2024-25		
	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	--	--	--	--	--	--
Discrimination at workplace	--	--	--	--	--	--
Child Labour	--	--	--	--	--	--
Forced Labour/Involuntary Labour	--	--	--	--	--	--
Wages	--	--	--	--	--	--
Other human rights related issues	--	--	--	--	--	--

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases. - As detailed in the respective policies

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No) - Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	We are in compliance of the relevant laws, as applicable
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. NA

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints. - There have been no significant human rights grievances / complaints warranting modification / introduction of business processes

2. Details of the scope and coverage of any Human rights due-diligence conducted. – N.A.

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

4. Details on assessment of value chain partners.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	We strive to influence our value chain partners to adhere to the same values, principles and business ethics upheld by us in all their dealings. No specific assessment in respect of value chain partners has been carried out, other than certain elements covered in annual review of processes and controls of select sample of value chain partners by the Company
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above. N.A.

PRINCIPLE 6:

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: -The Company operates in the financial service sector and do not undertakes any energy intensive activities, therefore, this aspect doesn't relate to the nature of business.

Parameter	FY 2025-26	FY 2024-25
Total electricity consumption (A)	--	--
Total fuel consumption (B)	--	--
Energy consumption through other sources (C)	--	--
Total energy consumption (A+B+C)	--	--
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	--	--
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.

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.

   No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	The usage of water in the organization is restricted to human consumption purposes only. Efforts have been made to ensure that water is consumed judiciously in the office/ branch premises.	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

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.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

   Not Applicable

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx		N.A.	
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

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.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	The Company is a service-oriented company and is in the business of providing finance and has a very limited environmental impact in terms of greenhouse gas emissions. Our focus on environmental indicators is passive.	
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent		
Total Scope 1 and Scope 2 emissions per rupee of turnover			
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.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

   No

8. Provide details related to waste management by the entity, in the following format: The Company is a service-oriented company and is in the business of providing finance and has a very limited waste generation. Efforts have been made to keep the waste generation to minimum levels.

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	--	--
E-waste **(B)**		
Bio-medical waste **(C)**	--	--
Construction and demolition waste **(D)**		
Battery waste **(E)**	--	--
Radioactive waste **(F)**		
Other Hazardous waste. Please specify, if any. **(G)**	--	--
Other Non-hazardous waste generated **(H).** Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	--	--
Total (A+B + C + D + E + F + G + H)		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	--	--
(ii) Re-used		
(iii) Other recovery operations	--	--
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	--	--
(ii) Landfilling	--	--
(iii) Other disposal operations	--	--
Total		

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.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

   Given the nature of the business, there is no usage of hazardous and toxic chemicals by the Company and the Company has systems in place to manage and dispose of e-waste.

10. 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:

S. 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.
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details ofproject	EIA NotificationNo.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in publicdomain (Yes / No)	Relevant Web link
Not Applicable					

12. 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:

S. No.	Specify the law / regulation /guidelines which was not complied with	Provide details ofthe non-compliance	Any fines /penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective actiontaken, if any
The Company is in compliance with applicable environmental norms applicable to the nature of its business.				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format: - The Company operates in the financial service sector and do not undertakes any energy intensive activities, therefore, this aspect doesn't relate to the nature of business.

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A)	--	--
Total fuel consumption (B)	--	--
Energy consumption through other sources (C)	--	--
Total energy consumed from renewable sources (A+B+C)		
From non-renewable sources		
Total electricity consumption (D)	--	--
Total fuel consumption (E)	--	--
Energy consumption through other sources (F)	--	--
Total energy consumed from non-renewable sources (D+E+F)		

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.

2. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	N.A.	
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

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.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): N.A.

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area

   (ii) Nature of operations

   (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	--	--
(ii) Groundwater	--	--
(iii) Third party water	--	--
(iv) Seawater / desalinated water	--	--
(v) Others	--	--
Total volume of water withdrawal (in kilolitres)	--	--
Total volume of water consumption (in kilolitres)	--	--
Water intensity per rupee of turnover (Water consumed / turnover)	--	--
Water intensity (optional)– the relevant metric may be selected by the entity	--	--
Water discharge by destination and level of treatment (in kilolitres)		
(i) 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.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	N.A.	
Total Scope 3 emissions per rupee of turnover			
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.

5. With respect to the ecologically sensitive areas reported at Question 10 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.

   Not Applicable

6. 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
N.A.			

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

   Yes. The Company has Business Continuity Plan (BCP) Policy in place to have a planned response in the event of any contingency ensuring recovery of critical activities at agreed levels within agreed timeframe thereby complying with various regulatory requirements and minimizing the potential business impact to the Company. BCP Policy is compliant with applicable regulatory requirements and includes disaster management protocols. BCP Policy provides for a Business Continuity Management (BCM) activities for planning, implementing, verifying, reviewing and evaluating continuity.

8. 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.

   Company's operations as a financial services company does not present any significant adverse impact to the environment.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   NIL

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent N.A.

Essential Indicators

a. Number of affiliations with trade and industry chambers/ associations.

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.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.		

3. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. 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

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

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
NIL					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. 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)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

   For community-based projects, the Company's CSR team serves as a facilitator, fostering dialogue among key stakeholders—including beneficiaries, community leaders, and local authorities—to effectively address and resolve grievances.

   The grievance resolution process involves the following steps:

   (i) Quarterly review meetings are conducted with all relevant stakeholders to assess project progress and discuss emerging concerns.

   (ii) During these meetings, issues and feedback are deliberated with community-based groups such as Mohalla Committees, Self-Help Groups (SHGs), School Development Committees, and Village Development Committees.

   (iii) The Company, in collaboration with stakeholders, analyses the issues, evaluates available options, and discusses their potential implications before identifying suitable solutions. Where concerns arise within or between community groups, stakeholders are encouraged to resolve them through dialogue, negotiation, and consensus-building among the affected individuals or groups.

   (iv) If a grievance pertains to the project implementation team, the matter is reviewed internally, and appropriate corrective actions are identified and implemented within the stipulated timeframe.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	Not Applicable since we are not involved in manufacturing of goods and sourcing of goods is not a part of our core activities.	
Sourced directly from within the district and neighbouring districts		

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
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

   CSR projects were not undertaken in the Aspirational Districts

S. No.	State	Aspirational District	Amount spent (In INR)
NIL			

3 (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) No

(b) From which marginalized /vulnerable groups do you procure? N.A.

(c) What percentage of total procurement (by value) does it constitute? N.A.

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:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

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
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Projects	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Rural Development-Stray cattle welfare	30 cattle's	100%
2	Quality Education	500	100%
3	Livelihood	15	100%

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   As per the Grievance Redressal Policy of the Company, the mechanisms for Redressal of the Complaints are as below:

   a) The Customers are advised to file the Complaint by furnishing complete details of the same to the Company.
   b) Upon receipt of the Complaint by the Company, the acknowledgement along with a complaint identification number and the details of the designated officer, who will be dealing with the Complaint, shall be provided to the Customer within 3 (Three) working days from the date of receipt of such Complaint.
   c) The Company shall provide the necessary clarification / justification with respect to the Complaint, to the satisfaction of the Customer and take all appropriate measures to resolve the Complaint within 30 (Thirty) working days from the date of receipt of such Complaint.
   d) In case any additional time is required for resolution of the Complaint, the Company shall inform the Customer about the requirement of such additional time along with the expected timelines for the resolution of such Complaint.
   e) The Chief Executive Officer and the Head of Operations of the Company shall ensure that all Complaints filed by the Customers are resolved within the stipulated time frame.
   f) A record of all Complaints filed by the Customers and the response or resolution provided by the Company shall be maintained by the Company as per the Company's policy formulated for document preservation and archival.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Transparency and fairness in dealings with customers is followed by the Company. None of the products withhold any relevant information needed by the customers to make informed decisions.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising						
Cyber-security	-	-	-	-	-	-
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Others	235	5	-	100	0	-

4. Details of instances of product recalls on account of safety issues: N.A.

	Number	Reason for recall
Voluntary recalls		
Forced recalls		

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.

   The Company have in place Data Security and Cyber Security Policies to ensure the Confidentiality, Integrity, availability and authenticity of data belonging to the Company and to prevent, detect and respond to cyber-attacks, protect critical assets which have been impacted, build a knowledgebase of the attacks and continuously improve protection against new and emerging threats.
   Web-link: https://www.capitalindia.com/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.

   No penalties or regulatory action has been levied or taken on the above-mentioned parameters.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
   https://www.capitalindia.com/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
   Emailer and/or SMS

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
   Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. 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)

   Not Applicable

5. Provide the following information relating to data breaches:
   a. Number of instances of data breaches along-with impact - NIL
   b. Percentage of data breaches involving personally identifiable information of customers - Not Applicable

Standalone Financial Statements

Independent Auditor's Report

To the Members of

Capital India Finance Limited

Report on the Audit of the Standalone Ind AS financial statements

Opinion

We have audited the Standalone Ind AS financial statements of Capital India Finance Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of Material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its profit (financial performance including total comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

Key Audit Matter	Response to Key Audit Matter
Expected Credit Loss (ECL) on Loans and Advances	**Principal Audit Procedures:**
As at March 31, 2026, the carrying value of loan assets measured at amortized cost, aggregated Rs.112688.26 Lakhs (net of allowance of ECL of Rs. 2236.76 Lakhs) constituting approximately 66% of the Company's total assets. The estimation of ECL on financial instruments involves significant judgement and estimates. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Data inputs - The application of ECL model requires several data inputs.	We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the board of directors pursuant to Reserve Bank of India ("RBI") guidelines. Tested the assumptions used for staging of loan portfolio into various categories and default buckets for determining the Probability of Default (PD) and Loss Given Default (LGD) rates. Assessed the criteria for staging of loans based on their past-due status. Tested samples of performing (Stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 as per Ind AS 109.

Key Audit Matter	Response to Key Audit Matter
• Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. • Qualitative and quantitative factors used in staging the loan assets measured at amortized cost. • Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them. • Adjustments to model driven ECL results to address emerging trends. Refer Note 6 to the Standalone Financial Statements.	Tested the arithmetical accuracy of computation of ECL provision performed by the Company. Assessed the disclosures included in the standalone financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109.
Information technology (IT) systems used in financial reporting process. The Company's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily. We therefore identified IT systems and controls over financial reporting as a key audit matter for the Company.	**Principal Audit Procedures:** We obtained an understanding of the Company's IT control environment relevant to the audit. We tested the design, implementation and operating effectiveness of the Company's General IT controls over the key IT systems which are critical to financial reporting. We also tested key automated and manual controls and logic for system generated reports relevant to the audit that would materially impact the standalone financial statements. In addition to above, we have also relied on the work of the internal auditors and system auditors.
Investment in Subsidiaries The Company has equity investments in subsidiaries. The Company accounts for such investments at cost (subject to impairment assessment). The carrying value of investments is assessed for impairment and where applicable, impairment provision is recognized. The accounting for investments is a key audit matter as the determination of recoverable value for impairment assessment involves significant management judgment and estimates such as future expected level of operations and related forecast of cash flows, market conditions, discount rates, terminal growth rate, etc. Refer Note 7 to the Standalone financial statements.	**Principal Audit Procedures:** We understood the management's process of evaluating the triggers for impairment, forecasting the future cash flows, evaluation of assumptions and comparison of estimates to externally available industry, economic and financial data, wherever available and necessary. We assessed that the methodology used by management to estimate the recoverable value of each investment is consistent with accounting standards. We assessed the assumptions used by the management to determine the recoverable amount of the investments in subsidiaries. We compared the carrying value of the Company's investment in these subsidiaries to their respective financial statements which were available with their respective net asset values and fair values and discussed with management about their performance and future outlook.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Sustainability Report, Corporate Governance and Shareholders Information but does not include the standalone and consolidated 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 in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose or preparation of the standalone financial statements.

   d) In our opinion, the aforesaid standalone financial statements comply with the 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 as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its managing director 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, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note No 41 to the Standalone Financial Statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. - Refer Note No 53c to the Standalone Financial Statements;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note No 60l to the Standalone Financial Statements;

      iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries - Refer Note No 60a to the Standalone Financial Statements;

      b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries - Refer Note No 60b to the Standalone Financial Statements; and

      c) In our opinion and based on the audit procedures we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

      v. The final dividend declared and paid by the Company during the year for the financial year 2024-25 is in compliance with Section 123 of the Act. The Company has not declared any dividend for the financial year 2025-26.

      vi. Based on our examination which included test checks and based on information and explanation provided by the Company, the Company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we 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 – Refer Note 60k to the Standalone Financial Statements.

For **V Sankar Aiyar & Co**
Chartered Accountants
(FRN 109208W)

(S Nagabushanam)
Partner
M.No. 107022
UDIN: 26107022NCXGGW1880

Place: Mumbai
Date: May 20, 2026

Annexure A to Auditor's Report

Annexure referred to in our report of even date to the members of Capital India Finance Limited on the accounts for the year ended 31st March 2026

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i) (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment and relevant details of Right-of-Use Assets.

(B) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Intangible Assets.

(b) As per information and explanations given to us the Property, Plant and Equipment have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the operations of the Company and on the basis of explanations received no material discrepancies were noticed during the verification.

(c) According to the information and explanations given to us the Company does not have any immovable property.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets during the year.

(e) According to the information and explanations given to us, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The Company is primarily engaged in lending business. Accordingly, it does not hold any inventories. Thus paragraph 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the security of current assets. Basis the information and explanation provided to us and basis our audit procedures undertaken, we have not come across any difference between the information submitted in the quarterly returns / statements filed by the company with such banks or financial institutions when compared with the books of account and other relevant information provided by the Company.

iii) The Company is primarily engaged in lending activities and hence reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.

b. Considering that the Company is a Non – Banking Finance Company, the investments made, security given, guarantees provided and the terms and conditions of the grant of all loans and advances in the nature of loans are not prima facie prejudicial to the Company's interest.

c. In respect of the loans given and advances in the nature of loans, the Company has stipulated the schedule of repayment of principal and payment of interest. However, given the nature of business of the Company being a Non – Banking Finance Company, there are some cases during the year and as at March 31, 2026 wherein the amounts were overdue vis-à-vis stipulated terms.

d. In respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount for more than ninety days (including NPAs) as at the Balance Sheet date except for the following cases as on March 31, 2026:

(Rs. In Lakhs)

Number of Cases	Principal Amount Overdue	Interest Amount Overdue	Total Amount Dues
276	2885.76	415.65	3301.41

Furter, basis discussions with the management and representation given by the management, we understand that reasonable steps have been taken by the Company for recovery of the principal and interest.

e. The Company is engaged primarily in lending activities and hence reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.

f. Basis the information and explanations provided to us, we did not come across loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Thus, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company

(iv) Section 185 is not applicable to Non – Banking Finance Company. According to the information and explanations given to us, the Company has complied with Section 186 of the Act.

(v) According to the information and explanation given to us, the Company being NBFC ND-SI registered with RBI, has not accepted any deposit during the year. Therefore, reporting under paragraph 3 (v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act for the business activities carried out by the Company. Thus, reporting under paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it to the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, duty of excise and value added tax.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, cess and other material statutory dues which 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 and on the basis of our examination of the records, there are no dues of provident fund, employees' state insurance, Income Tax that have not been deposited on account of any dispute. However, according to the information and explanations given to us, the following dues of Goods and Services Act has not been deposited by the Company on account of dispute:

Nature of the Statute	Nature of the Dispute	Amount of Tax & Penalty (Rs in Lakhs)	Period to which amount relates	Forum where dispute is pending
Goods and Service Tax Act, 2017	Input Tax availed wrongly	28.22	Financial Year 2020-21	Appellate Authority

(viii) According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) In our Opinion and according to information and explanation provided to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and to the best of our knowledge and belief, in our opinion, term loans availed by the Company (including funds raised by issue of Non-Convertible Debentures), were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application of proceeds.

(d) In our opinion and according to the information and explanation provided to us and on an overall examination of the standalone financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long term purposes by the Company.

(e) In our opinion and according to the information and explanation provided 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 subsidiaries.

(f) In our opinion and according to the information and explanation provided to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Further, the Company does not have any joint ventures and associates. Hence, reporting on Clause 3(ix)(f) of the Order is not applicable.

(x) (a) In our opinion and according to the information and explanation provided to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanation provided to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of material fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management.

(b) We have not filed Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, since we have not come across any instances of fraud by the Company or on the Company during the year.

(c) According to the information and explanation given to us and based on our audit procedures, no whistle blower complaints were received by the Company during the year (up to the date of this report).

(xii) The Company is not a Nidhi Company and hence clause (xii) of the order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanation given to us, the Company has complied with provisions of sections 177 and 188 of Companies Act with respect to related party transactions entered in to during the year and the details have been disclosed in the Standalone Financial Statements as required under Ind AS 24 – Related Party Disclosures.

((xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him during the year

(xvi) (a) According to the information and explanation given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India (RBI) Act, 1934 and the registration has been obtained.

(b) The Company is a registered Non Banking Finance Company and holds a valid Certificate of Registration (CoR) from the Reserve Bank of India and hence reporting under paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanation given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence this clause is not applicable.

(d) According to the information and explanations given to us, there is one CIC in the Group, Capital India Corp Private Limited ("CICPL"), which is registered with the Reserve Bank of India.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors during the year and accordingly this clause is not applicable.

(xix) In our opinion and on the basis of examination of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the balance sheet date 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount on account of ongoing projects or other than ongoing projects for the year requiring a transfer to a Fund specified in Schedule VII to the Act or special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(b) According to the information and explanations given to us, no amount is remaining unspent under sub-section (5) of section 135 of the Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(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 **V Sankar Aiyar & Co.,**
Chartered Accountants
(FRN 109208W)

(S Nagabushanam)
Partner
M.No. 107022
UDIN: 26107022NCXGGW1880

Place: Mumbai
Date: May 20, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF CAPITAL INDIA FINANCE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of Capital India Finance Limited ("the Company") as of March 31st, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026 based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

For **V. Sankar Aiyar & Co.,**
Chartered Accountants
(FRN 109208W)

(S Nagabushanam)
(M.No. 107022)
UDIN: 26107022NCXGGW1880

Place: Mumbai
Date: May 20, 2026

Standalone Balance Sheet

as at 31st March, 2026

(Currency: Rs. In Lakhs)

Sr. No.	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
	ASSETS			
1	**Financial Assets**			
	a Cash and cash equivalents	3	17,569.99	10,093.24
	b Bank balances other than Cash and cash equivalents	4	7,943.28	5,954.93
	c Receivables	5		
	(i) Trade Receivables		790.79	1,004.47
	(ii) Other Receivables		53.36	7.01
	d Loans	6	1,12,688.26	89,883.79
	e Investments	7	23,147.44	23,013.15
	f Other financial assets	8	2,177.40	2,231.65
	Total Financial Assets		**1,64,370.52**	**1,32,188.24**
2	**Non-financial Assets**			
	a Current tax assets(Net)	9	947.59	44.85
	b Deferred tax asset (Net)	10	982.72	706.66
	c Property, plant and equipment	11	729.53	959.11
	d Other Intangible assets	12	39.30	56.15
	e Right of use assets	13	2,123.91	1,177.55
	f Other non-financial assets	14	1,925.43	1,536.67
	Total Non-financial Assets		**6,748.48**	**4,480.99**
	Total Assets		**1,71,119.00**	**1,36,669.23**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial Liabilities**			
	a Payables	15		
	I Trade Payables			
	(i) Total outstanding dues of micro and small enterprises		-	-
	(ii) Total outstanding dues of other than micro and small enterprises		1,490.88	963.55
	II Other Payables			
	(i) Total outstanding dues of micro and small enterprises		-	-
	(ii) Total outstanding dues of other than micro and small enterprises		45.41	30.30
	b Debt Securities	16	5,105.16	-
	c Borrowings (Other than Debt Securities)	17	87,981.85	65,940.20
	d Other financial liabilities	18	6,325.89	5,333.72
	e Lease liabilities	46	2,129.05	1,331.73
	Total Financial Liabilities		**1,03,078.24**	**73,599.50**
2	**Non-Financial Liabilities**			
	a Provisions	19	831.40	682.56
	b Other non-financial liabilities	20	277.11	233.60
	Total Non-Financial Liabilities		**1,108.51**	**916.16**
3	**EQUITY**			
	a Equity share capital	21	7,821.13	7,782.64
	b Other equity	22	59,111.12	54,370.93
	Total Equity		**66,932.25**	**62,153.57**
	Total Liabilities and Equity		**1,71,119.00**	**1,36,669.23**

Corporate Information 1
Material accounting policies 2
Notes 3 to 62 forms integral part of the Standalone Financial Statements

In terms of our report attached

For V.SANKAR AIYAR & Co.
Chartered Accountants
Firm Registration No. : 109208W

S.Nagabushanam
Partner
Membership No. : 107022

Place: Mumbai
Date: 20th May, 2026

For and on behalf of the board
Capital India Finance Limited

Vinod Somani
Non-Executive Chairman (Independent)
DIN : 00327231

Keshav Porwal
Managing Director
DIN : 06706341

Pinank Jayant Shah
Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

Sulabh Kaushal
Chief Compliance Officer & Company Secretary
Membership No. : A34674

Standalone Statement of Profit and Loss

for the year ended 31st March, 2026

(Currency: Rs. In Lakhs)

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2026	For the year ended 31st March, 2025
	Revenue from operations :			
	i Interest income	23	18,608.56	16,199.96
	ii Fees and commission income	24	1,681.10	1,839.51
	iii Income from foreign exchange services	25	1,256.12	1,225.27
	iv Net gain on fair value changes	26	1,071.99	484.99
	v Net gain / (loss) on derecognition of financial instruments under amortized cost category	27	58.00	741.00
(I)	**Total revenue from operations**		**22,675.77**	**20,490.73**
(II)	Other income	28	291.04	123.31
(III)	**Total income (I+II)**		**22,966.81**	**20,614.04**
	Expenses :			
	i Finance costs	29	8,243.90	7,067.86
	ii Impairment on financial instruments	30	3,591.44	404.25
	iii Employee benefits expenses	31	8,375.14	6,420.68
	iv Depreciation and amortization expenses	32	915.91	933.39
	v Other expenses	33	7,091.58	4,499.56
(IV)	**Total expenses**		**28,217.97**	**19,325.74**
(V)	**Profit /(Loss) before exceptional items and tax (III-IV)**		**(5,251.16)**	**1,288.30**
(VI)	Exceptional items	35	9,791.83	-
(VII)	**Profit before tax (V+VI)**		**4,540.67**	**1,288.30**
(VIII)	**Tax Expense:**			
	Current Tax		797.05	353.73
	Deferred Tax charge/(credit)	10	(281.39)	(47.80)
	Excess/ Short provision of tax of earlier years		(10.83)	(195.73)
(IX)	**Profit for the year (VII-VIII)**		**4,035.84**	**1,178.10**
(X)	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	i Re-measurement of net defined benefit plan		21.19	11.56
	ii Income tax impact on above	10	(5.33)	(2.91)
	Total Other Comprehensive Income		**15.86**	**8.65**
(XI)	**Total Comprehensive Income for the year (IX+X)**		**4,051.70**	**1,186.75**
(XII)	**Earnings per equity share**	36		
	i Basic (Rs)		1.03	0.30
	ii Diluted (Rs)		1.01	0.29
	iii Face value per equity share (Rs)		2.00	2.00

Corporate Information 1
Material accounting policies 2
Notes 3 to 62 forms integral part of the Standalone Financial Statements

In terms of our report attached

For V.SANKAR AIYAR & Co.
Chartered Accountants
Firm Registration No. : 109208W

S.Nagabushanam
Partner
Membership No. : 107022

Place: Mumbai
Date: 20th May, 2026

For and on behalf of the board
Capital India Finance Limited

Vinod Somani
Non-Executive Chairman (Independent)
DIN : 00327231

Keshav Porwal
Managing Director
DIN : 06706341

Pinank Jayant Shah
Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

Sulabh Kaushal
Chief Compliance Officer & Company Secretary
Membership No. : A34674

Standalone Statement of Cash Flow

for the year ended 31st March, 2026

(Currency: Rs. In Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and taxes	4,540.67	1,288.30
Adjustments for:		
Depreciation and amortisation expenses	915.91	933.39
Provision for employee benefits	93.39	42.60
Share based payments to employees	472.65	324.04
Interest on lease liability	116.89	158.62
Interest income on lease rental deposits	(26.65)	(24.12)
Impairment on financial instruments	3,591.44	404.25
(Profit) / Loss on sale of property plant and equipment	26.57	52.97
(Gain)/Loss on direct assignment transactions	(58.00)	(741.00)
Net gain on fair value changes	(1,071.99)	(484.99)
Gain on sale of investment	(9,791.83)	-
Interest on income tax refund	(5.03)	-
Non-cash components of lease liabilities	(138.10)	(35.07)
Interest income	(18,581.91)	(14,469.24)
Finance costs on borrowings	8,127.01	6,962.82
Cash inflow from interest income	18,871.06	14,579.90
Cash outflow towards finance costs	(8,137.91)	(6,949.57)
Operating profit before working capital changes	**(1,055.83)**	**2,042.90**
Changes in -		
(Increase) / Decrease in loans and advances	(26,685.06)	(4,693.01)
(Increase) / Decrease in trade and other receivables	167.33	(331.98)
(Increase) / Decrease in other financial assets	138.90	(98.94)
(Increase) / Decrease in other non-financial assets	(407.88)	(131.64)
Increase / (Decrease) in trade payables	542.44	(101.58)
Increase / (Decrease) in other financial liabilities	992.17	1,442.81
Increase / (Decrease) in other non-financial liabilities	43.51	(60.45)
Increase / (Decrease) in provision	71.31	(75.94)
Cash generated from/ (used in) operations	**(26,193.11)**	**(2,007.83)**
Income tax paid	(1,678.60)	(183.59)
Net cash generated from/ (used in) operating activities (A)	**(27,871.71)**	**(2,191.42)**
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets	(179.50)	(278.31)
Proceeds from sale of property, plant and equipment	0.64	10.20
(Investment)/ Redemption in investments	(14,562.30)	(4,884.65)
Net proceeds from sale of subsidiary	25,291.83	-
(Investment)/ Maturity in fixed deposits	(1,988.35)	491.32
Net cash generated from/ (used in) investing activities (B)	**8,562.32**	**(4,661.44)**

Standalone Statement of Cash Flow (Contd.)

for the year ended 31st March, 2026

(Currency: Rs. In Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of equity shares	332.27	66.33
Payment of dividend	(77.94)	(77.73)
Payment of lease rent	(625.90)	(618.25)
Proceeds from debt securities	5,000.00	-
Proceeds from borrowings	55,182.34	40,000.00
Repayment of borrowings	(33,024.63)	(30,735.93)
Net cash generated from/ (used in) financing activities (C)	**26,786.14**	**8,634.42**
D) Net increase in cash and cash equivalents (A+B+C)	**7,476.75**	**1,781.56**
E) Cash and cash equivalents as at the beginning of the year	10,093.24	8,311.68
F) Cash and cash equivalents as at the end of the year	**17,569.99**	**10,093.24**

Cash and cash equivalents comprises:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash on hand	33.31	30.81
Foreign currencies in hand	636.96	828.98
Balances with banks		
- in current accounts	3,079.73	2,224.46
- in deposit accounts	13,819.99	7,008.99
Total	**17,569.99**	**10,093.24**

Note : The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

Notes 3 to 62 forms integral part of the Standalone Financial Statements

In terms of our report attached

For V.SANKAR AIYAR & Co.
Chartered Accountants
Firm Registration No. : 109208W

For and on behalf of the board
Capital India Finance Limited

S.Nagabushanam
Partner
Membership No. : 107022

Vinod Somani
Non-Executive Chairman (Independent)
DIN : 00327231

Keshav Porwal
Managing Director
DIN : 06706341

Pinank Jayant Shah
Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

Sulabh Kaushal
Chief Compliance Officer & Company Secretary
Membership No. : A34674

Place: Mumbai
Date: 20th May, 2026

Standalone Statement of Changes in Equity

for the year ended 31st March, 2026

(Currency: Rs. In Lakhs)

A Equity share capital

Particulars	Amount
Balance as at 01st April, 2024	**7,773.43**
Changes in equity share capital during the year	9.21
Balance as at 31st March, 2025	**7,782.64**
Changes in equity share capital during the year	38.49
Balance as at 31st March, 2026	**7,821.13**

B Other equity

Particulars	Employee stock option outstanding	Reserves and Surplus				Other comprehensive income	Total
		Statutory reserve	Securities premium	General reserves	Retained earnings		
Balance as at 01st April, 2024	**329.85**	**2,232.74**	**42,119.40**	**1.76**	**8,158.67**	**38.33**	**52,880.75**
Dividend on equity share	-	-	-	-	(77.73)	-	(77.73)
Transfer to/from retained earnings	-	235.62	-	-	(235.62)	-	-
Share based payment expenses	324.04	-	-	-	-	-	324.04
Transferred to retained earnings for options lapsed	(63.98)	-	-	-	63.98	-	-
Profit for the year after income tax	-	-	-	-	1,178.10	-	1,178.10
Share options exercised during the year	(7.99)	-	7.99	-	-	-	-
Securities premium on ESOP exercised during the year	-	-	57.12	-	-	-	57.12
Other Comprehensive Income for the year before income tax	-	-	-	-	-	11.56	11.56
Less: Income Tax on Other Comprehensive Income	-	-	-	-	-	(2.91)	(2.91)
Balance as at 31st March, 2025	**581.92**	**2,468.36**	**42,184.51**	**1.76**	**9,087.40**	**46.98**	**54,370.93**
Dividend on equity share	-	-	-	-	(77.94)	-	(77.94)
Transfer to/from retained earnings	-	807.17	-	-	(807.17)	-	-
Share based payment expenses	472.65	-	-	-	-	-	472.65
Transferred to retained earnings for options lapsed	(7.83)	-	-	-	7.83	-	-
Profit for the year after income tax	-	-	-	-	4,035.84	-	4,035.84
Share options exercised during the year	(52.14)	-	52.14	-	-	-	-
Securities premium on ESOP exercised during the year	-	-	293.78	-	-	-	293.78
Other Comprehensive Income for the year before income tax	-	-	-	-	-	21.19	21.19
Less: Income Tax on Other Comprehensive Income	-	-	-	-	-	(5.33)	(5.33)
Balance as at 31st March, 2026	**994.60**	**3,275.53**	**42,530.43**	**1.76**	**12,245.96**	**62.84**	**59,111.12**

In terms of our report attached

For V.SANKAR AIYAR & Co.
Chartered Accountants
Firm Registration No. : 109208W

S.Nagabushanam
Partner
Membership No. : 107022

Place: Mumbai
Date: 20th May, 2026

For and on behalf of the board
Capital India Finance Limited

Vinod Somani
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Managing Director
DIN : 06706341

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Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

Sulabh Kaushal
Chief Compliance Officer & Company Secretary
Membership No. : A34674

Notes to Standalone Financial Statements

for the year ended 31st March 2026

1) Corporate Information

Capital India Finance Limited ('the Company') is a public company domiciled in India and incorporated on 16th November 1994 under the provisions of Companies Act, 1956. The Company has received a Certificate of Registration (COR) number B-14.03278 dated 30th August 2017 from the Reserve Bank of India ('RBI') in accordance with Reserve Bank of India ('RBI'), Act, 1934 to carry on the business of Non-Banking Financial Company ('NBFC') without accepting public deposits. The Company has been classified as a Non-Deposit Accepting NBFC-Middle Layer (NBFC-ML) under the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation dated 28th November, 2025, issued by the Reserve Bank of India ("RBI"). The company is also engaged in the business of foreign exchange services as an Authorised Category II Dealer vide RBI license No. NDL-ADII-0044-2023 dated 05th January, 2026, under the RBI Master Directions on Money Changing Activities. The Company has also been granted an authorization by RBI to undertake inward cross border money transfer activities in India under Money Transfer Service Scheme ("MTSS"). The equity shares of the Company are listed on the National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE") in India.

2) Material accounting policies

2.1 Basis of preparation of financial statements

A) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations which require a different treatment. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

The Company has complied with the disclosures as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 issued by the Reserve Bank of India (RBI) vide their Notification No. RBI/DOR/2025-26/339 dated 28th November, 2025, as amended.

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year's figures have been re-grouped or reclassified, to conform to current year's grouping / classifications. There is no impact on Equity or Net Profit/Loss due to these regrouping / reclassifications.

The accounting policies are applied consistently to all the periods presented in the financial statements 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.

A summary of the material accounting policy information and other explanatory information is in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as specified under Section 133 of the Act including applicable Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India.

B) Functional and presentation currency

The Company's presentation and functional currency is Indian Rupees. All figures appearing in the financial statements are in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Act. Per share data is presented in Indian Rupees to two decimal places.

C) Basis of preparation, presentation and disclosure of financial statements

The financial statements are prepared on a going concern basis in accordance with Ind AS 1, as the management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including projections of profitability, cash flows, and capital resources.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Further, assets and liabilities are classified as per the normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act as applicable to NBFCs.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

D) Fair value measurement

Fair value is the price that would be received on sale of an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in Statement of Profit and Loss on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data or the transaction is closed out.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Valuation using quoted market price in active markets:

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted market price, without any deduction for transaction costs. The market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Valuation using observable inputs:

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates most of the factors that market participants would take into account in pricing a transaction.

Level 3 - Valuation with significant unobservable inputs:

The valuation techniques are used only when fair value cannot be determined by using observable inputs. The Company regularly reviews significant unobservable inputs and valuation adjustments. Level 3 assets are typically very illiquid, and fair values can only be calculated using estimates.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

E) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires the management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amount of assets, liabilities and the accompanying disclosures along with contingent liabilities as at the date of financial statements and revenue and expenses for the reporting period. 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 outcomes different from the estimates. Differences between actual results and estimates are recognized in the year in which the results are known or materialized, i.e., prospectively.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas involving estimation uncertainty, higher degree of judgement or complexity, or areas where assumptions are significant to the financial statements include:

i) Impairment of financial assets

ii) Estimation of fair value measurement of financial assets and liabilities

iii) Effective interest rate method

iv) Business model assessment

v) Provisions and Contingencies

vi) Useful life and expected residual value of assets

vii) Tax position for current tax and recognition of deferred tax assets/liabilities

viii) Measurement of Defined Benefit Obligations and actuarial assumptions

ix) Classification of lease and related discount rate

Notes to Standalone Financial Statements

for the year ended 31st March 2026

2.2 Financial Instruments

a) Recognition and initial measurement –

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at Fair Value through Profit and Loss (FVTPL) are recognized immediately in Statement of Profit and Loss.

b) Classification and subsequent measurement of financial assets –

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

- Amortized cost
- Fair Value Through Other Comprehensive Income (FVTOCI) – debt instruments
- Fair Value Through Other Comprehensive Income (FVTOCI) – equity instruments
- Fair Value Through Profit and Loss (FVTPL)

Amortized cost -

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial assets in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures bank balances, loans, Trade receivables and other financial instruments at amortized cost.

Fair Value Through Other Comprehensive Income - debt instruments –

The Company measures its debt instruments at FVTOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

Fair Value Through Other Comprehensive Income - equity instruments –

The Company subsequently measures all equity investments at fair value through Profit or Loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVTOCI, when such instruments meet the definition of equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. All financial assets not classified as measured at amortized cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Subsequent measurement of financial assets:

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is recognized in Statement of Profit and Loss.

Debt investment at FVTOCI is subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

For equity investments, the Company makes selection on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These selected investments are measured at fair value with gains and losses arising from changes in fair value recognized in Other Comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purposes. Dividend income received on such equity investments is recognized in Statement of Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and

Notes to Standalone Financial Statements

for the year ended 31st March 2026

subsequent changes in fair value are recognized in Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Statement of Profit and Loss.

c) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and
- Either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset 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 recognized in the statement of Profit and Loss.

d) Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115

e) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts, and it intends either to settle them on a net basis or to realize the assets and settle the liability simultaneously.

f) Impairment of financial instruments:

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets measured at amortized cost or FVTOCI, except for investments in equity instruments. The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition.

The Company perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1 (Performing Assets) – includes financial assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL is recognized and interest income is calculated on the gross carrying amount of the assets (that is, without deduction for credit allowance). 12-month ECL are the portion of ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date, if the credit risk has not significantly increased since initial recognition.

Stage 2 (Underperforming Assets with significant increase in credit risk since initial recognition) – includes financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognized, but interest income is calculated on the gross carrying amount of the assets. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the instrument.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

Stage 3 (Non-performing or Credit-impaired assets) – includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL is recognized.

Measurement of Expected Credit Loss

Expected Credit Losses (ECL) on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low and incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. Measurement of expected credit losses is based on following parameters mentioned.

- Probability of default (PD): It is defined as the probability of whether borrowers will default on their obligations in future. Since the Company don't have any history of past losses therefore it was not adequate enough to create our own internal model through which actual defaults for each grade could be estimated. Hence, the default study published by one of the recognized rating agency is used for estimating the PDs for each range grade.
- Loss given default (LGD): It is the magnitude of the likely loss, if there is a default. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value.
- Exposure at default (EAD): EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities.
- Forward looking information: While estimating the expected credit losses, the Company consider the key macro-economic factors.

g) Write offs: The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no reasonable expectation of recovering the 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 subject to the write-off and when there is no reasonable expectation of recovery from the collaterals held. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

h) Simplified approach - Trade and other receivables

The Company follows the simplified approach for recognition of impairment allowance on trade and other receivables that do not contain a significant financing component.

i) Presentation of allowance for ECL in the Balance Sheet -

Loss allowances for ECL are presented in the statement of financial position as follows:

- For financial assets measured at amortized cost; as a deduction from the gross carrying amount of the assets;
- For debt instruments measured at FVTOCI; loss allowance is recognized separately in Balance Sheet and the carrying amount is at fair value.

j) Financial liabilities and equity instruments:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity Instruments issued by the Company are recognized at the proceeds received, net of direct issues costs.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. Financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognized in Statement of Profit or Loss. Any gain or loss on derecognition is also recognized in Statement of Profit or Loss.

k) The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the

Notes to Standalone Financial Statements

for the year ended 31st March 2026

original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Profit or Loss.

l) Foreign currency risk

The Company undertakes foreign currency transactions as part of its foreign exchange business. The currency risk arising from these transactions is centrally monitored by a dedicated dealing room. The dealing room consolidates and manages positions generated at individual locations across the country and hedges such exposures through transactions in the interbank market or by entering into forward contracts. This centralized risk management process ensures that open foreign currency positions are maintained at minimal levels.

2.3 Cash and Cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances, foreign currencies and notes, demand deposits with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than or equal to three months. Other bank balances include balances and deposits with banks that are restricted for withdrawal and usage. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

2.4 Statement of Cash Flow

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net Profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. Non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the statement of cash flows exclude items which are not available for general use as on the date of Balance Sheet.

2.5 Property, plant and equipment

a) Recognition and Measurement

Tangible property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

The residual values and useful lives and method of depreciation of PPE are reviewed at each financial year end and adjusted prospectively.

b) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Expenditure incurred after the PPE has been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

c) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives as prescribed in Part C of Schedule II to the Companies Act 2013. The estimated lives used and differences from the lives prescribed under schedule II are noted in the table below:

Type of Assets	Estimated useful life as assessed by the Company	Estimated useful life
Computers	3 years	3 years
Computer Software	3 years	3 years
Office equipment	5 years	5 years
Vehicles	5 years	8 years
Furniture and fixtures	10 years	10 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

Depreciation is provided on a pro-rata basis i.e. from the month in which asset is ready for use. Individual assets costing less than or equals to Rs. 5,000 are depreciated in full, in the year of purchase. Depreciation on assets sold during the year is recognized on a pro-rata basis in the Statement of Profit and Loss up to the date prior to the date by which the assets have been disposed off.

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.

d) Derecognition

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is recognised in other income/ expense in the statement of Profit and Loss (including Other Comprehensive income) in the year the asset is derecognised.

2.6 Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/ duty credits availed, if any, less accumulated amortization and cumulative impairment. Direct expenses and administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of intangible assets.

These intangible assets are amortised on a straight-line basis over their estimated useful life of three years, with no residual value.

Any expenses on such software for support and maintenance payable annually are charged to the Statement of Profit and Loss.

