Empowering India's diverse aspirations,

with financial solutions that reach every corner.

Annual Report 2025-26

TVS CREDIT

Billions of diverse aspirations.
Millions of customers.
One India marching ahead.

Our country has 28 States, 8 Union Territories, hundreds of languages, and thousands of dialects. It is also home to endless ambition. Here, people from different strata of society, and every corner of the country, strive endlessly. They move forward, achieving ever more in life - for themselves, and for the ones they love.

We exist to fulfil their needs, by understanding every little nuance of their aspirations, and responding with financial solutions that reach them right where they are. In this Annual Report, you will discover how these solutions empowered customers, changed their lives, and in doing so helped us grow as a company.

As of March 31, 2026, our AUM stood at ₹30,639 Crore. Our Total Income was ₹7,196 Crore, a 9% increase over the previous year. We reported a 26% growth in disbursements, and our highest ever Profit after Tax of ₹913 Crore, a growth of 19% over the previous year.

When Indians aspire, we empower. When we empower, India surges forward.

Empowering India.

One Indian at a time.

BOARD OF DIRECTORS

Sudarshan Venu, Chairman
Ashish Sapra, Director and Chief Executive Officer

Non-executive Directors

Sanjiv Chadha
K N Radhakrishnan

Independent Directors

R Gopalan
B Sriram
Kalpana Unadkat
T C Suseel Kumar

AUDIT COMMITTEE

R Gopalan, Chairman
Sanjiv Chadha
Kalpana Unadkat

NOMINATION AND REMUNERATION COMMITTEE

Kalpana Unadkat, Chairperson
B Sriram
Sanjiv Chadha

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sudarshan Venu, Chairman
R Gopalan
K N Radhakrishnan

RISK MANAGEMENT COMMITTEE

K N Radhakrishnan, Chairman
R Gopalan
Kalpana Unadkat
Sanjiv Chadha

ASSET LIABILITY MANAGEMENT COMMITTEE

Ashish Sapra, Chairman
B Sriram
Sudarshan Venu

INFORMATION TECHNOLOGY STRATEGY COMMITTEE

B Sriram, Chairman
K N Radhakrishnan
Ashish Sapra
Sanjiv Chadha

CREDIT SANCTION COMMITTEE

B Sriram, Chairman
Sudarshan Venu
Ashish Sapra
K Gopala Desikan

STAKEHOLDERS RELATIONSHIP & CUSTOMER SERVICE COMMITTEE

K N Radhakrishnan, Chairman
Ashish Sapra
R Gopalan
Kalpana Unadkat

SENIOR MANAGEMENT COMMITTEE

Ashish Sapra
R Ananthakrishnan
Shelvin Mathews
P V Kasturirangan
Charandeep Singh
Roopa Sampath Kumar
Soujanya Aluri
Vikas Arora

CHIEF FINANCIAL OFFICER

Roopa Sampath Kumar

COMPANY SECRETARY

Chetan Nage

STATUTORY AUDITORS

Suri & Co.,
Chartered Accountants
Guna Complex, No.443 & 445,
4th floor, Main Building,
Anna Salai, Teynampet,
Chennai 600018
chennai@suriandco.com

Brahmayya & Co.
Chartered Accountants
48, Masilamani Rd,
Balaji Nagar, Royapettah
Chennai- 600014
mail@brahmayya.com

SECRETARIAL AUDITOR

B. Chandra & Associates
AG 3 Ragamalika,
No. 26, Kumaran Colony Main Road,
Vadapalani, Chennai - 600 026
bchandraandassociates@gmail.com

REGISTERED OFFICE

TVR Pride, No. 383, 16th Main,
3rd Block, Koramangala,
Bengaluru, Karnataka – 560034
Tel.: 8098145257
CIN: U65920KA2008PLC218369
Email ID: corpsec@tvsholdings.com
Website: www.tvscredit.com

BANKERS / Financial Institutions

Aditya Birla Finance Limited
Axis Bank Limited
Bandhan Bank Limited
Bank of Baroda
DBS Bank
Deutsche Bank
Emirates NBD Bank
Federal Bank Limited
HDFC Bank Limited
HDFC Asset Management Company Limited
ICICI Prudential Asset Management Company Limited
ICICI Securities Primary Dealership Limited
IDBI Bank Limited
Indian Bank
IndusInd General Insurance Company Limited
Karnataka Bank Limited
Kotak Mahindra Bank Limited
Mahindra Manulife Investment Management Private Limited
Mizuho Bank Limited
MUFG Bank Limited
Punjab & Sind Bank
Punjab National Bank
RBL Bank Limited
SBI Life Insurance Company Limited
SBI Funds Management Limited
Small Industries Development of India (SIDBI)
South Indian Bank Limited
State Bank of India
UCO Bank
Ujjivan Small Finance Bank

SUBSIDIARY COMPANIES

Harita Two Wheeler Mall Private Limited
Harita ARC Private Limited
TVS Housing Finance Private Limited

DEBENTURE TRUSTEES

Beacon Trusteeship Limited
Registered office and Corporate office
4C & D Siddhivinayak Chambers,
Gandhi Nagar, Opp. MIG Cricket Club,
Bandra (East), Mumbai – 400 051
Tel: 022-2655 8759
Fax: 022-4918 6060
Email ID: compliance@beacontrustee.co.in

IDBI Trusteeship Services Limited
Registered office and Corporate office
Ground Floor, Universal Insurance Building,
Sir Phirozshah Mehta Road, Fort,
Mumbai- 400001
Tel: 022-40807014
E-mail: teamolive@idbitrustee.com

Table of Contents

Vision, Mission, Core Values

Vision

To be among the top 10 NBFCs in India by creating value for our customers, employees, and partners.

Mission

To empower Indians to dream bigger, secure in the knowledge that we are partners in the fulfilment of their aspirations.

Values

Trust

Customer Obsession

Value Maximisation

Exactness

Speed and Agility

Disruptive Mindset

Our Product Portfolio

Two Wheeler Loans

Used Car Loans

Tractor Loans (New and Used)

Three Wheeler Loans

Used Commercial Vehicle Loans

Consumer Durable Loans

Mobile Loans

Personal Loans

Ecom Loans

Gold Loans

Co-branded Credit Card

Loan Against Property

Business Loans

Used Construction Equipment Loans

Company Highlights

Financial FY26

AUM
₹30,639 Cr
15%*

*AUM is as on 31st March 2026

Total Income
₹7,196 Cr
9%*

Profit before Tax
₹1,238 Cr
21%*

Profit after Tax
₹913 Cr
19%*

Non-Financial FY26

Total Customers
2.44 Cr

New Customers
53 Lakh

Touchpoints
60,500

Branch Offices
190

*Data given is for FY26 compared to FY25
*All data given is as of 31st March 2026

Awards & Accolades

We've been recertified as a Great Place to Work™ for the third consecutive year by Great Place To Work® India. This award is a testament to our collective spirit and shared values.

We've been certified as Top 25 India's Best Workplaces™ in BFSI by Great Place To Work® India for inspiring trust, instilling pride and camaraderie, and delivering a great workplace experience for all employees

The award recognises the outstanding performance of Credit Institutions that have raised the bar in data quality, directly enhancing customer service! We were recognised for our exemplary data quality in the Consumer - Data category

We were recognised with the Best Data Quality Award - Gold Category, in the Emerging Segment NBFCs at the 25th TransUnion CIBIL Annual Conference 2025 designed to drive growth, financial inclusion, and ease of doing business in India

Our marketing campaigns won the Best Use of Social Media Award and the Best Integrated Campaign of the Year Award at the RMAI Flame Awards 2025 - South East Asia edition. Additionally, we also won the Best Market Research Project and Best Podcast on Financial Literacy.

We were awarded the "ET Best BFSI Brands 2026". ET Edge recognises those organisations who are consistently contributing to India's financial inclusion goals through strategic planning and execution.

Our teams won multiple Gold Awards at the 50th International Convention on Quality Control Circles (ICQCC 2025), held at TICC, Taipei.

NOTICE is hereby given that the Eighteenth Annual General Meeting (AGM) of TVS Credit Services Limited (the Company) will be held at the Registered Office of the Company at TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru, Karnataka – 560034 on Monday, 20th July 2026 at 4.00 P.M. to transact the following business:

ORDINARY BUSINESS

1. **To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:**

   RESOLVED THAT the standalone and consolidated audited Financial Statements for the year ended 31st March 2026, together with the Directors' Report and the Auditors' report thereon as circulated to the members and presented to the meeting be and the same are hereby approved and adopted.

2. **To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:**

   RESOLVED THAT Mr K N Radhakrishnan (DIN: 02599393), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company.

SPECIAL BUSINESS:

3. **To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:**

   RESOLVED THAT in supersession of the special resolution passed by the members on 25th June 2024, approval of the members of the Company, be and is hereby accorded to the Board of Directors (Board) under Section 180(1)(c) and all other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and the Articles of Association of the Company, to borrow from time to time whether in Indian Rupees or in foreign currency (including external commercial borrowings in foreign denominated currencies subject to the regulatory requirements in this regard) from any one or more of the Company's bankers and /or from any one or more persons, firms, bodies corporate, financial institutions, banks or other acceptable source whether by way of advances, deposits, loans, debentures, bonds or other securities to, bank(s), financial or other institution(s), mutual fund(s), non-resident Indians, foreign institutional investors or any other person(s), body (ies) corporate, among others whether unsecured or secured together with the moneys already borrowed by the Company and remaining outstanding at any one time (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves that are not set apart for any specific purpose provided that the total amount so borrowed and outstanding at any one time (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed ₹35,000 crore (Rupees Thirty Five Thousand Crores only) and that the Board be and is hereby empowered and authorized to arrange and fix the terms and conditions of all such moneys to be borrowed, from time to time, as to interest, repayment, security or otherwise as it may think fit.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or a duly constituted Committee thereof including Asset Liability Management Committee be and are hereby severally authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements, as may be required and to do all such other acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to authorise directors/officers of the Company to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.

4. **To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:**

   RESOLVED THAT in supersession of the special resolution passed by the members on 25th June 2024, approval of the members of the Company, be and is hereby accorded to the Board of Directors (Board), under Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof, for the time being in force) to create security by way of mortgage and/or charge or otherwise in respect of all or any part of the Company's undertaking(s) / immovable properties and fixed assets including lands, buildings, plant and machineries, both present and future, and a floating charge over the whole or any part of the undertaking(s) of the Company including moveable/current assets to secure the repayment of loan(s) (in foreign currency and/ or rupee currency) and securities (comprising non-convertible debentures with or without detachable or non-detachable warrants and/ or secured premium notes and/or floating rates notes / bonds or other debt instruments) borrowed or issued by the Company from time to time, to or in favour of banks, trustees and/ or financial institutions/other entities in such manner and on such terms and conditions as the Board may think fit, together with interest at the respective agreed rates, additional interest, commitment charges, premia on pre-payment or on redemption, costs, charges and expenses, and all other monies payable by the Company in terms of loan agreement(s), heads of agreement(s), debenture trust deed, security or other document(s) entered into by the Company in respect of the foregoing provided that the indebtedness secured shall not, at any time, exceed ₹ 35,000 crore (Rupees Thirty Five Thousand Crores only).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or a duly constituted Committee thereof including Asset Liability Management Committee be and are hereby severally authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all such other acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating a mortgage and/or charge as aforesaid and also to authorise directors/officers of the Company to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.

5. **To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:**

RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors at their respective meetings held on 12th May 2026 and pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the members of the company be and is hereby accorded for re-appointment of Ms Kalpana Unadkat (DIN: 02490816) as an Independent Director, whose current period of office is expiring on 27th July 2026 and who has provided her consent to act as Director, issued a declaration confirming the criteria of independence under Section 149(6) of the Companies Act, 2013, who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Non-Executive Director of the Company for a second term of five years effective 28th July 2026 and her term shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.

By order of the Board
For TVS Credit Services Limited

Place : Singapore
Date : 12-05-2026

Chetan Nage
Company Secretary
ACS 18074

Registered Office:
TVR Pride, No. 383, 16th Main, 3rd Block,
Koramangala, Bengaluru, Karnataka – 560034
CIN No. U65920KA2008PLC218369

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the special business under Item Nos. 3 to 5 of the Notice is annexed hereto.

2. **A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the Proxy or Proxies so appointed need not be a member or members, as the case may**

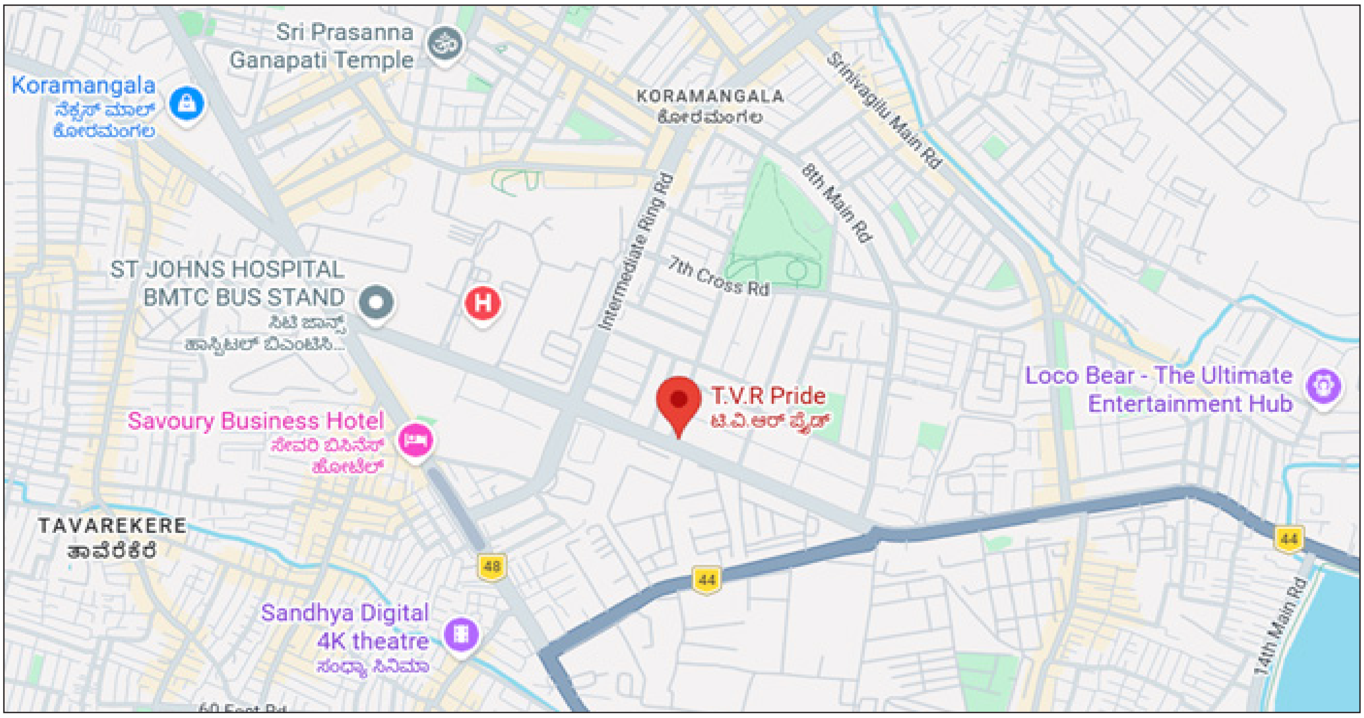
be, of the Company. The instrument appointing the Proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of attorney or other authority shall be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for holding the meeting.

3. During the period beginning 24 hours before the time fixed for commencement of AGM and ending with the conclusion of the AGM, a member is entitled to inspect the Proxies lodged, at any time during the business hours of the Company.

4. Proxy form and information pursuant to the provisions of the Secretarial Standard on General Meetings (SS-2), pertaining to Directors seeking re-appointment are annexed hereto. Attendance slips would be circulated to the members and the entry to the venue shall be governed by the same.

5. All the relevant documents referred to in this Notice shall remain open for inspection by the members of the Company at the Registered Office from 10:00 AM to 4:00 PM on all working days upto the date of this AGM.

6. Route map to the venue of AGM:



The following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice dated 12th May 2026 and shall be taken as forming part of the Notice.

ITEM NO. 3

Approval under Section 180(1)(c) of the Companies Act, 2013 to borrow in excess of the aggregate of the Paid-up capital and free reserves of the Company

The members of the Company, at the Extraordinary General Meeting held on 25th June 2024, had approved a limit for exercising the powers of borrowing, by the Board of Directors for the business purpose of the Company, upto a sum not exceeding ₹ 30,000 crore at any time, in terms of Section 180(1)(c) of the Companies Act, 2013, notwithstanding that the money to be borrowed together with the monies already borrowed by the Company may exceed the aggregate of its paid-up share capital and free reserves apart from temporary loans obtained from the Company's Bankers in the ordinary course of business.

Considering the increased volume of business of the Company, the Directors have considered that it is desirable to enhance the borrowing powers from ₹ 30,000 crore to ₹ 35,000 crore subject to the approval of the members of the Company.

In accordance with Section 180 (1)(c) of the Companies Act 2013, the increase of borrowing power requires the approval of members by way of special resolution.

The Board of Directors, therefore, recommends the special resolution as set out in Item No. 3 of the accompanying Notice for approval by the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution as set out in Item No. 3 of the Notice.

ITEM NO. 4

Approval under Section 180(1)(a) of the Companies Act, 2013 to secure the borrowing by creating charges/ mortgages over the properties of the Company

The members of the Company, at the Extraordinary General Meeting held on 25th June 2024, had authorized the Board of Directors to create mortgages and/or charges in such a manner, as the Board may think fit, to secure such borrowings in terms of Section 180(1)(a) of the Companies Act, 2013 as may be required by the lenders.

Considering the enhancement of the borrowing powers for which the approval is sought in Item No. 3, it is proposed to increase the limits for creating mortgages and/or charges upto an increased amount of ₹ 35,000 crore.

The Board of Directors, therefore, recommends the special resolution as set out in Item No. 4 of the accompanying Notice for approval by the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution as set out in Item No. 4 of the Notice.

ITEM NO. 5

Re-appointment of Ms. Kalpana Unadkat as Independent Director of the Company

At the fourteenth Annual General Meeting (AGM) of the Company held on 29th June 2022 the members had approved the appointment of Ms. Kalpana Unadkat (DIN:02490816) as an Independent Director of the Company for a period of five years commencing from 28th July 2021.

Based on the performance evaluation of her first term and considering her knowledge, experience, contribution and time commitment, the Nomination and Remuneration Committee (NRC), has recommended her re-appointment for a second term of five years.

The Board, based on the recommendation of NRC, has re-appointed Ms. Kalpana Unadkat as an Independent Director for a second term of five years effective 28th July 2026, not liable to retire by rotation and subject to approval of the members.

In accordance with Section 149 of the Companies Act, 2013 the re-appointment of independent directors requires the approval of members by way of special resolution.

Additional details of Ms Kalpana Unadkat (DIN:02490816) as required pursuant to Secretarial Standards on General Meetings, have been mentioned in the Annexure to this Notice.

Accordingly, the Board recommends the special resolution, as set out in Item No. 5 of this Notice, for approval by the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Ms. Kalpana Unadkat are concerned or interested, financially or otherwise, in the resolution as set out in Item No. 5 of the Notice.

By order of the Board
For TVS Credit Services Limited

Place : Singapore
Date : 12-05-2026

Chetan Nage
Company Secretary
ACS 18074

Registered Office:
TVR Pride, No. 383, 16th Main, 3rd Block,
Koramangala, Bengaluru, Karnataka – 560034
CIN No. U65920KA2008PLC218369

Information pursuant to the provisions of the Secretarial Standards-2, pertaining to Directors seeking re-appointment

Name	Mr. K.N. Radhakrishnan	Ms. Kalpana Unadkat
Age	63	55
Qualification	M. Tech. (Maint. Engg and Management)	Solicitor, India and United Kingdom
Experience	Extensive experience in the automotive industry with strong leadership in customer-centric operations, quality excellence, technological advancement and international business expansion. Currently serving as Director & CEO of TVS Motor Company Limited and as Executive Committee Member of Society of Indian Automobile Manufacturers and leading the two-wheeler CEO Council.	Specialized experience in Cross border joint ventures and M&As (international & domestic), and Corporate governance laws with recognized expertise in board advisory and governance practices. Currently serving as an Independent Director on the board of TVS Motor Company Limited and on multiple other public company boards.
Terms and conditions of appointment/re-appointment	Non-Executive Non-Independent Director	Non-Executive Independent Director
Details of remuneration sought to be paid	Sitting Fee for attending meetings of Board and Committees	Commission & Sitting Fee for attending meetings of Board and Committees.
Remuneration last drawn by such person	As per Corporate Governance Report	As per Corporate Governance Report
Date of first appointment on the Board	17th February 2010	28th July 2021
Shareholding in the Company	10 Equity shares of Rs.10/- each	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Nil	Nil
Number of Meetings of the Board attended during the year	5	6
Other Directorships	1. TVS Motor Company Limited 2. TVS Motor Services Limited 3. PT TVS Motor Company Indonesia 4. TVS Lanka Private Limited, Sri Lanka 5. The Norton Motorcycle Co Limited, UK 6. TVS Motor Company (Europe) B.V.	1. TVS Motor Company Limited 2. Avenue Supermarts Limited 3. Eris Lifesciences Limited 4. TVS Motor (Singapore) Pte Limited
Membership/ Chairmanship of Committees of other Boards	**TVS Motor Company Limited:** Member of Audit Committee, Risk Management Committee & Administrative Committee.	**1. TVS Motor Company Limited:** Chairperson of Stakeholders Relationship Committee, member of Audit Committee and Nomination & Remuneration Committee. **2. Avenue Supermarts Limited:** Chairperson of CSR Committee, member of Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, Stakeholders Relationship Committee and ESOP Committee. **3. Eris Lifesciences Limited:** Chairperson of Audit Committee, member of Nomination & Remuneration Committee, Risk Management Committee and Stakeholder Relationship Committee.