2.7 Impairment of non-financial assets

The carrying values of assets at each Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount in Statement of Profit and Loss. Recoverable amount is the greater of the net selling price and value in use. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

2.8 Investment in subsidiaries

Subsidiaries are entities over which the Company has control. The Company recognises investments in subsidiaries and associates at cost and are not adjusted to fair value at the end of each reporting period as allowed by Ind AS 27 'Separate Financial Statement'.

2.9 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Further, long-term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognized as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:

Contingent assets are not recognized in the financial statements.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

2.10 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on loan sanctioned and on investments partly paid; and
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

2.11 Foreign exchange transactions and translations

Initial recognition:

Transactions in foreign currencies are recognized at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction date. On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e., Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured. When any non-monetary foreign currency item is recognised in Other Comprehensive Income, gain or loss on exchange fluctuation is also recorded in Other Comprehensive Income. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

2.12 Revenue recognition

Revenue (other than those items to which Ind AS 109 Financial Instruments is applicable) is measured based on the consideration specified in the contracts with the customers. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognizes revenue from contracts with customers based on a five-step model as set out in Ind AS 115.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

a) Recognition of Interest income

Interest income on financial asset at amortized cost is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). Interest Income is recognized in the statement of Profit and Loss using effective interest rate (EIR) on all financial assets subsequently measured under amortized cost or fair value through Other Comprehensive income (FVTOCI) except for those classified as held for trading.

The calculation of EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognized in Profit or Loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e., at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit- impaired financial assets the interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets. For financial assets originated or purchased credit-impaired (POCI) the EIR reflects ECLs in determining the future cash flows expected to be received from the financial asset.

Interest income on penal interest and tax refunds is recognized on receipt basis.

Interest income on fixed deposit is recognized on time proportionate basis.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

b) Fee and Commission income

Fee and commission income include fees other than those that are an integral part of EIR. Income from consultancy and commission is recognized on completion of relevant activity based on agreed terms of the contract.

c) Other financial charges

Cheque bouncing charges, late payment charges and foreclosure charges are recognized on a point-in-time basis and are recorded when realized since the probability of collecting such monies is established when the customer pays.

d) Dividend income

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

e) Income from Securities

Gains or losses on the sale of securities are recognized in Statement of Profit and Loss on trade date basis as the difference between fair value of the consideration received and carrying amount of the investment securities.

f) Net gain/ Loss on fair value changes

Any differences between the fair values of the financial assets classified at fair value through the Profit or Loss, held by the Company on the Balance Sheet date is recognized as an unrealized gain/loss in the Statement of Profit and Loss. In cases there is a net gain in aggregate, the same is recognized in "Net gains on fair value changes" under income and if there is net loss in aggregate, the same is recognized in "Net loss on fair value changes" under expense in the Statement of Profit and Loss.

g) Income from Foreign Currency

It comprises of income arising from the buying and selling of foreign currencies on the net margins earned, commissions on sale of foreign currency denominated prepaid cards and agency commissions from on currency remittances. Revenue from financial services are recognized by reference to the time of services rendered.

h) Income from de-recognition of assets:

Gains arising out of de-recognition transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the transaction is entered into with the transferee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the transferee is recorded upfront in the statement of Profit and Loss. EIS is evaluated and adjusted for expected prepayment and other factors.

2.13 Employee Benefits

Short term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Long Term employee benefits

Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. Long-term employee benefit primarily consists of Leave encashment benefits wherein employees are entitled to accumulate leave subject to certain limits for future encashment/availment. Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year using Projected Unit Credit (PUC) Method. Actuarial gains/losses, if any, are recognized immediately in the statement of Profit and Loss.

Post-employment benefits

a) Defined contribution Plans, ESIC and Labour welfare fund:

Provident fund: Contributions as required under the statute, made to the Provident Fund (Defined Contribution Plan) are recognized immediately in the Statement of Profit and Loss. There is no obligation other than the monthly contribution payable to the Regional Provident Fund Commissioner.

ESIC and Labour welfare fund: The Company's contribution paid/payable during the year to Employee state insurance scheme and Labour welfare fund are recognized in the Statement of Profit and Loss.

b) Defined benefit Plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation performed by an independent actuary based on projected unit credit method, at the end of each financial year.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

Defined benefit costs are categorized as follows:

i. Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)

ii. Net interest expense or income

iii. Re-measurement

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI, net of taxes. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

The Company's net obligation in respect of gratuity (defined benefit plan), is calculated by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The retirement benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is recognized as an asset to the extent of present value of any economic benefits available in the form of refunds from the plans or reductions in the future contribution to the plans.

Share Based Payments

Equity-settled share-based payments to employees are recognized as an expense at the fair value of equity stock options at the grant date. The fair value of the options has been determined under the Black-Scholes model. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognized as expense in each year is arrived at based on the number of grants expected to vest.

2.14 Finance Cost

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortized cost. Financial instruments include bank term loans, Vehicle loans and non-convertible debentures. Finance costs are charged to the Statement of Profit and Loss. Ancillary and other borrowing costs are amortized on straight line basis over the tenure of the underlying loan.

2.15 Leases

The Company's lease asset primarily consists of Premises on leases. The Company at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control use of an identified asset for a time in exchange for consideration.

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves:

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the ROU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The ROU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of ROU assets.

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(i.e., the higher of the fair value less cost to sell and the value-in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined. If that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the ROU assets. Where the carrying amount of the ROU assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

2.16 Collateral

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letter of credit/guarantees, receivables, inventories, other non-financial assets and credit enhancements such as netting arrangements.

The Company provides fully secured, partially secured and unsecured loans to corporate and individuals.

2.17 Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive income or directly in equity respectively.

Current Tax

The current tax is based on the taxable profit for the year of the Company. Taxable Profit differs from 'Profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax assets and tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

2.18 Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the year attributable to equity shareholders (after deducting 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 period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.19 Segment Reporting

The Board of Directors of the Company has identified Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted at Company level. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment Income / costs which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated Income / Costs.

Operating segments identified by the Company comprises as under:

- Lending activities
- Forex services including MTSS business.

2.20 Dividend Distribution to equity holders of the Company

The Company recognizes a liability to make distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorized when it is approved by the shareholders and interim dividend is authorized when it is approved by the Board of Directors of the Company.

2.21 Goods and Service Tax

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service is received and when there is no uncertainty in availing/ utilizing the credits.

2.22 Recent accounting pronouncements

The Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

For the year ended March 31, 2026 the MCA has notified amendments to

- Ind AS 1, Presentation of Financial Statements and Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures amendments relating to Classification of liabilities as current or non-current and non-current liabilities with Covenants and Disclosure of supplier finance arrangements, applicable to the Company, w.e.f., April 1, 2025.
- Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025.

The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on its financial statements.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

3 Cash and cash equivalents

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash on hand	33.31	30.81
Balances with bank		
in current accounts	3,079.73	2,224.46
in fixed deposits with original maturity 3 months or less	13,819.99	7,008.99
Foreign Currencies in hand	636.96	828.98
Total	**17,569.99**	**10,093.24**

4 Bank Balances other than cash and cash equivalents

Particulars	As at 31st March, 2026	As at 31st March, 2025
Fixed deposit with bank (Maturity more than 3 months)	7,937.29	5,951.98
Dividend account balances	5.99	2.95
Total	**7,943.28**	**5,954.93**

Note :

Fixed deposit with banks includes lien marked fixed deposit aggregating to Rs. 5,168.60 Lakhs (31st March, 2025 Rs. 5,380.97 Lakhs) for Lending and Forex Business.

5 Receivables

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade receivables		
Secured considered good;	-	-
Unsecured considered good	790.79	1,004.47
Doubtful	-	-
Subtotal (A)	**790.79**	**1,004.47**
Other receivables		
Secured considered good ;	-	-
Unsecured considered good	53.36	7.01
Doubtful	-	-
Subtotal (B)	**53.36**	**7.01**
Total Receivables (A+B)	**844.15**	**1,011.48**
Less: Allowance for impairment loss	-	-
Net Receivables	**844.15**	**1,011.48**

Note :

No trade receivables are due from Directors or other officers of the Company or any firm or private company in which any Director is a partner either severally or jointly with any other person.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Receivables ageing as at 31st March, 2026

Particulars	Unbilled dues	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
Considered good	-	782.62	8.17	-	-	-	790.79
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	**-**	**782.62**	**8.17**	**-**	**-**		**790.79**

Receivables ageing as at 31st March, 2025

Particulars	Unbilled dues	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
Considered good	-	1,000.90	3.57	-	-	-	1,004.47
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables	-	-	-	-	-	-	-
Considered good	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	**-**	**1,000.90**	**3.57**	**-**	**-**		**1,004.47**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

6 Loans

Particulars	As at 31st March, 2026	As at 31st March, 2025
(A) Advances - at amortised cost		
Vendor financing (Secured)	-	58.11
Gross	-	58.11
Less: Impairment loss allowance	-	22.04
Subtotal (1)	**-**	**36.07**
(B) Term Loans in India - at amortised cost		
i Secured	90,431.20	76,229.65
ii Unsecured	26,541.20	16,844.01
Gross	**1,16,972.40**	**93,073.66**
Less: Impairment loss allowance	2,236.76	1,894.09
Subtotal (2)	**1,14,735.64**	**91,179.57**
(C) Loans and Advances In India		
i Public Sectors	-	-
ii Others	1,16,972.40	93,131.77
Gross	**1,16,972.40**	**93,131.77**
Less: Impairment loss allowance	2,236.76	1,916.13
Loans and Advances In India (Net)	**1,14,735.64**	**91,215.64**
Loans and advances Outside India (Net)	-	-
Total	**1,14,735.64**	**91,215.64**
Less: Unamortised processing fee Income	1,067.79	680.45
Less: Collection from customers	979.59	651.40
Subtotal (3)	**2,047.38**	**1,331.85**
Loans (Net) (1+2-3)	**1,12,688.26**	**89,883.79**

(D) There are no loans or advances, in the natures of loans, granted to Promoters, Directors, Key Managerial Persons (KMPs) and the related parties, either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a memberas at and for the year ended 31st March, 2026 and 31st March, 2025.

(E) Bifurcation of Secured loans and advances

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured by book debt	1,115.47	2,052.25
Secured by tangible asset	89,315.73	74,079.07
Covered by Government guarantee	-	156.44
Total	**90,431.20**	**76,287.76**

Notes:

i) There are no loan assets recognised at Fair value through profit and loss (FVTPL) or Fair value through other comprehensive income (FVTOCI).

ii) Secured loans are secured by way of equitable/ registered mortgage of lands, residential properties, commercial properties, hypothecation of book debts and also guaranteed by borrower / co-borrower as applicable.

iii) Stage wise classification of loans and impairment allowance is disclosed in Note 50.

iv) Refer Note 43 for Related party transactions.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

7 Investments

Particulars	As at 31st March, 2026	As at 31st March, 2025
Recorded at amortized cost		
Investment in equity instruments (unquoted):		
- In subsidiary companies		
Capital India Home Loans Limited	-	15,500.00
Nil (31st March, 2025: 15,50,00,000) equity shares @ Rs. 10/- each		
Rapipay Fintech Private Limited	2,136.51	2,136.51
2,08,46,273 (31st March, 2025: 2,08,46,273) equity shares @ Rs.10/- each		
Capital India Asset Management Private Limited	7.00	7.00
70,000 (31st March, 2025: 70,000) equity shares @ Rs.10/- each		
Recorded at Fair value through Profit and Loss		
Investment in security receipts	1,300.00	-
Investment in mutual fund	19,703.93	5,369.64
Total	**23,147.44**	**23,013.15**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Investments in India	23,147.44	23,013.15
Investments outside India	-	-
Gross (A)	**23,147.44**	**23,013.15**
Less: Impairment loss allowance (B)	-	-
Total – Net (C = A -B)	**23,147.44**	**23,013.15**

Note:

i) Based on assessment, no impairment loss has been recognised for the year ended 31st March, 2026 and 31st March, 2025.

ii) Investment in mutual fund as on 31st March, 2026 includes Liquid, Money Market and Ultra Short Term schemes of Debt Mutual Fund and as on 31st March, 2025 includes Overnight, Money Market schemes of Debt Mutual Fund.

iii) Refer Note 43 for Related party transactions.

iv) The Company has sold its entire stake of 99.82% in Capital India Home Loans Limited (CIHL) to Weaver Services Private Limited. CIHL has ceased to be a subsidiary of the Company with effect from 11th August, 2025.

8 Other financial assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Foreign currency balance	-	385.60
Interest accrued but not due on fixed deposits	123.64	174.36
Security deposit	735.92	719.20
Excess interest spread on derecognition of financial assets	527.52	908.83
Other receivables	767.39	3.44
Accrued Income	22.93	40.22
Total	**2,177.40**	**2,231.65**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

9 Current tax assets (Net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advance tax and tax deducted at source (net of provision)	947.59	44.85
Total	**947.59**	**44.85**

10 Deferred tax assets (Net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Asset		
Provision for expected credit loss	562.95	482.25
Provision for employee benefits	332.25	204.89
Unamortised processing fee	268.74	171.26
Depreciation	294.85	259.95
Amortization adjustment on lease deposits	5.85	20.66
Lease liability	25.28	63.20
Deferred Tax Liabilities		
Unamortised borrowing cost	(340.80)	(228.67)
Interest adjustments on lease deposits	(5.19)	(21.93)
Unrealised gain on mutual funds	(28.44)	(7.68)
Lease modification	-	(8.54)
Deferred consideration on direct assignments	(132.77)	(228.73)
Deferred Tax Asset/(Liabilities) Net	**982.72**	**706.66**
Movement in Net deferred tax asset during the year	**276.06**	**44.89**

Note:

The Company has recognised Deferred Tax Assets arising from deductible temporary differences to the extent there is an evidence of future taxable profit.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Break-up of movement in net deferred tax assets		
Routed through Profit and Loss	281.39	47.80
Routed through other comprehensive income	(5.33)	(2.91)
Total	**276.06**	**44.89**

Note :

Refer Note 47 for detail on Income Taxes.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

11 Property, Plant and Equipment

Particulars	As at 31st March, 2026					
	Furniture and fixtures	Vehicles	Office equipments	Leasehold improvements	Computer and printers	Total
At cost at the beginning of the year	653.37	359.06	304.18	875.29	300.55	2,492.45
Additions during the year	6.20	74.88	8.84	23.99	76.43	190.34
Disposals during the year	0.97	6.02	4.10	52.90	16.08	80.07
Gross block	**658.60**	**427.92**	**308.92**	**846.38**	**360.90**	**2,602.72**
Accumulated depreciation :						
As at the beginning of the year	347.05	246.20	216.15	482.62	241.32	1,533.34
Depreciation for the year	66.43	39.92	40.37	193.50	52.49	392.71
Deduction during the year	0.14	6.02	3.64	26.98	16.08	52.86
Total depreciation	**413.34**	**280.10**	**252.88**	**649.14**	**277.73**	**1,873.19**
Net carrying amount	**245.26**	**147.82**	**56.04**	**197.24**	**83.17**	**729.53**

Particulars	As at 31st March, 2025					
	Furniture and fixtures	Vehicles	Office equipments	Leasehold improvements	Computer and printers	Total
At cost at the beginning of the year	612.68	382.16	306.51	843.01	305.13	2,449.49
Additions during the year	57.64	-	46.11	144.92	31.66	280.33
Disposals during the year	16.95	23.10	48.44	112.64	36.24	237.37
Gross block	**653.37**	**359.06**	**304.18**	**875.29**	**300.55**	**2,492.45**
Accumulated depreciation :						
As at the beginning of the year	284.24	215.08	208.23	377.64	206.79	1,291.98
Depreciation for the year	66.45	45.85	42.77	195.00	65.49	415.56
Deduction during the year	3.64	14.73	34.85	90.02	30.96	174.20
Total depreciation	**347.05**	**246.20**	**216.15**	**482.62**	**241.32**	**1,533.34**
Net carrying amount	**306.32**	**112.86**	**88.03**	**392.67**	**59.23**	**959.11**

Note:

i). The Company does not hold any immovable property where title deeds are not held in the name of the Company and no immovable property are jointly owned with others during the year ended 31st March, 2026 and 31st March, 2025.

ii). There is no revaluation of Property Plant and Equipment during the year ended 31st March, 2026 and 31st March, 2025.

iii). The Company does not hold any Benami property and no proceedings have been initiated on or are pending against the Company under the Benami Transaction (Prohibition) Act, 1988 (as amended in 2016) and Rules made thereunder during the year ended 31st March, 2026 and 31st March, 2025.

iv). The Company does not have any investment property as at 31st March, 2026 and 31st March, 2025.

11A Capital -work in progress

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance as at the beginning of the year	-	30.17
Additions during the year	-	-
Deduction during the year	-	30.17
Balance as at the end of the year	-	-

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Capital -work in progress ageing schedule as at 31st March, 2026

Particulars	Less than 1 year	1– 2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Capital -work in progress ageing schedule as at 31st March, 2025

Particulars	Less than 1 year	1– 2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Note:

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the year ended 31st March, 2026 and 31st March, 2025.

12 Other intangible assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Computer Software		
At cost, beginning of the year	388.61	328.81
Additions during the year	8.28	59.80
Gross block	**396.89**	**388.61**
Accumulated amortization :		
At beginning of the year	332.46	308.94
Amortization for the year	25.13	23.52
Total amortization	**357.59**	**332.46**
Net carrying amount	**39.30**	**56.15**

Note:

(i) There is no revaluation of Intangible Asset during the year ended 31st March, 2026 and 31st March, 2025.

12A Intangible asset under development

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance as at the beginning of the year	-	24.00
Additions during the year	-	-
Deduction during the year	-	24.00
Balance as at the end of the year	-	-

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Intangible asset under development ageing schedule as on 31st March, 2026

Particulars	Less than 1 year	1– 2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Intangible asset under development ageing schedule as on 31st March, 2025

Particulars	Less than 1 year	1– 2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Note:

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the year ended 31st March, 2026 and 31st March, 2025.

13 Right of use assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Leased Premises		
At beginning of the year	2,875.56	2,999.84
Additions during the year	1,594.72	802.67
Deletion during the year	(1,835.52)	(926.95)
Gross block	**2,634.76**	**2,875.56**
Accumulated amortization :		
At beginning of the year	1,698.01	2,130.65
Amortization for the year	498.07	494.31
Deletion during the year	(1,685.23)	(926.95)
Total amortization	**510.85**	**1,698.01**
Net carrying amount	**2,123.91**	**1,177.55**

Note:

i) There is no revaluation in Right of use assets during the year ended 31st March, 2026 and 31st March, 2025.

ii) Refer Note No. 46 for details of Right of use asset.

iii) There are no leases which are yet to commence as on 31 March, 2026.

14 Other non-financial assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Prepaid expenses	656.44	472.44
Advance to suppliers	72.16	59.45
Balance with statutory authorities	1,192.33	985.66
Capital advances	4.50	19.12
Total	**1,925.43**	**1,536.67**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

15 Payables

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade payables		
Outstanding dues of Micro and Small Enterprises	-	-
Outstanding dues of other than Micro and Small Enterprises	1,490.88	963.55
Other payables		
Outstanding dues of Micro and Small Enterprises	-	-
Outstanding dues of other than Micro and Small Enterprises	45.41	30.30
Total	**1,536.29**	**993.85**

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Information as required to be disclosed under 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 Company. Following table sets forth, for the year indicated, amount of principal and interest outstanding.

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a). The principal amount and the interest due thereon remaining unpaid as at the end of each accounting year - Principal amount due to Micro Enterprises and Small Enterprises - Interest due on above	-	-
(b). The amount of interest paid in terms of section 16, along with the amounts of the payment made beyond the appointed day during each accounting year.	-	-
(c). The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
(d). The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e). 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.	-	-
Total	-	-

Note:

Refer Note 43 for Related party transactions.

Trade payables ageing as at 31st March, 2026

Particulars	Unbilled Dues	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
Undisputed dues						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	973.41	517.47	-	-	-	1,490.88
Disputed dues						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**973.41**	**517.47**	-	-	-	**1,490.88**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Trade payables ageing as at 31st March, 2025

Particulars	Unbilled Dues	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
Undisputed dues						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	933.75	16.08	13.72	-	-	963.55
Disputed dues						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**933.75**	**16.08**	**13.72**	**-**	**-**	**963.55**

16 Debt Securities

Particulars	As at 31st March, 2026	As at 31st March, 2025
At amortised cost		
Secured		
Non convertible debentures	5,000.00	-
Total	**5,000.00**	**-**
Debts in India	5,000.00	-
Debts outside India	-	-
Total	**5,000.00**	**-**
Less: Unamortised borrowings costs	217.97	-
Add: Interest accrued but not due on debt security	323.13	-
Net debt securities	**5,105.16**	**-**

ISIN No.	Coupon Rate (p.a)	Face Value per debenture (Rs.)	Quantity (Nos.)	Date of Allotment	Date of Redemption	As at 31st March, 2026	As at 31st March, 2025
INE345H07054	9.55%	1,00,000	5,000	28th July, 2025	28th July, 2028	5,000.00	-
Total						**5,000.00**	**-**

i) **Terms of repayment**

Non convertible debentures is redeemable at par and carry a bullet repayment term with a tenure of three years.

ii) **Security details**

Non convertible debentures are secured by way of pari passu charge through hypothecation on standard loan receivables of the Company to the extent of 1.10 times.

iii) There are no non convertible debentures measured at fair value through other comprehensive income (FVTOCI) and Fair value through profit and Loss (FVTPL).

iv) There are no non convertible debentures guaranteed by Directors, Promoters, Key managerial personnel (KMPs) and/ or the related parties as at 31st March, 2026 and as at 31st March, 2025.

v) The Company has not defaulted in repayment of dues during the year ended 31st March, 2026 and 31st March, 2025.

vi) The Company has submitted periodic statements of security cover, which are in agreement with books of account.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

vii) The funds raised by the Company have been utilised for the purposes for which they were availed.

viii) The Company does not have any charge creation or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period as applicable, for non convertible debentures.

17 Borrowings (Other than Debt Securities)

Particulars	As at 31st March, 2026	As at 31st March, 2025
At amortised cost		
Secured		
(i) Term loans		
Term loans from Banks	63,380.46	52,311.98
Term loans from Others	15,239.00	8,584.81
Term loans from Financial Institutions	10,004.00	5,720.00
(ii) Vehicle loans from Banks	76.85	108.15
(iii) Working capital loan	182.34	-
Unsecured	-	-
Total	**88,882.65**	**66,724.94**
Borrowings in India	88,882.65	66,724.94
Borrowings outside India	-	-
Total	**88,882.65**	**66,724.94**
Less: Unamortised borrowings costs	1,136.12	908.58
Add: Interest accrued but not due on borrowings	235.32	123.84
Net Borrowings	**87,981.85**	**65,940.20**

i) **Security details**

- Term loan from Banks, Financial Institutions and Others are secured by way of pari passu floating charge through hypothecation on standard loan receivables of the Company

- Working Capital loan is secured by way of pari passu charge on Forex Cash and Receivables related to Forex segment.

- Vehicle loans is secured by way of hypothecation of respective vehicles.

ii) **Terms of repayment:**

Secured Term loan	As at 31st March, 2026		As at 31st March, 2025	
	Terms of repayment			
	Monthly	Quarterly	Monthly	Quarterly
Term loans from Banks	19,583.76	43,796.70	14,401.58	37,910.40
Term loans from Others	15,239.00	-	8,584.81	-
Term loans from Financial Institutions	10,004.00	-	5,720.00	-
Vehicle loans from Banks	76.85	-	108.15	-
Total	**44,903.61**	**43,796.70**	**28,814.54**	**37,910.40**

Working capital loans are in the form of cash credit limits and repayable on demand.

iii) There are no borrowings measured at fair value through other comprehensive income (FVTOCI) and Fair value through profit & Loss (FVTPL).

iv) There are no borrowing guaranteed by Directors, Promoters, Key managerial personnel (KMPs) and/ or the related parties as at 31st March, 2026 and as at 31st March, 2025.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

v) The Company has not defaulted in repayment of principal and interest during the year ended 31st March, 2026 and 31st March, 2025.

vi) The rate of interest on the above borrowings vary from 8.55% p.a. to 11.15% p.a. as at 31st March, 2026 and vary from 7.90% p.a. to 11.65% p.a. as at 31st March,2025.

vii) The residual tenure on the above borrowings is upto 5 years.

viii) There are no unsecured borrowings as at 31st March, 2026 and as at 31st March, 2025.

ix) The Company has submitted periodic statements of security cover with banks or financial institutions and others, which are in agreement with books of account.

x) The Company has utilised the borrowed funds for purposes for which it was availed.

xi) The Company does not have any charge creation or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period as applicable, for borrowings.

18 Other financial liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
Pending remittance on assignments	274.79	122.23
Other advances	111.16	134.07
Advances received from customer	125.50	136.01
Unclaimed dividends	5.99	2.94
Book overdraft	4,500.03	4,380.77
Other dues	41.66	41.10
Deposit from customers	106.11	110.11
Other liabilities	1,160.65	406.49
Total	**6,325.89**	**5,333.72**

19 Provisions

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for employee benefits		
Provision for gratuity (refer note 44)	291.11	189.39
Provision for compensated absence (refer note 44)	34.43	42.76
Provision for performance bonus	505.86	450.41
Total	**831.40**	**682.56**

20 Other non financial liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
Statutory dues payable	277.11	233.60
Total	**277.11**	**233.60**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

21 Equity share capital

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Numbers	Amount	Numbers	Amount
Authorized share capital				
Equity shares of Rs. 2 each	1,02,00,00,000	20,400.00	1,02,00,00,000	20,400.00
Preference shares of Rs. 10 each	1,00,00,000	1,000.00	1,00,00,000	1,000.00
	1,03,00,00,000	**21,400.00**	**1,03,00,00,000**	**21,400.00**
Issued, subscribed and fully paid up				
Equity shares of Rs. 2 each	39,10,56,300	7,821.13	38,91,31,894	7,782.64
Total	**39,10,56,300**	**7,821.13**	**38,91,31,894**	**7,782.64**

a. Reconciliation of the equity shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Numbers	Amount	Numbers	Amount
At the beginning of the year	-	-	7,77,34,260	7,773.43
Add: Shares issued pursuant to exercise of ESOP having face value of Rs. 10/- each	-	-	55,875	5.59
Number of shares before split	-	-	**7,77,90,135**	**7,779.02**
After Split: (Refer Note below)				
At the beginning of the year	38,91,31,894	7,782.64	-	-
Split of Face Value of Equity Shares from Rs. 10 each to Rs. 2 each	-	-	38,89,50,675	7,779.02
Add : Shares issued pursuant to exercise of ESOP having face value of Rs. 2/- each	19,24,406	38.49	1,81,219	3.62
Outstanding at the end of the year	**39,10,56,300**	**7,821.13**	**38,91,31,894**	**7,782.64**

Note: The members vide resolution passed through postal ballot on 29th January, 2025, have approved the sub-division / split of equity share of the Company from face value of Rs. 10/- each to face value of Rs. 2/- each. The record date for the sub-division / split of equity shares was 17th February, 2025.

b. Terms and rights attached to fully paid up equity shares:

The Company has only one type of equity shares having par value of Rs. 2. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their holdings.

c. Shares in the Company held by each shareholder holding more than 5% shares

Particulars	As at 31st March, 2026		As at31st March, 2025	
	Number	%	Number	%
Equity shares of Rs. 2 each				
Capital India Corp Private Limited (Formally known as Capital India Corp LLP)	28,38,78,600	72.59%	28,38,78,600	72.95%
Dharampal Satyapal Limited	3,81,89,000	9.77%	3,83,89,000	9.87%
Total	**32,20,67,600**	**82.36%**	**32,22,67,600**	**82.82%**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

d. Shares held by promoters at the end of year

	As at 31st March, 2026			
Promoter name	**No. of shares (Before Split)**	**No. of shares (After Split)**	**%**	**% change during the year**
Capital India Corp Private Limited (Rs. 2 each) (Formerly known as Capital India Corp LLP)	-	28,38,78,600	72.59%	-*

*0.36% change due to ESOP options exercised by employees during the year

	As at 31st March, 2025			
Promoter name	**No. of shares (Before Split)**	**No. of shares (After Split)**	**%**	**% change during the year**
Capital India Corp Private Limited (Rs. 2 each) (Formerly known as Capital India Corp LLP)	5,67,75,720	28,38,78,600	72.95%	-*

*0.09% change due to ESOP options exercised by employees during the year

e. The Company has not reserved any shares for issues under options and contracts / commitments for the sale during the year ended 31st March, 2026 and 31st March, 2025.

f. The Company has not issued bonus shares or shares for consideration other than cash during the year ended 31st March, 2026 and 31st March, 2025.

g. Details of the shares reserved for issue under Employee Stock Options Plan (ESOP) of the Company are disclosed in Note No. 45.

h. The Company has not bought back any of its securities.

i. There is no share application money pending allotment and no money received against share warrant.

j. There is no compound financial instrument having equity component.

k. The Company has not:

(i) Issued any securities convertible into equity / preference shares

(ii) Issued any shares where calls are unpaid

(iii) Forfeited any shares

22 Other Equity

Particulars	As at 31st March, 2026	As at 31st March, 2025
Statutory reserve under Section 45-IC of the RBI Act, 1934	3,275.53	2,468.36
Securities premium	42,530.43	42,184.51
Employee stock option outstanding account	994.60	581.92
General reserve	1.76	1.76
Retained earnings	12,245.96	9,087.40
Other comprehensive income	62.84	46.98
Total	**59,111.12**	**54,370.93**

Note:

i). Statutory Reserve under Section 45-IC of the RBI Act, 1934:

The Company created a reserve pursuant to section 45-IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

ii). Securities premium:

The amount received in excess of face value of the equity shares is recognised in Securities Premium Account. 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 account. The account is utilised in accordance with the provisions of the Companies Act 2013.

iii). Employee stock option outstanding account:

The reserve is used to recognise the fair value of the options issued to employees of the Company and subsidiary companies under Company's employee stock option scheme.

iv). 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 requirements is not mandatory to transfer a specified percentage of the net profit to general reserve. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

v). Retained earnings:

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

vi). Other Comprehensive Income

The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of other comprehensive income.

23 Interest income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
On financial assets measured at amortised cost:		
Interest on loans	16,539.85	15,005.21
Interest on deposits with banks	711.38	574.11
Interest income on Lease rental deposits	26.65	24.12
Other interest income	1,330.68	596.52
Total	**18,608.56**	**16,199.96**

24 Fees and commission income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Loan related fee and other charges	595.57	462.12
Fees and commission income - Forex	1,085.53	1,377.39
Total	**1,681.10**	**1,839.51**

25 Income from foreign exchange services

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Income from Forex services	1,256.12	1,225.27
Total	**1,256.12**	**1,225.27**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

26 Net gain on fair value changes

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Net gain/ (loss) on financial instruments at fair value through profit and loss:		
Mutual fund units	1071.99	484.99
Total Net gain/(loss) on fair value changes	**1071.99**	**484.99**
Fair Value changes*		
Realised	958.98	454.47
Unrealised	113.01	30.52

* Fair value changes in this note are other than those arising on account of interest income/ expenses.

27 Net gain / (Loss) on derecognition of financial instruments under amortised cost category

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Net gain / (Loss) on derecognition of financial instruments under amortised cost category	58.00	741.00
Total Net gain/(loss) on fair value changes	**58.00**	**741.00**

28 Other income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Interest on income tax refund	5.03	-
Miscellaneous income	58.50	31.29
Other business support income	148.48	85.29
Gain on termination of lease	72.10	-
Other foreign exchange service income	6.93	6.73
Total	**291.04**	**123.31**

29 Finance cost

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
On Financial liabilities measured at Amortised Cost:		
Interest on borrowings	7,226.38	6,413.46
Interest on debt securities	323.13	-
Interest on lease liability	116.89	158.62
Other finance costs	577.50	495.78
Total	**8,243.90**	**7,067.86**

30 Impairment on financial instruments

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
On Financial instruments measured at Amortised Cost:		
Impairment loss allowance on loans	320.63	1.92
Bad debts written off net of recoveries	3,270.81	402.33
Total	**3,591.44**	**404.25**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

31 Employee benefits expenses

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Salaries and wages including bonus	7,330.96	5,724.17
Contribution to provident and other funds (Refer Note No 44)	325.75	246.70
Share Based Payments to employees (Refer Note 45)	472.65	324.04
Staff welfare expenses	85.27	64.08
Gratuity expenses	160.51	61.69
Total	**8,375.14**	**6,420.68**

Refer Note No 43 for Related Party Transactions.

32 Depreciation and amortisation expenses

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Depreciation on property, plant and equipment	392.71	415.56
Amortization on other intangible assets	25.13	23.52
Depreciation on right of use assets	498.07	494.31
Total	**915.91**	**933.39**

33 Others expenses

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Rent	402.02	296.32
Rates, fees and taxes	7.86	25.92
Repairs and maintenance expenses	87.56	89.11
Office expenses	89.94	58.74
Electricity charges	77.90	72.84
Communication expenses	76.75	55.09
Printing and stationery expenses	61.81	21.35
Insurance expenses	56.85	116.11
Membership and subscription expenses	15.21	8.24
Travelling and conveyance expenses	342.31	262.70
Advertisement, marketing and business promotion expenses	145.20	117.08
Commission and brokerage expenses	4,137.88	2,283.97
Auditor's remuneration (Refer Note 34)	32.31	28.59
Legal and professional charges	940.61	516.44
IT Expenses	401.81	325.00
Listing fees	26.55	7.05
Directors sitting fees	54.10	62.40
Bank Charges	55.17	53.58
CSR expenses (Refer Note 40)	40.00	40.00
Trusteeship Fees	13.17	6.06
Loss on sale of Property, Plant and Equipments	26.57	52.97
Total	**7,091.58**	**4,499.56**

Refer Note No 43 for Related Party Transactions.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

34 Auditors Remuneration

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Statutory audit fees	24.41	22.07
Taxation matters (Tax audit fees)	2.53	2.18
Certification fees and Other services	5.37	4.34
Total	**32.31**	**28.59**

35 Exceptional items

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit on sale of investment in subsidiary	9,791.83	-
Total	**9,791.83**	**-**

Capital India Finance Limited has sold its entire stake of 99.82% in Capital India Home Loans Limited (CIHL) to Weaver Services Private Limited. CIHL has ceased to be a subsidiary of Company with effect from 11th August , 2025.

36 Basic and Diluted Earnings per share [EPS] computed in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings per Share"

Particulars		For the year ended 31st March, 2026	For the year ended 31st March, 2025
Weighted average basic number of equity shares (before split)		-	7,77,48,436
Weighted average basic number of equity shares (after split) Share split in the ratio of 1:5 (Refer Note Below)*		38,99,36,363	38,87,42,180
Basic			
Profit after tax (Rs. In Lakhs)	A	4,035.84	1,178.10
Weighted average number of equity shares outstanding	B	38,99,36,363	38,87,42,180
Basic earning per share (Rs)*	A/B	1.03	0.30
Diluted			
Profit after tax (Rs. In Lakhs)	C	4,035.84	1,178.10
Weighted average number of equity shares outstanding	D	38,99,36,363	38,87,42,180
Add: Weighted average number of potential equity shares on account of employee stock options (Considering split of shares 1:5)*	E	1,12,16,527	76,51,306
Weighted average number of shares outstanding for diluted EPS	F=D+E	40,11,52,890	39,63,93,486
Diluted earning per share *	C/F	1.01	0.29
Face value of shares (Rs)		2.00	2.00

Note :

*The members vide resolution passed through postal ballot on 29th January, 2025, have approved the sub-division / split of equity share of the Company from face value of Rs. 10/- each to face value of Rs. 2/- each. The record date for the sub-division / split of equity shares was 17th February, 2025.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

37 Transactions in foreign currency:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Earnings in foreign currency		
Commission received (Forex)	17.97	24.56
Commission received (Western Union)	185.77	132.83
Expenditure in foreign currency		
Subscription charges	25.30	16.56

Note :

A Forward Cover Outstanding

The Company uses forward exchange contract to hedge against its foreign currency exposures related to underlying transaction and firm commitments.

The Company does not enter into any derivatives instruments for trading or speculative purpose.

The Company has not undertaken any currency options/futures transaction during the financial year ended 31st March, 2026 and 31st March, 2025.

The forward exchange contracts outstandings as at 31st March, 2026 are as under currency exchnage USD/INR

a) Number of Sale Contracts: Nil (31st March, 2025 : 1)

b) Aggregate Amount: Rs. Nil (31st March, 2025: Rs. 128.67 Lakhs)

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

B Unhedge Foreign Currency Exposure (UFCE)

Particulars	Foreign Currency Exposures as at 31st March, 2026											
	Total Foreign Currency			Hedged through forward or derivative (#)			Natural Hedge			Total Unhedge Foreign Currency Exposure		
	< 1 year	> 1 to 5 years	Total	< 1 year	> 1 to 5 years	Total	< 1 year	> 1 to 5 years	Total	< 1 year	> 1 to 5 years	Total
Foreign Currency Receivables										-	-	-
Exports	-	-	-	-	-	-	-	-	-	-	-	-
Loans to Joint Ventures/ Wholly Owned Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Others ^^	636.96	-	636.96	-	-	-	-	-	-	636.96	-	636.96
Total Receivables (i)	**636.96**	**-**	**636.96**	**-**	**-**	**-**	**-**	**-**	**-**	**636.96**	**-**	**636.96**
Foreign Currency Payables										-	-	-
Imports	-	-	-	-	-	-	-	-	-	-	-	-
Trade Credits	-	-	-	-	-	-	-	-	-	-	-	-
External Commercial Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Others $	59.02	-	59.02	43.19		43.19	-	-	-	15.83	-	15.83
Total Payables (ii)	**59.02**	**-**	**59.02**	**43.19**	**-**	**43.19**	**-**	**-**	**-**	**15.83**	**-**	**15.83**
Total Unhedge Foreign Currency Exposure (Receivables + Payables (i+ii))	**695.98**	**-**	**695.98**	**43.19**	**-**	**43.19**	**-**	**-**	**-**	**652.79**	**-**	**652.79**

Note: Covered Option(s) is/are not included.

^^ Others include physical stock of Foreign Currency notes for forex segment.

$ Others include liability towards Forex Prepaid Cards (Thomas Cook India Limited (TCIL) and ICICI Bank) for forex segment.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Particulars	Foreign Currency Exposures as at 31st March, 2025											
	Total Foreign Currency			Hedged through forward or derivative (#)			Natural Hedge			Total Unhedge Foreign Currency Exposure		
	< 1 year	> 1 to 5 years	Total	< 1 year	> 1 to 5 years	Total	< 1 year	> 1 to 5 years	Total	< 1 year	> 1 to 5 years	Total
Foreign Currency Receivables										-	-	-
Exports	-	-	-	-	-	-	-	-	-	-	-	-
Loans to Joint Ventures/ Wholly Owned Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Others ^^	828.98	-	828.98	-	-	-	-	-	-	828.98	-	828.98
Total Receivables (i)	**828.98**	**-**	**828.98**	**-**	**-**	**-**	**-**	**-**	**-**	**828.98**	**-**	**828.98**
Foreign Currency Payables										-	-	-
Imports	-	-	-	-	-	-	-	-	-	-	-	-
Trade Credits	-	-	-	-	-	-	-	-	-	-	-	-
External Commercial Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Others $	75.88	-	75.88	75.88		75.88	-	-	-	-	-	-
Total Payables (ii)	**75.88**	**-**	**75.88**	**75.88**	**-**	**75.88**	**-**	**-**	**-**	**-**	**-**	**-**
Total Unhedge Foreign Currency Exposure (Receivables + Payables (i+ii))	**904.86**	**-**	**904.86**	**75.88**	**-**	**75.88**	**-**	**-**	**-**	**828.98**	**-**	**828.98**

Note: Covered Option(s) is/are not included.

^^ Others include physical stock of Foreign Currency notes for forex segment.

$ Others include liability towards Forex Prepaid Cards (Thomas Cook India Limited (TCIL) and ICICI Bank) for forex segment.

Earnings before interest and depreciation (EBID) (i.e. profit after tax, depreciation, Interest on debt, lease rentals) as per Audited financials for FY 25-26 is Rs.13,597.67 Lakhs and FY 24-25 is Rs. 9,475.67 Lakhs. The overall banking exposure is Rs.93,805.80 Lakhs (31st March, 2025 Rs. 66,616.79 Lakhs) (Term Loans, Working Capital and NCDs). The Company is in compliance with policy on Risk Management of foreign exchange business.

The details given above are in conformity with the specification laid down in RBI circular no. RBI/2013-14/448 BOD.NO.BP.BC.85/21.06.200/2013-14 dated 15th January, 2014 and RBI/2013-14/620 DBOD.NO.BP.BC.116/21.06.200/2013-14 dated 03rd June, 2014, as amended time to time, and FEDAI circular SPL-05.BC/UFCE format/2018 dated 17th May, 2018.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

38 Dividend distribution to equity shareholders

The Board of Directors, at its meeting held on 20th May, 2026, has not recommended any dividend for the financial year 2025–26.

For the financial year 2024–25, the Board of Directors, at its meeting held on 14th May, 2025, had recommended a dividend of 1% on the face value of Rs. 2 per equity share. The same was approved by the shareholders at the Annual General Meeting held on 25th September, 2025.

39 Disclosure pursuant to Ind AS 108 "Operating Segment"

Sr. No	Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
i	**Segment Revenue**		
	Lending business	20,474.00	17,928.69
	Forex business	2,492.81	2,685.35
	Income from Operations	**22,966.81**	**20,614.04**
ii	**Segment Results**		
	Lending business	(4,509.16)	2,001.58
	Forex business	(742.00)	(713.28)
	Unallocated (Exceptional)	9,791.83	-
	Profit before tax	**4,540.67**	**1,288.30**
	Income Tax expenses		
	Current Tax	797.05	353.73
	Deferred Tax Asset	(281.39)	(47.80)
	Excess/ Short provision of tax of earlier years	(10.83)	(195.73)
	Net Profit	**4,035.84**	**1,178.10**
		As at 31st March, 2026	**As at 31st March, 2025**
iii	**Segment Assets**		
	Lending business	1,64,519.74	1,29,887.49
	Forex business	4,668.95	6,030.23
	Unallocated	1,930.31	751.51
	Total assets	**1,71,119.00**	**1,36,669.23**
iv	**Segment Liabilities**		
	Lending business	1,02,343.30	72,544.20
	Forex business	1,843.45	1,971.46
	Unallocated	-	-
	Total liabilities	**1,04,186.75**	**74,515.66**
	Net Segment assets and liabilities	**66,932.25**	**62,153.57**

a) Chief Operating Decision Maker

As per IND AS 108 "Operating Segments" the Board of Directors ('BOD') of the Company has identified Chief Operating Decision Maker (CODM) who assesses the financial performance and position of the Company and makes strategic decisions. Operating segments are reported in a manner consistent with the internal reporting to the CODM.

b) Operating Segment

Primary Segment (Business Segment)

The Company is primarily engaged in the Lending business. It also has a Forex Remittance business. Under the Lending business the Company gives loans to Micro, Small and Medium enterprises and other customers across various industries. Revenue from

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

lending business includes (i) interest income and (ii) fees income. Forex services comprises of overseas remittances, foreign currency prepaid travel card, Money Transfer Service Scheme ("MTSS"), import and export foreign currency notes.

Secondary Segment (Geographical Segment)

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

c) Segment Revenue and Expense

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

d) Segment Assets and Liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments.

Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

e) Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenue and expenditure in individual segments.

f) Disclosure for other material non cash item

There are no other material non cash items which have not been disclosed in the above disclosure.

40 Disclosure pertaining to corporate social responsibility expenses

Particulars	Note	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Average net profit of the Company as per Section 198 of Companies Act, 2013 for the last three financial years	(i)	2,008.74	2,077.63
Two percent of average net profit of the company	(ii)=(i)*2%	40.17	41.55
Surplus carry forward from preceding financial year to be set-off for the financial year, if any	(iii)	4.11	5.66
Total CSR obligation for the financial year	(iv)=(ii)-(iii)	36.06	35.89
Amount spent on CSR projects	(v)		
(i) Construction/ acquisition of any asset		-	-
(ii) On purposes other than (i) above		40.00	40.00
Excess amount spent for the financial year	(vi)=(v)-(iv)	3.94	4.11
Surplus amount available for set off in succeeding financial year	(vii)	3.94	4.11
Shortfall amount at the end of the financial year	(viii)	-	-
Shortfall amount of preceding financial year	(ix)	-	-
Reason of shortfall	(x)	NA	NA

Nature of CSR activities

The Company is required to contribute to corporate social responsibility activities as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 under the Companies Act, 2013. The amount is spent towards Rural Development, Livelihood, Health and Education.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

41 Contingent Liabilities and Commitments

Particulars	As at 31st March, 2026	As at 31st March, 2025
Contingent liabilities		
Claims against the Company not acknowledged as debt	-	-
- Legal matters (Refer note below)	28.22	-
Guarantees		
- Bank guarantees	-	-
- Others (Issued on behalf of a subsidiary Company i.e. Capital India Home Loans Limited)	-	22,804.16
Total (A)	28.22	22,804.16
Commitments		
Estimated amount of contracts(net of advances) remaining to be executed on capital account and not provided for	-	-
Undrawn committed sanctions to borrowers	1,938.73	422.66
Total (B)	1,938.73	422.66
Total (A+B)	**1,966.95**	**23,226.82**

Note : The Company has received a GST demand notice amounting to Rs. 28.22 Lakhs. The Company has disputed the demand and has filed an appeal before the Appellate Authority on 20th February 2026. Based on the assessment of the facts and legal advice obtained, management believes that the matter has a reasonable basis for challenge and accordingly, no provision has been recognized in the financial statements. The amount involved has been disclosed as a contingent liability pending the final outcome of the appeal.

42 In compliance with Ind AS - 27 'Separate Financial Statements', the required information is as under.

Particulars	Principal place of Business	Percentage (%) of ownership Interest	
		As at 31st March, 2026	As at 31st March, 2025
Subsidiaries			
Capital India Home Loans Limited	India	NA*	99.82%
Capital India Assets Management Private Limited	India	100.00%	100.00%
Rapipay Fintech Private Limited	India	52.50%	52.50%
Step Down Subsidiaries (Wholly owned subsidiary of Rapipay Fintech Private Limited)			
NYE Investech Private Limited (Formerly known as Kuants Wealth Private Limited)	India	52.50%	52.50%
Rapipay Payments Private Limited (Formerly known as NYE Insurance Broking Private Limited)	India	52.50%	52.50%

* The Board of Directors of the Company in its meeting held on 16th October, 2024 had approved the disinvestment of the Company's entire stake in Capital India Home Loans Limited. Effective 11th August, 2025 Capital India Home Loans Limited is ceased to be subsidiary of Capital India Finance Limited.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

43 Disclosure of Related party transactions pursuant to (Ind AS – 24) and Companies Act 2013 "Related Party Disclosures"

(i) Names of related parties (with whom transactions were carried out during the year):

Name of the related party	Nature of relationship
Capital India Corp Private Limited (Formerly known as Capital India Corp LLP)	Holding Company
Capital India Home Loans Limited	Subsidiary (upto 11th August, 2025)
Rapipay Fintech Private Limited	Subsidiary
Capitall India Private Limited	Common Directorship
Atulya Foundation	Enterprise over which control is exercised by the Company
Mr. Keshav Porwal	Managing Director
Mr. Surender Rana	Executive Vice Chairman (From 18th November, 2025)
Mr. Pinank Jayant Shah	Chief Executive Officer
Mr. Vikas Srivastava	Chief Financial Officer
Mr. Rachit Malhotra	Chief Compliance Officer & Company Secretary (upto 28th June, 2024)
Mr. Sulabh Kaushal	Chief Compliance Officer & Company Secretary (from 13th August, 2024)
Mr. Deepak Vaswan	Relative of a person having control over the Company
Mr. Yogendra Pal Singh	Independent Director
Mr. Vinod Somani	Non-Executive Chairman (Independent)
Mrs. Rashmi Fauzdar	Independent Woman Director
Mr. Dalbir Singh Suhag	Independent Director (from 13th August, 2024)
Ms. Jyuthika Mahendra Jivani	Independent Woman Director
Mr. Subhash Chander Kalia	Independent Director (upto 20th February, 2025)

Note: Related party and their relationships are reported only where the Company has transactions with those parties during the current year / previous year.

(ii) Details of transaction with related parties are as under:

Name of Related Parties	Transaction with Related Parties	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Capital India Corp Private Limited (Formerly known as Capital India Corp LLP)	Royalty paid	70.00	70.00
	Dividend	56.78	56.78
Capital India Home Loans Limited	Reimbursement of expenses	-	1.85
	Reimbursement received	0.32	3.58
	Purchase of fixed assets	-	33.52
	Ticket and hotel booking	-	0.73
Rapipay Fintech Private Limited	Commission expenses	3,698.70	1,566.47
	Receipt against FLDG	774.30	468.74
	Net Sale of foreign currencies	-	1.69
	Reimbursement received	47.69	28.17
Capitall India Private Limited	Business analytics expenses	17.50	8.75
Atulya Foundation	CSR expenses	40.00	40.00
Mr. Deepak Vaswan	Sale of foreign currencies	-	0.49
Mr. Keshav Porwal	Remuneration paid	201.05	201.00
	Sale of foreign currencies and travel services	0.57	0.29

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Name of Related Parties	Transaction with Related Parties	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Mr. Surender Rana	Remuneration paid	45.40	-
Mr. Pinank Jayant Shah	Remuneration paid	484.38	390.05
	Share based payments	157.26	-
Mr. Vikas Srivastava	Remuneration paid	175.02	142.91
	Share based payments	8.55	-
Mr. Rachit Malhotra	Remuneration paid	-	50.86
Mr. Sulabh Kaushal	Remuneration paid	55.43	20.07
Mr. Yogendra Pal Singh	Sitting fees paid	10.90	10.90
Mr. Vinod Somani	Sitting fees paid	13.00	14.05
Mrs. Rashmi Fauzdar	Sitting fees paid	13.35	12.30
Mr. Dalbir Singh Suhag	Sitting fees paid	6.00	2.35
Mr. Subhash Chander Kalia	Sitting fees paid	-	10.20
Ms. Jyuthika Mahendra Jivani	Sitting fees paid	8.50	7.45

(iii) Balances

Name of Related Parties	Nature of transaction	As at 31st March, 2026	As at 31st March, 2025
Rapipay Fintech Private Limited	FLDG balance	-	9.97
	Trade payable	433.21	-

Note:

i) Includes allocated shared expenses.

ii) Investments in equity shares of subsidiaries have been disclosed under - Investments (Refer Note 7).

iii) Remuneration paid excludes amounts pertaining to gratuity and compensated absences, which are actuarially valued at the Company level.

iv) All related party transactions entered during the year were in the ordinary course of business and on arm's length basis.

v) Above transactions shown are excluding GST.

44 Employee benefits

(A) Defined Contribution Plan - Provident Fund (PF) Contribution, Employee State Insurance (ESI) Contribution and Labour Welfare Fund (LWF)

The Company makes contributions towards PF, ESI and LWF in respect of qualifying employees. The amount recognised as an expense and included in Note 31 "Employee benefits expense " as under.

The employees of the Company are members of a retirement contribution plan operated by the Government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions.

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Employer's Contribution to Provident Fund	320.79	241.21
Employer's contribution to Employee State Insurance	4.47	5.09
Labour welfare fund	0.49	0.40
Total	**325.75**	**246.70**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

(B) Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan, under which every employee who has completed defined period of service gets a gratuity on departure @15 days of last drawn basic salary for each completed year of service.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest Rate Risk:

The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows while computing the liability and thereby requiring higher accounting provisioning.

Longevity Risks:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the Company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Mortality and disability :

Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Salary Risks and Discount Rate:

The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the company, which results in a higher liability for the company and is therefore a plan risk for the Company.

The estimates of the future salary increases, considered in actuarial valuation, include 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 yield on government securities as at the balance sheet date for the estimated average remaining service.

Withdrawals :

Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

The disclosure as required by Indian Accounting Standard (Ind AS) -19 "Employee Benefits" is as under.

Particulars	As at 31st March, 2026	As at 31st March, 2025
I. Assumption		
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Interest / Discount Rate	5.95%	6.50%
Rate of increase in compensation	6.00%	8.00%
Expected average remaining service	40.00%	30.00%
Retirement age (years)	60	60
II. Reconciliation of net defined benefit (asset)/liability		
(a) Reconciliation of present value of defined benefit obligation		
Opening Defined Benefit Obligation	189.39	146.29
Interest Cost	11.91	9.59
Current Service Cost	60.11	52.10
Past Service Cost	88.49	-

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Actuarial (Gains) / Losses	(21.19)	(11.56)
Benefits Paid	(37.60)	(7.03)
Closing Defined Benefit Obligation	**291.11**	**189.39**
(b) Reconciliation of net defined benefit (asset)/liability		
Present value of obligation as at the end of year	291.11	189.39
Fair value of plan assets as at the end of year		
Recognised in Balance Sheet - (Asset) / Liability	**291.11**	**189.39**
III. Actuarial (Gain)/Loss on Obligation		
Due to Demographic Assumption	(26.22)	(12.01)
Due to Financial Assumption	(10.71)	4.10
Due to Experience	15.74	(3.65)
Net Actuarial (Gain)/ Loss on Obligation	**(21.19)**	**(11.56)**
IV. Actual Return on Plan Assets		
Actual Interest Income	-	-
Expected Interest Income	-	-
Return on Plan Assets excluding Interest Income	-	-
V. Net Interest		
Interest Expense	11.91	9.59
Interest Income	-	-
Net Interest Exp/(Income)	**11.91**	**9.59**
VI. Expenses Recognised in Profit and Loss account under		
Employee benefit expenses		
Current Service Cost	60.11	52.10
Net Interest Exp/(Income)	11.91	9.59
Past Service Cost	88.49	-
Expenses recognised in Profit and Loss Account	**160.51**	**61.69**
VII. Remeasurements recognised in Other Comprehensive Income		
Net Actuarial (Gain)/ Loss on Obligation	(21.19)	(11.56)
Return on Plan Assets excluding Interest Income	-	-
Total Actuarial (Gain)/ Loss recognised in OCI	**(21.19)**	**(11.56)**

Sensitivity analysis :

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 100 basis points:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Change in rate of Discount Rate + 100 basis points	284.03	183.14
Change in rate of Discount Rate- 100 basis points	298.56	196.05
Change in rate of Salary Escalation Rate + 100 basis points	298.48	195.89
Change in rate of Salary Escalation Rate - 100 basis points	283.97	183.17
Change in rate of Attrition Rate + 100 basis points	289.18	187.67
Change in rate of Attrition Rate - 100 basis points	293.09	191.14

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for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Projected Plan Cash flow

Particulars	As at 31st March, 2026	As at 31st March, 2025
Expected benefits for year 1	108.53	49.68
Expected benefits for year 2	73.34	37.13
Expected benefits for year 3	53.50	37.52
Expected benefits for year 4	38.13	28.89
Expected benefits for year 5	25.23	23.50
Expected benefits for year 6 and above	43.09	65.61

i). Since the gratuity plan of the Company is not funded,hence the disclosure related to plan assets are not applicable.

(C) Compensated Absences

The change towards compensated absences based on actuarial valuations using the projected unit credit method is as follows:

Particulars	As at 31st March, 2026	As at 31st March, 2025
I. Assumption		
Discount Rate	5.75%	6.50%
Salary Escalation	6.00%	8.00%
II. Expenses Recognised in Profit and Loss account under		
Employee benefit expenses	(8.33)	(0.50)
III. Provision for compensated absences	34.43	42.76

Notes:

i). Since Leave encashment plan of the Company is not funded, hence the disclosure related to plan assets are not applicable.

(D) The Code on Social Security, 2020 (New Labour Code)

On 21st November, 2025, the Government of India notified the four Labour Codes - The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020, and The Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. On the basis of the best information available and actuarial valuation obtained, consistent with the guidance provided by The Institute of Chartered Accountants of India the Company has immediately provided incremental impact (related to Past services Cost) in the standalone results for the period ended 31st December , 2025. The incremental impact towards gratuity liability of Rs.88.49 Lakhs for the year ended 31st March, 2026 primarily arises due to change in wage definition. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Codes and would provide appropriate accounting effect on the basis of such developments as needed, if any.

45 Employee Stock Option Plan

A. The shareholders of the Company passed a resolution through postal ballot/ e-voting on 23rd September 2018 for approval of the issue of 1,75,00,000 under the Scheme titled "CIFL EMPLOYEE STOCK OPTION PLAN 2018" (ESOP 2018).

The ESOP Scheme allows the issue of options to employees of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share.

As per the ESOP Scheme "CIFL EMPLOYEE STOCK OPTION PLAN 2018", the Nomination and Remuneration Committee (NRC) of the Board of Directors grants the options to the employees deemed eligible. The Exercise Price for the Options shall be determined by the Committee which shall not be less than the face value of the Shares of the Company as on date of Grant. The options granted vest not earlier than minimum period of 1 (One) year and not later than maximum period of 5 (Five)

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

years from the date of Grant. The Exercise Period in respect of Vested Options shall not be more than 5 (Five) years from the date of Vesting of Options.

B. The shareholders of the Company passed a resolution through postal ballot/ e-voting on 09th December 2023 for approval of the issue of 2,00,00,000 under the Scheme titled "CIFL EMPLOYEE STOCK OPTION PLAN 2023" (ESOP 2023).

The ESOP Scheme allows the issue of options to employees of the Company/ Holding/ Subsidiary/ Group/ Associate and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share.

As per the ESOP Scheme "CIFL EMPLOYEE STOCK OPTION PLAN 2023", the Nomination and Remuneration Committee of the Board of Directors grants the options to the employees deemed eligible. The Exercise Price for the Options shall be determined by the Committee which shall not be less than the face value of the Shares of the Company as on date of Grant. The options granted vest not earlier than minimum period of 1 (One) year and not later than maximum period of 4 (Four) years from the date of Grant. The Exercise Period in respect of Vested Options shall not be more than 5 (Five) years from the date of Vesting of Options.

Method used for accounting for shared based payment plan.

The Company uses fair value to account for the compensation cost of stock options to employees of the Company.

a) Movement in the options outstanding under the Employees Stock Option Plan for the year ended 31st March, 2026

Scheme reference	Exercise Price	Opening Outstanding	Granted	Exercised	Vested	Lapsed/ Cancelled adjusted	Balance as at 31st March 26
ESOP 2018	14.40	40,39,406	-	5,39,406	32,00,000	62,500	34,37,500
ESOP 2018	18.00	1,25,000	-	60,000	65,000	-	65,000
ESOP 2018	18.40	82,73,500	-	13,25,000	65,73,500	3,75,000	65,73,500
ESOP 2018	19.00	21,25,000	-	-	5,31,250	-	21,25,000
ESOP 2023	18.40	1,16,60,500	-	-	-	-	1,16,60,500
ESOP 2023	19.00	40,00,000	40,00,000	-	10,00,000	-	80,00,000
ESOP 2023	22.00	-	13,00,000	-	-	-	13,00,000
		3,02,23,406	**53,00,000**	**19,24,406**	**1,13,69,750**	**4,37,500**	**3,31,61,500**

b) Movement in the options outstanding under the Employees Stock Option Plan for the year ended 31st March, 2025

Scheme reference	Exercise Price	Opening Outstanding	Granted	Exercised	Vested	Lapsed/ Cancelled adjusted	Balance as at 31st March 25
ESOP 2018	14.40	50,12,500	-	4,60,594	28,70,180	5,12,500	40,39,406
ESOP 2018	18.00	4,00,000	-	-	93,750	2,75,000	1,25,000
ESOP 2018	18.40	82,73,500	-	-	40,11,750	-	82,73,500
ESOP 2018	19.00	-	21,25,000	-	-	-	21,25,000
ESOP 2023	18.40	1,16,60,500	-	-	-	-	1,16,60,500
ESOP 2023	19.00	-	40,00,000	-	-	-	40,00,000
		2,53,46,500	**61,25,000**	**4,60,594**	**69,75,680**	**7,87,500**	**3,02,23,406**

Weighted average remaining contractual life for options outstanding as at 31st March, 2026 is 2 year and 2 month (Previous year 2 years and 1 month).

Options available for Grant as at 31st March, 2026 is 19,53,500 and as at 31st March, 2025 is 68,16,000.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Assumptions	As At 31st March, 2026	As At 31st March, 2025
Risk-free interest rate	5.32% - 6.44%	6.17% - 6.25%
Expected life of the option	1 year to 5 years	1 year to 5 years
Expected annual volatility of shares	15.24% to 16.83%	14.95% to 20.99%
Expected dividend yield	0.05%	1.00%

During the year ended 31st March, 2026, the Company recorded an employee stock compensation expense of Rs. 472.65 Lakhs (31st March, 2025 expense of Rs. 324.04 Lakhs) in the Statement of Profit and Loss.

During the year ended 31st March, 2026 the Company has allotted 19,24,406 equity shares (during the year ended 31st March, 2025 allotted 4,60,594 equity shares) of face value of Rs. 2 per share to employees who have exercised their options under the approved CIFL Employee Stock Option Plans.

46 Disclosure Pursuant to Ind AS 116 "Leases"

The following is the movement in Right of Use Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening balance	**2,875.56**	**2,999.84**
Additions during the year	1,594.72	802.67
Deletion during the year	(1,835.52)	(926.95)
Gross Total	**2,634.76**	**2,875.56**
Total Amortization	510.85	1,698.01
Closing balance	**2,123.91**	**1,177.55**

The following is the movement in lease liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening balance	**1,331.73**	**1,023.76**
Additions during the year	1,523.19	767.60
Deletions during the year	(216.86)	-
Finance cost accrued during the year	116.89	158.62
Payment of lease liabilities	(625.90)	(618.25)
Closing balance	**2,129.05**	**1,331.73**

Maturity analysis of lease liabilities (on an undiscounted basis):

Particulars	As at 31st March, 2026	As at 31st March, 2025
Not later than 1 year	930.51	622.24
Later than 1 year and not later than 5 years	1,502.01	942.45
Later than 5 years	-	-
Total	**2,432.52**	**1,564.69**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Amount recognised in statement of Profit and Loss account during the year

Particulars	As at 31st March, 2026	As at 31st March, 2025
Rent expense recognised for short term and low value leases	402.02	296.32
Depreciation on RoU assets	498.07	494.31
Interest expenses on lease liabilities	116.89	158.62
Unwinding of security deposits	(26.65)	(24.12)
Total	**990.33**	**925.13**

Nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

As at 31st March, 2026

Right of use Assets	No. of RoU assets leased	Range of remaining term (in years)
Building	7	0-5 years

As at 31st March, 2025

Right of use Assets	No. of RoU assets leased	Range of remaining term (in years)
Building	7	0-4 years

Note:

i). The Company does not have variable lease payments during the year ended 31st March, 2026 and 31st March, 2025.

ii). The Company has not subleased right of use asset during the year ended 31st March, 2026 and 31st March, 2025.

iii). The Company does not have any significant restrictions or covenants imposed by leases during the year ended 31st March, 2026 and 31st March, 2025.

iv). The Company does not have any commmitted undiscounted leases that has not yet commenced as at 31st March, 2026 and 31st March, 2025.

v). The Company as a lessee has obtained certain assets such as immovable properties on various leasing arrangements for the purposes of setting up of offices. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right-to-use asset and a lease liability.

vi). The company does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the lease liabilities as and when they fall due.

47 Disclosure pursuant to Ind AS 12 'Income Taxes'

(i) Tax expenses recognised in the Statement of Profit and Loss

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Current Tax:		
In respect of current year	797.05	353.73
In respect of earlier years	(10.83)	(195.73)
Deferred Tax:		
Deferred tax relating to origination and reversal of temporary differences	(281.39)	(47.80)
Total Income Tax recognised in profit or loss		
Current tax	786.22	158.00
Deferred tax	(281.39)	(47.80)
Total Income Tax recognised in profit or loss	**504.83**	**110.20**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

(ii) Income Tax recognised in Other comprehensive income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Deferred tax related to items recognised in Other comprehensive income during the year:		
Remeasurement of defined employee benefits	(5.33)	(2.91)
Total Income tax recognised in Other comprehensive income	**(5.33)**	**(2.91)**

(iii) Reconciliation of tax expenses and profit before tax:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit before Tax	4,540.67	1,288.30
Enacted income tax rate (%)	25.17%	25.17%
Income tax expense calculated at applicable income tax rate	1,142.80	324.24
Reconciliation :		
Tax on expenses that are not deductible for tax purposes	825.69	624.05
Tax on deductions available under income tax	(565.68)	(594.56)
Impact of Income Tax at different rates*	(605.76)	-
Income Tax expense recognised in profit and loss	**797.05**	**353.73**
Deferred Tax recognised in profit and loss	(281.39)	(47.80)
Tax recognised for the year	**515.66**	**305.93**
Actual effective income tax rate (%)	**11.36%**	**23.75%**
Income tax for earlier year	(10.83)	(195.73)
Tax recognised in profit and loss	**504.83**	**110.20**

*During the year, the Company has sold its entire stake of 99.82% in Capital India Home Loans Limited (CIHL). This has resulted into a capital gain (net off business losses according to the Income Tax Act 1961) which has been taxed at a rate of 14.30%. The impact on account of different tax rate (i.e. 25.17% minus 14.30%) is Rs. 605.76 lakhs.

(iv) Movement in temporary differences

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Credit / (Charge) in the Statement of Profit and Loss during the year		
Loans and Advances	178.18	35.85
Property, Plant and Equipment and Intangible assets	34.90	45.68
Right of use asset and Lease liability	(27.45)	2.66
Debt securities and Borrowings	(112.13)	(0.67)
Investments	(20.76)	(7.68)
Provisions for employee benefits	132.69	77.08
Deferred consideration on direct assignments	95.96	(105.12)
Total (a)	**281.39**	**47.80**
Credit / (Charge) in the other comprehensive income during the year		
Provisions - employee benefit expenses for the year	(5.33)	(2.91)
Total (b)	**(5.33)**	**(2.91)**
Net deferred income tax asset at the beginning (c)	706.66	661.77
Net deferred tax asset/(Liabilities) at the end of the year (d) = (a) + (b) + (c)	**982.72**	**706.66**

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

48 Maturity Analysis of Assets and Liabilities

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Within 12 Months	After 12 months	Total	Within 12 Months	After 12 months	Total
ASSETS						
Financial Assets						
Cash and cash equivalents	17,569.99	-	17,569.99	10,093.24	-	10,093.24
Bank balances other than Cash and cash equivalents	6,294.86	1,648.42	7,943.28	4,931.95	1,022.98	5,954.93
Receivables						
- Trade Receivables	790.79	-	790.79	1,004.47	-	1,004.47
- Other Receivables	53.36	-	53.36	7.01	-	7.01
Loans	31,392.38	81,295.88	1,12,688.26	24,527.82	65,355.97	89,883.79
Investments	19,703.93	3,443.51	23,147.44	5,369.64	17,643.51	23,013.15
Other financial assets	1,096.69	1,080.71	2,177.40	750.10	1,481.55	2,231.65
Non-financial Assets						
Current tax assets(net)	-	947.59	947.59	-	44.85	44.85
Deferred tax asset (net)	-	982.72	982.72	-	706.66	706.66
Property, plant and equipment	-	729.53	729.53	-	959.11	959.11
Intangible assets	-	39.30	39.30	-	56.15	56.15
Right of use assets	-	2,123.91	2,123.91	-	1,177.55	1,177.55
Other non-financial assets	295.50	1,629.93	1,925.43	273.47	1,263.20	1,536.67
Total Assets	**77,197.50**	**93,921.50**	**1,71,119.00**	**46,957.70**	**89,711.53**	**1,36,669.23**
LIABILITIES						
Financial Liabilities						
Payables						
(i)Trade Payables	1,490.88	-	1,490.88	963.55	-	963.55
(ii)Other Payables	45.41	-	45.41	30.30	-	30.30
Debt securities	105.16	5,000.00	5,105.16	-	-	-
Borrowings	37,890.87	50,090.98	87,981.85	29,157.30	36,782.90	65,940.20
Lease liability	753.52	1,375.53	2,129.05	512.61	819.12	1,331.73
Other financial liabilities	6,325.89	-	6,325.89	5,333.72	-	5,333.72
Non-Financial Liabilities						
Provisions	631.36	200.04	831.40	516.82	165.74	682.56
Other non-financial liabilities	277.11	-	277.11	233.60	-	233.60
Total Liabilities	**47,520.20**	**56,666.55**	**1,04,186.75**	**36,747.90**	**37,767.76**	**74,515.66**
Net	**29,677.30**	**37,254.95**	**66,932.25**	**10,209.80**	**51,943.77**	**62,153.57**
Undrawn commitments*	1,938.73	-	1,938.73	422.66	-	422.66

*Loans facility which are sanctioned but undrawn/ In principal approval received as at Balance Sheet date.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

49 Capital Management

For the purpose of the Company's capital management capital includes issued capital and equity reserves. The primary objective of the Company's capital management is to ensure that the Company complies with RBI prescribed Capital adequacy requirements and maintains adequate capital to support its business and maximise shareholders value. The Capital to Risk Weighted Asset Ratio (CRAR) of the company is as under.

Items	As at 31st March, 2026	As at 31st March, 2025
CRAR (%)	40.99%	36.08%
CRAR - Tier I capital (%)	40.76%	35.45%
CRAR - Tier II capital (%)	0.23%	0.63%
Liquidity Coverage Ratio	498.23%	653.38%
Debt Equity Ratio	1.39	1.06

As per RBI Prudential norms, the minimum CRAR requirement for NBFCs is 15% and the Company has maintained CRAR well above the regulatory norms throughout the year.

Regulatory capital-related information is presented as a part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the company comprises of share capital, share premium, reserves and Tier II capital comprises of provision on loans that are not credit-impaired. There were no changes in the capital management process during the years presented.

50 Financial Risk Management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has constituted the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

The Company has exposure to the following risks arising from its business operations:

i) Credit risk

Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract. Lending activities account for most of the Company's credit risk. Other sources of credit risk also exist in loans and transaction settlements. Credit risk is measured as the amount that could be lost if a customer or counterparty fails to make repayments. The maximum exposure to credit risk in case of all the financial instruments is restricted to their respective carrying amount.

Credit risk is monitored through stringent credit appraisal, counter party limits and internal risk ranges of the borrowers. Exposure to credit risk is managed through regular analysis of the ability of all the customers and counterparties to meet interest and capital repayment obligations and by changing lending limits where appropriate.

Company primarily offers loans secured by immovable property. In order to mitigate credit risk, company also seeks collateral appropriate to the product segment. Other means of mitigating credit risk that the company uses are guarantees. The most common types of collateral the company receives, measured by collateral value, are mortgages on financial assets in the form of Residential/Commercial property.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

a) Maximum exposure to the Credit risk

The table below shows the Company's maximum exposure to the credit risk.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Loans and Advances (Gross)	1,16,972.40	93,131.77
Less : Impairment loss allowances	2,236.76	1,916.13
Loans and Advances (Net)	**1,14,735.64**	**91,215.64**
Mutual funds	19,703.93	5,369.64
Security receipt	1,300.00	-
Trade and other receivables	844.15	1,011.48
Other financial assets	2,177.40	2,231.65
Total	**1,38,761.12**	**99,828.41**

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made.

Other financial assets

Other financial assets are considered to have low credit risk since there is a low risk of default by the counterparties owing to their strong capacity to meet contractual cash flow obligations in the near term. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Credit risk on Cash and Cash equivalents is considered to be Nil as these are generally held with leading banks.

b) Credit quality analysis

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. The credit quality of loans and advances measured at amortised cost is primarily assessed by the Days Past Due (DPD) status.

Inputs, assumptions and techniques used for estimating impairment

In assessing the impairment of financial assets under the expected credit loss model, the Company defines default when a loan obligation is overdue for more than 90 days.

Assessment of significant increase in credit risk (SICR)

When determining whether the risk of default has increased significantly since initial recognition, the Company considers the DPD status of the loans. Credit risk is deemed to have increased significantly when an asset is more than 30 days past due (DPD).

Calculation of expected credit losses

The key elements in calculation of ECL are as follows:

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.

EAD - The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, accrued interest from missed payments and loan commitments.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The LGD is determined based on valuation of collaterals and other relevant factors.

For PD the Company has relied upon the PD data from industry benchmarks and external rating agencies. For Loss Given Default (LGD) the Company has relied on internal and external information.

The following table sets out information about the credit quality of financial assets measured at amortised cost.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Gross Stage 1	1,07,278.82	84,322.04
Less : Impairment loss allowance	344.34	840.22
Net Stage 1 Assets	1,06,934.48	83,481.82
ECL Prov. Coverage	0.32%	1.00%
Gross Stage 2	6,807.82	7,129.58
Less : Impairment loss allowance	513.09	289.92
Net Stage 2 Assets	6,294.73	6,839.66
ECL Prov. Coverage	7.54%	4.07%
Gross Stage 3	2,885.76	1,680.15
Less : Impairment loss allowance	1,379.33	785.99
Net Stage 3 Assets	1,506.43	894.16
ECL Prov. Coverage	47.80%	46.78%
Total Loans and Advances	1,16,972.40	93,131.77
Less : Impairment loss allowance	2,236.76	1,916.13
Net Loans and Advances	1,14,735.64	91,215.64
ECL Provision Coverage	1.91%	2.06%

Credit impairment charge to the income statement

Particulars	For the year ended	
	31st March, 2026	31st March, 2025
New and increased / (decreased) provisions	320.63	1.92
Bad debts and write off net of recoveries	3,270.81	402.33
Total charge / (credit) to the income statement	**3,591.44**	**404.25**

Policy for Write off

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the 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 subject to the write-off and when there is no reasonable expectation of recovery from the collaterals held. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due. The Company has Board approved policy for the same.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

c) Movement in gross exposures and credit impairment for loans and advances

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets measured at amortised cost. Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition. Refer to the accounting policy for details.

Particulars	Movement in Gross Exposure to Loans and Advances			
	Stage 1	Stage 2	Stage 3	Total
Balance as at 01st April, 2024	**81,140.00**	**6,408.07**	**1,574.67**	**89,122.74**
Transfers during the year				
- Transferred to 12 month ECL	1,096.57	(848.89)	(247.68)	-
- Transferred to lifetime ECL -significant increase in credit risk	(4,810.46)	4,811.64	(1.18)	-
- Transferred to lifetime ECL– impaired	(722.52)	(171.25)	893.77	-
Increase due to financial assets originated (Net)	39,068.11	1,152.15	0.12	40,220.38
Decrease due to loans derecognised on repayment	(31,446.26)	(4,217.70)	(145.06)	(35,809.02)
Amounts written-off (Net)	(3.40)	(4.44)	(394.49)	(402.33)
Balance as at 31st March, 2025	**84,322.04**	**7,129.58**	**1,680.15**	**93,131.77**
Transfers during the year				
- Transferred to 12 month ECL	2,463.71	(2,204.29)	(259.42)	-
- Transferred to lifetime ECL -significant increase in credit risk	(4,446.03)	4,531.30	(85.27)	-
- Transferred to lifetime ECL– impaired	(1,721.93)	(582.22)	2,304.15	-
Increase due to financial assets originated	57,803.50	1,093.62	20.88	58,918.00
Decrease due to loans derecognised on repayment	(29,510.42)	(2,215.00)	(81.14)	(31,806.56)
Amounts written-off (Net)	(1,632.05)	(945.17)	(693.59)	(3,270.81)
Balance as at 31st March, 2026	**1,07,278.82**	**6,807.82**	**2,885.76**	**1,16,972.40**

Particulars	Movement in ECL			
	Stage 1	Stage 2	Stage 3	Total
Balance as at 01st April, 2024	**821.55**	**233.93**	**858.73**	**1,914.21**
Transfers during the year				
- Transferred to 12 month ECL	2.72	(2.12)	(0.60)	-
- Transferred to lifetime ECL -significant increase in credit risk	(183.24)	183.24	-	-
- Transferred to lifetime ECL– impaired	(349.49)	(74.58)	424.07	-
Increase due to financial assets originated	1,004.87	122.73	5.02	1,132.62
Decrease due to loans derecognised on repayment	(456.10)	(173.21)	(169.97)	(799.28)
Amounts written-off (Net)	(0.09)	(0.07)	(331.26)	(331.42)
Balance as at 31st March, 2025	**840.22**	**289.92**	**785.99**	**1,916.13**
Transfers during the year				
- Transferred to 12 month ECL	5.25	(4.71)	(0.54)	-
- Transferred to lifetime ECL -significant increase in credit risk	(457.90)	460.68	(2.78)	-

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(Currency: Rs. In Lakhs)

Particulars	Movement in ECL			
	Stage 1	Stage 2	Stage 3	Total
- Transferred to lifetime ECL– impaired	(843.68)	(287.84)	1,131.52	-
Increase due to financial assets originated	1,516.63	275.48	8.68	1,800.79
Decrease due to loans derecognised on repayment	(502.39)	(172.15)	(186.67)	(861.21)
Amounts written-off (Net)	(213.79)	(48.29)	(356.87)	(618.95)
Balance as at 31st March, 2026	**344.34**	**513.09**	**1,379.33**	**2,236.76**

d) Collateral and other credit enhancements

The Company would generally have its credit exposures backed by securities, either primary or collateral. Lending policy of the Company prescribes Asset cover norms and collateral guidelines for its various product offering. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty and product offered. The Company grants loans against collateral of immovable property (Land, Under construction projects, Ready property) including commercial and residential properties.

As collateral is a source of mitigating credit risk, assessment of the condition of the securities and their value is undertaken on regular basis. There were no significant changes in the collateral policy of the company during the financial year 2025-2026.

e) Credit Concentration

The Company has exposure on advances, as detailed below.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total Advances to twenty largest borrowers	14,589.76	15,002.30
Percentage of Advances to twenty largest borrowers to Total Advances	12.65%	16.37%

ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting the obligations associated with its financial liabilities that are selected by delivering cash or other financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has in place an Asset-Liability Management Committee (ALCO) which functions as the operational unit for managing the Balance Sheet within the performance and risk parameters laid down by the Board and Risk Committee of the Board. ALCO reviews Asset Liability strategy and Balance Sheet management in relation to asset and liability profile. ALCO ensures that the objectives of liquidity management are met by monitoring the gaps in the various time buckets, deciding on the source and mix of liabilities, setting the maturity profile of the incremental assets and liabilities etc. Key principles adopted in the Company's approach to managing liquidity risk include:

a) Monitoring the Company's liquidity position on a regular basis, using a combination of contractual and behavioural modelling of balance sheet and cash flow information

b) Maintaining a high quality liquid asset portfolio or maintaining undrawn bank lines

c) Operating a prudent funding strategy which ensures appropriate diversification and limits maturity concentrations

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

The Company's principal sources of liquidity are cash and cash equivalents, undrawn cash credit and overdraft facilities from banks, liquid asset portfolio like Mutual funds and the cash flow that is generated from operation.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include interest accrued till the reporting date.

As at 31st March, 2026	Contractual cash flows				
	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Borrowings (Includes Interest accrued but not due)	87,981.85	37,890.87	37,434.71	12,656.27	-
Debt Securities (Includes Interest accrued but not due)	5,105.16	105.16	5,000.00	-	-
Trade and Other Payables	1,536.29	1,536.29	-	-	-
Lease Liability	2,129.05	753.52	1,345.36	30.17	-
Other Financial Liabilities	6,325.89	6,325.89	-	-	-
Total	**1,03,078.24**	**46,611.73**	**43,780.07**	**12,686.44**	**-**

As at 31st March, 2025	Contractual cash flows				
	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Borrowings (Includes Interest accrued but not due)	65,940.20	29,157.30	30,560.50	6,222.40	-
Debt Securities (Includes Interest accrued but not due)	-	-	-	-	-
Trade and Other Payables	993.85	993.85	-	-	-
Lease Liability	1,331.73	512.61	549.90	269.22	-
Other Financial Liabilities	5,333.72	5,333.72	-	-	-
Total	**73,599.50**	**35,997.48**	**31,110.40**	**6,491.62**	**-**

iii) Market Risk :

Market risk is the risk that the fair value of the future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates risk and foreign currency risk.

The Company primarily deploys funds in bank deposits and liquid debt securities as a part of its liquidity management approach. The Company regularly reviews its average borrowing / lending cost including proportion of fixed and floating rate borrowings / loans so as to manage the impact of changes in interest rates.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

(a) Interest rate risk

Company has exposure to interest rate risk, primarily from its lending business and related borrowings. The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss.