The Directors have the pleasure of presenting the Eighteenth Annual Report and the audited accounts of the Company for the year ended 31st March 2026.

1. BUSINESS AND FINANCIAL PERFORMANCE

The highlights of the financial performance of the Company are given below:

₹ in crore

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Revenue from Operations	7,191.14	6,604.75
Other Income	4.86	3.93
Total Income (A)	**7,196.00**	**6,608.68**
Finance Costs	1,934.29	1,863.32
Fees & Commission, Employee Benefit, Administrative & Other Operating Expenses	2,802.07	2,378.36
Impairment of Financial Instruments	1,156.59	1,295.36
Depreciation and Amortisation Expenses	56.12	46.20
Total Expenses (B)	**5,949.07**	**5,583.24**
Profit / (Loss) before Tax & Exceptional Item (A) - (B)	**1,246.93**	**1,025.44**
Less: Exceptional Items	8.61	-
Profit / (Loss) before Tax	**1,238.32**	**1,025.44**
Less: Tax Expense	325.15	258.19
Profit / (Loss) after Tax	**913.17**	**767.25**
Other Comprehensive Income	5.85	(15.08)
Total Comprehensive Income	**919.02**	**752.17**

Company's Performance

The Company registered a growth of 26% in disbursements from ₹26,301 crore to ₹33,017 crore for the financial year ended 31st March 2026. The Company ended the year with assets under management (AUM) of ₹30,639 crore as against ₹26,647 crore as of the end of the previous year, registering a growth of 15%. AUM of the Company is well diversified with various portfolios, and % of total loans as of 31st March 2026 are as follows: Two-Wheeler Loans (28%), Used Car Loans (8%), Consumer Durable Loans (21%), Personal Loans (15%) Tractor Loans (13%), Used Commercial Vehicle Loans (10%) and Business Loans (1%).

Total income during the financial year ended 31st March 2026 increased to ₹ 7,196 crore from ₹6,609 crore, an increase of 9% over the previous year. The profit before tax and exceptional items for the year stood at ₹1,247 crore as against ₹1,025 crore during the previous year, registering a growth of 22%.

The above financial performance is based on Indian Accounting Standards - (IND-AS). The Company had adopted IND-AS reporting from 1st April 2018 with an effective transition date of 1st April 2017 pursuant to MCA notification dated 31st March 2016, and the financial statements have been prepared in accordance with Division III of Schedule III to Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA) on 11th October 2018.

Key Product-wise performance during the Financial Year

Two-Wheeler Loans: AUM of two-wheeler loans have increased from ₹7,483 crore to ₹ 8,669 crore as of March 2026 registering a growth of 16%. The Company continues to be the leading financier for TVS Motor Company Ltd, the Holding Company.

Used Car Loans: AUM of Used car loans as of March 2026 is at ₹ 2,400 crore against ₹ 2,235 crore as at March 2025, registering an increase of 7%.

Consumer Durable Loans: During this year, the number of loans grew by 27% from 46 lakh loans to 58 lakh loans. AUM of consumer durable loans have increased from ₹4,047 crore to ₹6,586 crore, registering a growth of 63% over the corresponding previous year.

Personal Loans: The personal loans to existing customers portfolio as of March 2026 is at ₹ 3,893 crore, registering a growth of 5% from ₹ 3,716 crore as of March 2025, owing to the necessary credit interventions undertaken over the last three years in the light of the stress noted in the portfolio coupled with the overleverage in the market across players over the last financial year.

Tractor Loans: During this year, on account of cautious growth in New Tractors coupled with degrowth during FY25, the total AUM of New Tractors have reduced from ₹1,809 crore to ₹1,212 crore as of March 2026, owing to run down of the earlier years book.

There has been growth in the disbursements in Used Tractors and the AUM has registered a growth of 3% from ₹ 2,591 crore to ₹ 2,657 crore as of March 2026. The growth has been calibrated given the conscious decision taken by the Company to implement necessary credit interventions given the recent stress noted in this portfolio over the last two fiscal years in addition to the rundown of the earlier book.

Used Commercial Vehicle Loans: The Used Commercial Vehicle loans portfolio comprising of medium, heavy, small and light commercial vehicles has marginally degrown by 3% from ₹ 3,265 crore to ₹3,182 crore as of March 2026 on account of necessary credit interventions undertaken in the last two years due to stress noted in the segment.

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

India continues to stand out as one of the fastest-growing major economies, charting a steady path towards becoming the third-largest economy by 2030.

Indian economy to grow 7.6% in fiscal 2026, outpacing global peers

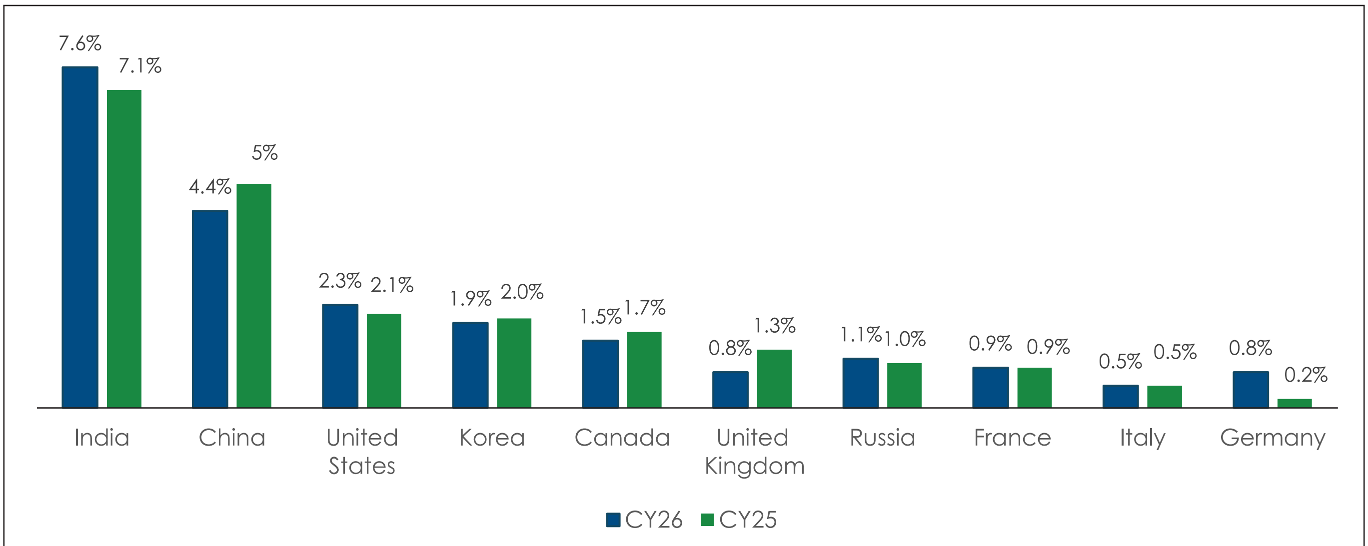
According to the International Monetary Fund (IMF), global growth is projected at 3.1% for calendar year 2026. Global trade uncertainties and shifting policy dynamics continue to pose headwinds to this outlook. Furthermore, the escalating geopolitical conflict involving Iran has disrupted energy markets and supply chains may drive up inflation. However, these challenges are partly offset by rising investment in technology, particularly Artificial Intelligence (AI), along with supportive fiscal and monetary policies, broadly accommodative financial conditions, and the improving adaptability of the private sector.

As per the Reserve Bank of India (RBI), Indian economy is estimated to grow by 7.6% in fiscal 2026, significantly outperforming its global peers. The Indian economy is expected to remain resilient, supported by strong domestic demand, government-led capital expenditure, improving labour force participation, rapid adoption of digital public infrastructure, and positive investor sentiment. This growth momentum is further supported by sustained economic reforms, a continued policy focus, and deeper global integration. Additionally, the GST rate rationalisation is expected to stimulate domestic consumption, ease inflationary pressures, and further accelerate economic growth by simplifying the tax structure.

Indian economy to maintain momentum in fiscal 2027, with real GDP growth estimated at 6.9%

India's real Gross Domestic Product (GDP) is projected to grow at 6.9% in fiscal 2027, following expected growth of 7.6% in fiscal 2026 and 7.1% in fiscal 2025. The growth outlook for fiscal 2027 reflects moderation from the high base of fiscal 2026, even as fiscal 2026 was supported by strong quarterly momentum in the second and third quarters. In fiscal 2026, real Gross Value Added (GVA) is estimated to have risen 7.3%, while nominal GDP growth moderated to 8.6%. Growth during the year was broad-based, led by the secondary sector at 9.2% and the tertiary sector at 11.7%, while the primary sector grew by around 0.6% due to uneven seasonal and commodity trends.

Real GDP growth for major global economies in calendar year 2026



*Note: *For India, estimated real GDP is presented on a fiscal year basis (April 2025-March 2026 and April 2024-March 2025).*

On inflation, the Monetary Policy Committee (MPC) has projected CPI at 4.6% for fiscal 2027, with risks tilted to the upside. Inflation is expected at 4.0% in Q1, 4.4% in Q2, 5.2% in Q3, and 4.7% in Q4. At its April 2026 meeting, the MPC maintained a neutral stance and kept policy rates unchanged, with the repo rate at 5.25%, the standing deposit facility at 5.00%, and the marginal standing facility at 5.50%. Given heightened uncertainty from the West Asia conflict, the MPC has adopted a wait-and-watch approach, while reiterating its commitment to maintaining adequate domestic liquidity amid ongoing financial market volatility. Domestic demand remains supported by GST rationalization, a resilient services sector, strong corporate and banking balance sheets, and improving manufacturing capacity utilization, although external risks continue to persist.

GST rationalization during fiscal 2026 is expected to provide a further impetus to rural consumption across key segments. The reduction in GST on tractors (engine capacity below 1800 cc) to 5%, along with rate cuts on components such as tyres, tubes, and hydraulic pumps, is expected to lower acquisition costs and support demand for tractor financing. Similarly, the reduction in GST on two-wheelers (≤350 cc) and small cars from 28% to 18%, coupled with evolving consumer preferences and increasing participation of women, is expected to support sustained demand for two-wheeler financing over the long term.

Key drivers and sectoral highlights

- **Healthy domestic consumption:** Private Final Consumption Expenditure (PFCE) is expected to remain resilient, supported by steady urban demand, ongoing recovery in services and improving rural incomes as agricultural output stabilises. PFCE is estimated to grow at 7.7% in fiscal 2026, compared with 5.8% in fiscal 2025.
- **Sustained investment momentum:** Gross Fixed Capital Formation is likely to persist, backed by government infrastructure spending and private capital expenditure, particularly in manufacturing, construction and allied sectors.
- **Services sector strength:** The services sector is expected to remain the primary driver of growth, with trade, transport, communication, financial services and IT-enabled services continuing to expand at a healthy pace.
- **Manufacturing and construction:** The secondary sector is likely to benefit from policy support, supply chain improvements and steady demand for consumer durables and capital goods. Within the secondary sector, manufacturing recorded higher growth of 11.4% in Gross Value Added at current prices in fiscal 2026.
- **Government policy support:** Fiscal policy is expected to remain growth-supportive, with continued emphasis on capital expenditure and targeted measures to support consumption, employment and skilling.

Geopolitical developments and trade uncertainties remain key monitorables

Global economic conditions continue to be influenced by elevated geopolitical tensions and ongoing uncertainties in global trade policies. A key transmission channel remains crude oil, where potential supply disruptions may exert upward pressure on prices, with spillover effects on inflation, currency stability, and input costs. The 10% global tariff currently in effect following the US Supreme Court's decision to strike down reciprocal tariffs is significantly lower than the effective tariffs previously faced by India; however, renewed geopolitical concerns and trade-related uncertainties may continue to pose a downside risk to export performance.

The likely emergence of El Niño conditions in 2026 poses a risk of a below normal monsoon, which could disrupt agricultural output, dampen rural consumption, and rise along with impact on domestic food inflation. The Indian Meteorological Department has projected rainfall at ~92% of the long-period average, marking a below-normal monsoon that could have impact on the agriculture sector, particularly during the Kharif cropping season.

If Brent crude oil prices remain elevated over the long term due to ongoing geopolitical conflicts, it could exert upward pressure on inflation and input costs, thereby impacting trade competitiveness. The conflict in West Asia has caused the rupee to depreciate sharply in March following a correction in February, and a prolonged conflict could lead to even sharper depreciation, increasing India's external vulnerability and disrupting foreign portfolio investment (FPI) flows. Additionally, the combination of high oil prices and geopolitical supply risks continues to put pressure on the current account deficit and imported inflation.

The Consumer Price Index (CPI) is estimated to close at 2.5% in FY26 and expected to increase to 4.6% as of March 2027, owing to increased geopolitical stress and increase in crude oil prices.

Despite these macroeconomic headwinds, sustained government focus on infrastructure investments including roads, highways, and logistics corridors is expected to drive robust demand for commercial vehicles.

Overall, while India's macroeconomic fundamentals remain resilient, evolving global uncertainties could influence external demand, financial conditions, and consumer sentiment, particularly in interest rate-sensitive segments, and would remain key monitorable in this year.

Budget measures to strengthen rural demand, MSME funding, and domestic manufacturing

The Union Budget 2026-27 introduced targeted measures to strengthen rural incomes, improve MSME liquidity, and support domestic manufacturing. The replacement of MGNREGS with the Viksit Bharat Guarantee for Rozgar and Ajeevika Mission (Gramin), with a combined allocation of ₹1.26 lakh crore or 2.4% of total expenditure, signals a strategic shift towards employment-led rural income generation. This was complemented by continued farmer support through ₹ 63,500 crore under Pradhan Mantri Kisan Samman Nidhi and an approximately 140% increase in allocation for the Pradhan Mantri Kisan Maandhan Yojana.

To support MSMEs, the Budget strengthened TReDS, enabled credit guarantee-backed invoice discounting, set up a ₹ 10,000 crore MSME growth fund, and increased contribution to the Self-Reliant India Fund to ₹ 12,000 crore, improving access to working capital, equity, and formal credit. On manufacturing, the Budget extended support through exemptions for 35 capital goods for EV battery manufacturing and 28 capital goods for mobile battery manufacturing, while increasing the allocation for the Electronics Components Manufacturing Scheme from ₹ 22,919 crore to ₹ 40,000 crore to accelerate localisation, reduce import dependence, and improve cost efficiencies.

Rural India poised to drive the next phase of consumption growth

India's rural economy continues to strengthen, supported by improving income visibility, moderating inflation, and sustained policy support. According to NABARD's Rural Economic Conditions and Sentiments Survey (RECSS), approximately 79% of rural households reported higher consumption over the past year, marking the highest level across survey rounds conducted in fiscal 2026. Above average monsoon with rainfall of 8% above normal levels during fiscal 2026 also supported rural agricultural productivity with improved cashflows and sentiments aiding consumption.

Households are allocating 67.3% of their monthly income toward consumption, while 42.2% reported income growth, the strongest performance recorded in the survey since September 2024. This improvement reflects stronger agricultural and non-agricultural wages, robust farm credit growth, steady MSP procurement, healthy reservoir levels, and lower input costs.

The Government of India continues to support rural incomes through increased allocations toward rural development schemes, including enhanced outlays for the Pradhan Mantri Gram Sadak Yojana (PMGSY) and the introduction of the Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin) Act, 2025, which marks a strategic shift in rural employment policy toward sustainable livelihood creation under the Viksit Bharat 2047 vision.

Growth in rural demand is reflected in the sales of key products such as two-wheelers, three-wheelers and tractors. Domestic two-wheeler sales are estimated to have grown by 13% in fiscal 2026. However, tractor sales are estimated to have grown at a higher rate of 22-24% in fiscal 2026 supported by multiple tailwinds such as above average monsoon improving farm cashflow, GST cut on tractors (12% to 5%) and continued government financing schemes. Going ahead the growth is expected to stabilise at 3-5% in fiscal 2027 due to high base effect and emerging El Niño probability with a long-term growth expectation of 5-7% between fiscal 2026-31.

Growth of middle-income households in India expected to sustain economic growth

The proportion of "middle India", households with annual income between ₹2 lakh and ₹ 10 lakh, has increased steadily and is projected to reach approximately 18.1 crore households by fiscal 2030, from 4.1 crore in fiscal 2012, reflecting a CAGR of approximately 9%. A significant share of this growth is driven by semi-urban and rural areas, indicating broad-based income expansion. Per capita net national income at constant prices is estimated to grow at a CAGR of approximately 6.6% between fiscals 2023 and 2026, strengthening household purchasing power.

As the middle-income base expands, consumption patterns are shifting structurally toward discretionary spending. Discretionary expenditure increased from 47% to 53% in rural areas and from 57% to 60% in urban areas between fiscals 2012 and 2024, as per the Household Consumer Expenditure Survey (2023-24) by Ministry of Statistics and Programme Implementation (MOSPI).

With the overall Labor Force Participation Rate (LFPR) estimated at 55.9% and unemployment declining to approximately 4.9%, improving income stability continues to support demand for vehicles and consumer durables.

Rationalization of personal income tax under the new tax regime has provided meaningful relief to individual taxpayers. The tax-free income threshold has been increased to ₹ 12.75 lakh, with an additional benefit of ₹ 75 thousand for salaried individuals, supported by an enhanced rebate under Section 87A of ₹ 60,000. Additionally, tax rates across middle-income slabs have been moderated to provide further relief. These measures are expected to increase household disposable incomes and support consumption demand with higher purchasing power, particularly among middle-income segments, thereby contributing positively to overall economic activity.

India's digital ecosystem drives formalization and credit growth

India's expanding digital public infrastructure continues to strengthen the country's economic backbone by improving productivity, reducing transaction costs and expanding access to financial services. The digital economy accounted for 12% of GDP in fiscal 2023 and is projected to reach approximately 20% by fiscal 2030. As of March 2026, over 134 crore Aadhaar holders have been registered, and 2,356 crore e-KYC transactions have been completed, materially reducing onboarding friction and enabling seamless access across financial services.

Digital infrastructure is also easing credit constraints, particularly for MSMEs, which comprise over 7.6 crore enterprises as of February 2026. Platforms such as the Trade Receivables Discounting System (TReDS) are enabling working capital financing, with 64.05 lakh invoices uploaded in fiscal 2025, of which approximately 95% were successfully financed, while emerging frameworks such as the Open Credit Enablement Network (OCEN) are facilitating consent-based, cash flow-driven lending. The Unified Payments Interface (UPI) processed 2,170 crore transactions in January 2026, reflecting approximately 28% year-on-year growth and underscoring the deepening integration of households and businesses into the formal financial ecosystem.

Retail-led credit expansion supports systemic lending growth in fiscal 2026

India's lending ecosystem continued to expand at a healthy pace in fiscal 2026. Systemic credit, comprising banks and non-banking financial institutions, grew approximately 15%, compared with 13% in fiscal 2025. The retail segment continued to drive this growth, expanding approximately 16% in fiscal 2026 versus 13% in fiscal 2025, with the segment's share of systemic credit growing a CAGR of approximately 16% between fiscals 2021 and 2026. Demand for secured retail products, including housing, vehicle and gold loans, remained strong, supported by improving income visibility and stable asset quality. Policy measures, including income tax cuts, GST rationalisation, the cumulative 125 basis points reduction in the repo rate, and the rollback of the risk-weight circular for bank lending to NBFCs, collectively supported credit demand and improved liquidity across the financial system. Systemic credit is expected to grow at a CAGR of 14-15% between fiscals 2026 and 2027, with secured retail expected to remain the key driver of credit expansion.

Amid this strong demand, rising stress in unsecured retail lending and stricter regulatory norms have prompted lenders to shift their focus toward secured retail segments. This transition has intensified competition in products such as housing, vehicle, and gold loans, as both banks and NBFCs recalibrate their portfolios towards lower-risk, collateral-backed lending.

As per the Fintech Association for Consumer Empowerment, overall personal loan outstanding stood at ₹ 15.92 lakh crore as of December 2025, growing at a rate of 12%. Within this, digital NBFCs account for a higher share of loan volumes (~50%) but a lower share of value (~9%), reflecting the predominance of small-ticket loans relative to banks and NBFCs.

Secured retail segments anchor NBFC credit growth

NBFCs continued to strengthen their position within the credit ecosystem, with their share in systemic credit rising to approximately 22% in fiscal 2026 from approximately 19% in fiscal 2019. Between fiscals 2021 and 2026, NBFC credit grew at a CAGR of approximately 16%, outpacing systemic credit growth of approximately 13% over the same period. In fiscal 2026, NBFCs' outstanding credit expanded approximately 15% on-year, while retail credit grew at approximately 17%, supported by sustained demand across consumer lending segments. Vehicle finance remained a key driver of NBFC credit expansion, with the portfolio growing 16-17% on-year in fiscal 2026, supported by improving vehicle sales, favourable policy measures, and increasing financing penetration across segments.

Improvements in semi-urban and rural landscape cause cheer

Tractor financing recorded healthy momentum during fiscal 2026, supported by a normal monsoon, improving rural sentiment, stable crop prices, and the reduction in GST rates for tractors from 12% to 5%. Replacement demand remained strong, and the overall NBFC tractor loan book is estimated to have grown at a healthy double-digit rate in fiscal 2026.

Two-wheeler financing remained a key growth driver for NBFCs, particularly in rural and semi-urban markets, supported by favourable agricultural conditions, income tax benefits, and repo rate cuts. Premiumization and rising electric two-wheeler penetration further supported demand. The NBFC two-wheeler loan book is estimated to have grown at approximately 15-16% in fiscal 2026.

The Commercial Vehicle (CV) segment saw gradual improvement, driven by better freight demand, improved utilization, sustained infrastructure activity, and replacement demand in Light Commercial Vehicles (LCV) and recovery in Medium and Heavy Commercial Vehicles (MHCV). The NBFC CV loan book is estimated to have grown at approximately 10-11% in fiscal 2026.

Domestic Passenger Vehicle (PV) sales witnessed robust growth in fiscal 2026, supported by improved affordability, GST rationalization, and increasing EV penetration. The NBFC PV loan book is estimated to have grown at approximately 10-11% in fiscal 2026. Used-vehicle loans continued to outpace new vehicle financing, supported by evolving consumer preferences and better access to organized pre-owned platforms. The used-to-new car sales ratio improved to approximately 1.4x, and the NBFC used vehicle loan book is estimated to have grown at approximately 19-20% in fiscal 2026.

Calibrated growth in MSME and LAP lending

The MSME lending landscape remained a key driver of credit growth, with lenders in fiscal 2026 adopting a more calibrated approach emphasizing asset quality and prudent underwriting. NBFCs' MSME credit portfolio is estimated to have grown at approximately 13-14% in fiscal 2026, posting healthy double-digit gains even as growth moderated from the high base of fiscal 2025.

Policy support is likely to give a push to housing and gold loans

Housing credit growth for NBFCs and housing finance companies (HFCs) is estimated at 16-17% in fiscal 2026. Policy support, including the cumulative 125 basis points repo rate cut, income tax relief for income up to ₹ 12 lakh, and GST rationalization, is expected to sustain demand in the housing finance segment going forward.

Gold credit growth is estimated at 32-33% on-year in fiscal 2026, supported by rising gold prices, tighter underwriting in unsecured segments, and rapid expansion by major players. The revised gold loan framework proposed by the RBI, along with the proposal to remove the requirement for branch expansion approval for NBFCs with more than 1,000 branches, is expected to further support growth in this segment by enabling faster network expansion.

Unsecured lending to see cautious growth

The personal loan segment of NBFCs improved in fiscal 2026, with credit growth estimated at 19-20% on-year. Lenders focused on higher-quality borrowers, particularly salaried borrowers and existing customers with stronger credit profiles, and increasingly leveraged digital channels to improve sourcing efficiency and customer engagement.

NBFCs' consumer durable financing portfolio grew 19-20% in fiscal 2026, with NBFCs gaining market share through flexible lending solutions and wider customer reach. Growth continued to be supported by rising disposable incomes and sustained demand for consumer durables, despite some moderation in pent-up demand.

Overall, NBFC credit growth is expected to remain stable in fiscal 2027, with secured lending segments leading expansion. For retail unsecured loans, as asset quality concerns gradually ease, credit growth is expected to recover in fiscal 2027, although expansion is expected to remain measured to maintain portfolio stability.

Businesses - Disbursements grew at 25.5% in fiscal 2026

During fiscal 2026, the Company continued its strategic focus on building a diversified and high-quality book across its consumer, retail, and commercial portfolios. As of 31st March 2026, the Company's assets under management grew by 15% to ₹ 30,639 crore from ₹ 26,647 crore as of 31st March 2026. The Company's customer base expanded to approximately 2.44 crores customers during the year, reflecting continued momentum in new customer acquisition across segments. Disbursements grew 25.5% during the year, driven by calibrated expansion across micro markets, products, and customer segments, with an emphasis on portfolio quality and sustainable growth.

The Company's Consumer Durable Finance business delivered a strong performance during fiscal 2026, with total disbursals crossing ₹14,100 crore, registering robust growth of 40% over the previous year. The white goods segment emerged as a key growth driver, with volumes growing 70% year-on-year, reflecting sustained consumer demand for home appliances and financing. Customer franchise depth continued to strengthen, with repeat business increasing from 17.51% in FY25 to 22.88% in FY26. In absolute terms, repeat volumes grew by 65% year-on-year, underscoring the effectiveness of targeted engagement and conversion strategies and the expanding pre-approved customer base. During the year, the Company also forged new partnerships with marquee brands, further enhancing its positioning in the premium consumer segment, and expanded its geographic footprint into Jammu & Kashmir, extending access to a wider set of consumers.

Building on the momentum of its e-commerce financing initiative, the Company expanded its presence in the digital consumer credit space during fiscal 2026. Disbursals in the existing-to-book segment grew this year reflecting deepening customer engagement within the digital commerce ecosystem. The Company also entered the new-to-book segment within its e-commerce business, since its launch in September 2025, marking a meaningful step in broadening its digital lending footprint. The Personal Loan portfolio recorded steady growth during fiscal 2026, with disbursals to existing customers growing at 8% year-on-year reflecting the strength of the Company's cross-sell capabilities within its established customer base.

The Company's two-wheeler and used-car financing continued to grow with a focus on portfolio quality and customer experience. In the two-wheeler segment, the Company increased its proportion of customers with higher credit scores and lower loan-to-value (LTV) ratios, reflecting its continued emphasis on disciplined underwriting. The Company plans to further leverage advanced analytics for credit decisioning and pricing optimization to drive sustainable growth in this segment. The Company also started a pilot in the Used two-wheeler segment with focus in Karnataka and Tamil Nadu. In the used-car segment, the Company strengthened its disbursal performance through newly onboarded partners, while technology upgrades meaningfully improved customer onboarding turnaround times, enhancing the overall customer experience.

The Tractor segment witnessed improved disbursement performance in both new and used tractor financing during fiscal 2026. The Company's strategy of focusing on geographies with lower delinquency rates and healthier margins, supported by digital sourcing capabilities, contributed to a stronger and more resilient portfolio. The Company continued to refine its geographic approach using micro-market analytics to identify and target the right customer segments, ensuring quality acquisitions.

The Company's three-wheeler financing portfolio crossed a significant milestone to reach an AUM of ₹ 631 crore during fiscal 2026, and the segment achieved full coverage across all states within the TVS Motor's network. The Company plans to continue expanding its reach and deepening its network presence in this segment.

The Mid-Corporate portfolio maintained its focus on ecosystem-based growth during fiscal 2026, with all new-to-credit customers sourced exclusively through ecosystem partners, reflecting the maturity and depth of the Company's relationship-led approach. The Company expanded its offerings through ecosystem vendor financing programs and group health insurance partnerships, adding value to its corporate relationships.

The Company has broadened gold loan business by opening additional branches across Tamil Nadu with the AUM crossing ₹ 130 crore in FY26. The Company recognizes Gold loans as a strategic extension of its existing product line and expects to capitalize on its current customer base through deeper penetration in Tamil Nadu.

The Company's micro-market analytics strategy continued to serve as a key enabler of effective risk management, portfolio optimization, and growth decisions across all business lines. The Company continues to invest in credit underwriting capabilities, cloud-based infrastructure, and technology-led applications to drive sustainable expansion and deliver enhanced customer experience across all segments.

Optimized Collection Framework to Drive Efficiency

The Company maintains a comprehensive collection infrastructure, comprising dedicated product-wise collection verticals supported by a three-tiered regional supervisory framework, a robust legal team, and advanced data-driven analytical models. During fiscal 2026, the Company further strengthened this framework by introducing a Zonal supervisory structure to enhance governance and review effectiveness across large and distributed portfolios. The adoption of Total Quality Management (TQM) principles within the collection function, supported by branch-level MIS and performance dashboards, has reinforced process adherence and enabled real-time performance visibility across the organization.

During the year, the Company deployed a range of targeted initiatives to enhance collection effectiveness across retail, commercial, and consumer portfolios. Digital payment efficiency significantly improved from 25% to 45% through customer segmentation based on payment behaviour and targeted campaign engagement. Customer-level analytics were leveraged to align follow-up strategies with actual payment patterns, improving resolution rates and collection productivity. Dedicated hard-bucket collection teams were deployed across segments, driving higher writebacks and provision releases. The Company also continued to leverage its AI-powered digital collection application for real-time field monitoring and collection optimization and expanded micro segmentation to enable more targeted collection interventions.

These initiatives delivered measurable improvements across portfolios. The Company continues to invest in building internal supervisory capability, equipping collection teams with the skills to manage complex accounts, adhere to regulatory guidelines, and drive sustained field productivity across all product lines.

Accelerating Digital Transformation to Drive Operational Excellence

During fiscal 2026, the Company further solidified its operational resilience by recording minimal downtimes during the peak season, maintaining high-performance standards and robust support that significantly bolstered confidence among key OEM partners. Building on the digital transformation roadmap established in the previous year, the Company successfully concluded the migration of all portfolios to the new Loan Management System (LMS), ensuring a unified repository for seamless data accessibility and enhanced reporting. Furthermore, the completion of Phase 2 of the CRM implementation has optimized the application's functionality, providing a superior and more intuitive experience for end-users while streamlining internal workflows. As part of its forward-looking strategy, the Company has also initiated several AI-driven initiatives designed to enhance decision-making and operational efficiency, a focus area that will be further strengthened and integrated into the core digital framework in the upcoming fiscal year to drive long-term innovation and hyper-personalization.

Strengthening Data, Analytics and AI Capabilities to Drive Informed Decision-Making

During the year, the Company made significant strides in advancing its data and analytics capabilities to enable sharper, data-driven decision-making across the customer lifecycle. Progress was made towards building a unified customer view, facilitating the identification of cross-sell opportunities and enabling more targeted, personalized engagement. Dealer segmentation implemented across all products to support focused and differentiated business interventions. The expanded use of credit bureau data across key decision points, enabled field teams to take timely, proactive action, strengthening both underwriting quality and collections effectiveness.

The Company applied LLM on customer 360 data to understand semantic meaning and create customer micro segments. Generative AI based interactive HR chatbot that summarizes and responds to queries on HR policies was introduced. The Company also started new initiatives such as calls based AI BOT for sales and collections, and AI generated marketing videos.

The Company also made meaningful progress in Generative AI, building internal capabilities across text-based chatbots, voice-to-text intelligence, and conversational AI. Select use cases, including KYC automation, invoice processing, and conversational AI agents, were successfully piloted during the year. In parallel, existing machine learning models were further enhanced through the incorporation of alternate data sources, improving prediction accuracy and business impact. Focused upskilling initiatives were undertaken to strengthen in-house AI and analytics capabilities.

Looking ahead, the Company's strategic priorities include scaling AI-led automation across underwriting, operations, risk, fraud control, and collections; expanding voice-based and conversational interfaces for customers and employees; and enabling business users to access insights through generative analytics platforms, all underpinned by a robust AI and data governance framework.

Strengthening digital-first initiatives to build a customer-centric brand

During fiscal 2026, the Company continued to increase digitisation across the value chain to craft customer-first experiences. With customers increasingly adopting technology, the Company expanded its digital self-service channels and processes to support quick application, onboarding and disbursements. The Company increased its digital adoption rate to 90% and a self-service utilisation rate to 88% in fiscal 2026 supported by the growth of the active users in the Company's customer App, Saathi.

The Company's Service to Sale initiatives have been ably supported by integrated customer analytics enhanced cross-sell capabilities through customer care interactions, area office walk-ins and WhatsApp-based chatbots.

The Company improved its customer satisfaction score across core segments in fiscal 2026, achieved through seamless service and omni channel grievance redressals. The Company successfully managed several customer interactions across self-service channels and CRM platforms during the year. Of these, a significant number of queries were handled through chatbot-enabled assistance, improving response times, reducing manual intervention, and enabling support teams to focus on more complex customer issues.

Through integrated support initiatives across the customer journey lifecycle, and optimal use of advanced analytics, the Company was able to secure a healthy Relationship NPS (rNPS) of 67 (from 64 in fiscal 2025).

Moving the brand closer to Customers through targeted marketing initiatives

During fiscal 2026, the Company continued to enhance its brand equity, with overall brand awareness and brand consideration increasing from last year. This was supported by a series of integrated physical and digital marketing initiatives that prioritised customer aspirations, built trust, strengthened brand visibility and expanded customer engagement across markets. The Company focused on strategic collaborations such as co-branded campaigns and activation programmes with OEMs, dealerships, and other channel partners.

Additionally, regional visibility campaigns across multiple languages were launched to cater to diverse linguistic segments, further strengthening the Company's presence in key markets and fostering deep-rooted relationships with the dealer network.

During the year, the Company's reach across digital platforms increased to over 5.6 crore monthly reach, driven by engaging campaigns such as #AapkiKushiyonKaSaathi and #BeatTheHeat. The Company has advanced the use of Gen AI to scale production and create highly resonating marketing campaigns such as the Republic Day video which recorded the highest engagement rate compared to past campaigns.

As physical and offline channels remain accessible touchpoints, the brand continued to ramp up its on-ground initiatives. The offline presence was strengthened with POSM (point of sale marketing) coverage at more than 45,000 channel partners and PR coverage in mainstream publications. The Company enhanced awareness and drove engagement through its high-touch rural campaigns like Pragati Parv and Chaupal across 359 regions, generating over 23,200 leads. Further this flagship program complemented by hyper local initiatives such as Chaupal, Mandis, Sugarcane mills and Haats at over 300 additional locations, achieved a combine reach of over 5,000 villages, attracting a footfall of more than 1.5 lakhs. Collectively, these grassroots initiatives achieved over 5.7% on-the-spot conversion rates, fostering sustainable brand advocacy across rural India.

To recognise and build improved rapport with its dealer network, the Company rolled out dealer-centric offline initiatives like the TVS Credit Utsav and Brand Ambassador Day, covering more than 3,000 dealers this year.

The Company continues to focus on its digital touchpoints endeavouring to enhance accessibility across the website and the Saathi app. Both platforms are now available in several regional languages. Optimisation efforts led to a 43% increase in traffic and a 68% increase in the top 10 keyword rankings.

Building a Future-Ready, High-Trust Workforce

The Company's people strategy remains anchored in building a high-performing, high-trust, and future-ready workforce, one that thrives on purpose, capability, and a strong cultural foundation. As part of strengthening this foundation, the Company rolled out six TVS Group values - Trust, Customer Obsession, Value Maximization, Exactness, Speed and Agility, and a Disruptive Mindset - which are being cascaded across the organization through focused initiatives and communication collaterals to deepen Company-wide understanding and embed these principles into everyday ways of working. Reflecting the sustained strength of this commitment, the Company was re-certified as a Great Place to Work for the third consecutive time by the Great Place to Work Institute, achieving a Trust Index score of 91, a one-point improvement over the previous year, with 94% of employees affirming it as a great place to work and a near-perfect participation rate of 99.9%.

Capability building continued to be a strategic priority through the Company's Learning Academies, offering structured curricula and certifications across Leadership, Managerial, Sales, Credit, TQM, and Digital & AI domains, delivered through blended learning formats and strengthened by partnerships with LinkedIn Learning and Skillsoft. Managerial development programmes, conducted in collaboration with NIIT, GLIM, and Welingkar Institute of Management, further deepened leadership depth across the organization. The Company is proud to report that 12 managers across functions were recognized among the Top 300 Great Managers by People Business Consulting during the year.

The Company also advanced its commitment to women's leadership through targeted initiatives such as the 1000 Women Leaders Programme, Flying Lessons, and Wings of Change, with three employees ranked in the top 10% of the 1000 Women Leaders 2025 cohort. On the technology front, the Company launched a Generative AI-powered platform providing employees with round-the-clock, multilingual access to HR and administrative policies, an initiative that earned recognition at the ET Human Capital Awards 2026 for Excellence in Use of Generative AI for Human Resource Management.

The seventh edition of the E.P.I.C. Campus Challenge saw participation from over 1,35,000 students across 8,000 colleges, reinforcing the Company's brand as an employer of choice among future talent and deepening its engagement with premier academic institutions across the Country.

Driving Process Excellence for Superior Stakeholder Experience

During the year, the Company continued to strengthen its process excellence agenda, with a focused commitment to enabling error-free operations and delivering an effortless experience across customers, dealers, employees, and partners. A total of 53 improvement projects were completed across the organization under four strategic themes, spanning First Time Right (FTR) initiatives, effort reduction, digitization, and automation.

The Company's quality initiatives earned strong external recognition, with 49 awards secured across leading forums including QCFI, ISQ, and the Kaizen Institute, and four Gold awards won for the second consecutive year at the International Convention on Quality Control Circles, Taiwan. The successful completion of the ISO 9001:2015 surveillance audit with zero non-conformities further reinforced the strength and maturity of the Company's quality management systems.

Awards and recognitions

During fiscal 2026, the Company was honoured with various awards and recognitions. Some of the key awards are listed below:

- Multiple GOLD awards at the International Convention conducted by QCFI in Taiwan;
- Multiple Gold awards at the 1st Puducherry Chapter Quality Concepts Convention (PYQCC);
- Multiple Gold awards at 4th TQM Summit, with participation from Finance, CD Sales, HR L&D, HR BP, IT - Projects, Product Management teams along with the TQM team;
- The Great Place to Work recognition in the NBFC category by the Great Place to Work

Institute, for our workplace culture and employee experience. Also, ranked #78 among India's Top 100 Best Companies to work for by Great Place to Work - 2025;

- One of 'India's Leading BFSI and FinTech Companies-2025-26' by Dun and Bradstreet;
- 'ET Best BFSI Brands-2025-26' by The Economic Times;
- The Best Data Quality Award - Gold Category in the Emerging Segment NBFCs by TransUnion CIBIL;
- Awarded for exemplary data quality at the CRIF Data Excellence Awards 2025 in the Consumer - Data category;
- Recognised as a Top-rated Financial Services Company and among the Top 20 Large Companies by Ambition Box Employee Choice Awards (ABECA) 2025;
- Silver for L&D Team of the Year, Gold for Best Blended Learning Programme and Bronze for Best Digital Learning Transformation Programme at TISS LeapVault Chief Learning Officer (CLO) Awards 2025;
- Secured 3 Coveted Spots in Jombay's 10% Club of the 1000 Women Leaders Programme for the year 2025; and
- Best Farm Equipment Financier of the Year 2025 award by Indian Tractor of the Year (ITOTY).

Awards for various marketing initiatives

- ET Trendies Award 2025 for the Best Social Media Regional Campaign and Best Use of Humour in Social Media by The Economic Times;
- Multiple awards for our marketing campaigns, market research project and Fireside Chat podcast series by the Rural Marketing Association - FLAME Awards Southeast Asia Edition 2025;
- Multiple Gold, Silver and Bronze Excellence Awards for our marketing campaigns and collaterals by PRCI (Public Relations Council of India);
- Two awards for our "Ab Wait Nahi Upgrade Karo" Campaign and our Chaupal Rural initiative at the Financial Express Ace Awards 2025;
- Two awards for our "Fantastic Five" campaign and "New Year" campaign at the e4m South Indian Marketing Awards (IMA);
- The Best Social Media Campaign for our "Fantastic Five" campaign at the ET DigiPlus Awards 2025;
- Three awards for our The Fantastic Five Campaign, "Ab Wait Nahi Upgrade Karo" Campaign and our Chaupal Rural initiative at the e4m Pitch Finovate Marketing Summit & Awards 2025;
- Our Chaupal initiative was awarded the Excellence in Rural Marketing award at the Adgully Finnix Awards 2025;
- Bronze Award as Rural Financial Inclusion Champion for our Chaupal initiative at the Rural Fintech Financial Inclusion Awards by Rural Marketing Association of India (RMAI) 2025;
- The Best Humorous/Satirical Campaign for our "Fantastic Five" campaign at the Inkspell India Content Leadership Awards 2025; and
- The Best Social Media Campaign for our "Fantastic Five" campaign at the e4m Maddies Awards 2025.

Community support initiatives

Our community support initiative, Saksham, in collaboration with Yuva Parivartan NGO empowers underprivileged youth in Maharashtra (Sanoer), Gujarat (Savli), Rajasthan (Alwar), Telangana (Warangal), Karnataka (Dabishet). Our comprehensive approach, including hands-on practical training and soft skill development is designed to facilitate job placements and create self-employment opportunities. Since 2018, Saksham has empowered over 1,200 individuals, with 5 new locations added this year.

Treasury

The Company has constituted an Asset Liability Management Committee (ALCO) in accordance with the guidelines issued by the Reserve Bank of India (RBI). The ALCO monitors asset-liability mismatches, liquidity position, funding sources, interest rate risks, liquidity stress testing, contingency funding plans, and collateral position, while also ensuring compliance with regulatory requirements and lender covenants.

The financial year 2026 presented a dynamic operating environment for Non-Banking Financial Companies (NBFCs). The Reserve Bank of India reduced the policy repo rate by 100 basis points from 6.25% to 5.25%, and relaxed risk weights on bank lending to NBFCs with effect from 1st April 2025. However, systemic liquidity remained volatile during the year, influencing short-term interest rates. Global factors, including rising crude oil prices and foreign capital outflows, further weighed on the domestic liquidity environment. Against this backdrop, the Company continued to adopt a prudent and proactive approach to liability management, diversifying its funding sources and maintaining adequate liquidity buffers while optimizing borrowing costs.