Particulars	% Increase/ (decrease) in rate	Impact in profit and Loss due to change in rate			
		Increase	Decrease	Increase	Decrease
		31st March, 2026		31st March, 2025	
Borrowings that are re-priced	0.25%	(208.00)	208.00	(150.65)	150.65
Loans that are re-priced	0.25%	144.75	(144.75)	107.64	(107.64)
Borrowings that are re-priced	1.00%	(831.98)	831.98	(602.60)	602.60
Loans that are re-priced	1.00%	578.99	(578.99)	430.56	(430.56)

Interest rate risk is managed primarily by monitoring the sensitivity of expected net interest income ('NII') under varying interest rate scenarios. This monitoring is undertaken by ALCO on regular basis. The NII sensitivities shown are indicative and based on simplified scenarios.

(b) Foreign exchange rate risk:

The company entered into foreign currency transactions in the Foreign currency business. The currency risk arising out of foreign currency transactions in the foreign currency business is monitored by a central dealing room, which then hedges the positions transactions entered into at individual locations across the country, through deals in the interbank market, thereby ensuring that they are minimal open positions.

(i) Foreign currency risk exposure

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	31st March, 2026				
	EUR	GBP	USD	Others	Total
Foreign currencies in hand	59.09	45.32	310.15	222.40	636.96
Foregin Currency Balance	-	-	-	-	-
Total	**59.09**	**45.32**	**310.15**	**222.40**	**636.96**

Particulars	31st March, 2025				
	EUR	GBP	USD	Others	Total
Foreign currencies in hand	55.10	31.55	385.06	357.27	828.98
Foregin Currency Balance	20.77	2.00	217.32	145.51	385.60
Total	**75.87**	**33.55**	**602.38**	**502.78**	**1,214.58**

(ii) Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts.

Particulars	Impact on Profit and Loss			
	31st March, 2026		31st March, 2025	
	Strengthening	Weakening	Strengthening	Weakening
Effect in INR 0.75% movement*				
EUR	0.44	(0.44)	0.57	(0.57)
GBP	0.34	(0.34)	0.26	(0.26)
USD	2.33	(2.33)	4.52	(4.52)
Others	1.67	(1.67)	3.77	(3.77)

*Holding all other variables constant

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

iv) Operational Risk:

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or may lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include maker-checker controls, effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

51 Financial Instruments

The following table shows the carrying amounts and fair values of financial instruments, including their levels in the fair value hierarchy. The Company has disclosed financial instruments not measured at fair value at carrying values because their carrying amounts are a reasonable approximation of the fair values.

As at 31st March, 2026	Carrying Amount		
	FVTPL	Amortised Cost	Total
Financial Assets			
Investment in mutual fund	19,703.93	-	19,703.93
Investment in security receipt	1,300.00	-	1,300.00
Cash and cash equivalents	-	17,569.99	17,569.99
Bank balances other than Cash and cash equivalents	-	7,943.28	7,943.28
Trade and other receivables	-	844.15	844.15
Loans and advances	-	1,12,688.26	1,12,688.26
Others financial assets	-	2,177.40	2,177.40
Total	**21,003.93**	**1,41,223.08**	**1,62,227.01**
Financial liabilities			
Trade and other payables	-	1,536.29	1,536.29
Debt securities	-	5,105.16	5,105.16
Borrowings	-	87,981.85	87,981.85
Lease liability	-	2,129.05	2,129.05
Other financial liabilities	-	6,325.89	6,325.89
Total	**-**	**1,03,078.24**	**1,03,078.24**

As at 31st March, 2025	Carrying Amount		
	FVTPL	Amortised Cost	Total
Financial Assets			
Investment in mutual fund	5,369.64	-	5,369.64
Investment in security receipt	-	-	-
Cash and cash equivalents	-	10,093.24	10,093.24
Bank balances other than Cash and cash equivalents	-	5,954.93	5,954.93
Trade and other receivables	-	1,011.48	1,011.48
Loans and advances	-	89,883.79	89,883.79
Others financial assets	-	2,231.65	2,231.65
Total	**5,369.64**	**1,09,175.09**	**1,14,544.73**
Financial liabilities			
Trade and other payables	-	993.85	993.85
Debt securities	-	-	-
Borrowings	-	65,940.20	65,940.20
Lease liability	-	1,331.73	1,331.73
Other financial liabilities	-	5,333.72	5,333.72
Total	**-**	**73,599.50**	**73,599.50**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Ind AS 107, 'Financial Instruments - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet using a three-level fair value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value- hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and place limited reliance on the entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair value hierarchy of financial instruments classified in FVTPL category:-

Particulars	Fair Value as at 31st March, 2026			Carrying Value as at 31st March, 2026	Fair Value as at 31st March, 2025			Carrying Value as at 31st March, 2025
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
Financial Assets								
Investment in mutual fund	-	19,703.93	-	19,703.93	-	5,369.64	-	5,369.64
Investment in security receipts	-	1,300.00	-	1,300.00	-	-	-	-
Total	**-**	**21,003.93**	**-**	**21,003.93**	**-**	**5,369.64**	**-**	**5,369.64**

52 Provision under prudential norms of income recognition, asset classification (IRAC)-

Comparison between provision required under IRACP and impairment allowances made under IND AS 109:

As at 31st March, 2026

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5=3-4)	6	(7=4-6)
Performing assets						
Standard	Stage 1	1,07,278.82	340.23	1,06,938.59	429.12	(88.89)
	Stage 2	6,807.82	513.09	6,294.73	27.23	485.86
Subtotal		**1,14,086.64**	**853.32**	**1,13,233.32**	**456.35**	**396.97**
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,310.53	1,135.30	1,175.23	231.05	904.25
Doubtful						
-up to 1 year	Stage 3	463.80	196.15	267.65	92.76	103.39
-1 to 3 years	Stage 3	111.43	47.88	63.55	33.43	14.45
-More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**575.23**	**244.03**	**331.20**	**126.19**	**117.84**
Loss		-	-	-	-	-
Subtotal for NPA		**2,885.76**	**1,379.33**	**1,506.43**	**357.24**	**1,022.09**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	1,938.73	4.11	1,934.62	-	4.11
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**1,938.73**	**4.11**	**1,934.62**	**-**	**4.11**
Total	**Stage 1**	1,09,217.55	344.34	1,08,873.21	429.12	(84.78)
	Stage 2	6,807.82	513.09	6,294.73	27.23	485.86
	Stage 3	2,885.76	1,379.33	1,506.43	357.24	1,022.09
	Total	**1,18,911.13**	**2,236.76**	**1,16,674.37**	**813.59**	**1,423.17**

As at 31st March, 2025

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5=3-4)	6	(7=4-6)
Performing assets						
Standard	Stage 1	84,322.04	829.37	83,492.67	337.29	492.08
	Stage 2	7,129.58	289.92	6,839.66	28.52	261.40
Subtotal		**91,451.62**	**1,119.29**	**90,332.33**	**365.81**	**753.48**
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,057.43	506.92	550.51	105.74	401.18
Doubtful						
-up to 1 year	Stage 3	620.26	278.05	342.21	124.05	154.00
-1 to 3 years	Stage 3	2.46	1.02	1.44	0.74	0.28
-More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**622.72**	**279.07**	**343.65**	**124.79**	**154.28**
Loss		-	-	-	-	-
Subtotal for NPA		**1,680.15**	**785.99**	**894.16**	**230.53**	**555.46**
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	23,226.82	10.85	23,215.97	-	10.85
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**23,226.82**	**10.85**	**23,215.97**	**-**	**10.85**
Total	**Stage 1**	1,07,548.86	840.22	1,06,708.64	337.29	502.93
	Stage 2	7,129.58	289.92	6,839.66	28.52	261.40
	Stage 3	1,680.15	785.99	894.16	230.53	555.46
	Total	**1,16,358.59**	**1,916.13**	**1,14,442.46**	**596.34**	**1,319.79**

Note: As per Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Income Recognition, Asset Classification and Provisioning) Directions, 2025, issued by Reserve Bank of India vide circular no. RBI/DOR/2025-26/356 -

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

November 28, 2025, as amended. Where impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) (including standard asset provisioning), NBFCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'.

However total IND AS impairment allowances is higher as compared to IRACP, hence appropriation to impairment reserve is not required during the financial year 31st March, 2026 and 31st March, 2025.

53 Disclosures as required by the Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DOR/2025-26/359 dated November 28, 2025 (the "Notification"), as amended.

a. Capital funds, risk assets/ exposure and risk asset ratio (CRAR)

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
1	CRAR (%)	40.99%	36.08%
2	CRAR - Tier I capital (%)	40.76%	35.45%
3	CRAR - Tier II Capital (%)	0.23%	0.63%
4	Amount of subordinated debt raised as Tier -II Capital	-	-
5	Amount raised by issue of Perpetual Debt Instruments	-	-

b. Investments

Sr. No	Particulars	As at 31st March, 2026	As at 31st March, 2025
1	Value of investments		
	(i) Gross value of investments		
	(a) in India	23,147.44	23,013.15
	(a) outside India	-	-
	(ii) Provision for depreciation		
	(a) in India	-	-
	(a) outside India	-	-
	(iii) Net value of investments		
	(a) in India	23,147.44	23,013.15
	(a) outside India	-	-
2	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	-	-
	(ii) Add : Provisions made during the year	-	-
	(iii) Less : Write-off/ write-back of excess provision during the year	-	-
	(i) Closing balance	-	-

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

c. Derivatives

The Company has no transactions / exposure in derivatives as on 31st March, 2026 and 31st March, 2025.

d. Disclosures relating to Securitisation

The Company has not entered in securitisation transaction during the year and had no outstanding securitisation transactions for earlier years.

e. Details of Financial Assets sold to Securitisation

The Company has not sold any financial asset to securitisation in the current year and previous year.

f. Details of Loans transferred through Assignment

Refer Note 56 for details of loans transferred through assignment.

g. Details of non-performing financial assets purchase

The Company has not purchased any non-performing financial assets in the current year and previous year.

h. Exposure

i. Exposure to Real Estate Sector

Sr. No	Category	As at 31st March, 2026	As at 31st March, 2025
a)	**Direct exposure**		
(i)	**Residential Mortgages -**		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund bases (NFB) limits.	490.91	-
(ii)	**Commercial Real Estate -**		
	Lending secured by mortgages on commercial real estates (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.). Exposure would also include non-fund based (NFB) limits.	5,504.01	5,507.05
(iii)	**Investments in Mortgage Backed Securities (MBS) and other securitised exposures -**		
1	Residential,	-	-
2	Commercial Real Estate.	-	-
b)	**Indirect exposure**		
(i)	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-
(ii)	Investment in Housing Finance Companies	-	15,500.00
(iii)	Others	-	-
	Total Exposure to Real Estate Sector	**5,994.92**	**21,007.05**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

ii. Exposure to Capital Market

	Particulars	As at 31st March, 2026	As at 31st March, 2025
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;*	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds.	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds:	-	-
	(i) Category I	-	-
	(ii) Category II	-	-
	(iii) Category III	-	-
	Total Exposure to Capital Market	-	-

*Excludes investments in subsidiaries.

i. Details of financing of parent company products

The Company has not financed parent company products.

j. Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not lent/ invested/ lent and invested in Single Borrower / Single Group of Borrowers in excess of limits prescribed by the RBI.

k. Unsecured Advances

There are no advances/projects financed by the Company wherein intangible security such as rights, licenses, authorizations etc. are charged as collateral as at 31st March, 2026 and 31st March, 2025.

Refer Note 6 for unsecured loans.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

l. Registration obtained from other financial sector regulators

The Company is not registered with any financial sector regulators except with the RBI.

m. Disclosure of Penalties imposed by RBI and other regulators

No penalties were imposed by the RBI and other regulators during current year and previous year.

n. Provisions and contingencies (shown under the head expenditure in Statement of Profit and Loss):

S. No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
(i)	Provision made towards NPA	593.34	(72.74)
(ii)	Provision made towards standard assets	(272.71)	74.66
(iii)	Provision made towards income tax	786.22	158.00

o. Draw Down from Reserves

There has been no draw down from reserves during the current year and previous year.

p. Non-Fund Based (NFB) Credit Facilities:

S. No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
		Secured portion	
(i)	Outstanding Guarantees	-	-
	In India	-	-
	Outside India	-	-
(ii)	Acceptances, Endorsements and other Obligations	-	-
(iii)	Other NFB Credit facilities	-	-

S. No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
		Unsecured Portion	
(i)	Outstanding Guarantees	-	-
	In India	-	-
	Outside India	-	-
(ii)	Acceptances, Endorsements and other Obligations	-	-
(iii)	Other NFB Credit facilities	-	-

q. Concentration of Advances, Exposures and NPAs

i) Concentration of Advances

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total Advances to twenty largest borrowers	14,589.76	15,002.30
Percentage of Advances to twenty largest borrowers to Total Advances	12.65%	16.37%

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

ii) Concentration of Exposures

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total Exposures to twenty largest borrowers / customers	14,765.98	15,142.82
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure on borrowers / customers	12.62%	16.26%

iii) Concentration of NPAs

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total of Exposures to top four NPA accounts	567.33	404.96

iv) Movement of NPAs

	Particulars	As at 31st March, 2026	As at 31st March, 2025
(i)	**Net NPAs to Net Advances (%)**	**1.32%**	**0.98%**
(ii)	**Movement of NPAs (Gross):**		
(a)	Opening balance	1,680.15	1,574.67
(b)	Additions during the year	2,325.03	893.89
(c)	Reductions during the year	1,119.42	788.41
(d)	**Closing balance**	**2,885.76**	**1,680.15**
(iii)	**Movement of Net NPAs**		
(a)	Opening balance	894.16	715.94
(b)	Additions during the year	1,184.83	464.80
(c)	Reductions during the year	572.56	286.58
(d)	**Closing balance**	**1,506.43**	**894.16**
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
(a)	Opening balance	785.99	858.73
(b)	Provisions made during the year	1,140.20	429.09
(c)	Write-off / write-back of excess provisions	546.86	501.83
(d)	**Closing balance**	**1,379.33**	**785.99**

v) Intra- group exposures

	Particulars	As at 31st March, 2026	As at 31st March, 2025
(i)	Total amount of intra- group exposures	-	-
(ii)	Total amount of top 20 intra- group exposures	-	-
(iii)	Percentage of intra- group exposures to total exposure of the NBFC on borrowers/ Customers	0.00%	0.00%

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

vi) Sector-wise NPAs (% of NPA to Total Advances in that sector)

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and allied activities	5,185.94	513.46	9.90%	3,459.88	158.07	4.57%
2. Industry	-	-	0.00%	-	-	0.00%
3. Services						
Retail Trade	28,219.10	582.78	2.07%	23,879.27	444.29	1.86%
Commercial Real Estate	-	-	0.00%	6,682.36	-	0.00%
Other Services	69,970.31	1,436.17	2.05%	36,207.57	804.83	2.22%
4. Personal Loans						
Education Loans	5,655.76	254.61	4.50%	8,329.36	95.29	1.14%
5. Others						
Other retail Loans	7,941.29	98.74	1.24%	14,573.33	177.67	1.22%
Total	**1,16,972.40**	**2,885.76**	**2.47%**	**93,131.77**	**1,680.15**	**1.80%**

r. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The Company has not invested in overseas assets in the current year and previous year. There are no outstanding investments from earlier years.

s. Off-balance Sheet SPVs sponsored by the Company

The Company has no off-balance sheet SPV in the current year and previous year.

t. Area of Operation

The Company operates in India and does not have any overseas joint ventures and subsidiaries.

u. Fraud Reporting

Disclosure as required by the Master Direction -Fraud Risk Management in NBFCs (Reserve Bank Directions, 2024 RBI/DOS/2024-25/120 DOS.CO.FMG.SEC.No.7/23.04.001/2024-25 dated July 15, 2024, there are no frauds reported for the year ended 31st March, 2026 and 31st March, 2025.

v. Remuneration of Directors

Details of all transactions with directors has been given in Note 43 of Financials Statements (Related Party Transactions).

w. Revenue Recognition

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

x. Consolidated Financial Statement (CFS)

The Company has prepared consolidated financial statement.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

y. Net Profit or Loss for the period, prior period items and changes in accounting policies

No prior period items and no changes in accounting policies.

z. The disclosure of the Concentration of Deposits taken is not applicable since the Company is not in the business of accepting deposits being a Systemically Important Non Deposit Accepting NBFC.

aa. Disclosure of Complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman:

Sr. No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
(a)	No.of complaints pending as at the beginning of the year	-	-
(b)	No.of complaints received during the year	235	100
(c).	No.of complaints redressed during the year	230	100
(d)	No.of complaints pending as at the end of the year	5	-

2) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No.	Sub No.	Particulars	As at 31st March, 2026	As at 31st March, 2025
		Complaints received by the NBFC from its customers		
1		Number of complaints pending at beginning of the year	-	-
2		Number of complaints received during the year	235	100
3		Number of complaints disposed during the year	230	100
	3.1	Of which, number of complaints rejected by the NBFC	-	-
4		Number of complaints pending at the end of the year	5	-
		Maintainable complaints received by the NBFC from Office of Ombudsman		
5		Number of maintainable complaints received by the NBFC from Office of Ombudsman	89	34
	5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	88	33
	5.2	Of 5, number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman	1	1
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	1	1
6		Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: 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.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

3) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e.complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% Increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
As at 31st March, 2026					
Loan and Advances	-	220	134%	5	5
Levy of charges without prior notice/ excessive/forclosure charges	-	-	-	-	-
Difficulty in operation of accounts	-	-	-	-	-
Recovery Agents/ Direct Sales Agents	-	15	150%	-	-
Staff behaviour	-	-	-	-	-
Other	-	-	-	-	-
Total	-	**235**	-	**5**	**5**
As at 31st March, 2025					
Loan and Advances	-	94	(40%)	-	-
Levy of charges without prior notice/ excessive/forclosure charges	-	-	-	-	-
Difficulty in operation of accounts	-	-	-	-	-
Recovery Agents/ Direct Sales Agents	-	6	100%	-	-
Staff behaviour	-	-	-	-	-
Other	-	-	-	-	-
Total	-	**100**	-	-	-

ab. Ratings assigned by credit rating agencies and migration of ratings during the year

S. No.	Instruments	Credit Rating Agency	As on 31st March, 2026	As on 31st March, 2025
1	Bank Loan (Long Term)	Infomercis Valuation and Rating Limited	IVR A / Negative	IVR A / Stable
2	Non Convertible Debenture	Infomercis Valuation and Rating Limited	IVR A / Negative	IVR A / Stable
3	Bank Loan (Long Term)	Acuite Ratings and Research Limited	Acuite A- / Stable	Acuite A- /Rating Watch with Developing Implications #
4	Bank Loan (Short Term)	Acuite Ratings and Research Limited	Acuite A- / Stable	Acuite A- /Rating Watch with Developing Implications #

As at 31st March, 2025, The rating outlook from Acuite Ratings and Research Limited was placed under "Rating Watch with Developing Implications" to evaluate the impact of the announcement made by Company regarding the divestment of its housing finance subsidiary Capital India Home Loans Limited. Subsequently, the outlook was removed from "Rating watch" and restored to "Stable" on conclusion of transaction.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

ac. Statement on Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at 31st March, 2026

S. No	Particulars	1 day to 7 days	8 to 14 days	15 to 30/31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances	455.44	555.41	703.52	3,265.13	4,229.88	9,287.71	16,577.68	22,152.96	15,516.42	44,228.25	**1,16,972.40**
3	Investments	16,703.93	-	-	1,500.00	1,500.00	-	-	-	-	3,443.51	**23,147.44**
4	Debt securities	-	-	-	-	-	323.13	-	5,000.00	-	-	**5,323.13**
5	Borrowings	535.34	527.15	1,461.27	3,997.85	4,118.19	9,926.54	17,808.67	38,086.68	12,656.28	-	**89,117.97**
6	Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
7	Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of certain items of assets and liabilities as at 31st March, 2025

S. No	Particulars	1 day to 7 days	8 to 14 days	Up to 30 / 31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances	183.84	278.05	1,091.41	2,905.00	3,164.73	7,281.15	12,282.58	17,278.75	13,998.84	34,667.42	**93,131.77**
3	Investments	2,969.64	1,200.00	-	1,200.00	-	-	-	-	-	17,643.51	**23,013.15**
4	Debt securities	-	-	-	-	-	-	-	-	-	-	-
5	Borrowings	338.38	464.06	800.79	2,740.61	3,756.02	7,502.24	13,981.05	31,043.23	6,222.40	-	**66,848.78**
6	Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
7	Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

ad. Resolution plan and Restructured advances

The Company has not implemented any resolution plan and no accounts were restructured for the year ended 31st March, 2026 and 31st March, 2025.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

ae. Related Party Transactions

Details of all material transactions with related parties has been given below-

Related party transactions during the year

Related Party	Year	Holding/ ultimate holding company	Fellow Subsidi-aries	Associ-ates of holding company	Key Man-agement Personnel	Relatives of Key Manage-ment Personnel	Relatives of Director	Directors	Others	Total
Borrowings	2025-2026	-	-	-	-	-	-	-	-	-
	2024-2025	-	-	-	-	-	-	-	-	-
Deposits	2025-2026	-	-	-	-	-	-	-	-	-
	2024-2025	-	-	-	-	-	-	-	-	-
Loans and advances given	2025-2026	-	-	-	-	-	-	-	-	-
	2024-2025	-	-	-	-	-	-	-	-	-
Loans and advances repayment	2025-2026	-	-	-	-	-	-	-	-	-
	2024-2025	-	-	-	-	-	-	-	-	-
Investments	2025-2026	-	-	-	-	-	-	-	-	-
	2024-2025	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	2025-2026	-	-	-	-	-	-	-	-	-
	2024-2025	-	33.52	-	-	-	-	-	-	33.52
Sale of fixed/ other assets	2025-2026	-	-	-	-	-	-	-	-	-
	2024-2025	-	-	-	-	-	-	-	-	-
Sale of foreign currency	2025-2026	-	-	-	-	-	-	0.57	-	0.57
	2024-2025	-	1.69	-	-	-	-	0.29	0.49	2.47
Interest Income	2025-2026	-	-	-	-	-	-	-	-	-
	2024-2025									-
Reimbursement received	2025-2026	-	48.01	-	-	-	-	-	-	48.01
	2024-2025	-	32.48	-	-	-	-	-	-	32.48
Reimbursement expense	2025-2026	-	-	-	-	-	-	-	-	-
	2024-2025	-	1.85	-	-	-	-	-	-	1.85
Remuneration and sitting fees	2025-2026	-	-	-	880.64	-	-	298.20	-	1,178.84
	2024-2025	-	-	-	603.89	-	-	258.25	-	862.14
Commission expenses	2025-2026	-	3,698.70	-	-	-	-	-	-	3,698.70
	2024-2025	-	1,566.47	-	-	-	-	-	-	1,566.47
Loan portfolio assigned in	2025-2026	-	-	-	-	-	-	-	-	-
	2024-2025	-	-	-	-	-	-	-	-	-
Receipt against FLDG	2025-2026	-	774.30	-	-	-	-	-	-	774.30
	2024-2025	-	468.74	-	-	-	-	-	-	468.74
Dividend	2025-2026	56.78	-	-	-	-	-	-	-	56.78
	2024-2025	56.78	-	-	-	-	-	-	-	56.78
Others	2025-2026	70.00	-	-	-	-	-	-	57.50	127.50
	2024-2025	70.00	-	-	-	-	-	-	48.75	118.75

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

Balance outstanding at the end of year

Related Party	Year	Holding/ ultimate holding company	Fellow Subsidi-aries	Associ-ates of holding company	Key Man-agement Personnel	Relatives of Key Manage-ment Personnel	Relatives of Director	Directors	Others	Total
Advances against FLDG	2026	-	-	-	-	-	-	-	-	-
	2025	-	9.97	-	-	-	-	-	-	9.97
Payables	2026	-	433.21	-	-	-	-	-	-	433.21
	2025	-	-	-	-	-	-	-	-	-

Maximum related party outstanding during the years

Related Party	Year	Holding/ ultimate holding company	Fellow Subsidiaries	Associates of holding company	Key Management Personnel	Relatives of Key Management Personnel	Relatives of Director	Directors	Others
Borrowings	2026	-	-	-	-		-	-	-
	2025	-	-	-	-		-	-	-
Deposits	2026	-	-	-	-		-	-	-
	2025	-	-	-	-		-	-	-
Advances	2026	-	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-	-
Investments	2026	-	17,643.51	-	-	-	-	-	-
	2025	-	17,643.51	-	-	-	-	-	-

Refer Note 43 for Related party transaction.

af. The Company has implemented necessary system in place to align its definition of default for loan assets with the guidelines stipulated in RBI - 'Prudential Norms on Income Recognition, Asset classification and Provisioning for regulatory reporting, as applicable. The financial statement for the year ended 31st March, 2026 and 31st March, 2025, are prepared in accordance with the applicable IND-AS guidelines and the RBI Circular – 'Implementation of Indian Accounting Standards'.

ag. The Company, being a Non-Banking Financial Company ("NBFC") registered with the Reserve Bank of India ('RBI') as a 'Middle Layer' NBFC as per the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, the provisions of section 2(87) read with the Companies (restriction on number of layers) Rules 2017 are not applicable.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

ah. Details of exposures to related parties as defined in Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025 shall be disclosed as per the following table:

A. Loans to Related Parties

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
1. Aggregate value of loans sanctioned to related parties during the year	-	-
2. Aggregate value of outstanding loans to related parties as on 31st March	-	-
3. Aggregate value of outstanding loans to related parties as a proportion of total credit exposure as on 31st March	-	-
4. Aggregate value of outstanding loans to related parties which are categorized as:	-	-
(i) Special Mention Accounts as on 31st March	-	-
(ii) Non-Performing Assets as on 31st March	-	-
5. Amount of provisions held in respect of loans to related parties as on 31st March	-	-

B. Contracts and Arrangements involving Related Parties

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
1. Aggregate value of contracts and arrangements awarded to related parties during the year*	4,473.00	2,035.21
2. Aggregate value of outstanding contracts and arrangements involving related parties as on 31st March	433.21	9.97

*The value represents transactions incurred during the financial year.

The above disclosure is given in accordance with the "Reserve Bank of India (Non-Banking Financial Companies - Credit Risk Management) Directions, 2025", issued vide Circular No. DOR.CRE.REC.380/07-02-008/2025-26 dated 05th January 2026, however the said circular is effective for implementation from April 1, 2026.

ai. Loan to directors, senior officers and relatives of directors

Particulars	As at 31st March, 2026	As at 31st March, 2025
Directors and their relative	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

The Company has not provided any loans to Directors, senior officers and relatives of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP), during the year ended 31st March, 2026 and 31st March, 2025.

aj. Income and expenditure of exceptional nature

Refer Note 35 for income and expenditure of exceptional nature.

ak. Disclosure on modified opinion

The auditor have expressed an unmodified opinion for the year ended 31st March, 2026 and 31st March, 2025.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

al. Breach of covenant

The Company has no instances of breach of covenant in respect of loans availed and debt securities issued as at 31st March, 2026 and 31st March, 2025.

am. Gold and Silver Loans (Including Jewelleries)

The Company does not provide any loans on collateral of gold and silver including jewelleries.

an. Project Finance

The Company has not lent any funds during the year ended 31st March, 2026 and 31st March, 2025 for project finance activities nor has any recoverable balance as at the same date in accordance with RBI Direction - 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.No.266/ 07-01-0 08/ 2025-26 - Reserve Bank of India (Non Banking Financial Companies-Credit Facilities) Directions, 2025 dated 28th November 2025.

ao. Purchased and sale of credit impaired financial assets to the Asset Reconstruction Company

Refer Note 56 Transfer and Distribution of Credit Risk

ap. Corporate Governance

Refer Corporate Governance section in the annual report

aq. Divergence in asset classification and provisioning

During the year ended 31 March, 2026 and 31 March, 2025 no divergence in asset classification and provisioning has been reported.

ar. Unhedged Foreign Currency Exposure

Refer Note 37 for unhedge foreign currency exposure.

as. Currency options and currency futures

Refer Note 37 for unhedge foreign currency exposure.

at. Credit Default Swaps

The company has not undertaken any credit default swaps transaction during the financial year ended 31st March, 2026 and 31st March, 2025.

au. Off-balance sheet exposures and structured products

A. Off- Balance sheet exposures

Refer Note 41 of Contingent Liabilities and Commitments.

B. Structured Products

The company has disclosed all the details of loan exposures outstanding in note 6 of the financial statement and there is no other loan exposure as at 31st March, 2026 and 31st March, 2025.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Additional Disclosures required by the Reserve Bank of India ('RBI') (Continued)

54 The Company has disclosed the below information as stated in the RBI notification no. RBI/DOR/2025-26/359 - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 read with Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025 both dated November 28, 2025 (the "Notification"), as amended, that enables the market participants to make an informed judgment about the soundness of its liquidity risk management framework and liquidity position.

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

	As at 31st March, 2026		
Number of Significant Counterparties	**Amount in lakhs**	**% of Total Deposits**	**% of Total Liabilities**
18	90,338.31	Not Applicable	86.71%

	As at 31st March, 2025		
Number of Significant Counterparties	**Amount in lakhs**	**% of Total Deposits**	**% of Total Liabilities**
18	66,159.00	Not Applicable	88.79%

(ii) Top 20 Large Deposits

The Company is a non-deposit taking Non-Banking Financial Company ('NBFC-ND') classified as NBFC - Middle Layer. The Company had not accepted any deposits during the year ended 31st March, 2026 and 31st March 2025.

(iii) Top 10 Borrowings

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total borrowings from ten largest lenders *	76,897.97	53,242.00
Percentage of borrowings from ten largest lenders to total borrowings of the Company	81.91%	79.79%

*The Principal outstanding amount as on 31st March, 2026 and as on 31st March, 2025 respectively is considered above.

(iv) Funding Concentration based on significant Instrument/ Product

Name of instrument/ product	As at 31st March, 2026		As at 31st March, 2025	
	Amount in lakhs	% of Total Liabilities	Amount in lakhs	% of Total Liabilities
Non convertible debentures	5,000.00	4.80%	-	0.00%
Term loans from banks	63,380.46	60.83%	52,311.98	70.20%
Term loans from others	15,239.00	14.63%	8,584.81	11.52%
Term loans from financial institutions	10,004.00	9.60%	5,720.00	7.68%
Other borrowings	259.19	0.25%	108.15	0.15%
Total Borrowings	**93,882.65**	**90.11%**	**66,724.94**	**89.54%**
Total Liabilities	**1,04,186.75**		**74,515.66**	

(v) Stock Ratios

Particulars	As at 31st March, 2026		
	As a % of total public funds	As a % of total liabilities	As a % of total assets
Commercial papers	-	-	-
Non-convertible debentures (original maturity of less than one year)	-	-	-
Other short-term liabilities (Incl. Borrowings with original maturity of less than one year)	12.55%	11.31%	6.89%

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Particulars	As at 31st March, 2025		
	As a % of total public funds	As a % of total liabilities	As a % of total assets
Commercial papers	-	-	-
Non-convertible debentures (original maturity of less than one year)	-	-	-
Other short-term liabilities (Incl. Borrowings with original maturity of less than one year)	12.21%	10.93%	5.96%

Note:

1 Public funds Include Debt Securities, Borrowings

2 Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equity Share Capital and Other Equity.

vi. Institutional set-up for liquidity risk management

The Board of Directors of the Company shall have the overall responsibility for the implementation of the ALM system including liquidity risk management. The Board has also instituted the Asset Liability Management Committee to monitor and manage liquidity risk inter-alia by way of monitoring the asset liability composition, reviewing the liquidity and borrowing program of the Company, setting-up and monitoring prudential limits on negative mismatches w.r.t. liquidity and interest rate.

The Company's liquidity and funding approach documented through its various plans and policies including the Asset Liability Management Policy, Resources Planning Policy, Investment Policy, is to ensure that funding is available to meet all market related stress situations. We endeavour to maintain a conservative Asset Liability Management approach which is focused on maintaining long term funding stability.

The Company also has a Risk Management Committee which reports to the Board and is responsible for evaluating the overall risks faced by the Company including liquidity risks.

The Company's liquidity management set-up is assessed periodically to align the same with any regulatory changes in the economic landscape or business needs. The ALCO meetings are held once in a quarter and committee submit its report to board on quarterly basis.

55 Schedule to the Balance Sheet of a Non Banking Financial Company as required by the Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DOR/2025-26/359 dated November 28, 2025 (the "Notification"), as amended.

LIABILITIES SIDE

		As at 31st March, 2026		As at 31st March, 2025	
1	**Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:**	**Amount Outstanding**	**Amount Overdue**	**Amount Outstanding**	**Amount Overdue**
	a. Debentures (other than falling within the meaning of public deposits)				
	- Secured	5,323.13	-	-	-
	- Unsecured	-	-	-	-
	b. Deferred Credits	-	-	-	-
	c. Term Loans	88,858.78	-	66,740.63	-
	d. Inter-corporate loans and borrowings	-	-	-	-
	e. Commercial Paper	-	-	-	-
	f. Public Deposits (refer note i below)	-	-	-	-
	g. Other Loans	259.19	-	108.15	-

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

2	Break up of 1(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	Amount Outstanding	Amount Overdue
	a. In the form of unsecured debentures	-	-
	b. In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	c. Other public deposits	-	-

ASSET SIDE

3	Break up of Loans and Advances including bills receivables [other than those included in (4) below]:	Amount Outstanding as at	
		31st March, 2026	31st March, 2025
	a. Secured	90,431.20	76,287.76
	b. Unsecured	26,541.20	16,844.01

4	Break up of Leased Assets and stocks on hire and other assets counting towards AFC activities	Amount Outstanding as at	
		31st March, 2026	31st March, 2025
	i. Lease Assets including lease rentals under sundry debtors:		
	a. Finance Lease	-	-
	b. Operating Lease	-	-
	ii. Stocks on hire including hire charges under sundry debtors:		
	a. Assets on hire	-	-
	b. Repossessed Assets	-	-
	iii. Other Loans counting towards AFC activities:		
	a. Loans where assets have been repossessed	-	-
	b. Loans other than (a) above	-	-

5	Break up of Investments:	Amount Outstanding as at	
		31st March, 2026	31st March, 2025
	Current Investments		
	1. Quoted		
	i. Shares - Equity	-	-
	- Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of mutual funds	-	-
	iv. Government Securities	-	-
	v. Others	-	-
	2. Unquoted		-
	i. Shares - Equity	-	-
	- Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of mutual funds	19,703.93	5,369.64
	iv. Government Securities	-	-
	v. Others (security receipt)	1,300.00	-

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

5	Break up of Investments:	Amount Outstanding as at	
		31st March, 2026	31st March, 2025
	Long Term Investments		
	1. Quoted		
	i. Shares - Equity	-	-
	- Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of mutual funds	-	-
	iv. Government Securities	-	-
	v. Others	-	-
	2. Unquoted		
	i. Shares - Equity	2,143.51	17,643.51
	- Preference	-	-
	ii. Debentures and Bonds	-	-
	iii. Units of mutual funds	-	-
	iv. Government Securities	-	-
	v. Others	-	-

6 Borrower group-wise classification of all leased assets, stock on hire and loans and advances (Refer note ii below):

Category	As at 31st March, 2026			As at 31st March, 2025		
	Amount net of provision			Amount net of provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1 Related Parties**						
a. Subsidiaries	-	-	-	-	-	-
b. Companies in the same group	-	-	-	-	-	-
c. Other related parties	-	-	-	-	-	-
2 Other than related parties	90,431.20	26,541.20	1,16,972.40	76,287.76	16,844.01	93,131.77
Total	**90,431.20**	**26,541.20**	**1,16,972.40**	**76,287.76**	**16,844.01**	**93,131.77**

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) (Refer note iii below):

Category	As at 31st March, 2026		As at 31st March, 2025	
	Market Value/ Break up of fair value or NAV	Book Value (Net of Provisions)	Market Value/ Break up of fair value or NAV	Book Value (Net of Provisions)
1 Related Parties**				
a. Subsidiaries	2,179.85	2,143.51	17,774.00	17,643.51
b. Companies in the same group	-	-	-	-
c. Other related parties	-	-	-	-
2 Other than related parties	21,003.93	21,003.93	5,369.64	5,369.64
Total	**23,183.78**	**23,147.44**	**23,143.64**	**23,013.15**

** As per Accounting Standard issued by the Institute of Chartered Accountants of India ('ICAI').

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

8 Other information

		As at 31st March, 2026	As at 31st March, 2025
i.	Gross Non-Performing Assets		
	a. Related Parties	-	-
	b. Other than related parties	2,885.76	1,680.15
ii.	Net Non-Performing Assets		
	a. Related Parties	-	-
	b. Other than related parties	1,506.43	894.16
iii.	Assets acquired in satisfaction of debt	-	-

Notes:

i) As defined in the Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025

ii) Provisioning norms shall be applicable as prescribed in the Directions.

iii) 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 the case of Ind AS) in (7) above.

56 Disclosures pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DOR/2025-26/359 dated November 28, 2025 (the "Notification") as amended.

A Details of loans acquired through assignment in respect of loans not in default*:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Aggregate amount of loans acquired (Rs. in Lakhs)	1,957.54	3,372.56
Weighted average residual maturity (in months) at the time of transfer	84	217
Weighted average residual maturity (in months) as at 31st March	77	201
Weighted average holding period (in months)**	1	1
Retention of beneficial economic interest by the originator	10%	10%
Tangible security coverage (Times)***	1	1
Rating-wise distribution of rated loans	N/A	N/A

*The above table includes loans acquired by the Company through Co-Lending Arrangements.

** Holding period is computed as holding period in the books of the originator.

*** For computation of tangible security coverage ratio, Company has considered only secured loans.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

B Details of transfer through assignment in respect of loans not in default:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Aggregate principal outstanding of loans transferred through assignment (Rs. in Lakhs)	848.15	4,949.23
Retention of Beneficial economic interest (in %) (MRR)	10%	10%
Weighted average residual maturity (in months) at the time of transfer	117	140
Weighted average residual maturity (in months) as at 31st March	108	136
Weighted average holding period (in months)	14	16
Coverage of Tangible security Coverage (Times)*	1	1
Rating- wise distribution of rated loans	Unrated	Unrated

* For computation of Tangible Security coverage ratio, the Company has considered only the secured loans.

C Details of stressed loans transferred during the financial year 2025-26 (Previous year 'Nil'):

Disclosure in accordance with the guidelines issued under RBI circular number RBI/DOR/2025-26/352 - Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025 dated November 28, 2025 as amended.

Particulars	To ARC	To permitted Transferees	To other Transferees
No. of accounts	1	-	-
Aggregate principal outstanding of loans transferred* (Rs. in Lakhs)	1,772.48	-	-
Weighted average residual tenor of the loans transferred (in month)	171	-	-
Net book value of loans transferred (at the time of transfer)	-	-	-
Aggregate consideration (Rs. in Lakhs)	1,700.00	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Excess provisions reversed to the profit and loss account (Rs. in Lakhs)	1,700.00	-	-

*Represents the book value of the loan as on the date of write-off in the books of the company.

The Company has transferred one loan account for an aggregate consideration of Rs. 1,700.00 lakhs (including security receipts of Rs. 1,300.00 lakhs). This loan account was written off in the books prior to the sale transaction.

The rating wise distribution of Security Receipts (SRs) held by the Company is given below :

Rating Agencies	Rating	Recovery Rating	Amount
Rating not due**	NA	NA	1,300.00

**Pursuant to the Reserve Bank of India (Asset Reconstruction Companies) Directions, 2025 (as updated), the security receipts issued to the Company by the Asset Reconstruction Company (ARC) towards consideration for transfer of stressed loan have not been rated by the ARC since the prescribed time period of six months has not elapsed from the date of acquisition of loans by the ARC.

D The Company has not acquired any stressed loan during the year ended 31st March, 2026 and 31st March, 2025.

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

57 Disclosure on Co-Lending Arrangements (CLAs) in accordance with RBI Circular (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025 (RBI/DOR/2025-26/352 dated November 28, 2025).

A Co-Lending Transaction as Partner Regulated Entity (RE)

Particulars	As at 31st March, 2026
Number of active CLA partners	8
Amount of gross principal outstanding as at 31st March ,2026 (Rs. in lakhs)	11,936.59
Weighted average rate of interest (%)	15.01%
Fees received/ paid	-
Broad Sectors in which CLA was made (Rs. in lakhs)-	
MSME	11,291.74
Others	644.85
Performance of loans under CLA as at 31st March , 2026 (Rs. in lakhs)-	
Standard Loans	11,898.48
Non-Performing Loans	38.11
Details related to Default Loss Guarantee (DLG)	CG

B The Company has not undertaken any Co-lending arrangements with Banks or NBFCs wherein the Company is Originating RE.

58 Change in Liability arising from financing activities

Disclosure pursuant to Ind AS 7, Statement of Cash Flows - changes in liabilities arising from financing activities :

Particulars	As at March 31, 2024	Cash Inflow / Outflow/ Changes	As at 31st March, 2025	Cash Inflow/ Outflow/ Changes	As at 31st March, 2026
Borrowings	56,662.88	9,277.32	65,940.20	22,041.65	87,981.85
Debt-Securities	-	-	-	5,105.16	5,105.16
Lease Liabilities	1,023.76	307.97	1,331.73	797.32	2,129.05

59 Revenue from Contract with Customers

Disclosure pursuant to Ind AS 115, Revenue from Contract with customers

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Type of Services		
Loan related fee and other charges	595.57	462.12
Fees and Commission Income - Forex	1,085.53	1,377.39
Income from foreign exchange services	1,256.12	1,225.27
Other business support income	148.48	85.29
Total	**3,085.70**	**3,150.07**
Geographical Markets		
India	3,085.70	3,150.07
Outside India	-	-
Total	**3,085.70**	**3,150.07**
Timing of revenue recognition		
Services transferred at a point of time	3,085.70	3,150.07
Services transferred over time	-	-
Total	**3,085.70**	**3,150.07**

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Contract Balances

Particulars	As at 31st March, 2026	As at 31st March, 2025
Receivables	844.15	1,011.48

60 Additional disclosures

a. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b. No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to 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 to or on behalf of the Ultimate Beneficiaries.

c. The Company has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). There have been no previously unrecorded income and related assets which were to be properly recorded in the books of accounts during the year ended 31st March, 2026 and year ended 31st March, 2025.

d. Crypto or virtual currency

The Company has not invested in crypto currency or virtual currency during the year ended 31st March, 2026 and 31st March, 2025.

e. Wilful defaulter

The Company has not been declared as wilful defaulter by the bank and financial institution or any other lender. In accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31st March, 2026 and 31st March, 2025.

f. No Scheme of arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year ended 31st March, 2026 and 31st March, 2025.

g. The company has not purchased any credit impaired financial assets during the year ended 31st March, 2026 and 31st March, 2025.

h. There have been no events after the reporting date that require disclosure in the financial statement.

i. The Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31st March, 2026 and 31st March, 2025.

j. Disclosure under Regulation 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particular	As at 31st March, 2026	As at 31st March, 2025
a) Loans and advances in the nature of loans to Subsidiaries		
Name of the Company	Not Applicable	Not Applicable
Amount	Nil	Nil
b) Loans and advances in the nature of loans to Associates		
Name of the Company	Not Applicable	Not Applicable
Amount	Nil	Nil

Notes to Standalone Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Particular	As at 31st March, 2026	As at 31st March, 2025
c) Loans and advances in the nature of loans to Firms/Companies in which directors are interested		
Name of the Company	Not Applicable	Not Applicable
Amount	Nil	Nil
d) Investments by the loanee in the shares of parent Company and subsidiary Company, when the Company has made a loans or advances in the nature of loan.	Nil	Nil

k. The Company has used accounting software for maintaining books of accounts which has the feature of recording audit trail. Further, there is no instance of audit trail feature being tampered with in respect of any accounting software and the audit trail has been preserved by the company as per the Statutory requirements for record retention.

l. Unclaimed dividend does not include any amount outstanding as on 31st March, 2026 and 31st March, 2025 which are required to be credited to the Investor Education and Protection Fund.

m. The Company, being a Non-Banking Financial Company ("NBFC") registered with the Reserve Bank of India ('RBI') as a 'Middle Layer' NBFC as per the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, the provisions of section 2(87) read with the Companies (restriction on number of layers) Rules 2017 are not applicable.

61 The Financial Statements have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 20th May, 2026.

62 Previous year's figures

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

For V.SANKAR AIYAR & Co.
Chartered Accountants
Firm Registration No. : 109208W

For and on behalf of the board
Capital India Finance Limited

S.Nagabushanam
Partner
Membership No. : 107022

Vinod Somani
Non-Executive Chairman (Independent)
DIN : 00327231

Keshav Porwal
Managing Director
DIN : 06706341

Pinank Jayant Shah
Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

Sulabh Kaushal
Chief Compliance Officer & Company Secretary
Membership No. : A34674

Place: Mumbai
Date: 20th May, 2026

Consolidated Financial Statements

Independent Auditor's Report

To the Members of

Capital India Finance Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Capital India Finance Limited (hereinafter referred to as the 'Holding Company") and its subsidiary Companies (Holding Company and its subsidiary companies together referred to as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2026, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), consolidated Statement of Changes in Equity and the consolidated Cash Flows statement for the year then ended, and notes to the consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, of consolidated profit, of consolidated total comprehensive income, of consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 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 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 consolidated financial statements.

Key Audit Matters

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

Key Audit Matter	Response to Key Audit Matter
Expected Credit Loss (ECL) on Loans and Advances As at March 31, 2026, the carrying value of loan assets measured at amortized cost, aggregated Rs.112688.26 Lakhs (net of allowance of ECL of Rs. 2236.76 Lakhs) constituting approximately 61% of the Group's total assets. The estimation of ECL on financial instruments involves significant judgement and estimates. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Data inputs - The application of ECL model requires several data inputs. • Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Group's modelling approach. • Qualitative and quantitative factors used in staging the loan assets measured at amortized cost. • Economic scenarios – Ind AS 109 requires the Group to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them. • Adjustments to model driven ECL results to address emerging trends. Refer Note 6 to the Consolidated Financial Statements.	**Principal Audit Procedures:** We read and assessed the Group's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the board of directors pursuant to Reserve Bank of India ("RBI") guidelines. Tested the assumptions used for staging of loan portfolio into various categories and default buckets for determining the Probability of Default (PD) and Loss Given Default (LGD) rates. Assessed the criteria for staging of loans based on their past-due status. Tested samples of performing (Stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 as per Ind AS 109. Tested the arithmetical accuracy of computation of ECL provision performed by the Group. Assessed the disclosures included in the consolidated financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109.
Information technology (IT) systems used in financial reporting process. The Group's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily. We therefore identified IT systems and controls over financial reporting as a key audit matter for the Company.	**Principal Audit Procedures:** We obtained an understanding of the Group's IT control environment relevant to the audit. We tested the design, implementation and operating effectiveness of the Group's General IT controls over the key IT systems which are critical to financial reporting. We also tested key automated and manual controls and logic for system generated reports relevant to the audit that would materially impact the consolidated financial statements. In addition to above, we have also relied on the work of the internal auditors and system auditors.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report but does not include the financial statements Auditors Report(s) thereon. The Holding Company's Annual Report is expected to be made available to us after the date of this Auditor's Report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the 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 auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of the misstatement in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of 4 subsidiaries whose financial statements reflect total assets of Rs. 16,623.32 Lakhs as at March 31, 2026, total revenues of Rs. 33,902.90 Lakhs and net cash inflows amounting to Rs.92.06 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

We draw attention to Note 60 to the consolidated financial statements, which describes the sale/disposal of the Company's entire investment in a subsidiary company during the year ended 31 March 2026. Consequently, the financial results and cash flows of this subsidiary company have been consolidated up to the date on which control ceased and the gain/loss arising on disposal has been accounted for in accordance with the requirements of Ind AS 110, Consolidated Financial Statements, and other applicable accounting standards.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, as noted on the 'Other Matters' paragraph, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act, 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 its subsidiary companies incorporated in India as on March 31, 2026 and taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of internal financial controls over financial reporting of the Companies incorporated in India and included in the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.

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 its subsidiary companies incorporated in India to their 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 47 to the consolidated financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies incorporated in India Refer Note 64(xi) to the consolidated financial statements;

iv. (a) The respective Managements of the Holding Company, its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries - Refer Note 64(i) to the consolidated financial statements.;

(b) The respective Managements of the Holding Company, its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company, its subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its subsidiaries shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries - Refer Note 64(ii) to the consolidated financial statements.; and

(c) In our opinion and based on the audit procedures we have considered reasonable and appropriate in the circumstances performed by us on the Holding Company, its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend declared and paid by the Group during the year for the financial year 2024-25 is in compliance with Section 123 of the Act. The Group has not declared any dividend for the financial year 2025-26.

vi. Based on our examination, which included test checks, performed by us on the Company and its subsidiaries incorporated in India which are audited by us and based on the Audit Report of the subsidiary companies audited by other auditors, and in accordance with requirements of implementation Guide on Reporting on Audit Trail under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, the Companies in the Group have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further audit trail has been preserved by the respective companies as per the statutory requirements for record retention and during the course of our audit we did not come across any instance of audit trail feature being tampered with.

2. With respect to the matters specified in paragraphs 3 (xxi) and 4 of the Companies (Auditor's Report Order, 2020 (the "Order"/ "CARO") issued by Central Government in terms of Section 143(11) of the Act, to be included in the Auditors report, according to the information and explanation given to us, and based on the CARO report issued by us for the Holding Company and reports of the other auditors in respect of the subsidiary companies incorporated in India as on the reporting date, included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no material qualifications or adverse remarks in their CARO reports.

For **V. Sankar Aiyar & Co.,**
Chartered Accountants
(FRN 109208W)

(S Nagabushanam)
(M.No.107022)
UDIN: 26107022SPABIV9108

Place: Mumbai
Date: May 20,2026

Annexure to the Independent Auditor's Report

Annexure referred to in our report of even date to the members of Capital India Finance Limited on the Consolidated Financial Statements for the year ended 31st March 2026

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Capital India Finance Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies incorporated in India (hereinafter collectively referred to as "the Group") as of March 31, 2026, which are companies incorporated in India, as of that date

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding and its subsidiary companies which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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 system over financial reporting of the Parent and its subsidiary companies which are incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026 based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

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 the subsidiary companies incorporated in India, is based solely on the corresponding audit report of the auditor of the said subsidiary companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **V. Sankar Aiyar & Co.,**
Chartered Accountants
(FRN 109208W)

(S Nagabushanam)
(M.No.107022)
UDIN: 26107022SPABIV9108

Place: Mumbai
Date: May 20, 2026

Consolidated Balance Sheet

as at 31st March, 2026

(Currency: Rs. In Lakhs)

Sr. No.	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
	ASSETS			
1	**Financial Assets**			
	(a) Cash and cash equivalents	3	22,339.46	16,178.64
	(b) Bank balances other than Cash and cash equivalents	4	9,312.07	10,958.51
	(c) Receivables	5		
	(i) Trade Receivables		775.63	1,174.42
	(ii) Other Receivables		1,669.27	2,482.99
	(d) Loans	6	1,12,688.26	1,29,558.56
	(e) Investments	7	21,003.93	6,354.20
	(f) Other financial assets	8	3,517.26	4,985.29
	Total Financial Assets		**1,71,305.88**	**1,71,692.61**
2	**Non-financial Assets**			
	(a) Inventories	9	66.38	98.22
	(b) Current tax assets (Net)	10	1,408.75	350.55
	(c) Deferred tax asset (Net)	11	982.72	1,047.09
	(d) Property, plant and equipment	12	972.17	1,423.58
	(e) Intangible assets under development	13	126.28	867.56
	(f) Other Intangible assets	14	2,713.24	3,464.36
	(g) Goodwill on consolidation	15	1,807.59	1,807.59
	(h) Right of use assets	16	2,953.91	2,280.46
	(i) Other non-financial assets	17	2,224.18	2,227.30
	Total Non-Financial Assets		**13,255.22**	**13,566.71**
	Total Assets		**1,84,561.10**	**1,85,259.32**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial Liabilities**			
	(a) Payables	18		
	(I) Trade Payables			
	(i) Total outstanding dues of micro enterprises and small enterprises		37.30	9.28
	(ii) Total outstanding dues of creditors other than micro and small enterprises		1,481.62	1,632.98
	(II) Other Payables			
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises		45.41	30.30
	(b) Debt securities	19	5,105.16	-
	(c) Borrowings (Other than debt securities)	20	87,981.85	97,147.26
	(d) Other financial liabilities	21	15,812.22	16,457.78
	(e) Lease liabilities	53	3,054.66	2,485.13
	Total Financial Liabilities		**1,13,518.22**	**1,17,762.73**
2	**Non-Financial Liabilities**			
	(a) Provisions	22	1,370.83	1,505.94
	(b) Other non-financial liabilities	23	616.67	669.93
	Total Non-Financial Liabilities		**1,987.50**	**2,175.87**
3	**EQUITY**			
	(a) Equity share capital	24	7,821.13	7,782.64
	(b) Other equity	25	59,495.69	55,013.23
	Equity attributable to owners of the Company		67,316.82	62,795.87
	(c) Equity attributable to non-controlling interests		1,738.56	2,524.85
	Total Liabilities and Equity		**1,84,561.10**	**1,85,259.32**

Corporate Information	1
Material accounting policies	2

Notes 3 to 66 forms integral part of the Consolidated Financial Statements

In terms of our report attached

For V.SANKAR AIYAR & Co.
Chartered Accountants
Firm Registration No. : 109208W

S.Nagabushanam
Partner
Membership No. : 107022

Place: Mumbai
Date: 20th May, 2026

For and on behalf of the board
Capital India Finance Limited

Vinod Somani
Non-Executive Chairman (Independent)
DIN : 00327231

Keshav Porwal
Managing Director
DIN : 06706341

Pinank Jayant Shah
Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

Sulabh Kaushal
Chief Compliance Officer & Company Secretary
Membership No. : A34674

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2026

(Currency: Rs. In Lakhs)

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2026	For the year ended 31st March, 2025
	Revenue from operations :			
	(i) Interest income	26	18,760.77	16,464.45
	(ii) Fees and commission income	27	18,672.65	23,295.00
	(iii) Income from foreign exchange services	28	1,256.12	1,223.58
	(iv) Sale of devices and digital products	29	12,529.18	12,088.61
	(v) Net gain on fair value changes	30	1,071.99	484.99
	(vi) Net gain / (loss) on derecognition of financial instruments under amortised cost category	31	58.00	741.00
	(vii) Other operating income	32	447.08	309.63
(I)	**Total revenue from operations**		**52,795.79**	**54,607.26**
(II)	Other income	33	488.45	415.18
(III)	**Total income (I+II)**		**53,284.24**	**55,022.44**
	Expenses :			
	(i) Finance costs	34	8,353.30	7,127.14
	(ii) Impairment on financial instruments	35	3,591.44	404.25
	(iii) Fees and commission expense	36	22,924.77	24,647.04
	(iv) Cost of materials consumed	37	41.43	68.31
	(v) Employee benefits expense	38	13,427.62	12,352.84
	(vi) Depreciation and amortization expenses	39	3,136.46	3,125.29
	(vii) Other expenses	40	8,746.29	8,488.08
(IV)	**Total expenses**		**60,221.31**	**56,212.95**
(V)	**Profit/(loss) before exceptional items (III-IV)**		**(6,937.07)**	**(1,190.51)**
(VI)	Exceptional items	42	10,638.06	-
(VII)	**Profit/(loss) before tax (V+VI)**		**3,700.99**	**(1,190.51)**
(VIII)	**Tax expense:**			
	(i) Current tax		797.05	353.73
	(ii) Deferred tax	11	(281.39)	(47.80)
	(iii) Excess/ short provision of tax of earlier years		(10.83)	(195.73)
	Total tax expense		**504.83**	**110.20**
(IX)	**Profit/(loss) for the year from Continuing Operation (VII-VIII)**		**3,196.16**	**(1,300.71)**
(X)	**Profit/(loss) for the year from Discontinued Operations**			
	(i) Profit/(loss) before tax from discontinued operations		(60.51)	301.46
	(ii) Deferred Tax expenses of discontinued operations	11	47.08	23.20
	Profit/(loss) after tax for the year from Discontinued Operations [X(i)-X(ii)]		**(107.59)**	**278.26**
(XI)	**Profit/(loss) for the year from Continuing and Discontinued Operations (IX+X)**		**3,088.57**	**(1,022.45)**

Consolidated Statement of Profit and Loss (Contd.)

for the year ended 31st March, 2026

(Currency: Rs. In Lakhs)

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2026	For the year ended 31st March, 2025
(XII)	**Profit/(Loss) for the year from Continuing Operations attributable to :**			
	(i) Owners of the Company		3,996.73	(123.50)
	(ii) Non-controlling interests		(800.57)	(1,177.21)
(XIII)	**Profit/(Loss) for the year from Discontinued Operations attributable to :**			
	(i) Owners of the Company		(107.59)	278.26
	(ii) Non-controlling interests		-	-
(XIV)	**Profit/(Loss) for the year from Continuing and Discontinued Operations attributable to :**			
	(i) Owners of the Company [(XII)(i) +(XIII)(i)]		3,889.14	154.76
	(ii) Non-controlling interests [(XII)(ii) +(XIII)(ii)]		(800.57)	(1,177.21)
(XV)	**Other Comprehensive Income from Continuing Operations**			
	Items that will not be reclassified to profit or loss			
	(i) Re-measurement gains/(losses) on defined benefit plan		12.22	46.51
	(ii) Income tax impact on above	11	(5.33)	(2.91)
	Subtotal [XV(i) + XV(ii)]		**6.89**	**43.60**
(XVI)	**Other Comprehensive Income from Discontinued Operations**			
	Items that will not be reclassified to profit or loss			
	(i) Re-measurement gains/(losses) on defined benefit plan		-	18.22
	(ii) Income tax impact on above	11	-	(4.59)
	Subtotal [XVI(i) + XVI(ii)]		**-**	**13.63**
(XVII)	**Other Comprehensive Income for the year attributable to :**			
	(i) Owners of the Company		11.15	40.63
	(ii) Non-controlling interests		(4.26)	16.60
(XVIII)	**Total Other Comprehensive Income (XV+ XVI)**		**6.89**	**57.23**
(XIX)	**Total Comprehensive Income for the year (XI+XVIII)**		**3,095.46**	**(965.22)**
(XX)	**Total Comprehensive Income for the year attributable to :**			
	(i) Owners of the Company [XIV(i) + XVII(i)]		3,900.29	195.39
	(ii) Non-controlling interests [XIV(ii) + XVII(ii)]		(804.83)	(1,160.61)
(XXI)	**Earnings per equity share (for Continuing Operations)**	43		
	Basic (Rs.)		1.02	(0.03)
	Diluted (Rs.)		1.00	(0.03)
(XXII)	**Earnings per equity share (for Discontinued Operations)**	43		
	Basic (Rs.)		(0.03)	0.07
	Diluted (Rs.)		(0.03)	0.07
(XXIII)	**Earnings per equity share (for Continuing and Discontinued Operations)**	43		
	Basic (Rs.)		1.00	0.04
	Diluted (Rs.)		0.97	0.04
	Face value per equity share (Rs)		2.00	2.00

Corporate Information	1
Material accounting policies	2

Notes 3 to 66 forms integral part of the Consolidated Financial Statements

In terms of our report attached

For V.SANKAR AIYAR & Co.
Chartered Accountants
Firm Registration No. : 109208W

S.Nagabushanam
Partner
Membership No. : 107022

For and on behalf of the board
Capital India Finance Limited

Vinod Somani
Non-Executive Chairman (Independent)
DIN : 00327231

Keshav Porwal
Managing Director
DIN : 06706341

Pinank Jayant Shah
Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

Sulabh Kaushal
Chief Compliance Officer & Company Secretary
Membership No. : A34674

Place: Mumbai
Date: 20th May, 2026

Consolidated Statement of Cash Flow

for the year ended 31st March, 2026

(Currency: Rs. In Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit from Continuing Operations	3,700.99	(1,190.51)
Profit from Discontinued Operations	(60.51)	301.46
Adjustment for:		
Depreciation and amortisation expenses	3,136.46	3,192.98
Provision for employee benefits	117.94	139.97
Share based payments to employees	454.36	347.30
Profit on sale of discontinued operations	(10,638.06)	-
Interest on lease liability	226.29	226.23
Interest income on lease rental deposits	(26.65)	(24.12)
Impairment on financial instruments	3,591.44	630.02
Net gain on fair value changes	(1,071.99)	(640.59)
(Gain)/Loss on sale of property, plant and equipment	26.57	50.54
(Gain)/Loss on direct assignment transactions	(58.00)	(1,557.85)
Interest on income tax refund	(5.06)	(25.62)
Non-cash components of lease liabilities	(135.05)	(68.56)
Balance written back	(185.95)	(262.09)
Interest on unwinding of financial assets	-	(31.05)
Interest income	(18,734.12)	(5,968.52)
Finance costs on borrowings	8,127.01	(3,482.75)
Cash inflow from interest income	19,322.21	5,907.18
Cash outflow towards finance costs	(8,294.55)	3,412.89
Operating profit/(loss) before working capital changes	**(506.67)**	**956.91**
Changes in -		
(Increase) / Decrease in loans and advances	(23,231.96)	(6,003.17)
(Increase) / Decrease in trade and other receivables	1,212.27	(1,612.16)
(Increase) / Decrease in other financial assets	(155.52)	507.50
(Increase) / Decrease in Inventory	31.84	11.79
(Increase) / Decrease in other non-financial assets	(276.55)	409.42
Increase / (Decrease) in trade payables	228.53	337.83
Increase / (Decrease) in other financial liabilities	(644.37)	(3,500.44)
Increase / (Decrease) in other non-financial liabilities	(29.97)	(592.97)
Increase/(Decrease) in provisions	(151.58)	44.64
Cash generated from/ (used in) operations	**(23,523.98)**	**(9,440.65)**
Income tax paid	(1,883.95)	109.55
Net Cash generated from/ (used in) operating activities (A)	**(25,407.93)**	**(9,331.10)**
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and Intangible assets	(545.62)	(1,040.69)
Proceeds from sale of property, plant and equipment	0.69	44.20
Net Proceeds from sale of subsidiary	25,291.83	-
(Investments) / redemption of investment	(14,008.13)	(4,729.05)
(Investment)/maturity in bank deposits	(891.90)	(355.64)
Net Cash generated from/ (used in) investing activities (B)	**9,846.87**	**(6,081.18)**

Consolidated Statement of Cash Flow (Contd.)

for the year ended 31st March, 2026

(Currency: Rs. In Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of equity shares at premium	332.27	66.33
Payment of dividend	(77.94)	(77.73)
Payment of lease rent	(872.16)	(923.93)
Proceeds/ (Repayment) from borrowings	18,092.40	8,844.56
Proceeds/ (Repayment) from debt securities	5,105.16	-
Net Cash generated from/ (used in) financing activities (C)	**22,579.73**	**7,909.23**
D) Net increase in cash and cash equivalents (A+B+C)	**7,018.67**	**(7,503.05)**
E) Cash and cash equivalents as at the beginning of the year	16,178.64	23,681.69
F) Cash and cash equivalents of Discontinued Operations	(857.85)	(1,407.99)
G) Cash and cash equivalents as at the end of the year	**22,339.46**	**14,770.65**

Cash and cash equivalents comprises:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash on hand	33.31	30.81
Balances with banks		
- in current accounts	6,528.22	7,033.22
- in deposit accounts	13,819.99	7,208.99
- Foreign currencies in hand	636.96	828.98
- Escrow account	875.35	340.87
- Other balance with banks	445.63	735.77
Less: Cash and cash equivalents of discontinued operations	-	(1,407.99)
Cash and cash equivalents of Continuing operations	**22,339.46**	**14,770.65**

Note : The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

Notes 3 to 66 forms integral part of the Consolidated Financial Statements

In terms of our report attached

For V.SANKAR AIYAR & Co.
Chartered Accountants
Firm Registration No. : 109208W

S.Nagabushanam
Partner
Membership No. : 107022

Place: Mumbai
Date: 20th May, 2026

For and on behalf of the board
Capital India Finance Limited

Vinod Somani
Non-Executive Chairman (Independent)
DIN : 00327231

Keshav Porwal
Managing Director
DIN : 06706341

Pinank Jayant Shah
Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

Sulabh Kaushal
Chief Compliance Officer & Company Secretary
Membership No. : A34674

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2026

(Currency: Rs. In Lakhs)

A Equity share capital

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance at the beginning of the year	**7,782.64**	**7,773.43**
Issued during the year	38.49	9.21
Balance at the end of the year	**7,821.13**	**7,782.64**

B Other equity

Particulars	Reserves and Surplus					Other comprehensive income	Total attributable to owners of the parent	Non controlling interest	Total other equity
	Employee stock option outstanding	Statutory reserve	Securities premium	General reserves	Retained earnings				
Balance as at 1st April, 2024	**3,671.27**	**2,334.96**	**51,069.02**	**1.76**	**(2,664.26)**	**76.28**	**54,489.03**	**3,687.56**	**58,176.59**
Dividend paid	-	-	-	-	(77.73)	-	(77.73)	-	(77.73)
Transfer to/from retained earnings	-	291.27	-	-	(291.27)	-	-	-	-
Other additions/ deletions during the year	(83.87)	-	-	-	433.29	-	349.42	(2.10)	347.32
Share options exercised during the year	(7.99)	-	7.99	-	-	-	-	-	-
Securities premium on ESOP exercised during the year	-	-	57.12	-	-	-	57.12	-	57.12
Profit (loss) for the year after income tax	-	-	-	-	154.76	-	154.76	(1,177.21)	(1,022.45)
Other comprehensive income for the year before income tax	-	-	-	-	-	48.13	48.13	16.60	64.73
Less: Income Tax on other comprehensive income	-	-	-	-	-	(7.50)	(7.50)	-	(7.50)
Balance as at 31st March, 2025	**3,579.41**	**2,626.23**	**51,134.13**	**1.76**	**(2,445.21)**	**116.91**	**55,013.23**	**2,524.85**	**57,538.08**
Dividend paid	-	-	-	-	(77.94)	-	(77.94)	-	(77.94)
Transfer to/from retained earnings		649.30		-	(649.30)	-	-	-	-
Other additions/ deletions during the year	375.89	-	-	-	59.93	(69.49)	366.33	18.54	384.87
Share options exercised during the year	(52.14)	-	52.14	-	-	-	-	-	-
Securities premium on ESOP exercised during the year	-	-	293.78	-	-	-	293.78	-	293.78
Profit (loss) for the year after income tax	-	-	-	-	3,889.14	-	3,889.14	(800.57)	3,088.57
Other comprehensive income for the year before income tax	-	-	-	-	-	16.48	16.48	(4.26)	12.22
Less: Income Tax on other comprehensive income	-	-	-	-	-	(5.33)	(5.33)	-	(5.33)
Balance as at 31st March, 2026	**3,903.16**	**3,275.53**	**51,480.05**	**1.76**	**776.62**	**58.57**	**59,495.69**	**1,738.56**	**61,234.25**

In terms of our report attached

For V.SANKAR AIYAR & Co.
Chartered Accountants
Firm Registration No. : 109208W

S.Nagabushanam
Partner
Membership No. : 107022

Place: Mumbai
Date: 20th May, 2026

For and on behalf of the board
Capital India Finance Limited

Vinod Somani
Non-Executive Chairman (Independent)
DIN : 00327231

Keshav Porwal
Managing Director
DIN : 06706341

Pinank Jayant Shah
Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

Sulabh Kaushal
Chief Compliance Officer & Company Secretary
Membership No. : A34674

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

1 Corporate Information

The consolidated financial statements relate to Capital India Finance Limited (the Holding Company / Company) and its subsidiary companies. The Holding Company and its subsidiary companies constitute the group. The Group's is primarily into lending, forex (including MTSS business) and prepaid payment instrument business.

The equity shares of Holding Company are listed on the National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE") in India.

2 Material accounting policies

2.1 Basis of preparation of financial statements

A) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations which require a different treatment. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

The Group has complied with the disclosures as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Companies -Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 issued by the Reserve Bank of India (RBI) vide their Notification No. RBI/DOR 2025-26/339 dated November 28, 2025 as amended.

A summary of the material accounting policy information and other explanatory information is in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as specified under Section 133 of the Act including applicable Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India.

To provide more reliable and relevant information about the effect of certain items in the consolidated Balance Sheet and Statement of Profit and Loss, the group has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net Profit/Loss due to these regrouping / reclassifications.

The accounting policies are applied consistently to all the periods presented in the financial statements 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.

B) Functional and presentation currency

The Group's presentation and functional currency is Indian Rupees. All figures appearing in the consolidated financial statements are in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Act. Per share data is presented in Indian Rupees to two decimal places.

C) Basis of preparation, presentation and disclosure of consolidated financial statements

The consolidated financial statements are prepared on a going concern basis in accordance with Ind AS 1, as the management is satisfied that the group shall be able to continue its business for the foreseeable future and no material uncertainty exists. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including projections of profitability, cash flows, and capital resources.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Further, assets and liabilities are classified as per the normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act as applicable to NBFCs.

D) Fair value measurement

Fair value is the price that would be received on sale of an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognized in Statement of Profit and Loss on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data, or the transaction is closed out.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1 - Valuation using quoted market price in active markets:** The fair value for financial instruments traded in active markets at the reporting date is based on their quoted market price, without any deduction for transaction costs. The market is regarded as active, if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
- **Level 2 - Valuation using observable inputs:** If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates most of the factors that market participants would take into account in pricing a transaction.
- **Level 3 - Valuation with significant unobservable inputs:** The valuation techniques are used only when fair value cannot be determined by using observable inputs. The Group regularly reviews significant unobservable inputs and valuation adjustments. Level 3 assets are typically very illiquid, and fair values can only be calculated using estimates.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

E) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires the management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amount of assets, liabilities and the accompanying disclosures along with contingent liabilities as at the date of financial statements and revenue and expenses for the reporting period. 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 outcomes different from the estimates. Differences between actual results and estimates are recognized in the year in which the results are known or materialized, i.e., prospectively.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas involving estimation uncertainty, higher degree of judgement or complexity, or areas where assumptions are significant to the financial statements include:

i) Impairment of financial assets

ii) Estimation of fair value measurement of financial assets and liabilities

iii) Effective interest rate method

iv) Business model assessment

v) Provisions and Contingencies

vi) Useful life and expected residual value of assets

vii) Tax position for current tax and recognition of deferred tax assets/liabilities

viii) Measurement of Defined Benefit Obligations and actuarial assumptions

ix) Classification of lease and related discount rate

Further an entity is consolidated as a subsidiary if the Company has control over the said entity based on the management evaluation of investments and related agreements/ deeds and determine that the Group has control over the said entity in terms of Ind AS-110 on Consolidated Financial Statements. Control shall include

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

the right to appoint majority of the Directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders' agreements or voting agreements or in any other manner.

2.2 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Group and its subsidiaries. Control is achieved when the Group:

- has power over the investee,
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders,
- potential voting rights held by the Group, other vote holders or other parties,
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries:

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, incomes, and expenses of a subsidiary acquired or disposed of, during the year are included in the consolidated financial statements from the date the Group gains control, until the date when the Group ceases to control the subsidiary.

The Group combines the financial statements of the Parent and its subsidiaries line by line adding together like items. Inter-Group transactions, balances, and unrealized gains on transactions between the Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets.

Profit or loss and each component of Other Comprehensive Income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All inter-Group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Change in ownership interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. A change in the ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

2.3 Business combinations

Acquisitions of businesses are accounted for using the acquisition method as per Ind AS 103 – Business Combinations. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition- related costs are generally recognized in Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed, are recognized at their fair value at the acquisition date, except that:

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Assets and liabilities related to Deferred Tax and Employee Benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured at the noncontrolling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets.

2.4 Goodwill

Goodwill arising on an acquisition of a business is carried at cost established at the date of acquisition of the business less accumulated impairment loss if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (CGU) that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired, if the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the units pro-rata based on the carrying amount of each asset in the unit, any impairment loss or goodwill is not reversed in subsequent period.

On disposal of relevant CGU, the attributable amount of goodwill is included in the determination of the Profit or Loss on disposal.

2.5 Financial Instruments

a) Recognition and initial measurement –

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit or Loss (FVTPL) are recognized immediately in Statement of Profit and Loss.

b) Classification and Subsequent measurement of financial assets –

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

- Amortized cost
- Fair value through Other Comprehensive Income (FVTOCI) – debt instruments
- Fair value through Other Comprehensive Income (FVTOCI) – equity instruments
- Fair value through Profit and Loss FVTPL

Amortized cost - The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. Financial assets are subsequently measured at amortized cost using Effective Interest Rate (EIR) if these financial assets are held within a business model whose objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Group measures Bank balances, Loans, Trade receivables and other financial instruments at amortized cost.

FVTOCI - debt instruments - The Group measures its debt instruments at FVTOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTOCI - equity instruments - The Group subsequently measures all equity investments at fair value through Profit or Loss, unless the Group's management has elected to classify irrevocably some of its equity instruments at FVTOCI, when such instruments meet the definition of

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

All financial assets not classified as measured at amortized cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Subsequent measurement of financial assets

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is recognized in Statement of Profit and Loss.

Debt investments at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

For equity investments, the Group makes selection on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These selected investments are measured at fair value with gains and losses arising from changes in fair value recognized in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognized in Statement of Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognized in Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Statement of Profit and Loss.

c) **Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and
- Either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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 recognized in the Statement of Profit and Loss.

d) **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115.

e) **Offsetting**

Financial assets and financial liabilities are offset, and the net amount presented in the Balance Sheet when, and only when, the Group currently has a legally enforceable

right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

f) **Impairment of financial instruments**

The Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets measured at amortized cost or FVTOCI, except for investments in equity instruments. Group follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition.

The Group perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above, the Group categorizes its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1 (Performing Assets) – includes financial assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL is recognized, and interest income is calculated on the gross carrying amount of the assets (that is, without deduction for credit allowance). 12-month ECL are the portion of ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date, if the credit risk has not significantly increased since initial recognition.

Stage 2 (Underperforming Assets with significant increase in credit risk since initial recognition) – includes financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognized, but interest income is calculated on the gross carrying amount of the assets. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the instrument.

Stage 3 (Non-performing or Credit-impaired assets) – includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL is recognized.

Measurement of Expected Credit Loss

Expected Credit Losses (ECL) on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low and incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. Measurement of expected credit losses are based on parameters mentioned.

- **Probability of default (PD):** It is defined as the probability of whether borrowers will default on their obligations in future. Since the Company don't have any history of past losses therefore it was not adequate enough to create our own internal model through which actual defaults for each grade could be estimated. Hence, the default study published by one of the recognized rating agency is used for estimating the PDs for each range grade.
- **Loss given default (LGD):** It is the magnitude of the likely loss, if there is a default. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value.
- **Exposure at default (EAD):** EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities.
- **Forward looking information:** While estimating the expected credit losses, the Group consider the key macro-economic factors.

g) **Write offs –** The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the financial asset (either in its entirety or a portion of it). 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 subject to the write-off and when there is no reasonable expectation of recovery from the collaterals held. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

h) Presentation of allowance for ECL in the Balance Sheet

Loss allowances for ECL are presented in the statement of financial position as follows:

- For financial assets measured at amortized cost; as a deduction from the gross carrying amount of the assets;
- For debt instruments measured at FVTOCI; loss allowance is recognized separately in Balance Sheet and the carrying amount is at fair value.

i) Financial liabilities and equity instruments:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognized at the proceeds received, net of direct issues costs

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of Profit or Loss. Any gain or loss on derecognition is also recognized in Statement of Profit or Loss.

The Group de-recognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of financial liability derecognized and the consideration paid and payable is recognized in Profit or Loss.

j) Foreign currency risk

The group undertakes foreign currency transactions as part of its foreign exchange business. The currency risk arising from these transactions is centrally monitored by a dedicated dealing room. The dealing room consolidates and manages positions generated at individual locations across the country and hedges such exposures through transactions in the interbank market or by entering into forward contracts. This centralized risk management process ensures that open foreign currency positions are maintained at minimal levels.

2.6 Cash and Cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances, demand deposits with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than or equal to three months.

Other bank balances include balances and deposits with banks that are restricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

2.7 Statement of Cash Flow

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. Non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

2.8 Property, plant and equipment

a) Recognition and Measurement

Tangible property plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment comprise purchase price and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

The residual values and useful lives and method of depreciation of PPE are reviewed at each financial year end and adjusted prospectively.

b) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

c) Depreciation, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives as prescribed in Part C of Schedule II to the Companies Act 2013. The estimated lives used and differences from the lives prescribed under Schedule II are noted in the table below: -

Type of Assets	Estimated useful life as assessed by the Group	Estimated useful life under Schedule II of the Act
Computers	3 years	3 years
Computer Software	3 years	3 years
Office equipment	5 years	5 years
Vehicles	5 years	8 years
Furniture and fixtures	10 years	10 years
Leasehold improvements	Tenure of lease agreements	Tenure of lease agreements

Depreciation is provided on a pro-rata basis i.e., from the month in which asset is ready for use. Individual assets costing less than or equals to Rs. 5,000 are depreciated in full, in the year of purchase. Depreciation on assets sold during the year is recognized on a pro-rata basis in the Statement of Profit and Loss up to the date prior to the date in which the assets have been disposed off.

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.

d) De-recognition

Property, plant and equipment are de- recognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is recognized in other income/ expense in the Statement of Profit and Loss (including Other Comprehensive Income) in the year the asset is de-recognized.

2.9 Simplified approach -Trade and other receivables

The group follows the simplified approach for recognition of impairment allowance on trade and other receivables that do not contain a significant financing component.

2.10 Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets comprise of computer software which are capitalized at cost of acquisition including cost attributable to readying the asset for use. Such intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses. Direct expenses and administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of intangible assets.

The useful life of these intangible assets are amortized on a straight-line basis over their estimated useful life of 3 years, with no zero residual value.

Any expenses on such software for support and maintenance payable annually are charged to the Statement of Profit and Loss.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

2.11 Impairment of non-financial assets

The carrying values of assets at each Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount in Statement of Profit and Loss. Recoverable amount is the greater of the net selling price and value in use. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

2.12 Inventory

Inventory represents Mobile ATM devices, Biometric devices, Mobile Point of Sale devices. Inventory is carried at Cost or Net realizable value whichever is lower.

2.13 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; 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

These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognized as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:

Contingent assets are not recognized in the financial statements.

2.14 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on loans sanctioned, first loss default guarantee on loans, uncalled liability on investments partly paid; and
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

2.15 Foreign exchange transactions and translations

a) Initial recognition:

On initial recognition, transactions in foreign currencies entered by the Group are recorded in the functional currency (i.e., Indian Rupees), by applying foreign currency amount, the spot exchange rate between the functional currency and foreign currency at the date of transaction. Exchange differences arising on foreign exchange transactions settled during the year recognized in the Statement of Profit and Loss.

b) Measurement of Foreign currency items at reporting date:

Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured. When any non-monetary foreign currency item is recognized in Other Comprehensive Income gain or loss on exchange fluctuation is also recorded in Other Comprehensive Income.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

2.16 Revenue recognition

Revenue (other than those items to which Ind AS 109 Financial Instruments is applicable) is measured based on the consideration specified in the contracts with the customers. Amounts disclosed as revenue are net of goods and services tax (GST) and amounts collected on behalf of third parties. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognizes revenue from contracts with customers based on a five-step model as set out in Ind AS 115. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

a) Recognition of Interest income

Interest income on financial asset at amortized cost is recognized on a time proportion basis taking into account the outstanding amount and the effective interest rate ('EIR').

Interest Income is recognized in the Statement of Profit and Loss using effective interest rate (EIR) on all financial assets subsequently measured under amortized cost or fair value through Other Comprehensive Income (FVTCOI) except for those classified as held for trading.

The calculation of EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognized in Profit or Loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e., at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit- impaired financial assets the interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (i.e., the gross carrying amount less the allowance for ECLs). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects ECLs in determining the future cash flows expected to be received from the financial asset.

Interest income on penal interest and tax refunds is recognized on receipt basis.