As of 31st March 2026, the Company's total principal debt outstanding is at ₹ 27,377 crore (31st March 2025: ₹ 24,491 crore). During the year, the Company raised ~ ₹ 14,100 crore in fresh borrowings, comprising both long-term and short-term instruments. The Company's borrowing strategy remains aligned with the composition and maturity profile of its assets, with continued focus on managing interest rate and liquidity risks. The Company continues to maintain a diversified lender base comprising banks, financial institutions, mutual funds, insurance companies, and other institutional investors, ensuring that funding structures remain resilient and responsive to its evolving asset mix. During the year, the Company also executed issuances of Non-Convertible Debentures (NCDs) and raised funds through External Commercial Borrowings (ECBs), further strengthening the depth and diversity of its funding program. This prudent asset-liability management enabled the Company to maintain positive cumulative mismatches across all maturity buckets, well within internal and RBI-stipulated norms.

The Company's ALCO regularly reviews liquidity stress testing to evaluate the Company's preparedness for adverse liquidity scenarios. Based on these assessments, the Company maintained a prudent liquidity buffer in the form of cash, liquid investments, and unutilized bank lines to ensure adequate preparedness for unforeseen disruptions. The Company's Liquidity Coverage Ratio (LCR) remained comfortably above the regulatory requirement during the year, and all liquidity metrics were maintained within limits approved by the ALCO.

All principal and interest obligations were met on time during the year. The Company's pool of assets available by way of security continues to remain adequate to cover outstanding liabilities as and when they become due. The Company continued to receive support from shareholders through equity infusion, supplemented by participation from institutional investors in Tier I (Perpetual Debt Instruments) and Tier II (Subordinated Debt) instruments, collectively contributing to a comfortable capital position. As of 31st March 2026, the Company's Capital Adequacy Ratio (CRAR) stood at 19.4%, well above the regulatory minimum of 15% prescribed by the RBI.

The Company's credit ratings as of 31st March 2026, as assigned by leading domestic rating agencies, are summarized below.

Rating Agency	Facility	Rating
Care Ratings	Long Term Bank Facilities	CARE AA+; Stable
	Non-Convertible Debentures	CARE AA+; Stable
ICRA	Long-term Bank Facilities	ICRA AA+ (Stable)
	Short-term Bank Facilities	ICRA A1+
	Subordinated Debt	ICRA AA+ (Stable)
	Perpetual Debt	ICRA AA (Stable)
	Commercial Paper	ICRA A1+
CRISIL	Long Term Rating - Bank Loan Facilities	CRISIL AA+/Stable
	Short Term Rating - Bank Loan Facilities	CRISIL A1+
	Non-Convertible Debentures	CRISIL AA+/Stable
	Tier II Bond	CRISIL AA+/Stable
	Perpetual Bonds	CRISIL AA/Stable
	Commercial Paper	CRISIL A1+
Brickwork Ratings	Subordinated Debt (Tier II)	BWR AA+/Stable

3. SHARE CAPITAL

During the year under review, the Company issued and allotted 33,94,779 Equity Shares of face value of ₹10 per share at a premium of ₹ 579.14/- per share. Consequent to the aforesaid allotment of Equity Shares, the total paid up capital of the Company as on 31st March 2026, stood at ₹ 258 crore comprising 23,96,67,485 Equity Shares and 1,83,84,684 Compulsorily Convertible Preference Shares, having a face value of ₹ 10 each.

Non-Convertible Debentures

During the year under review, the Company issued Non-Convertible Debentures (NCDs) of ₹ 1,075 crore on a private placement basis.

The NCDs have been listed on the Wholesale Debt Market segment of the National Stock Exchange of India Ltd (NSE).

4. REGISTERED OFFICE OF THE COMPANY

During the year under review, the Registered Office of the Company was shifted from the erstwhile State of Tamil Nadu to the State of Karnataka, pursuant to the approval of the Shareholders and the Central Government, in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

Accordingly, with effect from 6th March 2026, the Registered Office of the Company is now situated at TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru, Karnataka – 560034.

Consequent to the aforesaid shift of the Registered Office to the State of Karnataka, the Corporate Identification Number (CIN) of the Company has been changed to U65920KA2008PLC218369.

5. DIVIDEND

The Directors have not proposed any dividend for the year under review, as the resources are required for the future growth of the business of the Company.

6. TRANSFER TO RESERVES

During the year, ₹ 182.63 crore were transferred to the Statutory Reserve created as required under Section 45-IC of the Reserve Bank of India Act, 1934.

7. PUBLIC DEPOSITS

The Company is a Non-Deposit taking Non-Banking Finance Company and has not accepted any deposits during the year under review. The Board has also passed a resolution for non-acceptance of deposits from the public.

8. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company are prepared in accordance with the provisions of Section 129 of the Companies Act, 2013 (the Act, 2013), read with the Companies (Accounts) Rules, 2014 along with a separate statement containing the salient features of the financial performance of subsidiaries/ associates in the prescribed form. The audited consolidated financial statements together with Auditors' Report, form part of the Annual Report.

The audited financial statements of the subsidiary companies will be made available to the shareholders on receipt of a request from any shareholder, and it has also been placed on the website of the Company, which will also be available for inspection by the shareholders at the registered office during business hours, as mentioned in the Notice of Annual General Meeting (AGM).

The consolidated Profit Before Tax of the Company and its subsidiaries amounted to ₹ 1,239 crore for the financial year 2025-26 as compared to ₹1,027 crore in the previous year.

Subsidiary Companies

The following companies are the subsidiaries of the Company as on 31st March 2026:

S.No.	Name of the Companies
1.	Harita Two-Wheeler Mall Private Limited
2.	Harita ARC Private Limited
3.	TVS Housing Finance Private Limited

Performance of Subsidiaries

A report on the performance of the subsidiary companies, including the salient features of the financial statements in Form AOC-I is attached and forms part of this Report as **Annexure IV**.

All the subsidiaries are yet to commence their operations.

Holding Company

TVS Motor Company Limited is the holding Company and holds 85.63% equity shares (80.76% on a fully diluted basis), as on the date of this report.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors' Appointment / Re-appointment / Cessation

During the year under review, Mr. Venu Srinivasan (DIN: 00051523), Non-Executive Director of the Company, resigned from the Board with effect from 3rd February 2026. TVS Credit Services Limited, was established under the guidance of Mr. Venu Srinivasan in the year 2008 and he has played a significant role in the Company's journey from the early stages of its evolution and has consistently provided thoughtful guidance to the management over the years while also being a strong pillar of support to the Board. During his tenure, Mr. Venu Srinivasan's visionary leadership and strategic oversight contributed meaningfully to the Company's sustained growth and transformation. His prudent approach on strategic decision-making, focus on customer-centricity, and strong emphasis on corporate governance have been instrumental in shaping the Company's culture and long-term success, firmly rooted in the values of the TVS ethos. The Board wishes to place on record its deep appreciation for his valuable contribution during his tenure as Director of the Company.

Dr. Deepali Pant Joshi (DIN: 07139051), Independent Director also resigned from the Board of the Company with effect from 6th November 2025. The Board wishes to place on record its deep appreciation for the valuable contribution of Dr. Deepali Pant Joshi (DIN: 07139051), during her tenure as Director of the Company.

Directors Liable to Retire by Rotation

In terms of Section 152 of the Act, 2013, two-thirds of the total number of Directors i.e., excluding Independent Directors (IDs), are liable to retire by rotation, and out of which, one-third are liable to retire by rotation at every Annual General Meeting. Mr. K N Radhakrishnan (DIN: 02599393), Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee, at its meeting held on 12th May 2026 recommended his re-appointment after evaluating his track record, integrity, and fit and proper criteria as laid down under RBI guidelines.

Woman Director

In compliance with Section 149 of the Act 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Kalpana Unadkat (DIN: 02490816) is the Independent Woman Director of the Company.

Independent Directors

In accordance with Section 149(7) of the Act, 2013, all IDs have declared that they meet the criteria of independence as provided under Section 149(6) of the Act, 2013, and the Board confirms that they are independent of the management.

The Board is of the opinion that the IDs of the Company possess the requisite qualifications, experience, and expertise, and that they adhere to the highest standards of integrity. The detailed terms of appointment of IDs are disclosed on the Company's website in the following link www.tvscredit.com. All the IDs have been registered with the databank of Independent Directors developed by the Indian Institute of Corporate Affairs in accordance with the provisions of Section 150 of the Act, 2013 and obtained ID registration certificates.

Declaration and Undertaking

During the year, the Board obtained necessary annual declaration and undertaking from the Directors in the format prescribed by RBI.

Separate Meeting of Independent Directors

During the year under review, a separate meeting of IDs was held on 3rd March 2026. All IDs were present, and they were enlightened about the objectives and process involved in evaluating the performance of the Board, Non-IDs, Chairman, and timeliness of the flow of information from management.

Based on the set of questionnaires, complete feedback on Non-Independent Directors and details of various activities undertaken by the Company were provided to IDs to facilitate their review/evaluation.

a) **Non-Independent Directors (Non-IDs)**

IDs used various criteria prescribed by the Nomination and Remuneration Committee (NRC) for performance evaluation of Non-IDs, namely, Mr. Sudarshan Venu (DIN: 03601690), Mr. Sanjiv Chadha (DIN: 08368448), Mr. K N Radhakrishnan (DIN: 02599393) and Mr. Ashish Sapra (DIN: 09805893).

IDs evaluated the performance of all Non-IDs individually through a set of questionnaires.

They reviewed the Non-IDs interaction during the Board/Committee meetings and thoughtful inputs given by them to improve risk management, internal controls, and contribution to the Company's growth. IDs were fully satisfied with the performance of all Non-IDs.

b) **Chairman**

The IDs reviewed the performance of the Chairman of the Board after taking into account his performance and benchmarked the achievement of the Company with industry under the stewardship of the Chairman.

The IDs also placed on record their appreciation of the Chairman's high level of integrity, trust, confidentiality, impartial and judicious approach, transparency, and commitment to governance, setting high standards for the Company; Outstanding ability to motivate the Board's involvement and stimulate discussions particularly during a year of diverse challenges, tough state of the economy and clear initiatives for staying ahead of the competition.

IDs also appreciated the growth story of the Company under the stewardship of the Chairman and the significant increase in turnover and profit.

c) **Board**

The IDs also evaluated the Board's composition, size, mix of skills and experience, its meeting sequence, the effectiveness of discussion, decision-making, and follow-up action to improve governance and enhance the personal effectiveness of Directors.

The evaluation process focused on Board dynamics. The Company has a Board with a wide range of expertise in all aspects of business and outstanding diversity of the Board with the presence of varied personalities from diverse fields, particularly from the banking and finance field. The Board, upon evaluation, concluded that it is well balanced in terms of diversity of experience with experts in each domain viz., Automotive, Leadership / Strategy, Technology, Finance, Legal and Regulatory, and Governance. The Company endeavours to have a diverse Board representing a range of experience at policy-making levels in business and technology.

IDs recorded that they were always kept involved through open and free discussions and provided additional inputs in emerging areas being forayed into by the Company, and high levels of Corporate Governance in all management discussions and decisions were maintained.

The IDs unanimously evaluated the prerequisites of the Board viz., formulation of strategy, acquisition, and allocation of overall resources, setting up policies, Directors' selection processes, and cohesiveness on key issues, and satisfied themselves that they were adequate.

They were satisfied with the Company's performance on all fronts and finally concluded that the Board operates with best practices.

d) **Quality, Quantity, and Timeliness of the Flow of Information between the Company, Management, and the Board**

All IDs have expressed their overall satisfaction with the support received from the management and the excellent work done by the management during the year under review and, the relationship between the top management and Board is smooth and seamless.

The information provided for the meetings was clear, concise, and comprehensive to facilitate detailed discussions and periodic external presentations on specific areas well supplemented the management inputs. The emerging technology was duly incorporated in the overall review of the Board.

e) **Performance Evaluation of the Board**

In terms of Section 134 of the Act, 2013, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as the performance of the Directors individually (including Independent Directors).

The evaluation framework for assessing the performance of Directors comprises of various key areas such as attendance at Board and Committee Meetings, quality of contribution to Board discussions and decisions, strategic insights, or inputs regarding future growth of the Company and its performance, understanding of the industry and global trends, etc.

An evaluation framework based on well-defined and structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, areas of responsibility, execution and performance of specific duties, obligations and governance, compliance, oversight of Company's subsidiaries, etc., and feedback by way of comments were sought from the Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated.

Qualitative comments and suggestions of the Directors were taken into consideration by the Board. The Directors have expressed their satisfaction with the evaluation process.

Based on the report of performance evaluation of Directors, the Board noted and recorded that all the Directors should extend and continue their term of appointment as Directors / Independent Directors, as the case may be.

Key Managerial Personnel

Mr. Ashish Sapra, Director and Chief Executive Officer, Ms. Roopa Sampath Kumar, Chief Financial Officer and Mr. Chetan Nage, Company Secretary are the Key Managerial Personnel of the Company as on the date of this report.

There was no change in KMPs during the year under review.

10. STATUTORY AUDITORS

Pursuant to the Reserve Bank of India (RBI) Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), Urban Co-operative Banks (UCBs) and NBFCs (including HFCs) dated 27th April 2021, and Frequently Asked Questions dated 11th June 2021 (RBI Guidelines), the statutory audit of Company, having asset size of ₹15,000 crore and above as at the end of previous year, be conducted under joint audit of a minimum of two audit firms.

In this regard, on the recommendation of the Board of Directors of the Company, members of the Company at the Annual General Meeting held on 07th August 2024, appointed M/s. Suri & Co., Chartered Accountants, Chennai having Firm Registration No. 004283S allotted by the Institute of Chartered Accountants of India as Statutory Auditors of the Company pursuant to Section 139 of the Act, 2013, at such remuneration in addition to applicable taxes, reimbursement of travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors.

During the year under review, the tenure of term of M/s. CNGSN & Associates LLP, Chartered Accountants expired at conclusion of the 17th Annual General Meeting of the Company held on 30th July 2025. On the recommendation of the Board of Directors of the Company, members of the Company had at the Annual General Meeting held on 30th July 2025, appointed M/s. Brahmayya & Co., Chartered Accountants (ICAI Firm Registration No. 000511S) as Statutory Auditors of the Company for a term of 3 consecutive years from conclusion of 17th Annual General Meeting unitll the conclusion of 20th Annual General Meeting, pursuant to Section 139 of the Act, 2013, at such remuneration in addition to applicable taxes, reimbursement of travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors.

M/s. Suri & Co., Chartered Accountants and M/s. Brahmayya & Co., Chartered Accountants, have jointly conducted the statutory audit for the year ended 31st March 2026. The Company has obtained the necessary certificate under Section 141 of the Act, 2013, and as per the RBI Circular conveying their eligibility for being Statutory Auditors of the Company for the year 2025-26. The Auditors' Reports for the financial year 2025-26 do not contain any qualifications, reservations, or adverse remarks.

11. SECRETARIAL AUDITORS

On the recommendation of Audit Committee and Board, the members of the Company had, at the Annual General Meeting held on 30th July 2025, appointed B. Chandra & Associates, Company Secretaries (Peer Reviewed) (Firm Registration No. P2017TN065700), as Secretarial Auditor of the Company for a term of five consecutive years from 2025-26.

As required under Section 204 of the Act, 2013, the Secretarial Audit Report for the year 2025-26, given by them, is attached as Annexure VI to this report. The Secretarial Audit Report does not contain any qualifications, observations, or other remarks.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards as amended from time to time.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with the Indian Accounting Standards (IndAS) under historical cost convention on accrual basis except for certain financial instruments, which are measured at fair value pursuant to the provisions of the Act, 2013 and guidelines issued by Securities Exchange Board of India (SEBI)/RBI. Accounting policies have been consistently applied except where revision to an existing Accounting Standard requires a change in the accounting policy.

Pursuant to the requirement of Section 134(5) of the Act, 2013, with respect to Director's Responsibility Statement, it is hereby stated that:

a. In the preparation of the annual accounts for the year ended 31st March 2026 the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.

b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. The Directors had prepared the accounts for the financial year ended 31st March 2026 on a going concern basis.

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

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

13. ANNUAL RETURN

Pursuant to the provisions of Section 134(3) (a) and Section 92(3) of the Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in the prescribed form (Annexure I) is available on the Company's website (www.tvscredit.com).

14. CORPORATE GOVERNANCE

Good corporate governance, acting in accordance with the principles of responsible management aimed at increasing enterprise value on a sustainable basis, is an essential requirement for the TVS Group. The Company has a strong legacy of fair, transparent, and ethical governance practices. The Company's philosophy on corporate governance is founded on the fundamental ideologies of the Group viz., Trust, Value, Exactness, and Passion for Customers.

The Company constantly endeavours to improve on these aspects. The Company ensures good governance through the implementation of effective policies and procedures, which are mandated and reviewed by the Board and Committees of the Board.

The Company has experts in the banking industry and a well-informed Board. The Board, along with the Corporate Governance mechanism in place, undertakes its fiduciary duties to all its stakeholders.

The Company has framed internal Corporate Governance guidelines in compliance with the Directions issued by RBI for NBFCs, to enable the adoption of best practices and greater transparency in business operations. A report on Corporate Governance regarding compliance with the conditions of Corporate Governance as stipulated under RBI guidelines forms part of the Report and is annexed herewith as **Annexure V**.

Board Meetings

During the year under review, the Board met six times on 28th April 2025, 17th June 2025, 30th July 2025, 27th October 2025, 27th January 2026 and 23rd March 2026 and the gap between the two meetings did not exceed one hundred and twenty days.

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities in accordance with the requirements of the applicable provisions of the Act, 2013/ Reserve Bank of India (Non-Banking Financial Company – Governance) Directions, 2025, as amended.

The Board has established the following Committees viz., Audit Committee, Stakeholder Relationship and Customer Service Committee (SRCSC), Nomination and Remuneration Committee (NRC), Corporate Social Responsibility Committee (CSR), Asset Liability Management Committee (ALCO), Risk Management Committee (RMC), Information Technology Strategy Committee (ITSC), Credit Sanction Committee and Senior Management Committee (SMC).

Details of the Composition of Committees, roles and responsibilities and meetings, and the members' attendance are explained in the Corporate Governance Report attached with this report as Annexure-V.

Nomination and Remuneration Policy

In accordance with Section 178 of the Act, 2013 the NRC has formulated a Nomination and Remuneration Policy (NRC Policy) to ensure that Directors, Key Managerial Persons and other employees are sufficiently compensated for their performance. The policy inter-alia provides the criteria for appointment of Directors, KMPs and SMPs, their performance evaluation, principles on the remuneration and provides for risk alignment of compensation to ensure that there is a proper balance between fixed pay and variable pay for KMPs and SMPs, including for those in assurance functions. The NRC Policy of the Company can be accessed at https://www.tvscredit.com/wp-content/uploads/2023/09/Nomination-and-Remuneration-Policy.pdf.

Directors

NRC will recommend the remuneration for Executive and Non-Executive Directors. This will be then approved by the Board and Shareholders. The Non-Executive Independent Directors are appointed to the Board of the Company in terms of regulatory requirements.

The Board has approved the payment of remuneration by way of profit-related commission to the Non-Executive Independent Directors, for the financial year 2025-26, based on the recommendation of the NRC.

The Company benefits from the expertise, advice, and inputs provided by the IDs. The IDs devote their valuable time in deliberating on strategic and critical issues during the Board/ Committee meetings of the Company and give their valuable advice, suggestions, and guidance to the management of the Company from time to time hence IDs are being paid by way of commission.

The approval of the Shareholders by way of a special resolution was obtained at the Twelfth Annual General Meeting held on 27th July 2020 in terms of Sections 197 and 198 and any other applicable provisions of the Act, 2013.

Key Managerial Personnel

The remuneration of employees largely consists of basic salary, perquisites, allowances, and performance incentives. Perquisites and retirement benefits are paid according to the Company's policy.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification, and experience/ merits, and performance of each employee. The Company, while deciding the remuneration package, takes into consideration the current employment scenario and remuneration package of the industry.

Criteria for Board Membership

Directors

The Company will generally consider (i) Their relevant experience in Leadership/ Strategy / Finance/ Governance / Legal and Regulatory, Technology or other disciplines related to Company's business and (ii) Having the highest personal and professional ethics, integrity, and values.

Independent Directors

Independent Director shall meet all criteria specified in Section 149 of the Act, 2013, and the rules made thereunder.

Related Party Transactions

All contracts/arrangements entered by the Company during the period ended 31st March 2026, with related parties were in the ordinary course of business and at arm's length. Hence, no particulars are being provided in Form AOC-2 and it does not form part of this Report.

Related Party disclosures, as per IND-AS have been provided in Notes to the financial statement.

15. RISK MANAGEMENT

The Company, being in the business of financing two-wheelers, used cars, new tractors and used tractors, three-wheelers, consumer durables, used commercial vehicles, and business loans, has to manage various risks. These risks include credit risk, liquidity risk, interest rate risk, operational risk and information technology & cybersecurity risk. To strengthen risk management, the Company has developed and implemented a Risk Management Policy and has put in place Enterprise Risk Management Framework to promote a proactive approach to measuring, evaluating, mitigating, and reporting key risks associated with the business. The Company has implemented Internal Capital Adequacy Assessment Process (ICAAP) for quantitative and qualitative assessments of these key risks and impact on capital and profitability under three stress scenarios like Base, Medium and Severe. Stress scenarios are identified basis historical data on shift in the key metrics in case of various economic cycles of last 10 years. ICAAP Assessment reports are periodically placed before the RMC and the ALCO for reviewing and monitoring the risks and capital planning at quarterly basis. The Company also has RMC approved Risk Appetite statement that covers key metrics on Risk, Earnings, Profitability, Liquidity and Capital Adequacy.

Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles and liquidity ratios like Liquidity Coverage Ratio and Stock Ratios against the Board approved limits.

Operational risks arising from inadequate or failed internal processes, people, and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored. Operational Risk Register with all operational risks, control and residual risk is maintained with key risk indicators defined to measure, mitigate and report these risks. Standard Operating Procedures are well documented to ensure enhanced control over processes and regulatory compliance.

Compliance Risk arising from non-compliance with the guidelines and statutes from various regulatory bodies are addressed through a well-defined compliance risk framework approved by the Board. The company has implemented compliance tool that adequately captures all regulatory requirements and helps to meet various timelines.

Internal Audit department does annual review of all risk management frameworks from Board approved policies and regulatory requirement perspective as an assurance to the Board for compliance purposes.

The Company is categorised as Middle Layer NBFC as per the Scaled Based Regulations Framework guidelines applicable to all NBFCs from 1st October 2022.

16. INTERNAL CONTROL SYSTEMS

The Company's comprehensive and effective internal control system ensures smooth business operations, meticulously recording all transaction details and ensuring regulatory compliance, and protecting the Company's assets from loss or misuse. The Board is accountable for evaluating and approving the effectiveness of the internal controls, including financial, operational, and compliance controls.

The internal control system is subject to continuous improvement, with system effectiveness assessed regularly. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the internal controls, including its system and processes and compliance with regulations and procedures. Information provided to management is reliable and timely. The Company ensures the reliability of financial reporting and compliance with laws and regulations.

The Company is strengthening the controls by leveraging technology and centralising processes, enhancing monitoring, and maintaining effective tax and treasury strategies.

The Audit Committee continues to monitor the effectiveness of internal control over the use of new technologies that impact the financial controls and reporting enterprise risk.

17. INTERNAL AUDIT

As part of the effort to evaluate the effectiveness of the internal control systems, the Company's Internal Audit function reviews all the control measures on a periodic basis as part of the Risk-based Internal Audit (RBIA) framework and recommends improvements, wherever appropriate. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures.

The Company's Internal Audit function and structure are commensurate with its size, nature, and operations.

18. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company recognises social responsibility as an integral and a crucial part of its value system. Srinivasan Services Trust (SST), the CSR arm of TVS Motor Company has been implementing various socio-economic development programs in thousands of villages across five states of India viz. Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra and Himachal Pradesh in the last 30 years.

SST follows an integrated, holistic and participatory approach to village development, working in close association with the communities and the Government. SST nudges communities to embrace practices towards a better quality of life by ensuring a participatory approach right from the stage of planning to execution of activities.

SST aim is to bring about sustainable development in villages through Total Community Involvement (TCI). SST focusses on society building through the development of women and children, conserving water, repairing and renovating government health and education infrastructure and preserving the environment in its 2500 working villages across the Country.

SST has so far facilitated in the formation of over 5000 Self-Help Groups (SHGs) consisting of more than 60,000 women, who have been empowered both socially and economically. More than ₹150 crore of annual income is being generated by the women in Self-Help Groups by engaging in livelihood activities. During the year 2025-26, three SHGs facilitated by SST have been honoured with the prestigious Manimegalai Award by the Government of Tamil Nadu for empowering women and fostering economic growth.

SST has so far renovated more than 2,300 government infrastructures, which includes anganwadis, schools, health centres, veterinary centres and other village community infrastructures. SST has partnered with organisations such as Gramalaya, Agastya International Foundation, Villmart Education and Solutions, Shreeja Mahila Milk Producer Company, NavSahyog Foundation, Agaram Foundation, Magic Bus India Foundation, Care Works Foundation, National Bank for Agriculture and Rural Development (NABARD) and Sankara Eye Foundation to enhance the impact for the community.

More than 25,000 farmers have been benefitted by its water conservation projects like repairing, renovating and rebuilding water conservation structures that include desilting of tanks, channels and creation of percolation ponds. Across the working villages over 500+ water conservation projects have been implemented. This has created an additional water storage capacity of 169 crore litres.

SST also ensures last mile connectivity for availing the government social security schemes and agriculture & livestock schemes to reach the unreached population. Apart from renovating the government health centres and conducting regular medical camps, SST runs seven medical centres and four mobile medical vans in its working areas. Today, due to SST's interventions, annually more than two lakh villagers are receiving access to health care facilities.

SST has also afforested over 14,000 acres of barren areas including degraded forests, panchayat hillocks and plains in the last three decades. SST is working with Grassroots Research and Advocacy Movement (GRAAM) and Anna University to carry out social impact studies for the various projects undertaken by the Trust.

SST has won the following awards during the year 2025-26:

- 'Excellence in Domain Excellence Award in Corporate Social Responsibility' under the 20th CII ITC Sustainability Awards 2025;
- 8th ICC Social Impact Awards 2026 Rural Development was adjudged the Runners up;
- Gold Award under the category of 'Best HR Practices in CSR in Manufacturing and Process (Large)' in the 9th CII National HR Circle Competition; and
- Award for 'Best Water Conservation' from the Tamil Nadu Water Resources Department.

As required under Section 135 of the Act, 2013, read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR as prescribed under the Act, 2013, and approved by the Board for FY 2025-26 are furnished in Annexure III to this Report.

It may also be noted that the CSR Committee has approved the projects or programmes to be undertaken by SST and other eligible trusts for the year 2026-27, preferably in local areas including the manner of execution, modalities of utilisation of funds and implementation schedules and monitoring and reporting mechanism for the projects or programmes.

19. POLICY ON VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy and has established an effective Vigil Mechanism in accordance with the provisions of the Act, 2013, which provides a formal framework for all Directors, Employees, and other Stakeholders of the Company, to report to the management their genuine concerns or grievances about unethical behaviour, actual or suspected fraud and any violation of the Company's Code of Business Conduct or Ethics Policy.

The policy also provides direct access to the Chairperson of the Audit Committee to make protective disclosures to the management about grievances or violations of the Company's Code of Business Conduct and Ethics. The policy is disclosed on the Company's website in the following link www.tvscredit.com.

20. SEXUAL HARASSMENT POLICY

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) (POSH) Act, 2013. The Company has an Internal Complaints Committee as required under POSH. The number of Complaints received, disposed of, and pending during Financial Year 2025-26 is given in the Corporate Governance Report.

21. MATERNITY BENEFIT ACT, 1961

During the financial year 2025-26, Company was fully compliant with the provisions of Maternity Benefit Act, 1961.

22. EMPLOYEE STOCK OPTION

The Board at its meeting held on 14th October 2024, based on the recommendation of the NRC, approved the 'TVS Credit Employee Stock Option Plan' with a view to reward, attract, motivate and retain employees of the Company and the same was approved by the shareholders vide a special resolution on 11th November 2024.

The NRC has granted 2,97,408 employee stock options in accordance with the Plan to the identified employees of the Company (Eligible Employees) which would entitle such Eligible Employee to acquire equity shares of the Company at a predetermined price provided that the vesting conditions are fulfilled. The disclosure relating to Employees Stock Option Scheme in accordance with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, forms part of this report as Annexure VII.

23. GENERAL DISCLOSURES

During the year, there were no transactions requiring disclosure or reporting in respect of matters relating to:

(a) There are no significant and material orders passed by the regulators or courts or tribunals which would impact the going concern status of the Company and its future operations.

(b) issue of equity shares with differential rights as to dividend, voting or otherwise.

(c) pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and

(d) instance of one-time settlement with any bank or financial institution.

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

As a non-banking finance company, the Company's activities involve low energy consumption. Company is committed for optimizing its energy use and continuously seek opportunities to enhance its sustainability practices by applying a range of energy-saving measures at its different sites. There was no capital investment made on energy conservation equipment.

Regarding "Technology Absorption" please refer to the technology absorption initiatives detailed in Management Discussion and Analysis, being Point No. 2 of this report. No expenditure was incurred towards Research and Development during the year under review.

Foreign currency expenditure in Financial Year 2025-26 is ₹ 109.41 crore (previous year ₹ 62.42 crore). The Company did not have any foreign exchange earnings.

25. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and to the date of the report.

26. EMPLOYEES' REMUNERATION

Disclosure of details of Employees' remuneration as prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as a statement and given in Annexure-II. In terms of the first proviso to Section 136(1) of the Act, 2013, the Annual Report, excluding the aforesaid annexure, is being sent to the Shareholders of the Company. The annexure is available for inspection at the Registered Office of the Company as mentioned in the Notice of AGM, and any Shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

27. DETAILS OF LOANS / GUARANTEES / INVESTMENTS MADE

The details of investments made by the Company for the financial year 2025-26 is as per Note no. 09 of Notes to account.

In terms of Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, NBFCs are excluded from the applicability of Section 186 of the Act, 2013, where the loans, guarantees and securities are provided in the ordinary course of its business.

The interest on loans granted to employees is goverened by the NRC Policy and is in compliance with Section 186 of the Act, 2013.

28. REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, 2013.

29. MAINTENANCE OF COST RECORDS

The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act, 2013 for the business activities carried out by the Company.

30. ADHERENCE TO RBI NORMS AND GUIDELINES

The Company has fulfilled the prudential norms and standards as laid down by RBI in respect of income recognition, provisioning of non-performing assets and capital adequacy. The capital adequacy ratio of the Company is 19.4% which is well above the prescribed minimum of 15% by RBI.

As a prudent practice, the Company's current provisioning standards (expected provisioning norms) are more stringent than the Reserve Bank of India (RBI) prudential norms. In line with its conservative approach, the Company continues to strengthen its provisioning norms beyond the RBI regulations by accelerating the provisioning on an early stage of delinquencies based on experience and emerging trends.

The Fair Practices Code and KYC norms framed by RBI seek to promote good and fair practices by setting minimum standards in dealing with customers, increasing transparency so that customers have a better understanding of what they can reasonably expect of the services being offered, encouraging market forces through competition to achieve higher operating standards, promote fair and cordial relationships between customers and the Company and foster confidence in the NBFC system.

The Company has put in place all the Committees prescribed by RBI and has formulated a comprehensive Corporate Governance Policy. The Company has instituted a mechanism to monitor and review adherence to the Fair Practices Code, KYC norms, and relevant policies as approved by the Board of Directors.

31. ACKNOWLEDGEMENT

The Directors gratefully acknowledge the continued support and cooperation received from TVS Motor Company Limited, the Holding Company and other investors. The Directors thank the bankers, investing institutions, customers, dealers of TVS Motor Company Limited, and all channel partners for their valuable support and assistance.

The Directors wish to place on record their special appreciation for the employees of the Company for their dedication and commitment in delivering the highest quality of service to every one of our valued customers.

For and on behalf of the Board of Directors

Sudarshan Venu
Chairman
DIN: 03601690

Place: Singapore
Date : 12-05-2026

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Your sustainable EV ride starts with one quick approval.**

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MAXIMUM*	2-MINUTE*	MINIMAL
FUNDING	LOAN APPROVAL	DOCUMENTATION

*Images used are for representative purposes

*Terms and conditions apply

Madhya Pradesh's Gond art travels beyond borders.
No cost EMIs make that journey affordable.

When an artisan's hands discover technology, traditions go global.
Our **Mobile Loans** and no cost EMIs on various models, take art to new places.

MINIMAL DOCUMENTATION	**NO COST*** EMIs	**2-MINUTE*** LOAN APPROVAL

*Images used are for representative purposes

*Terms and conditions apply

Annexure - III to the Directors' Report

Particulars of Corporate Social Responsibility activities carried out by the Company in terms of Section 135 of the Companies Act, 2013

1. Brief outline of CSR Policy of the Company:

   This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the transformation and sustainable development of the rural communities at large.

2. Composition of CSR Committee:

S No.	Name of the Director (M/s.)	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Venu Srinivasan*	Non-Independent Director	1	1
2.	Sudarshan Venu,# Chairman	Non-Independent Director	1	NA
3.	K N Radhakrishnan, Member	Non-Independent Director	1	1
4.	R Gopalan, Member	Independent Director	1	1

NA: Not Applicable

*Mr. Venu Srinivasan ceased to be a Member and Chairman of the CSR Committee with effect from 3rd February 2026.

#Mr. Sudarshan Venu was appointed as Member and Chairman of the CSR Committee with effect from 23rd March 2026.

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.	https://www.tvscredit.com/investor-zone/corporate-social-responsibility/
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not Applicable
5.	(a) Average net profit of the company as per section 135(5)	₹ 766.23 crore
	(b) Two percent of average net profit of the company as per section 135(5) of the Companies Act, 2013	₹ 15.32 crore
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	(d) Amount required to be set off for the financial year, if any	Nil
	(e) Total CSR obligation for the financial year (5b+5c- 5d).	₹ 15.32 crore

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 16.00 crore

   (b) Amount spent in Administrative Overheads : Nil

   (c) Amount spent on Impact Assessment, if applicable : Not Applicable

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ 16.00 crore

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

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6) of the Companies Act, 2013		Amount transferred to any fund specified underSchedule VII as per second proviso to section 135(5) of the Companies Act, 2013		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
16.00 crore	Not Applicable				

(f) Excess amount for set off, if any

S No.	Particulars	Amount (₹ in crore)
(i)	Two percent of average net profit of the Company as per Section 135(5)	15.32
(ii)	Total amount spent for the financial year	16.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.68
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.68

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

1	2	3	4	5	6		7	8
S No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
Not Applicable								

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

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 the Board of Directors

Sudarshan Venu
Chairman of the CSR Committee
DIN: 03601690

Place : Singapore
Date : 12-05-2026

Annexure-IV to the Directors' Report

Form AOC-I

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

Part "A"

Statement containing salient features of the financial statement of subsidiaries:-

(Information in respect of each subsidiary to be presented with amounts ₹ in lakhs)

S No.	Particulars	Name of the Company		
1.	Name of the subsidiary	Harita Two Wheeler Mall Private Limited	TVS Housing Finance Private Limited	Harita ARC Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2025 to 31.03.2026		
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR	INR	INR
4.	Share capital / Contribution	0.25	1,200.00	0.25
5.	Reserves & Surplus	(2.71)	503.98	(2.75)
6.	Total assets	0.24	1,751.15	0.24
7.	Total Liabilities	2.70	47.17	2.73
8.	Investments	-	-	-
9.	Turnover	-	106.43	-
10.	Profit/(Loss) before taxation	(0.90)	100.82	(0.82)
11.	Provision for taxation/ Current Year Taxes	-	26.79	-
12.	Profit/(Loss) after taxation	(0.90)	74.03	(0.82)
13.	Proposed Dividend	-	-	-
14.	% of shareholding	100.00	100.00	100.00

Part "B"

Statement containing salient features of the financial statement of Associates and joint Venture

(Information in respect of each subsidiary to be presented with amounts ₹ in Lakhs)

Not applicable

As per our report annexed
For Brahmayya & Co
Chartered Accountants
Firm Regn No.: 000511S

As per our report annexed
For Suri & Co.,
Chartered Accountants
Firm Regn No.: 004283S

K Jitendra Kumar
Partner
Membership No.: 201825

Sanjeev Aditya. M
Partner
Membership No.: 229694

Sudarshan Venu
Chairman
DIN: 03601690

Ashish Sapra
Director & Chief Executive Officer
DIN: 09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

12th May 2026
Chennai

12th May 2026
Bengaluru

Annexure-V to the Directors' Report

Company's philosophy on Corporate Governance

The Company is anchored in a well established legacy of fair, transparent, ethical and responsible governance practices. The Company's philosophy on corporate governance is founded on the fundamental ideologies of the Group viz., Trust, Value, Exactness and Passion for Customers, which shape its conduct across all levels of the organisation.

The Company is committed to upholding highest standards of integrity, transparency, professionalism and propriety in all its operations. These principles form the foundation for attaining sustainable and responsible growth in an evolving and competitive business environment. Compliance with applicable laws and regulations, both in letter and in spirit, remain central to the Company's governance philosophy. The Company remains committed to continuously enhancing its governance standards in line with evolving regulatory expectations and global benchmarks.

The Company places strong emphasis on sustainability and long-term value creation for all stakeholders.

The Company ensures good governance through the implementation of effective policies and procedures, which is mandated and reviewed by the Board and the duly constituted Committees of the Board.

Board of Directors

i) The Board of Directors along with its Committees provide leadership and guidance to the Company's management and directs, supervises and controls the activities of the Company.

ii) The size of the Board is commensurate with the size and business of the Company. As on 31st March 2026, the board comprises of eight Directors, viz.,

Name of the Director (M/s.)	DIN	Initial Date of Appointment	Category	Number of Board Meetings		No of Other Directorships#	Remuneration (₹ In crore)			No. of shares held in the Company	Committee Memberships in other Companies##	
				Held	Attended		Salary^	Sitting Fee	Commission		Member**	Chairman
Sudarshan Venu	03601690	31 Jan 2013	NED & Chairperson	6	6	18	-	-	-	-	2	1
Venu Srinivasan$	00051523	21 Jun 2010	NED	5	2	-	-	0.01	-	-	-	-
Ashish Sapra	09805893	22 Nov 2024	ED	6	6	-	8.02	-	-	-	-	-
K N Radhakrishnan	02599393	17 Feb 2010	NED	6	5	6	-	0.03	-	10*	1	-
R Gopalan	01624555	20 Jul 2019	ID	6	6	11	-	0.04	0.30	-	8	1
B Sriram	02993708	12 Oct 2019	ID	6	5	6	-	0.03	0.30	-	4	1
Kalpana Unadkat	02490816	28 Jul 2021	ID	6	6	4	-	0.03	0.30	-	6	3
T C Suseel Kumar	06453310	06 Aug 2024	ID	6	5	5	-	0.01	0.30	-	4	2
Sanjiv Chadha	08368448	22 Nov 2024	NED	6	6	4	-	-	-	-	1	-
Deepali Pant Joshi$$	07139051	06 Aug 2024	ID	4	4	-	-	0.01	0.18	-	-	-

NED: Non-Executive Director ID: Independent Director ED: Executive Director

includes private companies, Section 8 Companies and Companies incorporated outside India

*Held as nominee of TVS Motor Services Limited

^Salary includes salary and other compensation

**includes committees where the director holds the position of chairman.

##For the membership and chairpersonship in Committees, only Audit Committee and Stakeholder Relationship Committee have been considered as per the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations"). Also, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded.

$ Mr. Venu Srinivasan resigned from the Board w.e.f. 3rd February 2026

$$ Dr. Deepali Pant Joshi resigned from the Board w.e.f. 6th November 2025

Meetings of the Board

During the year, the Board met 6(Six) times on the following dates and the gap between two meetings did not exceed one hundred and twenty days.

FY 2025-26		Meeting date
April – June	(Q1)	28th April 2025 17th June 2025
July – September	(Q2)	30th July 2025
October-December	(Q3)	27th October 2025
January- March	(Q4)	27th January 2026 23rd March 2026

The necessary quorum was present at the meetings. In compliance with the applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder, the Company facilitates the participation of the Directors in Board/Committee meetings through video conferencing. The agenda for the meetings were circulated through a digital application installed on iPads as an eco-friendly measure. All notes to agenda items for convening meetings of the Board / Committees are being uploaded in digital mode well in advance.

S. No	Name of Director (M/s.)	Board Meetings		Whether present at previous AGM held on 30th July 2025
		Entitled to attend	Attended	
1.	Sudarshan Venu	6	6	No
2.	Venu Srinivasan	5	2	No
3.	K N Radhakrishnan	6	5	Yes
4.	R Gopalan	6	6	No
5.	B Sriram	6	5	No
6.	Kalpana Unadkat	6	6	No
7.	Deepali Pant Joshi	4	4	No
8.	T C Suseel Kumar	6	5	No
9.	Ashish Sapra	6	6	Yes
10.	Sanjiv Chadha	6	6	No

Listed entities in which the directors hold position as director and category of Directorship:

Name of the Director (M/s.)	Name of the company	Category of directorship
Sudarshan Venu	TVS Motor Company Limited	Executive Director- Chairman and Managing Director
	TVS Holdings Limited	Executive Director-Managing Director
	Coromandel International Limited	Independent Director
K N Radhakrishnan	TVS Motor Company Limited	Executive Director
R Gopalan	TVS Holdings Limited	Non-Executive Director
	Sundaram Clayton Limited	Independent Director
	Zee Entertainment Enterprises Limited	Independent Director – Chairman
	Vedanta Limited	Independent Director
B Sriram	ICICI Bank Limited	Independent Director
	Nippon Life India Asset Management Limited	Independent Director
	TVS Motor Company Limited	Independent Director
	TVS Supply Chain Solutions Limited	Independent Director
Kalpana Unadkat	Avenue Supermarts Limited	Independent Director
	Eris Lifesciences Limited	Independent Director
	TVS Motor Company Limited	Independent Director
T C Suseel Kumar	Manappuram Finance Limited	Independent Director
	FirstSource Solutions Limited	Independent Director
	PCBL Chemical Limited	Independent Director
	LIC Housing Finance Limited	Independent Director

Meetings of Independent Directors

As stipulated by the Code of Independent Directors under the Act and Rules made thereunder and Listing Regulations as amended from time to time, one meeting of Independent Directors was held during the year. The meeting was conducted on 3rd March 2026 to enable Independent Directors to discuss matters relating to Company's affairs and put forth their views without the presence of Non-Independent Directors and members of the Management.

In this meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole.

Familiarisation program

Familiarisation program is made available to the Directors covering such topics on board's role, board's composition and conduct, board's risks and responsibilities, to ensure that they are fully informed on current governance issues.