Interest income on fixed deposit is recognized on time proportionate basis.

b) Fee and Commission income

Fee and commission income include fees other than those that are an integral part of EIR. The fees included in the Group's Statement of Profit and Loss include among other things fees charged for servicing a loan, loan advisory fees and documentation charges. Income from consultancy and commission is recognized on completion of relevant activity based on agreed terms of the contract.

c) Other financial charges

Cheque bouncing charges, late payment charges and foreclosure charges are recognized on a point-in-time basis and are recorded when realized since the probability of collecting such monies is established when the customer pays.

d) Income from securities

Gains or losses on the sale of securities are recognized in Statement of Profit and loss on trade date basis as the difference between fair value of the consideration received and carrying amount of the investment securities.

e) Net gain/ Loss on fair value changes

Any difference between the fair values of the financial assets classified as fair value through the Profit or Loss, held by the Group on the Balance Sheet date is recognized as an unrealized gain/loss in the Statement of Profit and Loss. In cases there is a net gain in aggregate, the same is recognized in "Net gains on fair value changes" under income and if there is net loss in aggregate, the same is recognized in "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

f) Dividend income

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

g) Revenue from prepaid instruments and allied services

Revenue is recognized on completion of provision of services. Prepaid Sale includes sale of prepaid electronic mobile recharge vouchers/pins, money remittance services, and other E-services purchased from services operators at discounted rates. Revenue, net of discount, from sale of electronic recharge vouchers/pins is

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for the year ended 31st March 2026

recognized on transfer of all significant risks and rewards to the customer and when no significant uncertainty exists regarding realization of consideration. Income from Technical integration and money remittance services is recognized on accrual basis after completion of service delivery.

h) Income from foreign Currency

It comprises of income arising from the buying and selling of foreign currencies on the on the net margins earned, commissions on sale of foreign currency denominated prepaid cards and agency commissions from on currency remittances. Revenues from financial services are recognized by reference to the time of services rendered.

i) Income from de-recognition of assets:

Gains arising out of de-recognition transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the transaction is entered into with the transferee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the transferee is recorded upfront in the statement of Profit and Loss. EIS is evaluated and adjusted for expected prepayment and other factors.

j) In case of subsidiary **Rapipay Fintech Private Limited**, a customer of the Company is a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activities in exchange for consideration. The core principle of recognizing revenue from contracts with customers is that the Company recognizes revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

At contract inception, the Company assesses the goods or services promised in a contract with a customer to identify as a performance obligation each promise to transfer to the customer either a good or service (or a bundle of goods or services) that is distinct; or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The Company considers the terms of the contract and its customary business practices to 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 (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

If there is variable consideration, the Company includes in the transaction price some or all of that amount of estimated variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The transaction price is allocated by the Company to each performance obligation (or distinct goods or services) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.

The Company recognises revenue when (or as) it satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

Revenue (net of discount) from sale of electronic recharges is recognized on real time basis when the Company satisfies the performance obligation by successful facilitation of services to customers.

Fees from money remittance services, AEPS, Micro- ATM and other E-services is recognized on real time basis after completion of service delivery.

Interest income is earned on the loans to users by respective lending partners. Commission income is shared by the lending partners as per terms of agreements entered into amongst the Company and the lending partners and accounted by the Company on accrual basis. Loan facilitation fees is recognized on satisfaction of associated performance obligation i.e. on sourcing of customer for lending partners and when amount of loan or credit is transferred to the merchant's/ Direct Business Outlets (DBOs) accounts based on standard agreements entered with the respective lending partners. Servicing fee

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related to loan facilitation services, collection, monitoring etc. is recognized over the tenure of loan.

Income in the form of rental is a fixed amount per month charged from merchants as per standard terms and conditions of the agreements for use of soundbox.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfer goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier).

Information about the Company's performance obligations can be summarized as below: -

a) Payments services to Consumers

There is a single performance obligation which is said to be completed once the transaction is successful and hence the revenue recognition is done on point in time basis. The payment against facilitation of such services is generally due within 30 days of completion of services. Majorly the commission income is settled on T+1 basis and only minimal amount with respect to GST is received within a period of 30 days.

b) Sale of digital products/ services

There is a single performance obligation which is said to be completed once the transaction is successful and hence the revenue recognition is done on point in time basis. The payment against facilitation of such services is received on real time basis.

c) Others (including Financial Services)

There are two performance obligations in the complete transaction:

Upfront processing fee on sourcing of loan- The processing fee for sourcing of loan is earned on upfront basis and hence the revenue recognition is made on point in time.

Income on servicing of loans- The collection of instalments on loans serviced is made on daily basis and hence the revenue recognition is made over the period of loan.

d) Sale of devices

There is a single performance obligation which is said to be completed once the transaction is successful and hence the revenue recognition is done on point in time basis. The payment against facilitation of such services is received on real time basis.

e) Service activation income

There is a single performance obligation which is said to be completed once the transaction is successful and hence the revenue recognition is done on point in time basis. The payment against facilitation of such services is received on real time basis.

f) Income from other ancillary services

There is a single performance obligation which is said to be completed once the transaction is successful and hence the revenue recognition is done on point in time basis.

2.17 Employee benefits

Short term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Long Term employee benefits

Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. Long-term employee benefit primarily consists of Leave encashment benefits wherein employees are entitled to accumulate leave subject to certain limits for future encashment/availment. Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year using Projected Unit Credit (PUC) Method. Actuarial gains/losses, if any, are recognized immediately in the Statement of Profit and Loss.

Post-employment benefits

a) Defined contribution Plans, ESIC and Labour Welfare Fund

Provident fund: Contributions as required under the statute, made to the Provident Fund (Defined

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for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Contribution Plan) are recognized immediately in the Statement of Profit and Loss. There is no obligation other than the monthly contribution payable to the Regional Provident Fund Commissioner.

ESIC and Labour welfare fund: The Group's contribution paid/payable during the year to Employee state insurance scheme and Labour welfare fund are recognized in the Statement of Profit and Loss.

b) Defined benefit Plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation performed by an independent actuary based on projected unit credit method, at the end of each financial year.

Defined benefit costs are categorized as follows:

i. Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)

ii. Net interest expense or income

iii. Re-measurement

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI, net of taxes. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expenses and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

The Group's net obligation in respect of gratuity (defined benefit plan), is calculated by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The retirement benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is recognized as an asset to the extent of present value of any economic benefits available in the form of refunds from the plans or reductions in the future contribution to the plans.

Share-based Payments

Equity-settled share-based payments to employees are recognized as an expense at the fair value of equity stock options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognized as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognized as expense in respect of such grant is transferred to the general reserve within equity.

2.18 Finance cost

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortized cost. Financial instruments include bank term loans, Vehicle loans and non-convertible debentures. Finance costs are charged to the Statement of Profit and Loss. Ancillary and other borrowing costs are amortized on straight line basis over the tenure of the underlying loan.

2.19 Leases

The Group's lease asset classes primarily consist of leases for Premises. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. 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 consideration.

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Group as a lessee

The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract recognizes a ROU asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised

The cost of the ROU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the ROU assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of ROU assets.

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value, less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

2.20 Share issue expenses

Expenses incurred in connection with fresh issue of Share capital are adjusted against Securities premium account in accordance with the provisions of Section 52 of the Companies Act, 2013 and Ind AS.

2.21 Collateral

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as securities, letter of credit/ guarantees, receivables, inventories, other non-financial assets and credit enhancements such as netting arrangements.

The Group provides fully secured, partially secured and unsecured loans to Corporates and individuals.

2.22 Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

Current Tax

The Current tax is based on the taxable Profit for the year of the Group. Taxable profit differs from 'Profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in the computation of taxable Profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary

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(Currency: Rs. In Lakhs)

differences to the extent that it is probable that taxable Profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable Profit nor the accounting Profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable Profits against which to utilize the benefits of the temporary differences, and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable Profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax assets and tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities.

Minimum Alternate Tax (MAT) credit entitlement (i.e., excess of amount of MAT paid for a year over normal tax liability for that year) eligible for set-off in subsequent years is recognized as an asset in accordance with Ind AS 12, Income Taxes, if there is convincing evidence of its realization.

MAT credit is created by way of a credit to the Statement of Profit and Loss. The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income-tax during the specified period.

2.23 Earnings per share

Basic earnings per share is computed by dividing the net Profit or Loss for the year attributable to equity shareholders (after deducting 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 period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.24 Segment reporting

The Board of Directors of the Company has identified the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / costs which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated Income / Costs.

Operating segments identified by the Company comprise as below:

- Lending activities
- Prepaid Payment Instrument business
- Forex services including MTSS business

2.25 Dividend distribution to equity holders of the Group

The Group recognizes a liability to make distributions to equity holders of the Group when the distribution is authorized, and the distribution is no longer at the discretion of the Group. As per the Act, final dividend is authorized when it is approved by the shareholders and interim dividend is authorized when it is approved by the Board of Directors of the Group.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

2.26 Goods and Services Tax

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service is received and when there is no uncertainty in availing/ utilizing the credits.

2.27 Operating cycle for current and non-current classification

Based on the nature of activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.28 Recent accounting pronouncements

The Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

For the year ended March 31, 2026, the MCA has notified amendments to

- Ind AS 1, Presentation of Financial Statements and Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures amendments relating to Classification of liabilities as current or non-current and non-current liabilities with Covenants and Disclosure of supplier finance arrangements, applicable to the Company, w.e.f., April 1, 2025.
- Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025.

The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on its financial statements.

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for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

3 Cash and cash equivalents

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash on hand	33.31	30.81
Balances with banks		
- in current accounts	6,528.22	7,033.22
- in fixed deposits (with original maturity 3 months or less)	13,819.99	7,208.99
- Escrow account	875.35	340.87
- Other balance with banks	445.63	735.77
Foreign currencies in hand	636.96	828.98
Total	**22,339.46**	**16,178.64**

Notes :-

(i) In case of subsidiary Rapipay Fintech Private Limited, in current accounts includes balances of Rs. 884.91 Lakhs (31st March, 2025: Rs. 872.82 Lakhs) is under freeze with certain banks and includes Rs. 743.84 Lakhs (31st March, 2025: Rs. 739.00 Lakhs) are lien with banks.

(ii) In case of subsidiary Rapipay Fintech Private Limited, the balance in Escrow account is maintained under the guidelines of Reserve Bank of India for operating of semi closed Prepaid Payment Instruments and can be used only for the specified purposes.

(iii) In case of subsidiary Rapipay Fintech Private Limited, Other balance with banks amount includes balances of Rs. 443.35 Lakhs (31st March, 2025: Rs 712.77 Lakhs) with payment banks. As of 31st March, 2026, the balance in the nodal accounts earmarked for merchant settlements is Rs. 2.28 Lakhs (31st March, 2025: Rs. 23.00 Lakhs).

4 Bank Balances other than cash and cash equivalents

Particulars	As at 31st March, 2026	As at 31st March, 2025
Fixed deposit with bank (maturity more than 3 months)	9,306.08	10,955.56
Dividend account balances	5.99	2.95
Total	**9,312.07**	**10,958.51**

Notes:

(i) Fixed deposit with banks includes lien marked fixed deposit aggregating to Rs. 5,168.60 Lakhs (31st March, 2025: Rs. 6,976.92 Lakhs) for lending and forex business.

(ii) In case of subsidiary Rapipay Fintech Private Limited, fixed deposits of Rs. 926.26 Lakhs (31st March, 2025: Rs. 2,222.99 Lakhs) are marked under lien with scheduled banks consequent to the contractual agreements with the NBFC Lenders pursuant to the "Digital Lending" guidelines issued by the Reserve Bank of India.

(iii) In case of subsidiary Rapipay Fintech Private Limited, fixed deposits of Rs. 318.75 Lakhs (31st March, 2025: Rs. 300.26 Lakhs) are marked under lien by banks and a few service providers as per the contractual agreement.

(iv) In case of subsidiary Rapipay Fintech Private Limited, fixed deposits of Rs. 25 Lakhs (31st March, 2025: Rs 25 Lakhs) is pledged as security against bank guarantee.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

5 Receivables

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Trade receivables		
Secured considered good	-	-
Unsecured considered good	775.63	1,174.42
Doubtful	-	-
Subtotal	**775.63**	**1,174.42**
Less: Allowance for impairment loss	-	-
Net Receivables (a)	**775.63**	**1,174.42**
(ii) Other receivables		
Secured considered good	-	-
Unsecured considered good	1,669.27	2,482.99
Doubtful	283.02	16.08
Subtotal	**1,952.29**	**2,499.07**
Less: Allowance for impairment loss	283.02	16.08
Net Receivables (b)	**1,669.27**	**2,482.99**
Total (a)+(b)	**2,444.90**	**3,657.41**

Note:-

No trade receivables are due from Directors or other officers of the Group or any firm or private company in which any director is a partner either severally or jointly with any other person.

Receivables ageing as at 31st March, 2026

Particulars	Unbilled dues	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade and other receivables							
Considered good	598.82	999.07	257.58	589.43	-	-	2,444.90
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	12.14	143.84	110.96	-	16.08	283.02
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Allowance for impairment loss	-	(12.14)	(143.84)	(110.96)	-	(16.08)	(283.02)
Total	**598.82**	**999.07**	**257.58**	**589.43**	**-**	**-**	**2,444.90**

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for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Receivables ageing as at 31st March, 2025

Particulars	Unbilled dues	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade and other receivables							
Considered good	1,050.34	2,367.70	238.72	0.34	0.31	-	3,657.41
Significant increase in credit risk	-	-	-	-	-	16.08	16.08
Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Less: Allowance for impairment loss	-	-	-	-	-	(16.08)	(16.08)
Total	**1,050.34**	**2,367.70**	**238.72**	**0.34**	**0.31**	**-**	**3,657.41**

6 Loans

Particulars	As at 31st March, 2026	As at 31st March, 2025
(A) Advances - at amortised cost		
Vendor financing (Secured)	-	58.11
Gross	**-**	**58.11**
Less: Impairment loss allowance	-	22.04
Subtotal (1)	**-**	**36.07**
(B) Term Loans in India - at amortised cost		
i Secured	90,431.20	1,14,815.51
ii Unsecured	26,541.20	18,860.73
Gross	**1,16,972.40**	**1,33,676.24**
Less: Impairment loss allowance	2,236.76	2,611.59
Subtotal (2)	**1,14,735.64**	**1,31,064.65**
(C) Loans and Advances In India		
i Public Sectors	-	-
ii Others	1,16,972.40	1,33,734.35
Gross	**1,16,972.40**	**1,33,734.35**
Less: Impairment loss allowance	2,236.76	2,633.63
Loans and Advances In India (Net)	**1,14,735.64**	**1,31,100.72**
Loans and advances Outside India (Net)	-	-
Total	**1,14,735.64**	**1,31,100.72**
Less: Unamortised processing fee Income	1,067.79	890.76
Less: Collection from Customers	979.59	651.40
Subtotal (3)	**2,047.38**	**1,542.16**
Loans (Net) (1+2-3)	**1,12,688.26**	**1,29,558.56**

(D) There are no loans or advances, in the natures of loans, granted to Promoters, Directors, KMPs and the related parties, either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member as at and for the year ended 31st March, 2026 and 31st March, 2025.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

(E) Bifurcation of Secured loans & advances

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured by book debt	1,115.47	2,052.25
Secured by tangible asset	89,315.73	1,12,664.93
Covered by Government guarantee	-	156.44
Total	**90,431.20**	**1,14,873.62**

Notes:

i) There are no loan assets recognised at Fair value through profit and loss (FVTPL) or Fair value through other comprehensive income (FVTOCI).

ii) Secured loans are secured by way of equitable/ registered mortgage of lands, residential properties, commercial properties, hypothecation of book debts and also guaranteed by borrower / co-borrower as applicable.

iii) Stage wise classification of loans and impairment allowance is disclosed in Note 56.

iv) Refer Note 50 for Related party transactions.

7 Investments

Particulars	As at 31st March, 2026	As at 31st March, 2025
Recorded at amortised cost		
Investment in equity instruments (unquoted)	-	984.56
Recorded at Fair value through Profit and Loss		
Investment in security receipts	1,300.00	-
Investment in mutual fund	19,703.93	5,369.64
Total	**21,003.93**	**6,354.20**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Investment in India	21,003.93	6,354.20
Investment outside India	-	-
Gross (A)	**21,003.93**	**6,354.20**
Less: Impairment loss allowance (B)	-	-
Total – Net (C = A -B)	**21,003.93**	**6,354.20**

1) Based on assessment, no impairment loss has been recognised for the year ended 31st March, 2026 and 31st March, 2025.

2) Refer Note 50 for Related party transactions.

3) Investment in mutual fund as on 31st March, 2026 includes Liquid, Money Market and Ultra Short Term schemes of Debt Mutual Fund and as on 31st March, 2025 includes Overnight, Money Market schemes of Debt Mutual Fund.

4) The Group has sold its entire stake of 99.82% in Capital India Home Loans Limited (CIHL) to Weaver Services Private Limited. Capital India Home Loans Limited has ceased to be a subsidiary of the Company with effect from 11th August, 2025.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

8 Other financial assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Foreign currency balance	-	385.60
Interest accrued but not due on fixed deposits	216.29	405.15
Accrued income	192.76	296.70
Security deposits	813.32	802.15
Other receivables	767.39	66.49
Excess interest spread on derecognition of financial assets	527.52	2,397.59
Receivables from service providers	999.98	631.61
Total	**3,517.26**	**4,985.29**

9 Inventories

Particulars	As at 31st March, 2026	As at 31st March, 2025
Stock-in-trade of goods acquired for trading	77.33	100.80
Less: Provisions for obsolete inventory	(10.95)	(2.58)
Total	**66.38**	**98.22**

10 Current tax assets (Net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advance tax and tax deducted at source (net of provision)	1,408.75	350.55
Total	**1,408.75**	**350.55**

11 Deferred tax assets (Net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Asset		
Provision for expected credit loss	562.95	664.73
Provision for employee benefits	332.25	310.01
Unamortised processing fee	268.74	224.18
Depreciation and unabsorbed depreciation	294.85	395.14
Carry forward losses	-	300.59
Amortization adjustment on lease deposits	5.85	21.62
Lease liability	25.28	63.20
Deferred Tax Liabilities		
Interest adjustments on lease deposits	(5.19)	(21.93)
Unamortised borrowing cost	(340.80)	(290.78)
Deferred consideration on direct assignments	(132.77)	(603.45)
Unrealised gain on mutual funds	(28.44)	(7.68)
Lease modification	-	(8.54)
Deferred Tax Asset/(Liabilities) Net	**982.72**	**1,047.09**
Movement in net deferred tax asset during the year	**(64.37)**	**17.10**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Break up of movement in net deferred tax assets		
Routed through profit and loss	234.31	24.60
Routed through other comprehensive income	(5.33)	(7.50)
Reduction on account of discontinued operations	(293.35)	-
Total	**(64.37)**	**17.10**

Note :

1) The Group has recognised Deferred tax assets arising from deductible temporary differences to the extent there is an evidence of future taxable profit.

2) Considering the nature of the subsidiary companies operations and history of past tax losses, deferred tax assets (including MAT credit) are recognized to the extent that it is probable that taxable profit will be generated in future against which the deductible temporary differences, carry forward of unabsorbed depreciation and tax losses can be utilised. Accordingly, it is considered prudent to recognize the deferred tax assets only to the extent of deferred tax liabilities and hence the group has not recognised deferred tax assets on subsidiary companies.

3) Refer Note No. 54 for detail on Income Taxes.

12 Property, Plant and Equipment

Particulars	As at 31st March, 2026						
	Furniture & fixtures	Vehicles	Office equipments	Leasehold improvements	Plant & machinery	Computer & printers	Total
At cost at the beginning of the year	791.06	649.77	516.36	1,543.80	105.94	994.63	4,601.56
Additions during the year	6.24	74.88	12.75	24.04	36.00	79.30	233.21
Disposals during the year	(0.97)	(6.02)	(4.10)	(52.90)	-	(100.47)	(164.46)
Less : Carrying amount of discontinued operations	(3.02)	-	(33.50)	(143.95)	-	(137.50)	(317.97)
Gross Block at the end of the year	**793.31**	**718.63**	**491.51**	**1,370.99**	**141.94**	**835.96**	**4,352.34**
Accumulated depreciation at the beginning of the year	448.72	377.52	411.19	1,007.24	65.71	867.60	3,177.98
Depreciation for the year	80.80	98.07	50.04	260.36	45.23	103.64	638.14
Deduction and other adjustments	(0.14)	(6.02)	(3.64)	(26.98)	-	(100.41)	(137.19)
Less : Carrying amount of discontinued operations	(2.31)	-	(27.58)	(143.67)	-	(125.20)	(298.76)
Accumulated depreciation at the end of the year	**527.07**	**469.57**	**430.01**	**1,096.95**	**110.94**	**745.63**	**3,380.17**
Net carrying amount	**266.24**	**249.06**	**61.50**	**274.04**	**31.00**	**90.33**	**972.17**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Particulars	As at 31st March, 2025 Furniture & fixtures	Vehicles	Office equipments	Leasehold improvements	Plant & machinery	Computer & printers	Total
At cost at the beginning of the year	811.60	560.29	570.36	1,507.97	45.69	1,014.24	4,510.15
Additions during the year	59.41	122.08	54.39	148.55	60.25	41.53	486.21
Disposals during the year	(79.95)	(32.60)	(108.39)	(112.72)	-	(61.14)	(394.80)
Less : Carrying amount of discontinued operations	-	-	-	-	-	-	-
Gross Block at the end of the year	**791.06**	**649.77**	**516.36**	**1,543.80**	**105.94**	**994.63**	**4,601.56**
Accumulated depreciation at the beginning of the year	394.14	302.57	432.72	809.97	5.21	710.15	2,654.76
Depreciation for the year	90.01	99.18	72.97	287.33	60.50	213.29	823.28
Deduction and other adjustments	(35.43)	(24.23)	(94.50)	(90.06)	-	(55.84)	(300.06)
Less : Carrying amount of discontinued operations	-	-	-	-	-	-	-
Accumulated depreciation at the end of the year	**448.72**	**377.52**	**411.19**	**1,007.24**	**65.71**	**867.60**	**3,177.98**
Net carrying amount	**342.34**	**272.25**	**105.17**	**536.56**	**40.23**	**127.03**	**1,423.58**

Note:

1) The Group does not hold any immovable property where title deeds are not held in the name of the Group and no immovable property are jointly owned with others during the year ended 31st March, 2026 and 31st March, 2025.

2) There is no revaluation of property plant and equipment during the year ended 31st March, 2026 and 31st March, 2025.

3) The Group does not hold any benami property and no proceedings have been initiated on or are pending against the Group under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made thereunder.

4) The Group do not have any investment property as at 31st March, 2026 and 31st March, 2025.

5) The figures of erstwhile subsidiary Capital India Home Loans Limited, included in above tables for FY 26 are pertaining to period from 1st April, 2025 upto 11th August, 2025 i.e, upto the date of stake sale.

12A Capital -work in progress

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance as at the beginning of the year	-	30.17
Additions during the year	-	-
Deduction during the year	-	30.17
Balance as at the end of the year	-	-

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Capital -work in progress ageing schedule as at 31st March, 2026

Particulars	Less than 1 year	1– 2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Capital -work in progress ageing schedule as at 31st March, 2025

Particulars	Less than 1 year	1– 2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Note:

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the year ended 31st March, 2026 and 31st March, 2025.

13 Intangible assets under development

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance as at the beginning of the year	867.56	1,001.18
Additions during the year	348.69	582.61
Capitalised during the year	(1,076.01)	(657.40)
Write off during the year	(13.96)	(58.83)
Balance as at the end of the year	**126.28**	**867.56**

Intangible assets under development ageing schedule as at 31st March, 2026

Particulars	Less than 1 year	1– 2 years	2-3 years	More than 3 years	Total
Projects in progress	126.28	-	-	-	126.28
Projects temporarily suspended	-	-	-	-	-
Total	**126.28**	-	-	-	**126.28**

Intangible assets under development ageing schedule as at 31st March, 2025

Particulars	Less than 1 year	1– 2 years	2-3 years	More than 3 years	Total
Projects in progress	76.09	282.41	509.06	-	867.56
Projects temporarily suspended	-	-	-	-	-
Total	**76.09**	**282.41**	**509.06**	-	**867.56**

Notes:

1) There are no projects which are either overdue or have exceeded their cost compared to their original plan as at 31st March, 2026 and 31st March, 2025.

2) In case of subsidiary Rapipay Fintech Private Limited, the Company has capitalised employee benefit expenses amounting to Rs. 348.69 Lakhs (31st March, 2025: Rs. 571.61 Lakhs) which are directly attributable to assets. (Refer Note 38)

3) In case of subsidiary Rapipay Fintech Private Limited, there are 3 Projects (31st March, 2025 : 2 Projects) where activity has been terminated.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

14 Other Intangible assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Computer Software		
At cost, at the beginning of the year	7,784.09	7,073.29
Additions during the year	1,084.61	710.80
Disposals during the year	-	-
Less: Carrying amount of discontinued operations	(122.80)	-
Gross block at the end of the year	**8,745.90**	**7,784.09**
Accumulated amortization:		
At beginning of the year	4,319.72	2,682.64
Amortization for the year	1,828.95	1,637.09
Deduction and other adjustments	-	-
Less: Carrying amount of discontinued operations	(116.01)	-
Total amortization at the end of the year	**6,032.66**	**4,319.73**
Net carrying amount	**2,713.24**	**3,464.36**

Note:

1) There are no revaluation of Intangible assets during the year ended 31st March, 2026 and 31st March, 2025.

2) The figures of erstwhile subsidiary Capital India Home Loans Limited included in above tables for FY 2025-26 are pertaining to period from 1st April, 2025 upto 11th August, 2025 i.e, upto the date of stake sale.

15 Goodwill on consolidation

Particulars	As at 31st March, 2026	As at 31st March, 2025
Goodwill at cost	1,807.59	1,807.59
Total	**1,807.59**	**1,807.59**

16 Right of use assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Leased Premises:		
At beginning of the year	4,544.28	3,891.46
Additions during the year	1,594.72	1,784.11
Deletions during the year	(2,001.33)	(1,131.29)
Less: Carrying amount of discontinued operations	(46.41)	-
Gross block at the end of the year	**4,091.26**	**4,544.28**
Accumulated amortization :		
At beginning of the year	2,263.82	2,559.46
Amortization for the year	685.04	732.65
Deletion during the year	(1,789.85)	(1,028.29)
Less: Carrying amount of discontinued operations	(21.66)	-
Total amortization at the end of the year	**1,137.35**	**2,263.82**
Net carrying amount	**2,953.91**	**2,280.46**

1) There is no revaluation in right of use assets during the year ended 31st March, 2026 and 31st March, 2025.

2) Refer Note No. 53 for details of right of use assets.

3) The figures of erstwhile subsidiary Capital India Home Loans Limited, included in above tables for the 31st March, 2026 are pertaining to period from 1st April, 2025 upto 11th August, 2025 i.e, upto the date of stake sale.

4) There are no leases which are yet to commence as at 31st March, 2026.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

17 Other non-financial assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Prepaid expenses	744.60	787.34
Capital advances	4.50	19.12
Balance with Statutory authorities	1,279.85	1,087.62
Subtotal (A)	**2,028.95**	**1,894.08**
Advance Paid to Suppliers	245.57	374.55
Less: Provision for doubtful advances	(50.34)	(41.33)
Subtotal (B)	**195.23**	**333.22**
Total (A+B)	**2,224.18**	**2,227.30**

18 Payables

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade payables		
Outstanding dues of Micro and Small Enterprises	37.30	9.28
Outstanding dues of other than Micro and Small Enterprises	1,481.62	1,632.98
Other payables		
Outstanding dues of Micro and Small Enterprises	-	-
Outstanding dues of other than Micro and Small Enterprises	45.41	30.30
Total	**1,564.33**	**1,672.56**

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under 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 Group. The following table sets forth, for the year indicated, the amount of principal & interest outstanding.

Particulars	As at 31st March, 2026	As at 31st March, 2025
(a). The principal amount and the interest due thereon remaining unpaid as at the end of each accounting year - Principal amount due to Micro Enterprises and Small Enterprises - Interest due on above	37.30	9.28
(b). The amount of interest paid in terms of section 16, along with the amounts of the payment made beyond the appointed day during each accounting year.	-	-
(c). The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
(d). The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e). 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.	-	-
Balance of MSME parties at the end of the year	**37.30**	**9.28**

Note:

Refer Note 50 for Related party transactions.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Trade payables ageing as at 31st March, 2026

Particulars	Unbilled Dues	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
Undisputed dues						
Micro enterprises and small enterprises	-	37.16	0.05	0.04	0.05	37.30
Others	1,344.24	134.46	2.68	0.17	0.07	1,481.62
Disputed dues						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**1,344.24**	**171.62**	**2.73**	**0.21**	**0.12**	**1,518.92**

Trade payables ageing as at 31st March, 2025

Particulars	Unbilled Dues	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
Undisputed dues						
Micro enterprises and small enterprises	-	9.28	-	-	-	9.28
Others	1,457.58	95.19	18.76	59.31	2.14	1,632.98
Disputed dues						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	**1,457.58**	**104.47**	**18.76**	**59.31**	**2.14**	**1,642.26**

19 Debt Securities

Particulars	As at 31st March, 2026	As at 31st March, 2025
At amortised cost		
Secured		
Non convertible debentures	5,000.00	-
Total	**5,000.00**	**-**
Debts in India	5,000.00	-
Debts outside India	-	-
Less: Unamortised borrowings costs	217.97	-
Add: Interest accrued but not due on debt security	323.13	-
Net Debt Securities	**5,105.16**	**-**

ISIN No.	Coupon Rate (p.a)	Face Value per debenture (Rs.)	Quantity (Nos.)	Date of Allotment	Date of Redemption	As at 31st March, 2026	As at 31st March, 2025
INE345H07054	9.55%	1,00,000	5,000	28th July, 2025	28th July, 2028	5,000.00	-
Total						**5,000.00**	**-**

i) Terms of repayment

Non convertible debentures is redeemable at par and carry a bullet repayment term with a tenure of three years.

ii) Security details

Non convertible debentures are secured by way of pari passu charge through hypothecation on standard loan receivables of the Company to the extent of 1.10 times.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

iii) There are no non convertible debentures measured at fair value through other comprehensive income (FVTOCI) and Fair value through profit & Loss (FVTPL).

iv) There are no non convertible debentures guaranteed by Directors, Promoters, Key managerial personnel (KMPs) and/ or the related parties as at 31st March, 2026 and as at 31st March, 2025.

v) The Company has not defaulted in repayment of dues during the year ended 31st March, 2026 and 31st March, 2025.

vi) The Company has submitted periodic statements of security cover,which are in agreement with books of account.

vii) The funds raised by the Company have been utilised for the purposes for which they were availed.

viii) The Company does not have any charge creation or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period as applicable, for non convertible debentures.

20 Borrowings (Other than Debt Securities)

Particulars	As at 31st March, 2026	As at 31st March, 2025
At amortised cost		
Secured		
(i) Term loans		
From Banks	63,380.46	66,731.61
From Others	15,239.00	18,611.70
From Financial Institutions	10,004.00	12,658.97
(ii) Vehicle loans from Banks	76.85	108.15
(iii) Working capital loan	182.34	-
Unsecured	-	-
Total	**88,882.65**	**98,110.43**
Borrowings in India	88,882.65	98,110.43
Borrowings outside India	-	-
Total	**88,882.65**	**98,110.43**
Less: Unamortised borrowings costs	1,136.12	1,155.36
Add: Interest accrued but not due on borrowings	235.32	192.19
Net Borrowings	**87,981.85**	**97,147.26**

i) Security details

- Term loan from banks, financial institutions and others are secured by way of pari passu floating charge through hypothecation on standard loan receivables of the Group.

- Working capital loan is secured by way of pari passu charge on forex cash and receivables related to forex segment in Capital India Finance Limited.

- Vehicle loans is secured by way of hypothecation on vehicles.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

ii) **Terms of repayment:**

Secured Loan	As at 31st March, 2026		As at 31st March, 2025	
	Monthly	Quarterly	Monthly	Quarterly
Term loans from banks	19,583.76	43,796.70	22,057.45	44,674.16
Term loans from others	15,239.00	-	18,611.70	-
Term loans from financial institutions	10,004.00	-	5,720.00	6,938.97
Vehicle Loan from banks	76.85	-	108.15	-
Total	**44,903.61**	**43,796.70**	**46,497.30**	**51,613.13**

Working capital loans are in the form of cash credit limits and repayable on demand.

iii) There are no borrowings measured at fair value through other comprehensive income (FVTOCI) and Fair value through profit & Loss (FVTPL).

iv) There are no borrowing guaranteed by Directors, Promoters, Key managerial personnel (KMPs) and/ or the related parties as at 31st March, 2026 and as at 31st March, 2025.

v) The Group has not defaulted in repayment of principal and interest during the year ended 31st March, 2026 and 31st March, 2025.

vi) The rate of interest on the above borrowings vary from 8.55% p.a. to 11.15% p.a. as at 31st March, 2026 and vary from 7.90% p.a. to 13.30% p.a. as at 31st March, 2025.

vii) The residual tenure on the above borrowings is upto 5 years for the year ended 31st March, 2026 and upto 9 years for the year ended 31st March, 2025

viii) There are no unsecured borrowings as at 31st March, 2026 and as at 31st March, 2025.

ix) The Companies within group have utilised the borrowed funds for purposes for which it was availed.

x) The Company has submitted periodic statements of security cover with banks or financial institutions and others, which are in agreement with books of account.

xi) The Group does not have any charge creation or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period as applicable, for borrowings.

21 Other financial liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
Other advances	111.16	134.07
Pending remittance on assignments	274.79	122.23
Advances received from customer	131.03	235.81
Direct business outlets (DBO) balances	7,487.85	8,291.34
Other liabilities	1,907.76	1,336.85
Financial guarantee obligation	456.13	1,297.29
Unclaimed dividend	5.99	2.94
Deposit from customers	106.11	110.11
Book overdraft	4,500.03	4,380.77
Other dues	831.37	546.37
Total	**15,812.22**	**16,457.78**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

22 Provisions

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for employee benefits		
Provision for gratuity (refer note 51)	594.07	407.92
Provision for compensated absence (refer note 51)	270.90	339.11
Provision for performance bonus	505.86	751.41
Impairment loss allowance on sanctioned but undisbursed and guarantee	-	7.50
Total	**1,370.83**	**1,505.94**

23 Other non financial liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
Statutory dues payable	616.67	669.93
Total	**616.67**	**669.93**

24 Equity share capital

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Numbers	Amount	Numbers	Amount
Authorized share capital				
Equity shares of Rs. 2 each	1,02,00,00,000	20,400.00	1,02,00,00,000	20,400.00
Preference shares of Rs. 10 each	1,00,00,000	1,000.00	1,00,00,000	1,000.00
	1,03,00,00,000	**21,400.00**	**1,03,00,00,000**	**21,400.00**
Issued, subscribed and fully paid up				
Equity shares of Rs. 2 each	39,10,56,300	7,821.13	38,91,31,894	7,782.64
Total	**39,10,56,300**	**7,821.13**	**38,91,31,894**	**7,782.64**

a. Reconciliation of the equity shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Numbers	Amount	Numbers	Amount
At the beginning of the year	-	-	7,77,34,260	7,773.43
Add : Shares issued pursuant to exercise of ESOP having face value of Rs 10/- each	-	-	55,875	5.59
Number of shares before split	**-**	**-**	**7,77,90,135**	**7,779.02**
After Split: (Refer Note below)				
At the beginning of the year	38,91,31,894	7,782.64	-	-
Split of Face Value of Equity Shares from Rs 10 each to Rs 2 each	-	-	38,89,50,675	7,779.02
Add : Shares issued pursuant to exercise of ESOP having face value of Rs 2/- each	19,24,406	38.49	1,81,219	3.62
Outstanding at the end of the year	**39,10,56,300**	**7,821.13**	**38,91,31,894**	**7,782.64**

Note: The members vide resolution passed through postal ballot on 29th January, 2025 have approved the sub-division / split of equity share of the Company from face value of Rs 10/- each to face value of Rs 2/- each. The record date for the sub-division / split of equity shares was 17th February, 2025.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

b. Terms and rights attached to fully paid up equity shares:

The Company has only one type of equity shares having par value of Rs. 2 each. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their holdings.

c. Particulars of shareholders holding more than 5% of the equity share capital

Particulars	As at 31st March, 2026		As at31st March, 2025	
	Number	%	Number	%
Equity shares of Rs. 2 each				
Capital India Corp Private Ltd (formerly known as Capital India Corp LLP)	28,38,78,600	72.59%	28,38,78,600	72.95%
Dharampal Satyapal Limited	3,81,89,000	9.77%	3,83,89,000	9.87%
Total	**32,20,67,600**	**82.36%**	**32,22,67,600**	**82.82%**

d. Shares held by promoters at the end of year:

Promoter name	As at 31st March, 2026			
	No. of shares		%	% change during the year
	Before Split	After Split		
Capital India Corp Private Ltd (formerly known as Capital India Corp LLP)	-	28,38,78,600	72.59%	-*

*0.36% change due to ESOP options exercised by employees during the year.

Promoter name	As at 31st March, 2025			
	No. of shares		%	% change during the year
	Before Split	After Split		
Capital India Corp Private Ltd (formerly known as Capital India Corp LLP)	5,67,75,720	28,38,78,600	72.95%	-**

**0.09% change due to ESOP options exercised by employees during the year

e. The company has not reserved any shares for issues under options and Contracts / Commitments for the sale during the year ended 31st March, 2026 and 31st March, 2025.

f. The company has not issued bonus shares or shares for consideration other than cash during the year ended 31st March, 2026 and 31st March, 2025.

g. Details of the shares reserved for issue under Employee Stock Options Plan (ESOP) of the Group are disclosed in Note No. 52.

h. The company has not bought back any of its securities during the year ended 31st March, 2026 and 31st March, 2025.

i. There is no share application money pending allotment and no monies received against share warrant.

j. There is no compound financial instrument having equity component.

k. The company during the year ended 31st March, 2026 and 31st March, 2025 has not:

(i) issued any securities convertible into equity / preference shares

(ii) issued any shares where calls are unpaid

(iii) forfeited any shares

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

25 Other Equity

Particulars	As at 31st March, 2026	As at 31st March, 2025
Statutory reserve under Section 45-IC of the (RBI) Act, 1934 and under Section 29-C of National Housing Bank (NHBA) Act, 1987	3,275.53	2,626.23
Securities premium	51,480.05	51,134.13
Employee stock option outstanding account	3,903.16	3,579.41
General reserve	1.76	1.76
Retained earnings	776.62	(2,445.21)
Other comprehensive income	58.57	116.91
Total	**59,495.69**	**55,013.23**

Notes:

i) Statutory Reserve under Section 45-IC of the RBI Act, 1934 and under Section 29-C of NHBA Act, 1987:

The Group created a reserve pursuant to section 45-IC the Reserve Bank of India Act, 1934 and section 29 C of NHBA Act, 1987 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.

ii) Securities premium:

The amount received in excess of face value of the equity shares is recognised in Securities Premium Account. 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 account. The account is utilised in accordance with the provisions of the Companies Act, 2013.

iii) Employee stock option outstanding account:

The reserve is used to recognise the fair value of the options issued to employees of the Group.

iv) 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 requirements is not mandatory to transfer a specified percentage of the net profit to general reserve. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

v) Retained earnings:

Retained earnings represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.

vi) Other Comprehensive Income

The Group recognises change on account of remeasurement of the net defined benefit liability (asset) as part of other comprehensive income.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

26 Interest income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
On financial assets measured at amortised cost:		
Interest on loans	16,539.85	15,005.21
Interest on inter corporate loans	-	59.84
Interest income on lease rental deposits	26.65	24.12
Interest on deposits with banks	860.74	771.83
Other interest income	1,333.53	603.45
Total	**18,760.77**	**16,464.45**

27 Fees and commission income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Loan related fee and other charges	595.57	462.12
Fees and Commission Income - Prepaid payment instrument business	16,991.55	21,455.49
Fees and Commission Income - Forex business	1,085.53	1,377.39
Total	**18,672.65**	**23,295.00**

28 Income from foreign exchange services

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Income from forex business	1,256.12	1,223.58
Total	**1,256.12**	**1,223.58**

29 Sale of devices and digital products

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Sale of digital products/ services	12,482.90	12,010.00
Sale of devices	46.28	78.61
Total	**12,529.18**	**12,088.61**

30 Net gain on fair value changes

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Net gain on financial instruments at fair value through profit and loss account :-		
Mutual fund units	1,071.99	484.99
Total net gain on fair value changes	**1,071.99**	**484.99**
Fair value changes*		
Realised	958.98	454.47
Unrealised	113.01	30.52

*Fair value changes in this schedule are other than those arising on account of interest income/expenses.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

31 Net gain/(loss) on derecognition of financial instruments under amortised cost category

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Net gain / (loss) on derecognition of financial instruments under amortised cost category	58.00	741.00
Total Net gain/(loss) on fair value changes	**58.00**	**741.00**

32 Other operating income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Investment advisory Income	25.47	-
Other operating income from Prepaid payment instrument business	421.61	309.63
Total	**447.08**	**309.63**

33 Other income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Liabilities written back	185.95	262.09
Profit and loss on sale of fixed asset	11.00	-
Gain on termination of lease	75.60	16.35
Interest on income tax refund	5.06	24.02
Other business support Income	148.48	85.29
Other foreign exchange service Income	6.93	6.73
Recovery from excess provision of compensated absences	22.14	2.03
Miscellaneous income	33.29	18.67
Total	**488.45**	**415.18**

34 Finance cost

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
On Financial liabilities measured at amortised cost:		
Interest on borrowings	7,226.38	6,413.46
Interest on debt securities	323.13	-
Interest on lease liability	226.29	217.90
Other finance costs	577.50	495.78
Total	**8,353.30**	**7,127.14**

35 Impairment on financial instruments

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
On financial instruments measured at amortised cost:		
Impairment loss allowance on loans	320.63	1.92
Bad debts and write off net of recoveries	3,270.81	402.33
Total	**3,591.44**	**404.25**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

36 Fees and commission expenses

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Fees and commission expenses - Prepaid payment instrument business	22,924.77	24,647.04
Total	**22,924.77**	**24,647.04**

37 Cost of materials consumed

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Opening stock	100.80	112.59
Add: Purchases	17.96	56.52
	118.76	**169.11**
Less: Closing stock	77.33	100.80
Total	**41.43**	**68.31**

38 Employee benefits expenses

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Salaries and wages including bonus	11,905.40	11,293.55
Contribution to provident and other funds (Refer Note 51)	516.20	472.27
Share based payments to employees (Refer Note 52)	511.69	307.80
Staff welfare expenses	200.16	159.87
Gratuity expenses	294.17	119.35
Total	**13,427.62**	**12,352.84**

i). Refer Note No. 50 for Related party transactions

ii). In case of subsidiary Rapipay Fintech Private Limited, the Company has capitalised employee benefit expenses amounting to Rs 348.69 lakhs (31st March, 2025 Rs 571.61 lakhs) which are directly attributable to intangible assets under development. (Refer Note 13)

39 Depreciation and amortization expenses

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Depreciation on property, plant and equipment	628.72	784.66
Amortization on intangible assets	1,826.57	1,625.77
Depreciation on right of use assets	681.17	714.86
Total	**3,136.46**	**3,125.29**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

40 Other expenses

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Rent	448.84	299.75
Rates, fees and taxes	33.59	41.64
Repairs and maintenance expenses	235.88	263.97
Office expenses	140.50	114.03
Electricity charges	106.33	106.43
Communication and Postage expenses	188.20	157.62
Printing and stationery expenses	86.11	36.65
Insurance expenses	106.00	200.96
Membership and subscription expenses	150.36	123.71
Travelling and conveyance expenses	832.04	791.98
Advertisement, marketing and business promotion expenses	175.30	190.89
Commission and brokerage expenses	602.68	717.50
Auditor's remuneration (refer note 41)	32.31	28.59
Legal and professional charges	1,682.34	1,405.78
IT Expenses	1,258.73	1,232.25
Listing fees	26.55	7.05
Directors sitting fees	65.10	73.65
CSR expenses (refer note 46)	40.00	40.00
Bank charges	390.77	387.39
Impairment loss on trade receivables	266.94	16.08
Loss on sale of property plant and equipments	26.57	52.97
Expenses for financial guarantee obligation	1,513.12	1,882.38
Trusteeship fees	13.17	6.06
Transaction loss	138.84	95.38
Provision for doubtful advances and advances written off	13.77	35.20
Credit verification charges	122.49	115.51
Miscellaneous expenses	49.76	64.66
Total	**8,746.29**	**8,488.08**

Refer Note No 50 for Related Party Transactions.

41 Auditor's Remuneration

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Statutory audit	24.41	22.07
Taxation matters (Tax audit fees)	2.53	2.18
Certification fees and other services	5.37	4.34
Total	**32.31**	**28.59**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

42 Exceptional items

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit on sale of investment in subsidiary	10,638.06	-
Total	**10,638.06**	-

Capital India Finance Limited has sold its entire stake of 99.82% in Capital India Home Loans Limited (CIHL) to Weaver Services Private Limited. Capital India Home Loans Limited ceased to be subsidiary of company with effect from 11th August, 2025.

43 Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings per Share"

Particulars		For the year ended 31st March, 2026	For the year ended 31st March, 2025
Equity shares			
Weighted average basic number of equity shares (before split)		-	7,77,48,436
Weighted average number of equity shares outstanding for basic EPS	A	38,99,36,363	38,87,42,180
Add: Weighted average number of potential equity shares on account of employee stock options (Considering split of shares 1:5)*		1,12,16,527	76,51,306
Weighted average number of shares outstanding for diluted EPS	B	40,11,52,890	39,63,93,486
Profit after tax			
Profit after tax from continuing operations (Rs. In Lakhs)	C	3,996.73	(123.50)
Profit after tax from discontinued operations (Rs. In Lakhs)	D	(107.59)	278.26
Profit after tax from continuing & discontinued operations (Rs. In Lakhs)	E	3,889.14	154.76
Earnings per share for Continuing Operation:*			
(a) Basic (Rs.)	C/A	1.02	(0.03)
(b) Diluted (Rs.)	C/B	1.00	(0.03)
Earnings per share for Discontinued Operation:*			
(a) Basic (Rs.)	D/A	(0.03)	0.07
(b) Diluted (Rs.)	D/B	(0.03)	0.07
Earnings per share for Continuing and Discontinued Operations:*			
(a) Basic (Rs.)	E/A	1.00	0.04
(b) Diluted (Rs.)	E/B	0.97	0.04
(c) Face value per equity share (Rs.)		2.00	2.00

Note :

*The members vide resolution passed through postal ballot on 29th January, 2025, have approved the sub-division / split of equity share of the Company from face value of Rs 10/- each to face value of Rs 2/- each. The record date for the sub-division / split of equity shares was 17th February, 2025.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

44 Transaction in foreign currency

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Earning in foreign currency		
Commission received (Forex)	17.97	24.56
Commission received (Western Union)	185.77	132.83
Total Income	**203.74**	**157.39**
Expenditure in foreign currency		
IT Expenses	30.70	63.13
Membership and subscription	46.04	-
Purchase of Plant and machinery	-	55.92
Purchase of Stock in Trade	-	52.68
Total Expense	**76.74**	**171.73**

Forward Cover Outstanding

The Group uses forward exchange contract to hedge against its foreign currency exposures related to underlying transaction and firm commitments.

The Group does not enter into any derivatives instruments for trading or speculative purpose.

The forward exchange contracts outstandings as at 31st March, 2026 are as under currency exchange USD/INR

a) Number of Sale Contracts: Nil (31st March, 2025 : 1)

b) Aggregate Amount: Rs. Nil (31st March, 2025: Rs. 128.67 Lakhs)

45 Disclosure pursuant to Ind AS 108 "Operating Segment"

Sr. No	Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
1	**Segment Revenue**		
	Lending business	20,426.31	17,901.25
	Prepaid payment instrument business	30,332.32	34,430.28
	Forex business	2,492.81	2,682.93
	Others	32.80	7.98
	Total Segment Revenue	**53,284.24**	**55,022.44**
2	**Segment Results**		
	Lending business	(4,509.16)	2,001.58
	Prepaid payment instrument business	(1,459.83)	(2,424.41)
	Forex business	(742.00)	(713.28)
	Unallocated (exceptional)	10,638.06	-
	Others	(226.08)	(54.40)
	Total Segment Results	**3,700.99**	**(1,190.51)**
3	**Tax Expenses**		
	Current tax	797.05	353.73
	Deferred tax	(281.39)	(47.80)
	Excess/ short provision of tax of earlier years	(10.83)	(195.73)
	Profit after Tax	**3,196.16**	**(1,300.71)**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

		As at 31st March, 2026	As at 31st March, 2025
4	**Segment Assets**		
	Lending business	1,62,376.23	1,58,672.58
	Prepaid payment instrument business	12,572.74	16,414.91
	Forex business	4,668.95	6,030.23
	Unallocated	4,199.06	3,205.23
	Others	744.12	936.37
	Total Segment Assets	**1,84,561.10**	**1,85,259.32**
5	**Segment Liabilities**		
	Lending business	1,01,910.09	1,04,465.20
	Prepaid payment instrument business	11,725.67	13,456.56
	Forex business	1,843.45	1,971.46
	Unallocated	-	-
	Others	26.51	45.38
	Total Segment Liabilities	**1,15,505.72**	**1,19,938.60**
	Net Segment Assets and Liabilities	**69,055.38**	**65,320.72**

a) Chief Operating Decision Maker

As per Ind AS 108 "Operating Segments" the Board of Directors ('BOD') of the Company has identified Chief Operating Decision Maker (CODM) who assesses the financial performance and position of the Group and makes strategic decisions. Operating segments are reported in a manner consistent with the internal reporting to the CODM.

b) Operating Segment

Primary Segment (Business Segment)

The Group is operating primarily into three operating segments, i.e. Lending business, Forex services and Prepaid payment instrument business. Under the lending business the Group gives loans to Micro, Small and Medium enterprises and other customers across various industries. Revenue from lending business includes (i) interest income and (ii) fees income. Forex services comprises of overseas remittances, foreign currency prepaid travel card, Money transfer service scheme (MTSS), import and export foreign currency notes. Prepaid payment instrument business has digital payment solution wallet which allows users to send and receive money through a smart devices and loan facilitation income.

Secondary Segment (Geographical Segment)

Since the business operations of the Group are primarily concentrated in India, the Group is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

c) Segment Revenue and Expense

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as 'Unallocated'.

d) Segment Assets and Liabilities

Segment assets and segment liabilities represent assets and liabilities in respective segments.

Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as 'Unallocated'.

e) Accounting Policies

The accounting policies consistently used in the preparation of the consolidated financial statements are also applied to items of revenue and expenditure in individual segments.

f) Disclosure for other material non cash item

There are no other material non cash items which have not been disclosed in the above disclosure.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

46 Disclosure pertaining to corporate social responsibility expenses

Particulars	Note	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Average net profit of the company as per Section 198 of Companies Act, 2013 for the last three financial years	(i)	2,008.74	2,077.63
Two percent of average net profit of the company	(ii)=(i)*2%	40.17	41.55
Surplus carry forward from preceding financial year to be set-off for the financial year, if any	(iii)	4.11	5.66
Total CSR obligation for the financial year	(iv)=(ii)-(iii)	36.06	35.89
Amount spent on CSR projects	(v)		
(i) Construction/ acquisition of any asset		-	-
(ii) On purposes other than (i) above		40.00	40.00
Excess amount spent for the financial year	(vi)=(v)-(iv)	3.94	4.11
Surplus amount available for set off in succeeding financial year	(vii)	3.94	4.11
Shortfall amount at the end of the financial year	(viii)	-	-
Shortfall amount of preceding financial year	(ix)	-	-
Reason of shortfall	(x)	NA	NA

Nature of CSR activities

The Company is required to contribute to corporate social responsibility activities as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 under the Companies Act, 2013. The amount is spent towards rural development, livelihood, health and education.

Above mentioned net profit in table relates to Capital India Finance Limited. Since subsidiaries companies incurred losses therefore no amount is required to be contributed by those companies towards CSR for the year ended 31st March, 2026 and 31st March, 2025.

47 Contingent Liabilities and Commitments

Particulars	As at 31st March, 2026	As at 31st March, 2025
Contingent liabilities		
Legal matters (refer note i)	28.22	-
Claims from a vendor not acknowledged as debts (refer note ii)	35.09	35.09
Guarantees		
Bank guarantees	-	-
Others (Issued on behalf of a subsidiary i.e. Capital India Home Loans Limited)	-	22,804.16
Total (a)	63.31	22,839.25
Commitments		
Estimated amount of contracts(net of advances) remaining to be executed on capital account and not provided for	-	-
Undrawn committed sanctions to borrowers	1,938.73	1,805.00
Total (b)	1,938.73	1,805.00
Total (c=a+b)	**2,002.04**	**24,644.25**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Notes:-

i). Capital India Finance Limited has received a GST demand notice amounting to Rs. 28.22 Lakhs. The Company has disputed the demand and has filed an appeal before the Appellate Authority on 20th February, 2026. Based on the assessment of the facts and legal advice obtained, management believes that the matter has a reasonable basis for challenge and, accordingly, no provision has been recognized in the financial statements. The amount involved has been disclosed as a contingent liability pending the final outcome of the appeal.

ii). In case of subsidiary Rapipay Fintech Private Limited, one party has filed a legal suit against the Company alleging unauthorized decompilation, modification, and commercial use of its software, claiming damages of Rs. 35.09 lakhs (31st March 2025 Rs 35.09 Lakhs). The Company denies receiving any such software and refutes the allegations.The matter is currently pending before the District Court.

iii). In case of subsidiary Rapipay Fintech Private Limited, Corporate Guarantee Pursuant to the Business Associate Agreement entered into with its lending partners, the Company is facilitating the lending business of its lending partners through its loan management platform in return for an agreed coupon rate on such loans disbursed. The Company provides financial guarantee (First Loss Default Guarantee i.e. FLDG) to lending partners to cover the loss on the credit extended to its merchants by its lending partner. Financial guarantee are capped to the extent agreed with the respective lending partner in line with the digital lending guidelines issued by RBI. The Company has booked expense for "Expense for financial guarantee obligation" for Rs. 1,513.12 Lakhs (31st March 2025 Rs 1,882.38 Lakhs).

48 The following subsidiary companies have been considered in the preparation of the consolidated financial statements.

Name of the entities	Relationship	Country of incorporation	Ownership held by	Percentage (%) of ownership Interest	
				As at 31st March, 2026	As at 31st March, 2025
Subsidiaries					
Capital India Home Loans Limited	Subsidiary	India	Capital India Finance Limited	-*	99.82%
Capital India Asset Management Private Limited	Subsidiary	India	Capital India Finance Limited	100.00%	100.00%
Rapipay Fintech Private Limited	Subsidiary	India	Capital India Finance Limited	52.50%	52.50%
Stepdown Subsidiaries (Wholly Owned subsidiary of Rapipay Fintech Private Limited)					
NYE Investech Private Limited# (formerly known as Kuants Wealth Private Limited)	Step Down Subsidiary	India	Rapipay Fintech Private Limited	52.50%	52.50%
Rapipay Payments Private Limited # (formerly known as NYE Insurance Broking Private Limited)	Step Down Subsidiary	India	Rapipay Fintech Private Limited	52.50%	52.50%

Notes:

* The Board of Directors of the Company in its meeting held on 16th October, 2024 had approved the disinvestment of the Company's entire stake in Capital India Home Loans Limited. Effective 11th August, 2025 Capital India Home Loans Limited is ceased to be subsidiary of Capital India Finance Limited.

NYE Investech Private Limited (formerly known as Kuants Wealth Private Limited) and Rapipay Payments Private Limited (formerly known as NYE Insurance Broking Private Limited) are wholly owned subsidiary of Rapipay Fintech Private Limited.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

49 Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended 31st March, 2026 and 31st March, 2025

Details of entities considered in the consolidated financial statements for the year ended 31st March, 2026

Name of the entities in the Group	Net Assets (Total assets minus total liabilities)		Share in profit or loss (PAT)		Share in other comprehensive income(OCI)		Share in Total comprehensive income(TCI)	
	% of consolidated net assets	Amount (Rs in lakhs)	% of consolidated PAT	Amount (Rs in lakhs)	% of consolidated OCI	Amount (Rs in lakhs)	% of consolidated TCI	Amount (Rs in lakhs)
Capital India Finance Limited - Parent	99.44%	66,932.25	130.67%	4,035.84	230.34%	15.86	130.90%	4,051.70
Subsidiaries - Indian								
Capital India Home Loans Limited	-	-	(3.48%)	(107.59)	-	-	(3.48%)	(107.59)
Capital India Assets Management Private Limited	0.00%	1.15	(0.02%)	(0.51)	-	-	(0.02%)	(0.51)
Rapipay Payments Private Limited (formerly known as NYE Insurance Broking Private Limited)	0.11%	74.55	(0.01%)	(0.31)	-	-	(0.01%)	(0.31)
NYE Investech Private Limited (formerly known as Kuants Wealth Private Limited)	0.91%	614.46	(7.29%)	(225.26)	2.90%	0.20	(7.27%)	(225.06)
Rapipay Fintech Private Limited	6.16%	4,149.91	(47.27%)	(1,459.83)	(133.24%)	(9.17)	(47.46%)	(1,469.00)
Non-controlling Interests in subsidiaries	(2.58%)	(1,738.56)	-	-	-	-	-	-
CFS adjustment and elimination	(4.04%)	(2,716.94)	27.40%	846.23	-	-	27.34%	846.23
Total	**100.00%**	**67,316.82**	**100.00%**	**3,088.57**	**100.00%**	**6.89**	**100.00%**	**3,095.46**

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(Currency: Rs. In Lakhs)

Details of entities considered in the consolidated financial statements for the year ended 31st March, 2025

Name of the entities in the Group	Net Assets (Total assets minus total liabilities)		Share in profit or loss (PAT)		Share in Other comprehensive income(OCI)		Share in Total comprehensive income(TCI)	
	% of consolidated net assets	Amount (Rs in lakhs)	% of consolidated PAT	Amount (Rs in lakhs)	% of consolidated OCI	Amount (Rs in lakhs)	% of consolidated TCI	Amount (Rs in lakhs)
Capital India Finance Limited - Parent	98.98%	62,153.57	(115.22%)	1,178.10	15.11%	8.65	(122.95%)	1,186.75
Subsidiaries - Indian								
Capital India Home Loans Limited	23.66%	14,857.76	(27.22%)	278.26	23.81%	13.63	(30.24%)	291.89
Capital India Asset Management Private Limited	0.00%	1.65	0.05%	(0.48)	-	-	0.05%	(0.48)
Rapipay Payments Private Limited (formally known as NYE Insurance Broking Private Limited)	0.12%	74.86	0.03%	(0.26)	-	-	0.03%	(0.26)
NYE Investech Private Limited (Formerly known as Kuants Wealth Private Limited)	1.30%	815.01	5.25%	(53.66)	3.60%	2.06	5.35%	(51.60)
Rapipay Fintech Private Limited	8.89%	5,579.88	237.11%	(2,424.41)	57.48%	32.89	247.76%	(2,391.52)
Non-controlling Interests in subsidiaries	(4.02%)	(2,524.85)	-	-	-	-	-	-
CFS adjustment and elimination	(28.93%)	(18,162.01)	-	-	-	-	-	-
Total	**100.00%**	**62,795.87**	**100.00%**	**(1,022.45)**	**100.00%**	**57.23**	**100.00%**	**(965.22)**

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(Currency: Rs. In Lakhs)

50 Disclosure of Related party transactions pursuant to (Ind AS – 24) and Companies act 2013 "Related Party Disclosures"

(i) Name of the related party and relationship

Name of the related party	Nature of relationship
Capital India Corp Private Limited (formerly known as Capital India Corp LLP)	Holding Company
Capitall India Private Limited	Common Directorship
Trident InfraHomes Private Limited	Fellow Subsidiary
Atulya Foundation	Enterprise over which control is exercised by the Company
Mr. Keshav Porwal	Managing Director
Mr. Surender Rana	Executive Vice Chairman (from 18th November, 2025)
Mr. Pinank Jayant Shah	Chief Executive Officer
Mr. Vikas Srivastava	Chief Financial Officer
Mr. Rachit Malhotra	Chief Compliance Officer & Company Secretary (upto 28th June, 2024)
Mr. Sulabh Kaushal	Chief Compliance Officer & Company Secretary (from 13th August, 2024)
Mr. Deepak Vaswan	Relative of a person having control over the Company
Mr. Yogendra Pal Singh	Independent Director
Mr. Vinod Somani	Non-Executive Chairman (Independent)
Mrs. Rashmi Fauzdar	Independent Woman Director
Mr. Dalbir Singh Suhag	Independent Director (from 13th August, 2024)
Ms. Jyuthika Mahendra Jivani	Independent Woman Director
Mr. Subhash Chander Kalia	Independent Director (upto 20th February, 2025)

Note: Related party and their relationships are reported only where the Group has transactions with those parties during the current year / previous year.

(ii) Details of transaction with related parties are as under:

Name of Related Parties	Nature of transaction	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Capital India Corp Private Ltd. (formerly known as Capital India Corp LLP)	Royalty paid	70.00	100.00
	Dividend	56.78	56.78
Capitall India Private Limited	Business analytics expenses	17.50	8.75
Atulya Foundation	CSR expenses	40.00	40.00
Trident Infrahomes Private Limited	Inter corporate deposit given	-	1,000.00
	Repayment of Inter corporate deposit given	-	1,000.00
	Interest Income received	-	59.84
Mr. Deepak Vaswan	Sale of foreign currencies	-	0.49
Mr. Keshav Porwal	Remuneration paid	201.05	201.00
	Sale of foreign currencies and travel services	0.57	0.29
Mr. Surender Rana	Remuneration paid	45.40	-
Mr. Pinank Jayant Shah	Remuneration paid	484.38	390.05
	Share based payments	157.26	-
Mr. Vikas Srivastava	Remuneration paid	175.02	142.91
	Share based payments	8.55	-
Mr. Rachit Malhotra	Remuneration paid	-	50.86

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(Currency: Rs. In Lakhs)

Name of Related Parties	Nature of transaction	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Mr. Sulabh Kaushal	Remuneration paid	55.43	20.07
Mr. Yogendra Pal Singh	Sitting fees paid	10.90	10.90
Mr. Vinod Somani	Sitting fees paid	13.00	14.05
Mrs. Rashmi Fauzdar	Sitting fees paid	13.35	12.30
Mr. Dalbir Singh Suhag	Sitting fees paid	6.00	2.35
Mr. Subhash Chander Kalia	Sitting fees paid	-	10.20
Ms. Jyuthika Mahendra Jivani	Sitting fees paid	8.50	7.45

Notes:

i). Includes allocated shared expenses.

ii). Remuneration paid excludes amounts pertaining to gratuity and compensated absences, which are actuarially valued at the Group level.

iii). Transaction with KMP's include transaction with their relatives.

iv). All related party transactions entered during the year were in the ordinary course of business and on arm's length price.

v). Above transactions shown are excluding GST.

(iii) Balance as at 31st March, 2026 and 31st March, 2025

Name of Related Parties	Closing Balances	As at 31st March, 2026	As at 31st March, 2025
Credenc Web Technologies Private Limited	Investment	-	954.15

51 Employee benefits

(A) Defined Contribution Plan - Provident Fund (PF) Contribution, Employee State Insurance (ESI) Contribution and Labour Welfare Fund (LWF)

The Group makes contribution towards PF, ESI and LWF in respect of qualifying employees. The amount recognised as an expense and included in Note 38 "Employee Benefits" are as under.

The employees of the Group are members of a retirement contribution plan operated by the government. The Group is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Group with respect to the plan is to make the specified contributions.

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Employer's Contribution to Provident Fund	497.68	451.03
Employer's contribution to Employee State Insurance	5.21	5.83
Labour welfare fund	0.53	0.49

(B) Defined Benefit Plan - Gratuity

The Group has a defined benefit gratuity plan, under which every employee who has completed defined period of service gets a gratuity on departure @15 days of last drawn basic salary for each completed year of service.

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The plan is of a final salary defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest Rate Risk:

The risk of Government securities yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows while computing the liability and thereby requiring higher accounting provisioning.

Longevity Risk:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the Group. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Mortality and disability :

Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Salary Risk and Discount Rate:

The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the Group, which results in a higher liability for the Group and is therefore a plan risk for the Group.

The estimates of the future salary increases, considered in actuarial valuation, include 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 yield on government securities as at the balance sheet date for the estimated average remaining service.

Withdrawals :

Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

The disclosure as required by Indian Accounting Standard (Ind AS) -19 "Employee Benefits" is as under.

Particulars	As at 31st March, 2026	As at 31st March, 2025
I. Assumptions		
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Interest / Discount Rate	5.95% to 7.75%	6.42% to 7.00%
Rate of increase in compensation	5.00% to 6.00%	5.00% to 8.40%
Expected average remaining service	40% to 42%	30% to 43%
II. Reconciliation of net defined benefit (asset)/liability		
(a) Reconciliation of present value of defined benefit obligation		
Opening Defined Benefit Obligation	407.92	379.07
Interest Cost	25.70	26.28
Current Service Cost	118.02	113.03
Past Service Cost	150.45	-
Actuarial (Gains) / Losses	(12.22)	(64.74)
Benefits Paid	(74.36)	(45.72)
Less : Amount of discontinued operations	(21.44)	-
Closing Defined Benefit Obligation	**594.07**	**407.92**

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for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(b) Reconciliation of net defined benefit (asset)/liability		
Present value of obligation as at the end of year	594.07	407.92
Fair value of plan assets as at the end of year	-	-
Recognised in Balance Sheet - (Asset) / Liability	**594.07**	**407.92**
III. Actuarial (Gain)/Loss on Obligation		
Due to Demographic Assumption	(26.23)	(23.85)
Due to Financial Assumption	(73.74)	(10.23)
Due to Experience	87.75	(30.66)
Net Actuarial (Gain)/ Loss on obligation	**(12.22)**	**(64.74)**
IV. Actual Return on Plan Assets		
Actual Interest Income	-	-
Expected Interest Income	-	-
Return on Plan Assets excluding Interest Income	-	-
V. Net Interest		
Interest Expense	25.70	26.28
Interest Income	-	-
Net Interest Exp/(Income)	**25.70**	**26.28**
VI. Expenses Recognised in Profit and Loss account under		
Employee benefit expenses		
Current Service Cost	118.02	113.03
Net Interest Exp/(Income)	25.70	26.28
Past Service Cost	150.45	-
Less : Amount of discontinued operations	-	(19.96)
Expenses recognised in Profit and Loss Account	**294.17**	**119.35**
VII. Remeasurements recognised in Other Comprehensive Income		
Net Actuarial (Gain)/ Loss on obligation	(12.22)	(64.74)
Return on Plan Assets excluding Interest Income	-	-
Total Actuarial (Gain)/ Loss recognised in OCI	**(12.22)**	**(64.74)**

Sensitivity analysis:

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 100 basis points:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Change in rate of discount rate + 100 basis points	580.63	301.75
Change in rate of discount rate - 100 basis points	608.17	319.53
Change in rate of salary escalation rate + 100 basis points	608.12	319.27
Change in rate of salary escalation rate - 100 basis points	580.41	301.84

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(Currency: Rs. In Lakhs)

Projected Plan Cash flow

Particulars	As at 31st March, 2026	As at 31st March, 2025
Expected benefits for year 1	191.62	118.34
Expected benefits for year 2	101.19	58.95
Expected benefits for year 3	94.13	56.80
Expected benefits for year 4	53.12	49.09
Expected benefits for year 5	37.64	30.30
Expected benefits for year 6 and above	163.64	147.03

Note:

Since the gratuity plan of the Group is not funded, and hence the disclosure related to plan assets are not applicable.

C. Compensated Absences

The change towards compensated absences based on actuarial valuations using the projected unit credit method is as follows:

Particulars	As at 31st March, 2026	As at 31st March, 2025
I. Assumptions		
Discount rate	5.75% - 7.75%	6.50% - 7.00%
Salary escalation	5.00% - 6.00%	5.00% - 8.00%
II. Expenses recognised in Profit and Loss account under		
Employee benefit expenses	(30.34)	111.12
III. Provision for compensated absences	270.90	339.11

Notes:

Since the leave encashment plan of the Group is not funded, and hence the disclosure related to plan assets are not applicable.

(D) The Code on Social Security, 2020 (New Labour Code)

On 21st November, 2025, the Government of India notified the four Labour Codes - The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020, and The Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Group has assessed the implications of the New Labour Codes and have taken an estimated increase in provision of Rs 150.45 lakhs during the period ended 31st March, 2026 and recognised the same in the employee benefits expense. The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Codes and would provide appropriate accounting effect on the basis of such developments as needed, if any.

52 Employee Stock Option Plan

1) Employee Stock Option Plan - Capital India Finance Limited

A. The shareholders of the Company passed a resolution through postal ballot/ e-voting on 23rd September 2018 for approval of the issue of 1,75,00,000 under the Scheme titled "CIFL EMPLOYEE STOCK OPTION PLAN 2018" (ESOP 2018).

The ESOP Scheme allows the issue of options to employees of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share.

As per the ESOP Scheme "CIFL EMPLOYEE STOCK OPTION PLAN 2018", the Nomination and Remuneration Committee (NRC) of the Board of Directors grants the options to the employees deemed eligible. The Exercise Price for the Options shall be determined by the Committee which shall not be less than the face value of the Shares of the Company as on date of Grant. The options granted vest not earlier than minimum period of 1 (One) year and not later than maximum period of 5 (Five)

Notes to Consolidated Financial Statements

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years from the date of Grant. The Exercise Period in respect of Vested Options shall not be more than 5 (Five) years from the date of Vesting of Options.

B. The shareholders of the Company passed a resolution through postal ballot/ e-voting on 09th December 2023 for approval of the issue of 2,00,00,000 under the Scheme titled "CIFL EMPLOYEE STOCK OPTION PLAN 2023" (ESOP 2023).

The ESOP Scheme allows the issue of options to employees of the Company/ Holding/ Subsidiary/ Group/ Associate and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share.

As per the ESOP Scheme "CIFL EMPLOYEE STOCK OPTION PLAN 2023", the Nomination and Remuneration Committee of the Board of Directors grants the options to the employees deemed eligible. The Exercise Price for the Options shall be determined by the Committee which shall not be less than the face value of the Shares of the Company as on date of Grant. The options granted vest not earlier than minimum period of 1 (One) year and not later than maximum period of 4 (Four) years from the date of Grant. The Exercise Period in respect of Vested Options shall not be more than 5 (Five) years from the date of Vesting of Options.

Method used for accounting for shared based payment plan.

The Company uses fair value to account for the compensation cost of stock options to employees of the Company.

Movement in the options outstanding under the Employees Stock Option Plan for the year ended 31st March, 2026 and 31st March, 2025.

a) Weighted average exercise price per options for the year ended 31st March, 2026

Scheme reference	Exercise Price	Opening Outstanding	Granted	Exercised	Vested	Lapsed/ Cancelled adjusted	Balance as at 31st March 26
ESOP 2018	14.40	40,39,406	-	5,39,406	32,00,000	62,500	34,37,500
ESOP 2018	18.00	1,25,000	-	60,000	65,000	-	65,000
ESOP 2018	18.40	82,73,500	-	13,25,000	65,73,500	3,75,000	65,73,500
ESOP 2018	19.00	21,25,000	-	-	5,31,250	-	21,25,000
ESOP 2023	18.40	1,16,60,500	-	-	-	-	1,16,60,500
ESOP 2023	19.00	40,00,000	40,00,000	-	10,00,000	-	80,00,000
ESOP 2023	22.00	-	13,00,000	-	-	-	13,00,000
		3,02,23,406	**53,00,000**	**19,24,406**	**1,13,69,750**	**4,37,500**	**3,31,61,500**

b) Weighted average exercise price per options for the year ended 31st March, 2025

Scheme reference	Exercise Price	Opening Outstanding	Granted	Exercised	Vested	Lapsed/ Cancelled adjusted	Balance as at 31st March 25
ESOP 2018	14.40	50,12,500	-	4,60,594	28,70,180	5,12,500	40,39,406
ESOP 2018	18.00	4,00,000	-	-	93,750	2,75,000	1,25,000
ESOP 2018	18.40	82,73,500	-	-	40,11,750	-	82,73,500
ESOP 2018	19.00	-	21,25,000	-	-	-	21,25,000
ESOP 2023	18.40	1,16,60,500	-	-	-	-	1,16,60,500
ESOP 2023	19.00	-	40,00,000	-	-	-	40,00,000
		2,53,46,500	**61,25,000**	**4,60,594**	**69,75,680**	**7,87,500**	**3,02,23,406**

Weighted average remaining contractual life for options outstanding as at 31st March 2026 is 2 year and 2 month (Previous year 2 years and 1 month).

Options available for Grant as at 31st March 2026 is 19,53,500 and as at 31st March 2025 is 68,16,000.

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The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Assumptions	As At 31st March, 2026	As At 31st March, 2025
Risk-free interest rate	5.32% - 6.44%	6.17% - 6.25%
Expected life of the option	1 year to 5 years	1 year to 5 years
Expected annual volatility of shares	15.24% to 16.83%	14.95% to 20.99%
Expected dividend yield	0.05%	1.00%

During the year ended 31st March, 2026, the Company recorded an employee stock compensation expense of Rs. 472.65 Lakhs (31st March, 2025 expense of Rs. 324.04 Lakhs) in the Statement of Profit and Loss.

During the year ended 31st March, 2026 the Company has allotted 19,24,406 equity shares (during the year ended 31st March, 2025 allotted 4,60,594 equity shares) of face value of Rs. 2 per share to employees who have exercised their options under the approved CIFL Employee Stock Option Plans.

2) Employee Stock Option Plan - Rapipay Fintech Private Limited

The Company has in place an employee stock option scheme (ESOP scheme) under the name Rapipay Employee Stock Option Plan 2020 duly approved by the shareholders of the Company. Under the scheme, eligible employee(s) are granted an option to purchase the shares of the Company, in accordance with the terms and conditions of the scheme. The Company recognises this scheme as an equity settled share based payments arrangement in accordance with IND AS 102 - Share Based Payment. Options granted under ESOP scheme on or before 31 March 2022 vests on expiry of 12 months, 24 months, 36 months, 48 months from the date of grant, whereas Options granted after 31 March 2022 vests on expiry of 12 months, 24 months, 36 months from the date of grant. The options are exercisable within a period of 10 years from the date of grant subject to vesting. Such ESOP expense in respect of employees of the Company is charged over the vesting period. The charge is based on fair value of options calculated using "Black-Scholes Option Pricing Model". The fair value charge is recognised as share based payment expenses under employee benefit expense.

(i) Employee stock option schemes:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Date of grant	Nil	Nil
Vesting requirements	Not Applicable	Not Applicable
Vesting conditions	Not Applicable	Not Applicable
Method of settlement	Not Applicable	Not Applicable

The fair value of options, based on the valuation of the independent valuer as on the date of grant are:

Grant date	For the year ended 31st March, 2026			For the year ended 31st March, 2025		
	No. of years vesting	Fair value per share	Exercise Price	No. of years vesting	Fair value per share	Exercise Price
	-	-	-	-	-	-

(ii) Details of grant and outstanding options during the period:-

Particulars	For the year ended	
	31st March, 2026	31st March, 2025
Number of options granted	-	-
Outstanding number of options	23,96,000	24,43,439

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for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

(iii) The weighted average exercise price and remaining contractual life of the ESOP Scheme are as follows:

Grant Dates	Exercise Price (INR)	For the year ended 31st March, 2026		For the year ended 31st March, 2025	
		No. of Options outstanding	Weighted average remaining contractual life (in years)	No. of Options outstanding	Weighted average remaining contractual life (in years)
12th November 2020	100	4,18,183	-	4,18,183	-
12th May 2021	100	54,545	-	54,545	0.13
09th August 2021	100	25,000	-	25,000	0.36
20th August 2021	100	5,00,000	-	5,00,000	0.39
28th October 2021	100	50,000	-	50,000	0.58
04th March 2022	100	10,00,000	-	10,00,000	-
05th August 2022	300	-	-	4,000	0.35
01st October 2022	300	3,38,272	-	3,81,711	0.50
16th January 2023	300	3,000	-	3,000	0.80
13th February 2023	300	7,000	-	7,000	0.87

(iv) Options granted during the year ended 31st March, 2026 : Nil (31st March, 2025 : Nil).

(v) Reconciliation of stock options:

Particulars	Number of Options
Outstanding as at 1st April, 2024	**30,87,503**
Stock option issued during the year	-
Exercised and vested	-
Forfeited/ lapsed	(6,44,064)
Outstanding as at 31st March, 2025	**24,43,439**
Stock option issued during the year	-
Exercised and vested	-
Forfeited/ lapsed	(47,439)
Outstanding as at 31st March, 2026	**23,96,000**
Exercisable at the end of the period	
- 31st March, 2026	**23,96,000**
- 31st March, 2025	**22,45,942**

(vi) The Company has recognised share based payment expense of Rs. 39.04 Lakhs (31st March 2025: Rs 5.42 Lakhs) during the year as proportionate cost.

(vii) The fair value of the options granted is determined on the date of the grant using the "Black-Scholes option pricing model" with the following assumptions, as certified by an independent valuer.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Expected volatility (%)	NA	NA
Expected option life (weighted average)	NA	NA
Expected dividends yield (%)	NA	NA
Risk free interest rate (%)	NA	NA

Note: The expected volatility was determined based on historical volatility data of the other comparable company's shares listed on the Stock Exchange.

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(Currency: Rs. In Lakhs)

53 Disclosure Pursuant to Ind AS 116 "Leases"

The following is the movement in Right of Use assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Leased Premises		
At beginning of the year	4,544.28	3,891.46
Additions during the year	1,594.72	1,784.11
Deletions during the year	(2,001.33)	(1,131.29)
Less: Carrying amount of discontinued operations	(46.41)	-
Gross block at the end of the year	**4,091.26**	**4,544.28**
Accumulated amortization :		
At beginning of the year	2,263.82	2,559.46
Amortization for the year	685.04	732.65
Deletion during the year	(1,789.85)	(1,028.29)
Less: Carrying amount of discontinued operations	(21.66)	-
Total amortization at the end of the year	**1,137.35**	**2,263.82**
Net carrying amount	**2,953.91**	**2,280.46**

The following is the movement in lease liabilities during the year ended 31st March, 2026 and 31st March, 2025.

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Opening balance	2,485.13	1,570.28
Additions during the year	1,523.19	1,730.74
Deletions during the year	(280.30)	(118.19)
Finance cost accrued during the year	227.72	226.23
Payment of lease liabilities	(872.16)	(923.93)
Less: amount of discontinued operations	(28.92)	-
Closing balance	**3,054.66**	**2,485.13**

Maturity analysis of Lease Liabilities (Undiscounted basis)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Not later than 1 year	1,161.79	889.52
Later than 1 year and not later than 5 years	2,473.38	2,035.98
Later than 5 years	-	201.93
Total	**3,635.17**	**3,127.43**

Amount recognised in statement of Profit & Loss account during the year ended 31st March, 2026 and 31st March, 2025

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Rent expense recognised for short term and low value leases	448.84	299.75
Depreciation on ROU assets	685.04	732.65
Interest expenses on lease liabilities	227.72	226.23
Unwinding of security deposits	(26.65)	(24.12)
Less: amount of discontinued operations	(5.30)	(26.12)
Total	**1,329.65**	**1,208.39**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Nature of the Group leasing activities by type of right-of-use asset recognised on balance sheet:

As at 31st March, 2026

Right of use Assets	No. of RoU assets leased	Range of remaining term (in years)
Building	9	0-5 years

As at 31st March, 2025

Right of use Assets	No. of RoU assets leased	Range of remaining term (in years)
Building	15	0-6 years

Notes:

i). The Group does not have variable lease payments during the year ended 31st March, 2026 and 31st March, 2025.

ii). The Group has not subleased right of use asset during the year ended 31st March, 2026 and 31st March, 2025.

iii). The Group does not have any significant restrictions or covenants imposed by leases during the year ended 31st March, 2026 and 31st March, 2025.

iv). The Group does not have any committed undiscounted leases that has not yet commenced as at 31st March, 2026 and 31st March, 2025.

v). The Group as a lessee has obtained certain assets such as immovable properties on various leasing arrangements for the purposes of setting up of offices. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right-to-use asset and a lease liability.

vi). The Group does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the lease liabilities as and when they fall due.

vii). In case of subsidiary Rapipay Fintech Private Limited, potential future cash outflows of Rs. 1,202.65 lakhs (31st March, 2025: Rs. 1,524.22 lakhs) (undiscounted) have not been included in the lease liability because it is not reasonable to certain that the leases will be extended (or not terminated).