The program also includes briefings on the culture, values and business model of the Company, the roles and responsibilities of senior executives and the Company's financial, strategic, operational and risk management position.

The familiarisation of Independent Directors majorly covered their roles, rights, responsibilities in the Company under Company Law and Economic Laws as well as under Listing Regulations, overall governance framework of the Company and specific governance requirements of NBFCs. The details of familiarisation programmes for the Financial Year 2025-26, in terms of the requirements of Listing Regulations are available on the website of the Company and can be accessed at https://www.tvscredit.com

Chart setting out the skills/expertise/competence of the Board of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the existing composition of the Board.

Name of directors	Brief description of special skills
Sudarshan Venu	Leadership, Industry Knowledge, Risk Management Business and Strategic Planning, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology, Human Resource
Ashish Sapra	Leadership, Industry Knowledge, Risk Management, Business and Strategic Planning, Financial Sector experience, Information Technology, Human Resource
K N Radhakrishnan	Risk Management, Business and Strategic Planning, Ethics and Regulatory Oversight, Information Technology, Human Resource
R Gopalan	Administration, Risk Management, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology
B Sriram	Risk Management, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology
Kalpana Unadkat	Risk Management, Business and Strategic Planning, Legal, Governance, Ethics and Regulatory Oversight, Human Resource
T C Suseel Kumar	Industry Knowledge, Risk Management, Business and Strategic Planning, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology
Sanjiv Chadha	Industry Knowledge, Risk Management, Business and Strategic Planning, Financial Sector experience, Governance, Ethics and Regulatory Oversight, Information Technology

Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel:

The Company has in place a Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel (the Code) approved by the Board. The Company's Code of Conduct embodies its values and expectations to which its corporate standards and employee policies are aligned.

The Code has been communicated to Directors and the Senior Management Personnel. An updated version of Code of Conduct, which is available on Company's website in the following link https://www.tvscredit.com/wp-content/uploads/2023/09/Code-of-Business-Conduct-and-Ethics.pdf.

All the Members of the Board and Senior Management Personnel have confirmed compliance with the Code for the year ended 31st March 2026.

Committees of the Board

The Board has constituted Committees with specific terms of reference to focus on specific issues and ensure expedient resolution of diverse matters. These are the Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Risk Management Committee, Asset Liability Management Committee, Information Technology (IT) Strategy Committee, Credit Sanction Committee, Senior Management Committee and Stakeholders Relationship and Customer Service Committee.

Composition of Committees

Name of Committee	Name of Committee members	Category	Chairperson/ Membership	Date of Appointment
Audit Committee	R Gopalan	Independent Director	Chairperson	20-Jul-2019
	Sanjiv Chadha	Non-executive Director	Member	27-Jan-2025
	Kalpana Unadkat	Independent Director	Member	27-Oct-2023
Nomination & Remuneration Committee	Kalpana Unadkat	Independent Director	Chairperson	04-Feb-2022
	Sanjiv Chadha	Non-executive Director	Member	14-July-2025
	B Sriram	Independent Director	Member	04-Feb-2022
Risk Management Committee	K N Radhakrishnan	Non-executive Director	Chairperson	22-Oct-2018
	R Gopalan	Independent Director	Member	11-Jan-2024
	Kalpana Unadkat	Independent Director	Member	28-Jul-2021
	Sanjiv Chadha	Non-executive Director	Member	28-Mar-2025
Stakeholders Relationship and Customer Service Committee	K N Radhakrishnan	Non-executive Director	Chairperson	04-Feb-2022
	R Gopalan	Independent Director	Member	04-Feb-2022
	Kalpana Unadkat	Independent Director	Member	04-Feb-2022
	Ashish Sapra	Director and Chief Executive Officer	Member	12-May-2026
Corporate Social Responsibility Committee	Sudarshan Venu	Non-executive Director	Chairperson	23-Mar-2026
	K N Radhakrishnan	Non-executive Director	Member	27-Mar-2015
	R Gopalan	Independent Director	Member	20-Jul-2019
IT Strategy Committee	B Sriram	Independent Director	Chairperson	28-Jul-2021
	Ashish Sapra	Director and Chief Executive Officer	Member	27-Jan-2025
	K N Radhakrishnan	Non-executive Director	Member	04-Jan-2018
	Sanjiv Chadha	Non-executive Director	Member	28-Mar-2025
Asset Liability Management Committee	Ashish Sapra	Director and Chief Executive Officer	Chairperson	01-Sep-2022
	Sudarshan Venu	Non-executive Director	Member	31-Jan-2013
	B Sriram	Independent Director	Member	12-Oct-2019
Credit Sanction Committee	B Sriram	Independent Director	Chairperson	10-Mar-2020
	Sudarshan Venu	Non-executive Director	Member	10-Mar-2020
	K Gopala Desikan	Group Chief Financial Officer	Member	10-Mar-2020
	Ashish Sapra	Director and Chief Executive Officer	Member	02-Nov-2022

a. **Audit Committee:**

The Company has constituted an Audit Committee in accordance with the provisions of Section 177 of the Act, Regulation 62F of the Listing Regulations and Reserve Bank of India (Non-Banking Financial Companies – Governance)Directions, 2025.

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting.

Brief description of terms of reference:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and inter alia performs the following functions:

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Examination of the financial statement and the auditor's report thereon;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings of assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters; and
- Monitoring, reviewing, recommending and approving all related party transactions and its subsequent modifications, including granting omnibus approval for RPTs having value not exceeding ₹ 1 crore per transaction for a period of one year.

Roles and Responsibilities:

- Oversight of company's financial reporting process and disclosure of its financial information to ensure that the financial statements are fair and transparent, sufficient, and credible;
- The role of the Audit Comitee would include the review and audit the working of the management of the company in terms of the profitability, cost control and performance of credit exposures;
- Recommending the appointment of and removal of external and internal auditors, fixation of audit fee and approval for payment for any other services. Review and monitor the external auditor's independence and performance, and effectiveness of audit process;
- Approval of Annual Plans before it is placed before the Board;
- Approval or any subsequent modification of transactions of the company with related party;
- Reviewing with the management the quarterly and annual financial statements before submission to the Board, focusing, primarily on the following as may be applicable:
  1. Accounting policies and practices followed and any deviations or changes with reference to the earlier policies and practices.
  2. Major accounting entries based on exercise of judgment by management.
  3. Qualifications in draft audit report.
  4. Significant adjustments arising out of audit.
  5. The going concern assumption.
  6. Compliance with accounting standards.
  7. Compliance with the legal requirements concerning financial statements.
  8. Any related party transaction i.e. transactions of Company and its subsidiaries, of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large and omnibus approval for related party transactions of the Company and its Subsidiaries.
- Reviewing with the management, reports of external and internal auditors, and the adequacy of internal control systems;
- Reviewing the adequacy of internal audit function, 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, plan and scope of internal audit;

- Discussion with internal auditors any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud, irregularity, or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with external auditors before the audit commences including on nature and scope of audit and to have post audit discussion to ascertain any area of concern;
- Reviewing the Company's financial and risk management policies. Evaluation of internal financial controls and risk management systems;
- Review of inter-corporate loans and investments;
- Review of Company's asset position, realisability and other related matters in respect of collateral securities, sale of properties etc.;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of dividends declared) and creditors;
- To review the quarterly and annual financial statements before submission to the Board and ensure compliance of internal control systems;
- Authority to investigate into any matter referred to it by the Board; and
- Performing such other activities as may be delegated by the Board and/or prescribed under the Companies Act, the Listing Regulations, RBI Master Directions and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India any other regulatory authority.

Audit Committee also ensures that an Information System Audit of the internal systems and processes is conducted every year to assess operational risks faced by the Company.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the meetings	Members present (M/s)		
	R Gopalan (Chairman)	Kalpana Unadkat	Sanjiv Chadha
24th April 2025	✔	✔	✔
17th June 2025	✔	✔	✔
30th July 2025	✔	✔	✔
27th October 2025	✔	✔	✔
23rd January 2026	✔	✔	✔
23rd March 2026	✔	✔	✔

The matters reviewed and recommended by the Audit Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review were accepted by the Board.

b. Corporate Social Responsibility Committee:

In accordance with the provisions of Section 135 of the Act, read with Rules made thereunder, the Board of Directors of the Company have constituted the Corporate Social Responsibility Committee (CSR Committee). The Committee has formulated and recommended a CSR Policy to the Board and various recommendations of the Committee including the amount of expenditure to be incurred on CSR activities are submitted to the Board for its approval. The Committee has framed a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitors CSR policy from time to time.

Roles and Responsibilities:

- To review, agree and establish the Company's corporate strategy to ensure that CSR is and remains an integral part of its business strategy;
- To review the standards, policies and conduct of the Company relating to the application of CSR principles;
- To review reports of CSR progress and audits of CSR performance against key performance indicators across programme areas;
- To review an annual budget for CSR activities approved by the Board, as part of the overall budget;
- To ensure that the Company's website communicates and reports its CSR

approach and performance in a timely, complete and coherent manner;

- To perform such other function related or incidental to the CSR Policy of the Company, at the request of the Board; and
- To perform all such actions as may be required under the relevant laws as prescribed by the Act, and rules/ regulations as prescribed by various regulators.

Based on the recommendation of the CSR Committee, the Board has approved the projects /programs to be carried out as CSR activities by Srinivasan Services Trust (SST) in compliance with the CSR policy of the Company and contributed ₹16.00 crore constituting more than 2% of average net profits, for the immediate past three financial years, towards CSR spending for the financial year 2025-26.

SST, with over 30 years of service, has played a pivotal role in changing lives of people in many villages in rural India by creating self-reliant communities that are models of sustainable development.

The Company is eligible to spend on their ongoing projects / programmes, falling within the CSR activities specified under the Act, as mandated by the MCA for carrying out its CSR activities.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the meetings	Members present (M/s)			
	Venu Srinivasan* (Chairman)	R Gopalan	K N Radhakrishnan	Sudarshan Venu#
28th April 2025	✔	✔	LOA	NA

LOA - Leave of Absence; NA- Not Applicable

* Mr Venu Srinivasan ceased to be a member of the Corporate Social Responsibility Committee with effect from 3rd February 2026

Mr Sudarshan Venu was appointed as a member and Chairman of the Corporate Social Responsibility Committee with effect from 23rd March 2026

The matters reviewed and recommended in the meetings of the CSR Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review were accepted by the Board.

c. **Nomination and Remuneration Committee:**

The Company has in place the Nomination & Remuneration Committee (NRC) in line with the applicable provisions of Section 178 of the Act and Regulation 62G read with Part D of Schedule II of the Listing Regulations. It was constituted, *inter-alia* to formulate and recommend to the board of directors, the Company's policies relating to identification of directors, key managerial personnel (KMP) and senior management personnel (SMP), one level below the board and remuneration payable to them and the criteria for determining qualifications, positive attributes and independence of a director.

The NRC lays down the evaluation criteria for evaluating the performance of every director, committees of the board and the board as a whole and also the performance of KMP and SMP.

NRC prescribed a peer evaluation methodology by way of set of questionnaires to evaluate the performance of individual Directors, Committee(s) of the Board, Chairman and the Board as a whole. The Board carried out the performance evaluation as per the methodology specified above.

The performance evaluation of the Board as a whole is undertaken based on the criteria like its composition, size, mix of skills and experience, its meeting sequence, effectiveness of discussion, decision making, follow-up action, quality of information, governance issues and reporting by various Committees set up by the Board.

The performance evaluation of individual Director is carried out based on his / her commitment to the role and fiduciary responsibilities as a Board member, attendance and active participation, strategic and lateral thinking, contribution and recommendations given professionally, heading / acting as members of various sub-committees etc.

The performance of SMP was measured against the achievement of the business plans approved by the Board during and at the completion of the financial year and their annual at-risk remuneration reflects their business plan achievements.

The NRC has the overall responsibility for evaluating and approving the compensation plans, policies and programmes applicable to the SMP. The NRC also ensures 'fit and proper' status of proposed and existing directors and on a continual basis and that there is no conflict of interest in appointment of directors, KMP and SMP.

Brief description of terms of reference:

- Guiding the Board of the Company to lay down the terms and conditions in relation to appointment and remuneration of Director(s), KMP and SMP;
- Evaluating the performance of the Director(s) and providing necessary report to the Board for its further evaluation and consideration;
- Oversee the framing, review and implementation of its Board-approved compensation policy;
- Work in close coordination with the Risk Management Committee to achieve effective alignment between compensation and risks;
- Ensure that compensation levels are supported by the need to retain earnings of the NBFC and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP);
- Recommending to the Board on remuneration payable to the Director(s), KMP and SMP of the Company based on (i) Company's structure and financial performance and (ii) remuneration trends and practices that prevail in peer companies across BFSI industry;
- Retaining, motivating and promoting talent among the employees and ensuring the long-term sustainability of talented SMP by the creation of competitive advantage through a structured talent review;
- Devise a policy on diversity in the Board;
- Develop a succession plan for the Board and SMP; and
- Performing such other activities as may be delegated by the Board and/or prescribed under the Act, the Listing Regulations, RBI Master Directions and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India and any other regulatory authority.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the meetings	Members present (M/s)			
	Kalpana Unadkat (Chairperson)	Sudarshan Venu*	B Sriram	Sanjiv Chadha#
28th April 2025	✔	✔	✔	NA

NA-Not Applicable

* Mr. Sudarshan Venu ceased to be a member of NRC Committee with effect from 14th July 2025

Mr. Sanjiv Chadha was appointed as a member of NRC Committee with effect from 14th July 2025

The subjects reviewed and recommended in the meetings of the Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review, were accepted by the Board.

d. **Risk Management Committee:**

The Risk Management Committee has been constituted pursuant to the provisions of Regulation 21 of the Listing Regulations and RBI Master Directions, to frame, implement and monitor the Risk Management Plan of the Company.

The Company has laid down procedures to inform Board about the risk assessment and mitigation procedures, to ensure that Management controls risk through means of a properly defined framework.

This Committee ensures that the risks associated with the functioning of the Company are identified, controlled and mitigated and also lay procedures regarding managing and mitigating the risk through integrated risk management systems, strategies and mechanism.

Roles and Responsibilities:

- To review various risks measures adopted by the Company for identification, measurement, monitoring and mitigation of risks involved in various areas of functioning;
- To approve and review various credit policies including its amendments laid down by the Company and monitor performance levels;
- To review and discuss the issues reported in Asset Liability Management Committee in relation to risk aspects;

- Monitoring risk levels and also reviews of results and progress in implementation of decisions taken in earlier meetings;
- To approve and review Enterprise Risk Management framework inter alia approving Risk rating criteria and review of key risks along with mitigants and Risk register;
- To approve and review Risk management policy and its amendments; and
- All other roles/responsibilities of Risk Management Committee as specified by Listing Regulations, and Circulars/ Directions of Reserve Bank of India as applicable to NBFCs.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the meetings	Members present (M/s)			
	K N Radha-krishnan (Chairman)	R Gopalan	Kalpana Unadkat	Sanjiv Chadha
23rd April 2025	✔	✔	✔	✔
24th July 2025	✔	✔	LOA	✔
27th October 2025	✔	✔	✔	✔
23rd January 2026	✔	LOA	✔	✔

LOA - Leave of Absence

The matters reviewed and recommended in the meetings of the Risk Management Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review, were accepted by the Board.

e. **Asset Liability Management Committee:**

The Company constituted an Asset Liability Management Committee (ALCO), in terms of Guidelines issued by RBI to NBFCs in order to manage liquidity risk, market risks, and other funding /asset related risks for effective risk management in its portfolios.

The roles and responsibilities of the ALCO *inter-alia* include:

- Adherence to the financial and credit limits set by the Board in its operations;
- Deciding business strategy on the assets and liabilities side in line with the budget and risk management objectives of the Company;
- Responsible for balance sheet planning from risk return perspective and asset liability mix position;
- Strategic management of interest rate risks, liquidity risks and other market risks;
- Responsible for business issues like product pricing for its asset and liability products;
- To review funding plan, ALM coverage, Interest rate sensitivity statements, liquidity coverage ratios, fixation of limits and monitoring against limits;
- Approve credit facilities from various banks / financial institutions and to authorize directors / officials of the Company for this purpose subject to the limits delegated by the Board.
- Approve and review ALCO policy and its amendments; and
- All other roles and responsibilities of ALCO as specified by the Reserve Bank of India.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the meetings	Members present (M/s)		
	Ashish Sapra (Chairman)	Sudarshan Venu	B Sriram
28th June 2025	✔	✔	✔
29th September 2025	✔	✔	✔
22nd December 2025	✔	LOA	✔
19th March 2026	✔	✔	✔

LOA- Leave of Absence

The matters reviewed and recommended in the meetings of ALCO were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by ALCO during the year under review, were accepted by the Board.

f. **Information Technology Strategy Committee:**

In line with the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November 2023, issued by Reserve Bank of India, NBFCs are required to establish as a Board-level committee with minimum three directors, who are technically competent as members and an independent director with substantial IT expertise as chairperson of the Committee.

The role and responsibilities of the Information Technology Strategy Committee *inter-alia* include:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Reviewing the effectiveness of IT outsourced operations; and
- All other roles/responsibilities of Information Technology Strategy Committee as specified in Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices and other circulars/directions issued by Reserve Bank of India and applicable to NBFCs.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the meetings	Members present (M/s)			
	B Sriram (Chairman)	Sanjiv Chadha	K N Radha-krishnan	Ashish Sapra
23rd June 2025	✔	✔	✔	✔
29th September 2025	✔	✔	✔	✔
26th December 2025	✔	✔	✔	✔
20th March 2026	✔	✔	✔	✔

The subjects reviewed and recommended in the meetings of the Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review, were accepted by the Board.

g. Credit Sanction Committee

The Company constituted the Credit Sanction Committee (CSC) to consider and approve credit proposals of material nature.

The Committee did not meet during the year under review as there was no requirement which necessitated holding of the meeting.

The Committee consists of the following directors and officials:

S.No.	Name (M/s.)	Status
1.	B Sriram	Chairman
2.	Sudarshan Venu	Member
3.	Ashish Sapra	Member
4.	K Gopala Desikan	Member

h. Senior Management Committee

The Company had constituted the Senior Management Committee to ensure adherence and compliance by monitoring and controlling the outsourcing vendors engaged by the Company in accordance with the requirements of RBI guidelines issued on 9th November 2017 in this regard.

During the year under review, the Committee met four times on 27th June 2025, 27th September 2025, 19th December 2025 and 26th March 2026.

i. Stakeholders Relationship and Customer Service Committee

In terms of Regulation 62H of Listing Regulations, the Company had constituted Stakeholders Relationship Committee. The Board of Directors at its meeting held on 12th May 2026, re-designated the Committee as 'Stakeholders Relationship and Customer Service Committee' and enhanced its terms of reference to include monitoring of customer grievances and customer service matters in addition to discharging the responsibilities of Stakeholders' Relationship Committee under Listing Regulations. The enhanced terms of reference for the Committee are as follows:

- To Resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, general meetings etc;

- To review measures taken for effective exercise of voting rights by shareholders;
- To review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review grievance redressal and issues bearing on the quality of services rendered by the Company to its customers;
- To review periodic reports submitted by Internal Ombudsman (IO), review the cases where decision of the IO was rejected by the Company;
- To review customer complaints and status of redressal of such complaints, along with root cause analysis, reviewing awareness/ sensitisation programmes conducted;
- To review periodic reports on customer requests and their disposal across channels, turnaround times, ageing and pendency, assessing quality of resolution and customer satisfaction outcomes;
- To oversee and guide implementation of service enhancement initiatives across the Company;
- Customer Feedback including Net Promoter Score (NPS), its movement and periodic customer service feedback analysis including social media monitoring and review of turnaround time (TAT) for customer requests and complaints;
- To review and monitor key projects and strategic initiatives undertaken by the Company to enhance customer experience, including progress against defined milestones, impact on service quality, and alignment with overall customer service objectives;
- Consumer court cases, litigation related to customer service Audit observations (RBI, internal, statutory, etc.) linked to customer service;
- Review and renewal of customer-related policies and recommendation to the Board;
- Benchmarking with peers and best practices and process efficiencies observed in the market; and
- Performing such other activities as may be delegated by the Board and/or prescribed under the Act, the Listing Regulations, RBI Master Directions and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Government of India including Securities and Exchange Board of India, Reserve Bank of India any other regulatory authority.

Mr. Ashish Sapra was appointed a member of the Committee effective 12th May 2026. Composition of the Stakeholders Relationship Committee and attendance of the members at Committee meetings are as follows:

Date of the meetings	Members present (M/s)			
	K N Radha-krishnan (Chairman)	Kalpana Unadkat	R Gopalan	Ashish Sapra
22nd September 2025	✓	LOA	✓	NA

LOA- Leave of Absence; NA-Not Applicable

There were no investor complaints received during the year 2025-26.

iii) General body meeting:

Location and time where AGMs were held during the last three years:

Year	Venue of the meeting	Date	Time
2022-23	Registered Office	17th July 2023	10.00 AM
2023-24	Registered Office	7th August 2024	04.00 PM
2024-25	Registered Office	30th July 2025	04.00 PM

Special resolutions passed in the previous three AGMs:

Year	Subject Matter of Special Resolution	Date of AGM
2022-23	-	17th July 2023
2023-24	-	7th August 2024
2024-25	-	30th July 2025

Special resolutions passed at the EGMs during the Financial Year:

Date	Place	Subject Matter of Special Resolution
29th October 2025	Registered Office	1. Approval for issue of equity shares on a private placement basis 2. Approval for change of Registered Office from one State to Another

Date	Place	Subject Matter of Special Resolution
18th February 2026	Registered Office	Approval for amendment to the object clause of the Memorandum of Association (MOA) of the Company

iv) **Means of communication to shareholders**

The Board believes that effective communication of information is an essential component of corporate governance. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, Company's website and specific communications to Stock Exchange, where the Company's securities are listed.

Quarterly results:

The Company's quarterly/half-yearly/annual financial results were sent to the Stock Exchange and were published in English newspaper. They are also available on the website of the Company.

Newspapers wherein results are normally published:

The results are normally published in Business Standard and are also available on the website of the Company.

Website:

The Company is maintaining a functional website www.tvscredit.com. This website contains all the information and other details as may be required under the Regulation 62 of Listing Regulations. The Company ensures that the contents of this website are periodically updated.

v) **General shareholder information:**

AGM Date and time	:	20th July 2026 at 4.00 P.M
Financial year	:	1st April to 31st March
Financial calendar	:	2026-27
Financial reporting for the quarter ending		
30th June 2026	:	On or before 14th August 2026
30th September 2026	:	On or before 14th November 2026
31st December 2026	:	On or before 14th February 2027
31st March 2027	:	On or before 30th May 2027

Particulars of dividend payment:

The Company has not declared any dividend to its Shareholders.

vi) Listing on Stock Exchanges:

Name and address of the Stock Exchange	Stock Code / Symbol	
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051 | Tel.: 91 22 2659 8100 | Fax : 91 22 2659 8120	As only the Non-Convertible Debentures are listed and Equity Shares of the Company are not listed, the stock code is not applicable.	
ISIN allotted by Depositories (Company ID Number) for Non- Convertible Debentures (NCD) listed with NSE as on 31st March 2026	1. INE729N08030 2. INE729N08048 3. INE729N08055 4. INE729N08063 5. INE729N08071 6. INE729N08089 7. INE729N08097 8. INE729N07057	9. INE729N08105 10. INE729N08113 11. INE729N07065 12. INE729N07073 13. INE729N07081 14. INE729N07099 15. INE729N07107

(Note: Annual listing fees and custodial charges for the year 2025-26 were duly paid to the NSE and Depositories)

vii) Market price data and Share price performance in comparison to broad based indices - NSE Nifty and BSE Sensex: Not applicable as the Equity Shares of the Company are not listed.

viii) Suspension of Securities from trading: During the FY 2025-26, none of the securities of the Company were suspended from trading.

ix) Share Transfer Agents and Share Transfer System:

In terms of Regulation 7 Listing Regulations, the Company has appointed Integrated Registry Management Services Limited, as the Share Transfer Agent of the Company for Shares and Cameo Corporate Services Limited as Registrar and Transfer Agent for Debentures. They continue to be the Registrar and Share Transfer Agents and handle all relevant corporate registry services for the Company.

x) Distribution of Shareholding

Shareholding (Range)	No. of Members	%	No. of Equity Shares	%
Up to 5000	4*	21.05	40	0.00
5001-10000	1	5.26	8,516	0.00
10001-20000	1	5.26	17,032	0.01

Shareholding (Range)	No. of Members	%	No. of Equity Shares	%
20001-50000	3	15.79	1,16,332	0.05
50001-100000	2	10.53	1,02,190	0.04
100001 & above	8	42.11	23,94,23,375	99.90
Total	**19**	**100.00**	**23,96,67,485**	**100.00**

*The shares are held by 4 individuals as nominees of TVS Motor Services Limited.

Shareholding (Range)	No. of Members	%	No. of Compulsorily Convertible Preference Shares	%
Up to 5000	-	-	-	-
5001-10000	-	-	-	-
10001-20000	-	-	-	-
20001-50000	-	-	-	-
50001-100000	-	-	-	-
100001 & above	2	100	1,83,84,684	100.00
Total	**2**	**100**	**1,83,84,684**	**100.00**

xi) Dematerialization of shares and liquidity:

The Company has provided its Shareholders the option to hold their equity shares in dematerialised form and as on 31st March 2026 all the shares forming part of the paid-up capital of the Company are in dematerialised form.

xii) The Company has not issued any Global Depository Receipt / American Depository Receipt/ Warrant or any convertible instrument, which is likely to have impact on the Company's Equity Share Capital except 1,83,84,684 Compulsorily Convertible Preference Shares of ₹ 10/- each.

xiii) List of Credit Rating:

The credit rating details are disclosed in the Financial Statements forming part of this Annual Report.

xiv) Fees paid to Statutory Auditor on a consolidated basis:

During the year, the Company has paid ₹ 1 crore to the Statutory Auditors for all services received by the Company and its subsidiaries, on a consolidated basis.

xv) Sexual Harassment at workplace:

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), as amended, Company has a robust mechanism in place to redress complaints reported under it. The details of case of sexual harassment reported during the financial year 2025-26 are as under:

No. of Complaints	-
No. of Complaints resolved	-
No. of Complaints pending for more than 90 days	-

In terms of the provisions of POSH, an Internal Complaints Committee is constituted by the Company to consider and resolve the sexual harassment complaints.

xvi) Non-mandatory disclosures

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

a. The Board:

Mr K N Radhakrishnan, Non-Executive Director as on 31st March 2026, is liable to retire by rotation as per the provisions of the Act.

b. Shareholder rights:

The quarterly results of the Company are published in newspapers as soon as they are approved by the Board and are also uploaded on the Company's website namely www.tvscredit.com. The results are not sent to the shareholders individually.

c. Audit qualifications:

There were no audit qualifications during the financial year under review.

d. Reporting of internal auditor:

The reporting of internal auditor is in accordance with the RBI Circular on Risk based Internal Audit.

xvii) Disclosure on compliance with the issue of Debt securities for incremental borrowings by Large Corporates:

The Company has been considered as a Large Corporate (LC) as per the applicable SEBI guideline and is required to raise not less than 25% of its incremental borrowings made during the financial year (T), by way of issuance of debt securities within 3 years (T + 2 yrs).

During the year under review, the Company availed a sum of ₹ 6,100 crore as eligible incremental Long-Term Borrowings and has raised ₹ 1,075 crore through issuance of listed debt securities. The Company will raise the remaining amount to be raised through listed debt securities within the regulatory timeline of 31st March 2028.

xviii) Other Disclosures

a. Materially significant related party transactions:

All transactions entered into with related parties, as defined under the Act and the Listing Regulations, during the financial year 2025-26 were in the ordinary course of business and at arm's length and do not attract the provisions of Section 188 of the Act and the rules made thereunder.

The transactions with the related parties, namely its promoters, its holding, subsidiary and associate companies etc., have been reported in the Annual Report, as per Indian Accounting Standard 24 (IND AS 24) notified vide the Companies (Indian Accounting Standard) Rules, 2015.

Related Party Transaction Policy

During the financial year, there were no materially significant related party transactions or pecuniary relationships between the Company and its Directors that could potentially conflict with the interest of the Company. Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has, on recommendation of its Audit Committee, adopted a policy for dealing with related party transactions and the said policy is available on the website of the Company at https://www.tvscredit.com/wp-content/uploads/2025/05/Related-Party-Transactions-Policy.pdf

All related party transactions are placed before the Audit Committee on quarterly basis. Transactions with related parties, as per the requirements of Ind-AS and Regulation 53(1)(f) of Listing Regulations, are disclosed in notes to accounts annexed to the Financial Statements.

All the related party transactions that were entered into during the financial year were on arm's length basis and in ordinary course of business. There were no materially significant transaction requiring approval of Shareholders during the year.

b. Pecuniary relationships or transactions with IDs vis-a-vis the Company during the year under review, do not exceed the threshold limit as laid down under the Listing Regulations.

c. There were no instances of non-compliance by the Company or penalty and stricture imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on any matter related to the capital markets, during the last three years.

d. Loans and advances in the nature of loans to firms/companies in which Directors are interested in by name and amount-Nil.

e. The Company has complied with all applicable mandatory requirements in terms of the Listing Regulations. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed in this Report.

f. The Company does not engage in trading or dealing in commodities and hence is not exposed to commodity price risk.

However, during the financial year, the Company entered into derivative transactions with a counterparty to hedge its foreign exchange and interest rate risks arising out of External Commercial Borrowings (ECBs). These ECBs are fully hedged, thereby eliminating exposure to foreign exchange fluctuations.

g. Material Subsidiaries

The Board has duly formulated a policy for determining 'material subsidiaries'. As per the amended Listing Regulations 2015, material subsidiary means a subsidiary whose turnover or net worth exceeds 10% of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

As per the above definition, the Company does not have any subsidiary whose turnover or net worth exceeds 10% of the consolidated turnover or net worth respectively.

Copy of the Material Subsidiary policy is available on the Company's website at https://www.tvscredit.com/wp-content/uploads/2023/08/14-Determination-of-Material-Subsidiary.pdf.

h. Succession Planning

The Company has in place Succession Planning Policy for appointments to the Board and to the Senior Management.

xix) Branch Locations:

The Company has a PAN India presence with offices at 190 locations in the Country.

xx) Address for investor correspondence:

	For transfer / dematerialisation of securities, payment of dividend/ interest on securities and any other query relating to the securities of the Company	:	Equity Shares: Integrated Registry Management Services Limited, Share Transfer Agent (STA) Unit: TVS Credit Services Limited Chennai – 600 006 Debentures: Cameo Corporate Services Limited 'Subramanian Building', No. 1, Club House Road, Chennai- 600 002
	For non-receipt of annual report	:	Equity Shares: corpserv@integratedindia.in Debentures: investor1@cameoindia.com
	For investors' grievance & general correspondence	:	Equity Shares: corpserv@integratedindia.in Debentures: investor1@cameoindia.com
	Debenture Trustees	:	Beacon Trusteeship Limited Address: 5W, 5th Floor, The Metropolitan Building, E Block BKC, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra 400051 E-mail: compliance@beacontrustee.co.in IDBI Trusteeship Services Limited Address: Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Road, Fort, Mumbai, Maharashtra - 400001 E-mail: teamolive@idbitrustee.com

xxi) Pursuant to the guidelines on 'Fair Practices Code' issued by RBI, the Company has adopted a Fair Practices Code, which is posted on the website of the Company and a regular review on the implementation of the same is conducted by the Risk Management Committee.

xxii) The Company has adopted a Code of Conduct for employees of the Company and due care is taken that the employees adhere to it.

xxiii) The Company has fulfilled the prudential norms and standards as laid down by RBI pertaining to income recognition, provisioning of non-performing assets and capital adequacy.

The Capital Adequacy Ratio of the Company is in compliance with the limit prescribed by RBI. The Fair Practices Code and KYC norms framed by the Company seek to promote good and fair practices by setting minimum standards in dealing with customers, increase transparency so that customers have a better understanding of what they can reasonably expect of the services being offered, encourage market forces through competition to achieve higher operating standards, promote fair and cordial relationships between customers and the Company and foster confidence in the finance system.

The Company has put in place a mechanism to monitor and review adherence to the Fair Practices Code, KYC norms and Credit policies as approved by the Board of Directors.

xxiv) The Board of Directors of the Company reviews, records and adopts the minutes of the meetings of various committees constituted by the Company.

xxv) Remuneration to Directors:

Criteria for remuneration to Directors:

The Non-Executive / Independent Director(s) receive remuneration by way of fees for attending meetings of Board or any Committee in which Director(s) is member.

In addition to the sitting fees, the Non-Executive Independent Director(s) shall be entitled to commission from the Company subject to the monetary limit approved by shareholders of the Company and aggregate commission amount would not exceed the limit as prescribed under the provisions of the Act.

Executive Directors:

The remuneration payable to Director and CEO is fixed by the Board and is within the limits approved by the Shareholders in terms of the relevant provisions of the Act read with the Listing Regulations.

Particulars of remuneration to Executive Director for the financial year 2025-26 has been disclosed under the section 'Board of Directors' in this report.

Non-Executive Directors:

Sitting fees

The Non-Executive Directors (NEDs) are paid sitting fees of ₹ 20,000/- for each meeting of Board and Committee thereof attended by them, which is within the limits, prescribed under the Act. The Board at its meeting held on 12th May 2026, based on the recommendation of the Nomination and Remuneration Committee, approved the payment of sitting fees of ₹50,000/- for each meeting of the Board and Committees thereof attended by NEDs.

Commission

The Company benefits from the expertise, advice and inputs provided by IDs. IDs devote their valuable time in deliberating on strategic and critical issues in the course of Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company, from time to time and hence IDs are being paid by way of sitting fees and commission.

The Board at its meeting held on 12th May 2026, based on the recommendation of the Nomination and Remuneration Committee, approved the payment of commission of ₹ 30,00,000/- each to the Non-Executive Independent Directors of the Company for the year ended 31st March 2026. The amount of commission for every financial year will be decided by the Board, as approved by the shareholders at General Meeting held on 27th July 2020, subject to the limit of 1% of net profits of the Company, in aggregate, as calculated pursuant to Section 198 of the Act. The above compensation structure is commensurate with the best practices in terms of remunerating IDs and adequately compensates for the time and contribution made by IDs.

None of the NEDs have been paid remuneration exceeding 50% of the total annual remuneration payable to all NEDs of the Company.

The Board at its meeting held on 14th October 2024, based on the recommendation of the Nomination and Remuneration Committee, approved the 'TVS Credit Employee Stock Option Plan' with a view to reward, attract, motivate and retain employees of the Company and the same was approved by the shareholders vide a special resolution on 11th November 2024.

xxvi) None of the NEDs, except Mr. K N Radhakrishnan who holds shares on behalf of TVS Motor Services Limited, holds equity shares of the Company. The details of remuneration paid to NEDs are included in the table under para no. ii.

xxvii) Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:

Dr Deepali Pant Joshi, Independent Director resigned from the Company with effect from 6th November 2025 to pursue other interests. Her resignation letter confirms that there is no other material reason for her resignation.

xxviii) Details of non-compliance with requirements of Companies Act, 2013:

There has been no default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

xxix) Vigil Mechanism and Whistle Blower Policy:

Over the years, the Company has established a reputation for doing business with integrity and displays zero tolerance for any form of unethical behaviour. Vigil mechanism has been instituted by the Company to report concerns about unethical behaviour in compliance with the requirements of the Act and the Listing Regulations. The Audit Committee oversees the functioning of this policy. Protected disclosures can be made by a whistle-blower through several channels to report actual or suspected frauds and violation of the Company's Code of Conduct.

Copy of the said Policy is available in the Company's website in the following link https://www.tvscredit.com/wp-content/uploads/2025/02/Whistleblower-Policy.pdf

xxx) **Details of penalties and strictures:**

There were no penalties or strictures imposed on the Company by the Reserve Bank of India or any other Statutory Authority.

xxxi) **Breach of covenant:**

There have been no instances of breach of covenant of loan availed or debt securities issued.

xxxii) **Divergence in Asset Classification and Provisioning:**

As per the last available RBI Supervisory Report for the Financial Year 2024-25, there is no divergence in asset classification and provisioning assessed by RBI.

xxxiii) The certification from Mr. Ashish Sapra, Director and Chief Executive Officer and Ms. Roopa Sampath Kumar, Chief Financial Officer on the financial statements has been obtained.

xxxiv) For further clarification / information, stakeholders are requested to visit the Company's website at https://www.tvscredit.com/

Annexure - VI to the Directors' Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 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
TVS CREDIT SERVICES LIMITED
Jayalakshmi Estates, 29, Haddows Road,
Nungambakkam, Chennai – 600006

Dear Sirs

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practice by TVS Credit Services Limited, (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliance 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 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 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 Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

iii) The provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iv) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to high value debt listed entities.

v) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

vi) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable to debt listed companies;

Besides this, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company viz.,

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

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

c) The Securities and Exchange Board of India (Share based employee Benefits and Sweat Equity) Regulations, 2021;

d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

The Company has complied with the provisions of the other laws as applicable to the Company which inter alia includes:

(a) Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 effective from October 2023 and other directions/regulations issued by Reserve Bank of India applicable for Middle Layer NBFC;

(b) Compliance under Prevention of Money Laundering Act, (PMLA) 2002 for the purpose of compliance with the obligations under Know your Customer Norms/ Anti-Money Laundering (AMC) standards & Fair Pricing Code (FPC) and Combating of Finance of Terrorism (CFT) obligations under PMLA,2002;

(c) Labour laws & Contract Labour (Regulations & Abolition) Act, 1970 as applicable;

(d) Indian Stamp Act and Rules;

(e) Motor Vehicles Act, 1938;

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

Further, during the year under review, the Company has listed its Non-Convertible Debentures with National Stock Exchange of India Ltd.

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

i) The Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India in terms of Sub-Section (10) of Section 118 of the Companies Act, 2013, for the financial year under review;

ii) The Company has listed its Commercial Papers with National Stock Exchange of India Ltd (NSE) pursuant to SEBI circular dated 22nd October, 2019. The Company has duly complied with the compliances as prescribed in the above-mentioned circular.

From the verification of records and as per the information and explanation furnished to us, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, wherever applicable.

We further report that: -

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

2) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and in case where meeting was held on shorter notice, necessary compliances as per the act and standards have been complied with 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.

3) Majority decisions are carried through while passing all the resolutions of the Board/ Committees. However, on perusal of the minutes of the Board or Audit Committee or Nomination & Remuneration Committee, or Asset Liability Management Committee, or Corporate Social Responsibility Committee meetings or Risk Management Committee, it was observed that there was no dissenting note made by any of the members.

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

Place : Chennai
Date : 12th May 2026

Name of the Company Secretary:

B CHANDRA
Certificate of Practice No. 7859
Partner
B Chandra & Associates
Firm Regn No P2017TN065700
UDIN: A020879H000332938
PEER REVIEW NUMBER 1711/2022

To
The Members
TVS CREDIT SERVICES LIMITED
Jayalakshmi Estates, 29, Haddows Road,
Nungambakkam, Chennai – 600006

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 representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. 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 Standards.

Place : Chennai
Date : 12th May 2026

Name of the Company Secretary:

B CHANDRA
Certificate of Practice No. 7859
Partner
B Chandra & Associates
Firm Regn No P2017TN065700
UDIN: A020879H000332938
PEER REVIEW NUMBER 1711/2022

Annexure VII to the Directors' Report

Statement of Disclosure relating to Employees Stock Option Scheme in accordance with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 as on 31st March 2026

(a)	Options granted	2,97,408
(b)	Options vested	33,022
(c)	Options exercised	Nil
(d)	The total number of shares arising as a result of exercise of option	Not Applicable
(e)	Options lapsed	Not Applicable
(f)	The exercise price	Not Applicable
(g)	Variation of terms of options	Not Applicable
(h)	Money realized by exercise of options	Not Applicable
(i)	Total number of options in force	2,97,408
(j)	Employee wise details of options granted to:	
	(i) Key Managerial Personnel;	2,97,408
	(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year;	Nil
	(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nil

TVS CREDIT

Mumbai doesn’t stop during the monsoon.
With a paperless process, your laundry doesn’t pause either.

Don't let the monsoon win over. Our **Consumer Durable Loans** with easy paperless process make sure that fresh clothes never take a rain check.

PAPERLESS* PROCESS	**NO COST*** EMIs	**2-MINUTE*** LOAN APPROVAL

*Images used are for representative purposes

*Terms and conditions apply

**Goa is always about relaxing.
With quick approvals, driving there together becomes hassle-free.**

A getaway to India's favourite destination is every family's desire. Fast approvals on our **Used Car Loans** make sure they get there comfortably, together.

UP TO 90%*	MINIMAL	FAST*
LOAN TO VALUE	DOCUMENTATION	LOAN APPROVAL

*Images used are for representative purposes

*Terms and conditions apply

To the Members of TVS Credit Services Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of TVS Credit Services Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and notes to the Standalone Financial Statements, and a summary of the 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 the 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 31st March 2026, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit matters

Key audit matters are those matters that, in our professional judgement, 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 matters	How our audit addressed the Key matters
Impairment Loss Allowance Management's judgements in the calculation of impairment allowances have significant impact on the Standalone Financial Statements. The estimates regarding impairment allowances are complex and require a significant degree of judgement, which increased with implementation of Expected Credit Loss ("ECL") approach as required by Ind AS 109 relating to "Financial instruments." Management is required to determine the expected credit loss that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset.	We obtained an understanding of management's assessment of impairment of loans and advances including the internal model, impairment allowance policy and ECL modelling methodology. We verified the appropriateness of the methodology and models used by the Company and assessed reasonableness of the assumptions used within the computation process to determine the impairment loss allowance as per the requirements of Ind AS 109 'Financial Instruments' and ECL policy of the Company. We tested, on a sample basis, the completeness and accuracy of the source data used.

Key Audit matters	How our audit addressed the Key matters
The key areas of judgement include: 1. Categorization of loans in Stage I, II and III based on identification of: (a) exposures with significant increase in credit risk since their origination and (b) Individually impaired / default exposures. 2. Techniques used to determine Loss Given Default ('LGD') and Probability of Default ('PD') to calculate an ECL based on experience. 3. The impact of different future macroeconomic conditions in the determination of ECL. Quantitative factors like days past due, behaviour of the loan portfolio, historical losses incurred on defaults, macro-economic data points and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro-economic variables to determine expected losses, probability weights applied to reflect future economic conditions, judgement in relation to Management overlays and related Reserve Bank of India ('RBI') guidelines, to the extent applicable, etc. are also taken into account in the ECL computation.	We recomputed the impairment loss allowance for a sample of loans spread across the portfolios, to check the arithmetical accuracy and compliance with the ECL methodology approved by the Board of Directors of the Company; We also assessed the approach of the Company for categorization of the loans in various stages reflecting the inherent risk in the respective loans. As a result of the above audit procedures no material differences were noted. We confirm the adequacy of disclosures made in the financial statements.