54 Disclosure pursuant to Ind AS 12 'Income Taxes'

(i) Tax Expenses recognised in the Statement of Profit and Loss

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Current tax:		
In respect of current year	797.05	353.73
In respect of prior years	(10.83)	(195.73)
Deferred Tax:		
Deferred tax relating to origination and reversal of temporary differences	(234.31)	(24.60)
Total income tax recognised in profit and loss	**551.91**	**133.40**
Current tax	786.22	158.00
Deferred tax	(234.31)	(24.60)
Total income tax recognised in profit and loss	**551.91**	**133.40**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

(ii) Income Tax recognised in Other comprehensive income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Deferred tax related to items recognised in Other comprehensive income during the year:		
Remeasurement of defined employee benefits	(5.33)	(7.50)
Total Income tax recognised in Other comprehensive income	**(5.33)**	**(7.50)**

(iii) Reconciliation of tax expenses and profit before tax:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit before Tax from continuing operations (A)	3,700.99	(1,190.51)
Profit before Tax from discontinued operations (B)	(60.51)	301.46
Total Profit before Tax (A+B)	**3,640.48**	**(889.05)**
Enacted income tax rate (%)	25.17%	25.17%
Income tax expense calculated at applicable income tax rate	916.24	(223.76)
Reconciliation :		
Tax on expenses that are not deductible for tax purposes	825.69	624.05
Tax on deductions available under income tax	(565.68)	(594.56)
Impact of income tax at different rates*	(605.76)	-
Tax on other non taxable items	439.55	548.00
Impact of consolidation adjustment	(212.98)	-
Income Tax expense recognised in profit and loss	**797.06**	**353.73**
Deferred tax recognised in profit and loss	(234.31)	(24.60)
Tax recognised for the year	**562.75**	**329.13**
Actual effective income tax rate (%)	**15.46%**	**(37.02%)**
Income tax for earlier years	(10.83)	(195.73)
Tax recognised in profit and loss	**551.91**	**133.40**

*During the year, Capital India Finance Limited has sold its entire stake of 99.82% in Capital India Home Loans Limited (CIHL). This has resulted into a capital gain (net off business losses according to the Income Tax Act 1961) which has been taxed at a rate of 14.30%. The impact on account of different tax rate (i.e. 25.17% minus 14.30%) is Rs. 605.76 lakhs.

(iv) Movement in Temporary differences

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Credit / (Charge) in the Statement of Profit and Loss during the year		
Loans and Advances	146.55	59.70
Provisions for employee benefits	119.08	162.54
Property, Plant and Equipments , Intangible assets	33.68	69.34
Right of use asset and Lease liability	(27.36)	(332.85)
Debt securities and borrowings	(107.08)	0.67
Investments	(20.76)	(7.68)
Deferred consideration on direct assignments	90.20	(227.71)
Carry forward losses	-	300.59
Total (a)	**234.31**	**24.60**
Credit / (Charge) in the other comprehensive income during the year		
Provisions - employee benefits expenses for the year	(5.33)	(7.50)
Total (b)	**(5.33)**	**(7.50)**
Reduction on account of discontinued operations (c)	**293.35**	**-**
Net deferred income tax asset at the beginning (d)	1,047.09	1,029.99
Net deferred tax asset/(Liabilities) at the end of the period (e) = (a)+(b)-(c)+(d)	**982.72**	**1,047.09**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

55 Maturity Analysis of Assets & Liabilities

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Within 12 Months	After 12 months	Total	Within 12 Months	After 12 months	Total
ASSETS						
Financial Assets						
Cash and cash equivalents	22,339.46	-	22,339.46	16,178.64	-	16,178.64
Bank balances other than Cash & cash equivalents	7,557.98	1,754.09	9,312.07	8,348.94	2,609.57	10,958.51
Receivables						
- Trade receivables	775.63	-	775.63	1,174.42	-	1,174.42
- Other receivables	1,669.27	-	1,669.27	2,482.99	-	2,482.99
Loans	31,392.38	81,295.88	1,12,688.26	32,408.87	97,149.69	1,29,558.56
Investments	15,179.39	5,824.54	21,003.93	5,369.64	984.56	6,354.20
Other financial assets	2,369.74	1,147.52	3,517.26	2,316.18	2,669.11	4,985.29
Non-Financial Assets						
Inventories	66.38	-	66.38	98.22	-	98.22
Current tax assets (net)	461.16	947.59	1,408.75	305.70	44.85	350.55
Deferred tax asset (net)	-	982.72	982.72	-	1,047.09	1,047.09
Property, plant and equipment	-	972.17	972.17	-	1,423.58	1,423.58
Intangible assets under development	-	126.28	126.28	-	867.56	867.56
Other intangible assets	-	2,713.24	2,713.24	-	3,464.36	3,464.36
Goodwill on consolidation	-	1,807.59	1,807.59	-	1,807.59	1,807.59
Right of use assets	-	2,953.91	2,953.91	-	2,280.46	2,280.46
Other non-financial assets	574.46	1,649.72	2,224.18	962.58	1,264.72	2,227.30
Total Assets	**82,385.85**	**1,02,175.25**	**1,84,561.10**	**69,646.18**	**1,15,613.14**	**1,85,259.32**
LIABILITIES						
Financial Liabilities						
Payables						
(i) Trade payables	1,518.92	-	1,518.92	1,642.26	-	1,642.26
(ii) Other payables	45.41	-	45.41	30.30	-	30.30
Debt securities	105.16	5,000.00	5,105.16	-	-	-
Borrowings (other than debt securities)	37,890.87	50,090.98	87,981.85	38,361.70	58,785.56	97,147.26
Lease liabilities	889.72	2,164.94	3,054.66	685.68	1,799.45	2,485.13
Other financial liabilities	15,812.22	-	15,812.22	16,457.78	-	16,457.78
Non-Financial Liabilities						
Provisions	816.98	553.85	1,370.83	987.18	518.76	1,505.94
Other non-financial liabilities	616.67	-	616.67	669.93	-	669.93
Total Liabilities	**57,695.95**	**57,809.77**	**1,15,505.72**	**58,834.83**	**61,103.77**	**1,19,938.60**
Net	**24,689.90**	**44,365.48**	**69,055.38**	**10,811.35**	**54,509.37**	**65,320.72**
Undrawn commitments*	1,938.73	-	1,938.73	1,805.00	-	1,805.00

*Loans facility which are sanctioned but undrawn/ In principal approval received as at Balance Sheet date.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

56 Financial Risk Management

The respective Board of Directors of the group through its respective committees have overall responsibility for the establishment and oversight of the risk management framework. They oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The risk management policies are established to identify and analyse the risks faced, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

The Group has exposure to the following risks arising from its business operations:

i) Credit risk

Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract. Lending activities account for most of the Group's credit risk. Other sources of credit risk also exist in loans and transaction settlements. Credit risk is measured as the amount that could be lost if a customer or counterparty fails to make repayments. The maximum exposure to credit risk in case of all the financial instruments is restricted to their respective carrying amount.

Credit Risk is monitored through stringent credit appraisal, counter party limits and internal risk ranges of the borrowers. Exposure to credit risk is managed through regular analysis of the ability of all the customers and counterparties to meet interest and capital repayment obligations and by changing lending limits where appropriate.

Group primarily offers loans secured by immovable properties/housing properties. In order to mitigate credit risk, Group also seeks collateral appropriate to the product segment. Other means of mitigating credit risk that the Group uses are guarantees. The most common types of collateral the Group receives, measured by collateral value, are mortgages on financial assets in the form of Residential/Commercial property.

a) Maximum exposure to the Credit risk

This table below shows the Group's maximum exposure to the credit risk.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Loans and advances (gross)	1,16,972.40	1,33,734.35
Less : Impairment loss allowances	2,236.76	2,633.63
Loans and advances (net)	**1,14,735.64**	**1,31,100.72**
Mutual funds	19,703.93	5,369.64
Security receipts	1,300.00	-
Trade and other receivables	2,444.90	3,657.41
Other financial assets	3,517.26	4,985.29
Total	**1,41,701.73**	**1,45,113.06**

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Group credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored. The Group credit risk is mainly confined to the risk of customers defaulting against credit sales made.

Other financial assets

Other financial assets are considered to have low credit risk since there is a low risk of default by the counterparties owing to their strong capacity to meet contractual cash flow obligations in the near term. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Notes to Consolidated Financial Statements

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(Currency: Rs. In Lakhs)

Credit risk on Cash and Cash equivalents is considered to be Nil as these are generally held with leading banks.

b) Credit quality analysis

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. The credit quality of loans and advances measured at amortised cost is primarily assessed by the Days Past Due (DPD) status.

Inputs, assumptions and techniques used for estimating impairment

In assessing the impairment of financial assets under the expected credit loss model, the company defines default when a loan obligation is overdue for more than 90 days.

Assessment of significant increase in credit risk (SICR)

When determining whether the risk of default has increased significantly since initial recognition, the Group considers the DPD status of the loans. Credit risk is deemed to have increased significantly when an asset is more than 30 days past due (DPD).

(i) Calculation of expected credit losses

The key elements in calculation of ECL are as follows:

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.

EAD - The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, accrued interest from missed payments and loan commitments.

LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The LGD is determined based on valuation of collaterals and other relevant factors.

For PD the Company has relied upon the PD data from industry benchmarks and external rating agencies. For Loss Given Default (LGD) the Company has relied on internal and external information.

The following table sets out information about the credit quality of financial assets measured at amortised cost.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Gross Stage 1	1,07,278.82	1,22,236.38
Less : Impairment loss allowance	344.34	1,034.22
Net Stage 1 Assets	1,06,934.48	1,21,202.16
ECL Prov. Coverage	0.32%	0.85%
Gross Stage 2	6,807.82	9,102.95
Less : Impairment loss allowance	513.09	425.92
Net Stage 2 Assets	6,294.73	8,677.03
ECL Prov. Coverage	7.54%	4.68%
Gross Stage 3	2,885.76	2,395.02
Less : Impairment loss allowance	1,379.33	1,173.49
Net Stage 3 Assets	1,506.43	1,221.53
ECL Prov. Coverage	47.80%	49.00%
Total Loans and advances	1,16,972.40	1,33,734.35
Less : Impairment loss allowance	2,236.76	2,633.63
Net Loans and advances	1,14,735.64	1,31,100.72
ECL Prov. Coverage	1.91%	1.97%

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Credit impairment charge to the income statement

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
New and increased / (decreased) provisions	320.63	89.92
Bad debts and write off net of recoveries	3,270.81	540.10
Total charge / (credit) to the income statement	**3,591.44**	**630.02**

Policy for Write off

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the group companies determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off and when there is no reasonable expectation of recovery from the collaterals held. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with the group companies procedures for recovery of amounts due. The group has Board approved policy for the same.

c) Movement in Gross Exposures and credit impairment for loans and advances

The Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets measured at amortised cost. Group follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition. Please refer to the accounting policy for details.

Particulars	Movement in Gross Exposure to Loans and Advances			
	Stage 1	Stage 2	Stage 3	Total
Balance as at 01st April, 2024	**1,18,478.63**	**7,700.41**	**2,195.06**	**1,28,374.10**
Transfers during the year				
- Transferred to 12 month ECL	1,408.73	(1,155.98)	(252.75)	-
- Transferred to lifetime ECL - significant increase in credit risk	(6,096.79)	6,131.60	(34.81)	-
- Transferred to lifetime ECL credit – impaired	(964.05)	(282.74)	1,246.79	-
Increase due to financial assets originated (net)	52,084.14	1,264.98	1.16	53,350.28
Decrease due to loans derecognised on repayment	(42,604.37)	(4,496.67)	(348.89)	(47,449.93)
Amounts written-off (Net)	(69.91)	(58.65)	(411.54)	(540.10)
Balance as at 31st March, 2025	**1,22,236.38**	**9,102.95**	**2,395.02**	**1,33,734.35**
Transfers during the year				
- Transferred to 12 month ECL	2,627.24	(2,366.54)	(260.70)	-
- Transferred to lifetime ECL - significant increase in credit risk	(5,245.85)	5,331.12	(85.27)	-
- Transferred to lifetime ECL credit – impaired	(1,794.66)	(820.60)	2,615.26	-
Increase due to financial assets originated (net)	58,359.89	1,093.62	20.88	59,474.39
Decrease due to loans derecognised on repayment	(33,535.59)	(2,384.68)	(84.67)	(36,004.94)
Amounts written-off (Net)	(1,634.24)	(945.36)	(926.99)	(3,506.59)
Adjustment for discontinued operations	(33,734.35)	(2,202.69)	(787.77)	(36,724.81)
Balance as at 31st March, 2026	**1,07,278.82**	**6,807.82**	**2,885.76**	**1,16,972.40**

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(Currency: Rs. In Lakhs)

Particulars	Movement in ECL			
	Stage 1	Stage 2	Stage 3	Total
Balance as at 01st April, 2024	**1,057.05**	**352.93**	**1,133.73**	**2,543.71**
Transfers during the year				
- Transferred to 12 month ECL	4.29	(3.67)	(0.62)	-
- Transferred to lifetime ECL - significant increase in credit risk	(265.18)	267.28	(2.10)	-
- Transferred to lifetime ECL credit – impaired	(455.86)	(120.75)	576.61	-
Increase due to financial assets originated (net)	1,247.69	164.20	77.96	1,489.85
Decrease due to loans derecognised on repayment	(551.08)	(200.07)	(263.53)	(1,014.68)
Amounts written-off (Net)	(2.69)	(34.00)	(348.56)	(385.25)
Balance as at 31st March, 2025	**1,034.22**	**425.92**	**1,173.49**	**2,633.63**
Transfers during the year				
- Transferred to 12 month ECL	5.94	(5.39)	(0.55)	-
- Transferred to lifetime ECL - significant increase in credit risk	(505.94)	508.72	(2.78)	-
- Transferred to lifetime ECL credit – impaired	(873.29)	(382.44)	1,255.73	-
Increase due to financial assets originated (net)	1,519.01	275.48	8.68	1,803.17
Decrease due to loans derecognised on repayment	(477.30)	(118.40)	(208.56)	(804.26)
Amounts written-off (Net)	(213.80)	(48.30)	(524.18)	(786.28)
Adjustment for discontinued operations	(144.50)	(142.50)	(322.50)	(609.50)
Balance as at 31st March, 2026	**344.34**	**513.09**	**1,379.33**	**2,236.76**

d) Collateral and other credit enhancements

The Group would generally have its credit exposures backed by securities, either primary or collateral. Lending Policy of the Company prescribes Asset cover norms and collateral guidelines for its various product offering. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty and product offered. Group grants loans against collateral of real estate (Land, Under construction projects, Ready property) including commercial and residential properties.

As collateral is a source of mitigating credit risk, assessment of the condition of the securities and their value is undertaken on regular basis. There were no significant changes in the collateral policy of the Group during the Financial Year 2025-2026.

e) Credit Concentration

The group has exposure on Advances, as detailed below.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total Advances to twenty largest borrowers	14,589.76	15,002.30
Percentage of advances to twenty largest borrowers to Total advances	12.65%	11.34%

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(Currency: Rs. In Lakhs)

ii) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities that are selected by delivering cash or other financial assets. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The respective Board of directors of the group through its respective committees monitors liquidity functions. They review Asset Liability strategy and Balance Sheet management in relation to asset and liability profile. They ensures that the objectives of liquidity management are met by monitoring the gaps in the various time buckets, deciding on the source and mix of liabilities, setting the maturity profile of the incremental assets and liabilities etc.

Key principles adopted in the Group's approach to managing liquidity risk include:

a) Monitoring the Group's liquidity position on a regular basis, using a combination of contractual and behavioural modelling of balance sheet and cash flow information.

b) Maintaining a high quality liquid asset portfolio or maintaining undrawn bank lines.

c) Operating a prudent funding strategy which ensures appropriate diversification and limits maturity concentrations.

The Group's principal sources of liquidity are cash and cash equivalents, Overdraft facilities from Banks, liquid asset portfolio like Mutual funds and the cash flow that is generated from operation.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include interest accrued till the reporting date.

As at 31st March, 2026	Contractual cash flows				
	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Borrowings (includes interest accrued but not due)	87,981.85	37,890.87	37,434.71	12,656.27	-
Debt securities (includes interest accrued but not due)	5,105.16	105.16	5,000.00	-	-
Trade and other payables	1,564.33	1,564.33	-	-	-
Lease liability	3,054.66	889.72	1,713.12	451.82	-
Other financial liabilities	15,812.22	15,812.22	-	-	-
Total	**1,13,518.22**	**56,262.30**	**44,147.83**	**13,108.09**	**-**

As at 31st March, 2025	Contractual cash flows				
	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Borrowings (includes interest accrued but not due)	97,147.26	38,114.92	43,790.45	11,666.66	3,575.23
Debt securities (includes interest accrued but not due)	-	-	-	-	-
Trade and other payables	1,672.56	1,672.56	-	-	-
Lease liability	2,485.13	662.00	891.67	738.38	193.08
Other financial liabilities	16,457.78	16,457.78	-	-	-
Total	**1,17,762.73**	**56,907.26**	**44,682.12**	**12,405.04**	**3,768.31**

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(Currency: Rs. In Lakhs)

iii) Market Risk

Market risk represents the 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 primarily deploys funds in bank deposits and liquid debt securities as a part of its liquidity management approach. The Group regularly reviews its average borrowing / lending cost including proportion of fixed and floating rate borrowings / loans so as to manage the impact of changes in interest rates.

iv) Interest rate risk

Interest rate risk is managed primarily by monitoring the sensitivity of expected net interest income ('NII') under varying interest rate scenarios. This monitoring is undertaken by the respective Board of directors of the group through its respective committees on regular basis. The NII sensitivities shown are indicative and based on simplified scenarios.

Particulars	% Increase/ (decrease) in rate	Impact in profit and Loss due to change in rate			
		Increase	Decrease	Increase	Decrease
		31st March, 2026		31st March, 2025	
Borrowings that are re-priced	0.25%	(208.00)	208.00	(230.51)	230.51
Loans that are re-priced	0.25%	144.75	(144.75)	205.77	(205.77)
Borrowings that are re-priced	1.00%	(831.98)	831.98	(922.04)	922.04
Loans that are re-priced	1.00%	578.99	(578.99)	823.08	(823.08)

v) Foreign Exchange Rate Risk:

The Group entered into foreign currency transactions in the foreign currency business. The currency risk arising out of foreign currency transactions in the foreign currency business is monitored by a central dealing room, which then hedges the positions transactions entered into at individual locations across the country, through deals in the interbank market, thereby ensuring that they are minimal open positions.

(a) Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	31st March, 2026				
	EUR	GBP	USD	Others	Total
Foreign currencies in hand	59.09	45.32	310.15	222.40	636.96
Foreign currencies balances	-	-	-	-	-
Total	**59.09**	**45.32**	**310.15**	**222.40**	**636.96**

Particulars	31st March, 2025				
	EUR	GBP	USD	Others	Total
Foreign currencies in hand	55.10	31.55	385.06	357.27	828.98
Foreign currencies balances	20.77	2.00	217.32	145.51	385.59
Total	**75.87**	**33.55**	**602.38**	**502.78**	**1,214.57**

(b) Sensitivity: Effect in profit and loss due to 0.75% movement in foreign currency considering all other variables constant

Particulars	Impact on Profit after tax			
	31st March, 2026		31st March, 2025	
	Strengthening	Weakening	Strengthening	Weakening
EUR	0.44	(0.44)	0.57	(0.57)
GBP	0.34	(0.34)	0.25	(0.25)
USD	2.33	(2.33)	4.52	(4.52)
Others	1.67	(1.67)	3.77	(3.77)

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

In case of subsidiary **Rapipay Fintech Private Limited**, Entity is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions i.e purchases, recognized financial assets and liabilities (monetary items).

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Foreign currency USD	Amount (in Lakhs)	Foreign currency USD	Amount (in Lakhs)
Trade Payables	3,217.68	2.99	1,372.52	1.19

vi) Operational Risk:

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or may lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include maker-checker controls, effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

vii) Financial Risk Management in case of subsidiary Rapipay Fintech Private Limited

The Company provides financial guarantee (First Loss Default Guarantee i.e. FLDG) to lending partners to cover the loss on the credit extended to its merchants by its lending partner. Financial guarantee are capped to the extent agreed with the respective lending partner in line with the digital lending guidelines issued by RBI.

The Company has established a credit quality review process to provide early warning signals to identify the changes in the credit worthiness of its merchants and business users. The credit quality review process enables the periodic assessment of the potential loss to which the Company is exposed thereby allowing it to take corrective actions. The Company has, based on current available information and based on the policy determined the provision for FLDG obligation.

Expected credit loss on FLDG contract : -The Company though does not hold any assets directly, has, based on current available information and based on the policy, has done a parallel calculation for impairment loss allowance using the Expected Credit Loss (ECL) model to cover the guarantees provided to its lending partners.

Expected credit loss (ECL) methodology:- The Company has assessed the credit risk associated with its FLDG contracts for provision of Expected Credit Loss (ECL) as at the reporting dates. The Company makes use of various reasonable supportive forward-looking parameters which are both qualitative as well as quantitative while determining the change in credit risk and the probability of default. The underlying ECL parameters have been detailed out in the note on Summary of material accounting policies.

The Company provides for expected credit loss based on the following:

For the year ended 31st March, 2026 the Company has developed an ECL Model that takes into consideration the stage of delinquency, Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD).

I. Probability of Default (PD): represents the likelihood of default over a defined time horizon.

II. Exposure at Default (EAD): represents what is the user's likely borrowing at the time of default.

III. Loss Given Default (LGD): represents expected losses on EAD given the event of default.

Each financial guarantee contract is classified into (a) Stage 1, (b) Stage 2, (c) Stage 3, and (d) Stage 4

Delinquency buckets have been considered as the basis for the staging of all credit exposure under the guarantee contract in the following manner:

a) Stage 1: 1-30 days past due loans

b) Stage 2: More than 31 and up to 60 days past due loans

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

c) Stage 3: More than 61 and up to 90 days past due loans

d) Stage 4: Above 90 days past due loans

Inputs, assumptions and estimation techniques used to determine expected credit loss :-

The Company ECL provision are made on the basis of the Company's historical loss experience and future expected credit loss, after factoring in various macroeconomic parameter. In calculating the ECL, given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information up to the date of approval of these financial statements. The selection of variables was made purely based on business sense. Default rates are used with the same LGD and EAD to arrive at the expected credit loss for all three cases. The three cases were then assigned weights and a final probability-weighted expected credit loss estimate was computed.

As at 31st March 2026

Particulars	Gross exposure at Default	Expected credit loss allowance	Net carrying amount	Impact on profit or loss
Credit risk has not significantly increased from initial recognition (Stage 1)	797.71	0.46	0.46	-
Credit risk has not significantly increased from initial recognition (Stage 2)	158.54	0.49	0.49	-
Credit risk has increased significantly but are not credit impaired (Stage 3)	1,176.97	11.49	11.49	631.01
Credit risk has increased significantly and are credit impaired (Stage 4)	2,963.17	443.69	443.69	882.11
Total	**5,096.39**	**456.13**	**456.13**	**1,513.12**

As at 31st March 2025

Particulars	Gross exposure at Default	Expected credit loss allowance	Net carrying amount	Impact on profit or loss
Credit risk has not significantly increased from initial recognition (Stage 1)	1,624.23	2.49	2.49	-
Credit risk has not significantly increased from initial recognition (Stage 2)	994.75	110.14	110.14	676.36
Credit risk has increased significantly but are not credit impaired (Stage 3)	1,630.69	43.76	43.76	868.88
Credit risk has increased significantly and are credit impaired (Stage 4)	3,703.21	1,140.90	1,140.90	337.14
Total	**7,952.88**	**1,297.29**	**1,297.29**	**1,882.38**

Notes:

i). Gross exposure at default represents the maximum amount the Company has guaranteed under the respective financial guarantee contracts including amount outstanding, accrued interest, future interest due and any expected drawdowns in future from the sanctioned loan limits as on the reporting date.

ii). The Expected Credit Loss allowance is computed as a product of PD, LGD and EAD.

iii). Net Carrying amount represents the Expected Credit Loss (ECL) recognized on financial guarantee contracts.

iv). Impact on Statement of profit or loss is the loss allowance recognized during the financial year.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Reconciliation of expected credit Loss (ECL) allowance : Financial guarantee obligation where

Particulars	Credit risk has not significantly increased from initial recognition (Stage 1)	Credit risk has not significantly increased from initial recognition (Stage 2)	Credit risk has increased significantly but are not credit impaired (Stage 3)	Credit risk has increased significantly and are credit impaired (Stage 4)	Total
Balance as at 1st April 2024	-	183.92	111.08	77.66	372.66
New credit exposures during the year, net of repayments	-	676.36	868.88	337.14	1,882.38
Contracts settled during the year	-	(173.76)	(317.38)	(466.61)	(957.75)
Transfer between stages during the year	2.49	(576.38)	(618.82)	1,192.71	-
Balance as at 31st March 2025	**2.49**	**110.14**	**43.76**	**1,140.90**	**1,297.29**
New credit exposures during the year, net of repayments	-	-	631.01	882.11	1,513.12
Contracts settled during the year	-	(440.00)	(1,252.88)	(661.40)	(2,354.28)
Transfer between stages during the year	(2.03)	330.35	589.60	(917.92)	-
Balance as at 31st March 2026	**0.46**	**0.49**	**11.49**	**443.69**	**456.13**

viii) Trade Receivables - Rapipay Fintech Private Limited

Expected credit loss for trade receivables under simplified approach:

As at 31st March 2026

Particulars	Gross carrying value	% of expected credit losses	Expected credit losses (impairment)	Carrying amount net of impairment
Not due	629.89	-	-	629.89
Due for less than 6 months	609.39	1.99%	12.14	597.25
Due for more than 6 months but less than 1 year	392.29	36.67%	143.84	248.45
Due for more than 1 year but less than 2 years	700.39	15.84%	110.96	589.43
Due for more than 2 year but less than 3 years	-	-	-	-
Due for more than 3 years	16.08	99.99%	16.08	-
Total	**2,348.04**		**283.02**	**2,065.02**

As at 31st March 2025

Particulars	Gross carrying value	% of expected credit losses	Expected credit losses (impairment)	Carrying amount net of impairment
Not due	1,050.34	-	-	1,050.34
Due for less than 6 months	1,382.89	-	-	1,382.89
Due for more than 6 months but less than 1 year	235.15	-	-	235.15
Due for more than 1 year but less than 2 years	0.34	-	-	0.34
Due for more than 2 year but less than 3 years	0.31	-	-	0.31
Due for more than 3 years	16.08	100.00%	16.08	-
Total	**2,685.11**		**16.08**	**2,669.03**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Reconciliation of expected credit loss for trade receivables for contract with customers and contract assets

Particulars	Amount
Loss allowance as at 01st April, 2024	**16.08**
Charge in statement of profit and loss	-
Loss allowance as at 31st March, 2025	**16.08**
Charge in statement of profit and loss	266.94
Loss allowance as at 31st March, 2026	**283.02**

57 Impairment of Goodwill

The Group tests goodwill for impairment annually. During the year ended 31st March, 2026, the testing did not result in any impairment in the carrying amount of goodwill.

58 Financial Instruments

The following table shows the carrying amounts and fair values of financial instruments, including their levels in the fair value hierarchy. The Group has disclosed financial instruments not measured at fair value at carrying values because their carrying amounts are a reasonable approximation of the fair values.

As at 31st March, 2026	Carrying amount		
	FVTPL	Amortised Cost	Total
Financial Assets			
Investments	21,003.93	-	21,003.93
Cash and cash equivalents	-	22,339.46	22,339.46
Bank balances other than Cash and cash equivalents	-	9,312.07	9,312.07
Trade and other receivables	-	2,444.90	2,444.90
Loans and advances	-	1,12,688.26	1,12,688.26
Other financial assets	-	3,517.26	3,517.26
Total	**21,003.93**	**1,50,301.95**	**1,71,305.88**
Financial Liabilities			
Payables	-	1,564.33	1,564.33
Debt securities	-	5,105.16	5,105.16
Borrowings (other than debt securities)	-	87,981.85	87,981.85
Lease liabilities	-	3,054.66	3,054.66
Other financial liabilities	-	15,812.22	15,812.22
Total	**-**	**1,13,518.22**	**1,13,518.22**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

As at 31st March, 2025	Carrying amount		
	FVTPL	Amortised Cost	Total
Financial Assets			
Investments	5,369.64	984.56	6,354.20
Cash and Cash equivalents	-	16,178.64	16,178.64
Bank balances other than Cash and cash equivalents	-	10,958.51	10,958.51
Trade and other receivables	-	3,657.41	3,657.41
Loans and advances	-	1,29,558.56	1,29,558.56
Other financial assets	-	4,985.29	4,985.29
Total	**5,369.64**	**1,66,322.97**	**1,71,692.61**
Financial Liabilities			
Payables	-	1,672.56	1,672.56
Debt securities	-	-	-
Borrowings (other than debt securities)	-	97,147.26	97,147.26
Lease liabilities	-	2,485.13	2,485.13
Other financial liabilities	-	16,457.78	16,457.78
Total	**-**	**1,17,762.73**	**1,17,762.73**

Ind AS 107, 'Financial Instruments - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet using a three-level fair value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value- hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and place limited reliance on the entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair value hierarchy of financial instruments classified in FVTPL category (Continuing Operations):-

Particulars	Fair Value as at 31st March, 2026			Carrying Value as at 31st March, 2026	Fair Value as at 31st March, 2025			Carrying Value as at 31st March, 2025
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
Financial Assets								
Investment in Mutual fund Units	-	19,703.93	-	19,703.93	-	5,369.64	-	**5,369.64**
Investment in Security Receipts	-	1,300.00	-	1,300.00	-	-	-	-
Total	**-**	**21,003.93**	**-**	**21,003.93**	**-**	**5,369.64**	**-**	**5,369.64**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

59 Capital Management

For the purpose of capital management capital includes issued capital and equity reserves. The primary objective of the Group's capital management is to ensure that the group complies with RBI prescribed Capital adequacy requirements and maintains adequate capital to support its business and maximise shareholders value. The Capital to Risk Weighted Asset Ratio (CRAR) of the group is as under.

Capital to Risk Weighted Asset Ratio (CRAR) of Lending Business:

Particulars	As at 31st March, 2026	As at 31st March, 2025
i. CRAR (%) *	40.99%	38.96%
ii. CRAR - Tier I capital (%)	40.76%	38.24%
iii. CRAR - Tier II capital (%)	0.23%	0.72%
iv. Leverage coverage ratio ^	498.23%	653.38%
v. Debt Equity ratio	1.38	1.55

* CRAR calculation related to lending business of the Companies Capital India Finance Limited and Capital India Home Loans Limited for 31st March, 2025. Since Capital India Finance Limited has sold its entire stake in Capital India Home Loans Limited effective 11th August, 2025 therefore CRAR as at 31st March, 2026 is related to Capital India Finance Limited.

^ Leverage coverage ratio is calculated for Capital India Finance Limited (CIFL) for the year ended 31st March, 2026 and 31st March, 2025.

As per RBI prudential norms, NBFCs are required to maintain a minimum Capital to Risk-Weighted Assets Ratio (CRAR) of 15%. The CRAR remained well above the prescribed regulatory requirement throughout the year.

Regulatory capital-related information is presented as a part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the company comprises of share capital, share premium, reserves and Tier II capital comprises of provision on loans that are not credit-impaired. There were no changes in the capital management process during the years presented.

60 Discontinued Operations

Capital India Finance Limited has sold its entire stake in Capital India Home Loans Limited effective 11th August, 2025.

A Results of discontinued operations

Particulars	For the period ended 11th August, 2025	For the year ended 31st March, 2025
Revenue from operations:		
(i) Interest income	1,928.92	5,968.52
(ii) Fees and commission income	123.94	508.01
(iii) Net gain on fair value changes	12.83	155.60
(iv) Net gain on derecognition of financial instruments under amortised cost category	235.72	816.85
(I) Total Revenue from Operations	**2,301.41**	**7,448.98**
(II) Other income	0.17	5.85
(III) Total income (I+II)	**2,301.58**	**7,454.83**
Expenses :		
(i) Finance costs	1,157.12	3,491.08
(ii) Impairment of financial instruments	135.53	225.77
(iii) Employee benefits expenses	778.53	2,335.78
(iv) Depreciation and amortization expenses	15.68	67.69
(v) Others expenses	275.23	1,033.05
(IV) Total expenses	**2,362.09**	**7,153.37**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Particulars	For the period ended 11th August, 2025	For the year ended 31st March, 2025
(V) Profit before tax from discontinued operations (III-IV)	(60.51)	301.46
(VI) Income Tax on discontinued operations (IV-V)	47.08	23.20
(VII) Profit after tax from discontinued operations (V-VI)	**(107.59)**	**278.26**
(VIII) Other comprehensive income from discontinued operations (net of tax)	-	13.63
(IX) Total comprehensive income from discontinued operations (VII+VIII)	**(107.59)**	**291.89**
Earning per equity share		
Basic (Rs.)	(0.07)	0.18
Diluted (Rs.)	(0.07)	0.18

B Net Cash flow attributable to discontinued operations

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Cash flow generated/(used in) from operating activities	3,208.18	(1,775.22)
Cash flow generated/(used in) from investing activities	422.65	489.31
Cash flow generated/(used in) from financing activities	(4,180.97)	(563.64)
Net cash flows generated	**(550.14)**	**(1,849.55)**
Cash and Cash Equivalents at the beginning of the period	**1,407.99**	**3,257.54**
Cash and Cash Equivalents at the end of the period	**857.85**	**1,407.99**

C Details of the sale of the subsidiary

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Net consideration received (A)	25,291.83	-
Carrying amount of net assets deconsolidated as on August 11, 2025 (B)	14,692.84	-
Consolidation adjustments on account of sale of the subsidiary (C)	39.07	-
Gain on the sale of the subsidiary (before tax) (A-B+C)	**10,638.06**	-

D Asset and Liabilities of Discontinued Operations

Particulars	As at 11th August, 2025	As at 31st March, 2025
ASSETS		
1. Financial Assets		
(a) Cash and cash equivalents	857.85	1,407.99
(b) Bank balances other than Cash & cash equivalents	2,538.34	2,325.95
(c) Receivables		
(i) Trade Receivables	0.24	7.05
(ii) Other Receivables	-	-
(d) Loans	35,922.74	39,674.77
(e) Investments	399.98	954.15
(f) Other financial assets	1,708.20	1,703.52
Total Financial Assets	**41,427.35**	**46,073.43**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Particulars	As at 11th August, 2025	As at 31st March, 2025
2. Non-financial Assets		
(a) Current tax assets(net)	49.92	40.13
(b) Deferred tax asset (net)	293.35	340.43
(c) Property, plant and equipment	19.21	25.87
(d) Other intangible assets	6.79	8.86
(e) Right of use assets	24.75	28.62
(f) Other non-financial assets	260.55	261.42
Total Non-Financial Assets	**654.57**	**705.33**
TOTAL ASSETS	**42,081.92**	**46,778.76**
LIABILITIES AND EQUITY		
LIABILITIES		
1. Financial Liabilities		
(a) Payables		
(I) Trade Payables		
Outstanding dues of Micro and Small Enterprises	-	0.31
Outstanding dues of other than Micro and Small Enterprises	150.81	165.79
(II) Other Payables		
Outstanding dues of Micro and Small Enterprises	-	-
Outstanding dues of other than Micro and Small Enterprises	-	-
(b) Borrowings (other than debt securities)	27,090.29	31,207.06
(c) Lease liabilities	28.92	32.42
(d) Other financial liabilities	1.19	99.80
Total Financial Liabilities	**27,271.21**	**31,505.38**
2. Non-Financial Liabilities		
(a) Provisions	94.58	367.81
(b) Other non-financial liabilities	23.29	47.81
Total Non-Financial Liabilities	**117.87**	**415.62**
3. EQUITY		
(a) Equity share capital	15,527.50	15,527.50
(b) Other equity	(834.66)	(669.74)
Equity attributable to owners of the Company	**14,692.84**	**14,857.76**
TOTAL LIABILITIES AND EQUITY	**42,081.92**	**46,778.76**

61 Disclosure pursuant to Ind AS 7, Statement of Cash Flows - changes in liabilities arising from financing activities :

Particulars	As at 31st March, 2025	Cash inflows/ (outflows)	Others	Adjustment for discontinued operations	As at 31st March, 2026
Debt Securities	-	5,105.16	-	-	5,105.16
Borrowings (Other than Debt Securities)	97,147.26	18,092.40	(167.53)	(27,090.28)	87,981.85
Lease Liabilities	2,485.13	(872.16)	1,470.61	(28.92)	3,054.66

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

Particulars	As at 31st March, 2024	Cash inflows/ (outflows)	Others	Adjustment for discontinued operations	As at 31st March, 2025
Debt Securities	-	-	-	-	-
Borrowings (Other than Debt Securities)	88,372.56	8,844.56	(69.86)	-	97,147.26
Lease Liabilities	1,570.28	(923.93)	1,838.78	-	2,485.13

62 Dividend distribution to equity shareholders

The Board of Directors, at its meeting held on May 20, 2026, has not recommended any dividend for the financial year 2025–26. For the financial year 2024–25, the Board of Directors, at its meeting held on 14th May, 2025, had recommended a dividend of 1% on the face value of INR 2 per equity share. The same was approved by the shareholders at the Annual General Meeting held on 25th September, 2025.

63 Disclosure pursuant to Ind AS 115, Revenue from Contract with customers

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Type of Services		
Loan related fee and other charges	595.57	462.12
Fees and Commission Income - Prepaid payment instrument business	16,991.55	21,455.49
Fees and Commission Income - Forex business	1,085.53	1,377.39
Income from foreign exchange services	1,256.12	1,223.58
Other business support income	148.48	85.29
Sale of digital products/ services	12,482.90	12,010.00
Sale of devices	46.28	78.61
Investment advisory Income	25.47	-
Other operating income from Prepaid payment instrument business	421.61	309.63
Total	**33,053.51**	**37,002.11**
Geographical Markets		
India	33,053.51	37,002.11
Outside India	-	-
Total	**33,053.51**	**37,002.11**
Timing of revenue recognition		
Services transferred at a point of time	33,053.51	37,002.11
Services transferred over time	-	-
Total	**33,053.51**	**37,002.11**

64 Additional Disclosure

i) There have been no events after the balance sheet date that require disclosure in the consolidated financial statement.

ii) No funds have been received by the Companies within Group from any person(s) or entity(is), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Companies within Group shall, whether, directly or indirectly, lend to 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 to or on behalf of the Ultimate Beneficiaries.

iii) 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

(Currency: Rs. In Lakhs)

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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

iv) The Group has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31st March, 2026 and 31st March, 2025.

v) The Group has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). There have been no previously unrecorded income and related assets which were to be properly recorded in the books of accounts during the year ended 31st March, 2026 and year ended 31st March, 2025.

vi) The Group has not invested in crypto currency or virtual currency during the year ended 31st March, 2026 and 31st March, 2025.

vii) The Group has not been declared as wilful defaulter by the bank & financial institution or any other lender. In accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31st March, 2026 and 31st March, 2025.

viii) No Scheme of arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year ended 31st March, 2026 and 31st March, 2025.

ix) The Company, being a Non-Banking Financial Company registered with the Reserve Bank of India as a systematically important NBFC, the provisions of section 2(87) read with Companies (restriction on number of layers) Rules 2017 are not applicable.

x) The Group has not purchased any credit impaired financial assets during the year ended 31st March, 2026 and 31st March, 2025.

xi) There are no amounts due and outstanding to be credited to Investor education & Protection Fund as at 31st March, 2026 and as at 31st March, 2025.

65 The Financial Statements have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 20th May, 2026.

66 To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Group has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's Grouping / classifications. There is no impact in equity or net profit/loss due to there regrouping / reclassification.

For V.SANKAR AIYAR & Co.
Chartered Accountants
Firm Registration No. : 109208W

For and on behalf of the board
Capital India Finance Limited

S.Nagabushanam
Partner
Membership No. : 107022

Vinod Somani
Non-Executive Chairman (Independent)
DIN : 00327231

Keshav Porwal
Managing Director
DIN : 06706341

Pinank Jayant Shah
Chief Executive Officer

Vikas Srivastava
Chief Financial Officer

Sulabh Kaushal
Chief Compliance Officer & Company Secretary
Membership No. : A34674

Place: Mumbai
Date: 20th May, 2026

CAPITAL INDIA

Rediscover Business

CIN: L74899DL1994PLC128577
(Incorporated under the Companies Act, 1956)
Registered Office: 701, 7th Floor, Plot No. 23,
Aggarwal Corporate Towers,
Rajendra Place, New Delhi - 110008
011-69146000 www.capitalindia.com
secretarial@capitalindia.com