Key Audit matters	How our audit addressed the Key matters
Management has made several interpretations and assumptions when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions. Given the significance of judgements and the high complexity related particularly to the calculation of ECL we considered this area as a Key Audit Matter.	
IT Systems and Controls The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems. Any control lapses, Validation failures, incorrect input data and wrong extraction of data may result in the financial accounting and reporting records being misstated. Given the complexity of the IT systems and high level of dependency on these systems for processing of financial transactions and their impact on the financial reporting process, we considered this area as a Key Audit Matter.	We tested a sample of key controls operating over the information technology in relation to key financial accounting and reporting systems including system reconciliation and system application controls. Reliance was also placed on the System Audit report of the Company covering user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. Based on our review no material weakness was found in the IT Systems and Controls.

Information Other than the Standalone 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 Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, the relevant circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management 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 management 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 Responsibility for the Audit of Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors 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.

Other Matters

One of the joint statutory auditors has not audited the comparative Standalone Financial Statements for the year ended 31st March 2025. The comparative Standalone Financial Statements for the year ended 31st March 2025 were audited by the previous joint statutory auditors whose report dated 28th April 2025 expressed an unmodified opinion on those Standalone Financial Statements.

Our opinion on the Standalone Financial Statements is not modified in respect of the above matter.

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 of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" to this Report, a statement on the matters specified in para 3 and 4 of the said 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;

   (b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) the Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of accounts;

   (d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;

   (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 Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure

B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Standalone Financial Statements.;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 in Note no.43.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The derivative contracts being in the nature of the hedge contracts, the company does not anticipate any material losses from the same.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.

iv a) The management has represented that, to the best of its knowledge and belief, 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 on behalf of the Ultimate Beneficiaries.

b) The management has represented, that, to the best of it's knowledge and belief, 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 or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

(i) The Company has not declared or paid any Dividend during the year.

(j) With respect to Rule 11(g) of Companies (Audit & Auditors) Rules,2014, on maintenance of audit trail, transaction and edit log, based on our examination which included test checks, the company has used multiple accounting software for maintaining its books of accounts which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Date: 12.05.2026
Place: Chennai

UDIN: 26201825XQIISH4272

For **Suri & Co.,**
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Date: 12.05.2026
Place: Chennai

UDIN: 26229694MPZEMR6407

With reference to the Annexure A referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements" of the Independent Auditor's report to the members of TVS Credit Services Limited on the Standalone Financial Statements for the year ended 31st March 2026, we report that:

(i) (a) (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-to-use assets.

(B) The company is maintaining proper records showing full particulars of Intangible Assets.

(b) Property, Plant and Equipment and Right-to-use assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed.

(c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.

(d) The Company has not revalued any of its Property Plant and Equipment (including Right-to-use assets) and Intangible assets during the year.

(e) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management, no proceedings has been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Hence reporting under this clause is not applicable.

(ii) a) The company does not have any inventory and hence reporting under this clause is not applicable.

b) During the year, the company had availed working capital limits in excess of Rs.5 Crores from banks and financial institutions on the basis of security of current assets. The quarterly returns and the statements submitted to lenders are in agreement with the books of accounts of the respective quarters and no material discrepancies have been observed.

(iii) The Company has not provided any guarantee or security but has made investments and granted loans or advances in the nature of loans, secured, to companies, firms, Limited Liability Partnerships or any other parties. The reporting as required under this clause is given below:

a) Clause 3(iii)(a) is not applicable to the company since the company's principal business is to give loans.

b) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest.

c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular except for the instances where there are delays or defaults in repayment of principal and/ or interest. In respect of such cases, the Company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification.

d) The amounts overdue for more than 90 days aggregating principal repayment and interest payments is Rs. 353.48 Crores. In our opinion reasonable steps have been taken by the company for recovery of principal and interest.

e) The Company is a NBFC, whose principal business is to provide loans. Hence, reporting under clause 3(iii)(e) is not applicable.

f) The company has not given loans

or advances in the nature of loans repayable on demand or without specifying the terms or period of repayment. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) The company has complied with the provisions of Section 186(1) of the Act in respect of the investments made. The company has not made investment through investment companies. There are no loans, guarantees given and securities provided in respect of which provisions of Section 185 and 186 of the Companies Act,2013 are applicable.

(v) The Company has not accepted any deposits within the meaning of sections 73 to 76, or any other relevant provisions of the Act and the rules framed thereunder.

(vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Act for the business activities carried out by the Company. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.

(vii) a) In our opinion, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' State Insurance, Income Tax, Cess and any other statutory dues applicable to it during the year with appropriate authorities. There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us there are no dues referred to in sub-clause (a) above which have not been deposited with the appropriate authorities on account of disputes except for:

Name of Statute	Nature of dues	Amount disputed (Rs. In crores)	Amount unpaid* (Rs. In crores)	Period to which the amount relates	Forum where the dispute is pending
Goods and Service Act, 2017	Goods and Service Act Dues	0.66	0.59	2017-18	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	1.32	1.23	2018-19	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	0.22	0.20	2019-20	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	2.09	1.95	2020-21	Commissioner (Appeals)
Goods and Service Act, 2017	Goods and Service Act Dues	0.10	0.09	2021-22	Commissioner (Appeals)
Finance Act, 1994	Service Tax Dues	4.08	3.93	2011-12 to 2014-15	Customs Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Dues	1.45	1.32	2015-16	Customs Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Dues	0.24	0.21	2016-17	Customs Excise and Service Tax Appellate Tribunal

Name of Statute	Nature of dues	Amount disputed (Rs. In crores)	Amount unpaid* (Rs. In crores)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax Dues	0.84	0.76	2016-17 to 2017-18	Customs Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Dues	1.44	-	2017-18	CIT (Appeals)
Income Tax Act, 1961	Income Tax Dues	15.76	-	2019-20	CIT (Appeals)

*Net of amount paid under protest

(viii) There was no transactions which were not recorded in the books of accounts or surrendered as Income during the year in the tax assessments under Income Tax Act.

(ix) a) Based on our examination of the books of accounts and other records of the company, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management, the company has not been declared as a willful defaulter by any bank, financial institution, or any other lender.

c) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management, term loans obtained were applied for the purposes which it was obtained.

d) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management. No funds raised on short term basis have been utilised for long term purposes.

e) Based on our examination of the books of accounts and other records of the company and based on the information and explanation provided by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The company has not raised loans during the year on pledge of securities held in its subsidiaries companies.

(x) a) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer during the year.

b) The Company has made preferential allotment of equity shares. The Requirements of Section 42 and 62 of the Companies Act have been duly complied with by the Company. Based on our examination of the books of accounts and other records of the Company and according to the information and explanations provided by the management, the funds raised have been used for the purposes for which the funds were raised.

(xi) a) No fraud by the company or no material fraud on the company has been noticed or reported during the year other than the instances of fraud noticed and reported by the management to the regulator.

b) No report under sub section (12) of Section 143 of the Companies Act in form ADT-4 was filed as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) 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, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.

(xii) The Company is not a Nidhi Company. Hence, clauses 3(xii)(a),(b),(c) of the Order are not applicable.

(xiii) The transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

(xiv) a) 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) According to the information and explanations given to us by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors during the year.

(xvi) a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has obtained registration.

b) During the year, the Company has not conducted any non-banking financial activities or housing financial activities without a valid Certificate of Registration ('CoR') from the RBI as per the RBI Act, 1934.

c) The company is not a Core Investment Company, hence reporting under clause 3(xvi)(c) is not applicable.

d) The Group does not have more than one Core Investment Companies as a part of the group.

(xvii) The company has not incurred cash losses during the year and the immediately preceding financial year.

(xviii) There was no resignation of statutory auditors during the year.

(xix) On the basis of our evaluation of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of Board of Directors and Management plans, we are of the opinion that, no material uncertainty exists as on the date of audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) a) There is no unspent amount of Corporate Social Responsibility expenditure which requires to be transferred to a fund specified in schedule VII to the Companies Act,2013.

b) The company does not have any ongoing project for CSR. Hence reporting under this clause is not applicable.

For **Brahmayya & Co.,**	For **Suri & Co.,**
Chartered Accountants	Chartered Accountants
Firm Registration No. 000511S	Firm Registration No. 004283S
K Jitendra Kumar	**Sanjeev Aditya M**
Partner	Partner
Membership No. 201825	Membership No. 229694
Date: 12.05.2026	Date: 12.05.2026
Place: Chennai	Place: Chennai
UDIN: 26201825XQIISH4272	UDIN: 26229694MPZEMR6407

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 with reference to Standalone Financial Statements of TVS Credit Services Limited ("the Company") as of 31st March 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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 Standalone Financial Statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 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 Standalone 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 with reference to Standalone Financial Statements, 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 Standalone Financial Statements were 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 Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements includes obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial controls with reference to Standalone Financial Statements

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

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31st March 2026, 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 issued by the Institute of Chartered Accountants of India.

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Date: 12.05.2026
Place: Chennai

UDIN: 26201825XQIISH4272

For **Suri & Co.,**
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Date: 12.05.2026
Place: Chennai

UDIN: 26229694MPZEMR6407

(All amounts in ₹ crores, unless otherwise stated)

S. No.	Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
	ASSETS			
1	**Financial assets**			
(a)	Cash and cash equivalents	4	3,327.50	3,590.32
(b)	Bank balance other than (a) above	5	0.21	5.95
(c)	Derivative financial instruments	6	103.43	-
(d)	Receivables			
	i) Trade receivables	7	214.66	141.25
(e)	Loans	8	30,285.47	26,298.84
(f)	Investments	9	313.37	299.75
(g)	Other financial assets	10	29.56	28.28
	Total		**34,274.20**	**30,364.39**
2	**Non-financial assets**			
(a)	Current tax assets (net)	11	8.20	11.03
(b)	Deferred tax assets (net)	12	482.01	408.64
(c)	Investment property	13	83.58	85.16
(d)	Property, plant and equipment	14A	72.14	45.07
(e)	Right-to-use asset	14A	70.33	65.19
(f)	Capital work-in-progress	14B	0.63	2.40
(g)	Intangible assets under development	14B	1.90	10.96
(h)	Other intangible assets	14A	47.00	2.53
(i)	Other non-financial assets	15	28.10	48.33
	Total		**793.89**	**679.31**
	Total assets		**35,068.09**	**31,043.70**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial liabilities**			
(a)	Derivative financial instruments	6	-	2.24
(b)	Payables			
	I. Trade payables			
	i) total outstanding dues of micro enterprises and small enterprises	16	29.60	26.08
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	16	979.89	1,061.22
(c)	Debt securities	17	3,309.86	2,625.39
(d)	Borrowings (other than debt securities)	18	22,088.05	19,792.47
(e)	Subordinated liabilities	19	2,269.96	2,269.31
(f)	Other financial liabilities	20	209.85	221.34
	Total		**28,887.21**	**25,998.05**
2	**Non-Financial Liabilities**			
(a)	Provisions	21	75.15	59.58
(b)	Other non-financial liabilities	22	38.10	38.15
	Total		**113.25**	**97.73**
3	**EQUITY**			
(a)	Equity share capital	23	239.67	236.27
(b)	Instruments entirely equity in nature	23	18.38	18.38
(c)	Other equity	24	5,809.58	4,693.27
	Total		**6,067.63**	**4,947.92**
	Total liabilities and equity		**35,068.09**	**31,043.70**
See accompanying notes to the standalone financial statements				
Material accounting policies forming part of standalone financial statements		3		
Additional Notes forming part of standalone financial statements		43		

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Place : Chennai
Date : 12th May 2026

Sudarshan Venu
Chairman
DIN-03601690

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in ₹ crores, unless otherwise stated)

S. No.	Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
	Revenue from operations			
i)	Interest income	25	6,213.35	5,775.97
ii)	Fees and commission income	26	823.77	736.46
iii)	Net gain on fair value changes	27	154.02	92.32
I)	**Total revenue from operations**		**7,191.14**	**6,604.75**
II)	Other income	28	4.86	3.93
III)	**Total income (I + II)**		**7,196.00**	**6,608.68**
	Expenses			
i)	Finance costs	29	1,934.29	1,863.32
ii)	Fees and commission expenses		473.14	527.16
iii)	Impairment of financial instruments (net)	30	1,156.59	1,295.36
iv)	Employee benefits expenses	31	1,274.23	1,135.58
v)	Depreciation and amortization expenses	32	56.12	46.20
vi)	Other expenses	33	1,054.70	715.62
IV)	**Total expenses**		**5,949.07**	**5,583.24**
V)	**Profit before exceptional items and tax (III-IV)**		**1,246.93**	**1,025.44**
VI)	Exceptional items	43(4)	8.61	-
VII)	**Profit before tax (V-VI)**		**1,238.32**	**1,025.44**
VIII)	**Tax expense**	34		
	(1) Current tax		400.49	323.80
	(2) Deferred tax		(75.34)	(65.61)
IX)	**Profit for the year (VII-VIII)**		**913.17**	**767.25**
X)	**Other comprehensive income**			
A.	(i) Items that will not be reclassified to profit or loss			
	- *Remeasurements of the defined benefit plans*		(10.80)	(10.64)
	- *Fair value gain/(loss) on financial instruments through other comprehensive income*		4.76	(0.62)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		1.52	2.83
	Subtotal (A)		**(4.52)**	**(8.43)**
B.	(i) Items that will be reclassified to profit or loss			
	-*Fair value change on cash flow hedge*		13.85	(8.89)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(3.48)	2.24
	Subtotal (B)		**10.37**	**(6.65)**
	Other comprehensive income (A+B)		**5.85**	**(15.08)**
XI)	**Total comprehensive income for the year (IX + X) (Comprising Profit/(Loss) and other comprehensive income for the year)**		**919.02**	**752.17**
XII)	Earnings per equity share (Face value of Rs. 10/- each)	35		
	Basic (Rs.)		35.66	30.36
	Diluted (Rs.)		35.66	30.36
	See accompanying notes to the standalone financial statements			
	Material accounting policies forming part of standalone financial statements	**3**		
	Additional Notes forming part of standalone financial statements	**43**		

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Place : Chennai
Date : 12th May 2026

Sudarshan Venu
Chairman
DIN-03601690

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

(All amounts in ₹ crores, unless otherwise stated)

I) Equity share capital

Particulars	Note No.	Amounts
Balance as at 1st April 2024		**228.22**
Changes in equity share capital during the year	23	8.05
Balance as at 31st March 2025		**236.27**
Changes in equity share capital during the year	23	3.39
Balance as at 31st March 2026		**239.67**

II) Instruments entirely equity in nature

Particulars	Note No.	Amounts
Balance as at 1st April 2024		**18.38**
Changes in compulsorily convertible preference shares during the year	23	-
Balance as at 31st March 2025		**18.38**
Changes in compulsorily convertible preference shares during the year	23	-
Balance as at 31st March 2026		**18.38**

III) Other equity

Particulars	Note No.	Reserves and surplus				Other comprehensive income (OCI)		Total
		Securities premium account	Statutory reserve	Share based payment reserve	Retained earnings	Financial instruments through OCI	Cashflow Hedge reserve	
Balance as at 1st April 2024		**1,874.19**	**356.40**	**-**	**1,382.40**	**-**	**5.89**	**3,618.88**
Profit for the year	24	-	-	-	767.25	-	-	767.25
Fair valuation gain/ (loss) of financial instrument (net)	24	-	-	-	-	(0.47)	(6.65)	(7.12)
Remeasurement of defined benefit plans (net)	24	-	-	-	(7.96)	-	-	(7.96)
Transfer to Statutory reserve	24	-	153.45	-	(153.45)	-	-	-
Issuance of equity shares	24	321.95	-	-	-	-	-	321.95
Share-based payment expenses	24	-	-	0.27	-	-	-	0.27
Balance as at 31st March 2025		**2,196.14**	**509.85**	**0.27**	**1,988.24**	**(0.47)**	**(0.76)**	**4,693.27**
Profit for the year	24	-	-	-	913.17	-	-	913.17
Fair valuation gain/ (loss) on financial instrument (net)	24	-	-	-	-	3.55	10.37	13.92
Remeasurement of defined benefit plans (net)	24	-	-	-	(8.08)	-	-	(8.08)
Transfer to Statutory reserve	24	-	182.63	-	(182.63)	-	-	-
Issuance of equity shares	24	196.61	-	-	-	-	-	196.61
Share-based payment expenses	24	-	-	0.69	-	-	-	0.69
Balance as at 31st March 2026		**2,392.75**	**692.48**	**0.96**	**2,710.70**	**3.08**	**9.61**	**5,809.58**

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Sudarshan Venu
Chairman
DIN-03601690

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Cash flows from operating activities		
Profit before tax	1,238.32	1,025.44
Adjustment for:-		
Depreciation and amortization	56.12	46.20
Impairment of financial instruments	41.02	(56.00)
Profit on disposal of property, plant and equipment	(0.71)	(0.20)
Finance costs	1,934.29	1,863.32
Unwinding of discount on security deposits	(1.14)	(0.97)
Remeasurements of defined benefit plans	(10.80)	(10.64)
Share-based payment expenses	0.69	0.27
Cash outflow towards finance costs	(1,928.20)	(1,858.87)
Cash generated/(used) from operations before working capital changes	**91.27**	**(16.89)**
Changes in working capital		
(Increase)/Decrease in Trade receivables	(72.84)	(25.26)
(Increase)/Decrease in Loans	(4,028.22)	(771.40)
(Increase)/Decrease in Other financial assets and other bank balances	5.61	(3.53)
(Increase)/Decrease in Other non-financial assets	20.23	10.21
Increase/(Decrease) in Trade payables	(77.81)	31.11
Increase/(Decrease) in Other financial liabilities	(17.58)	(153.35)
Increase/(Decrease) in Provisions and other non-financial liabilities	15.51	(22.70)
Net cash generated/(used) in operating activities before income tax	**(2,825.51)**	**73.63**
Income taxes paid (net of refund)	(397.66)	(315.03)
Net cash used in operating activities (I)	**(3,223.17)**	**(241.40)**
Cash flows from investing activities		
Investment in Property, plant and equipment	(52.02)	(32.50)
Proceeds from sale of Property, plant and equipment	0.72	0.23
Investment in intangible assets	(41.20)	(9.07)
Investment in Government securities	(6.86)	(188.66)
Investment in Alternate investment fund	(2.00)	(2.00)
Net cash used in investing activities (II)	**(101.36)**	**(232.00)**
Cash flows from financing activities		
Proceeds from issue of Equity shares	200.00	330.00
Proceeds from Issue/(Repayment) of Debt securities (net)	684.47	1,114.40
Proceeds/(Repayment) of Borrowings other than debt securities (net)	2,204.70	834.47
Proceeds/(Repayment) of Subordinated liabilities (net)	0.65	56.35
Payments of Lease liabilities	(28.08)	(24.33)
Net cash generated from financing activities (III)	**3,061.74**	**2,310.89**
Net increase/(decrease) in Cash and cash equivalents (I+II+III)	**(262.79)**	**1,837.49**
Cash and cash equivalents at the beginning of the year	**3,590.29**	**1,752.80**
Cash and cash equivalents at the end of the year	**3,327.50**	**3,590.29**

Components of cash and cash equivalents for the purpose of Statement of Cash Flows:

Description	As at 31st March 2026	As at 31st March 2025
Cash and cash equivalents as per Balance Sheet	3,327.50	3,590.32
Less: Overdrafts utilised (Grouped under Borrowings (other than debt securities) - Note 18)	-	0.03
Cash and Cash Equivalents for the purpose of Statement of Cash Flows	**3,327.50**	**3,590.29**

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Place : Chennai
Date : 12th May 2026

Sudarshan Venu
Chairman
DIN-03601690

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

(All amounts in ₹ crores, unless otherwise stated)

1 Corporate information

TVS Credit Services Limited ('the Company') (CIN U65920KA2008PLC218369) is a public limited company incorporated and domiciled in India. The registered office is located at TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru-560034, Karnataka,India. The Company is a subsidiary of TVS Motor Company Limited.

The Company received Certificate of Registration (No. N-07-00783) dated 13th April,2010 from Reserve Bank of India (RBI) and commenced Non-Banking financial activity there on. The Company is a Systemically Important Non-Deposit taking Non-Banking Finance Company, as defined under Section 45-IA of Reserve Bank of India (RBI) Act, 1934. The Company offers diverse lending products like automobile finance , consumer durable loans and small business loans . The Company is categorised as "NBFC - Investment and Credit Company (NBFC-ICC)" pursuant to RBI circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019 and as defined in Para 6(12) of Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, dated November 28, 2025. Effective 1st October 2022, the Company has been categorised as NBFC-Middle Layer under the RBI Scale Based Regulation.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies Act, 2013 (the Act), the guidelines issued by the RBI as applicable to Non-Banking Finance Companies (NBFCs), including the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 and in accordance with Division III of Schedule III of Companies Act 2013 notified by MCA on 11th October 2018. Further, the Company follows applicable guidance, clarifications, circulars and directions issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC), MCA or other regulators, as and when they are issued and applicable.

The financial statements have been prepared on a historical cost basis, except for certain financial instruments and employee benefit plans that are measured at fair value.

The financial statements are prepared on going concern basis based on the ability of the Company to continue its business for the foreseeable future and no material uncertainity exists that may cause significant doubt on the going concern assumption. In making this assessment, the Company has considered wide range of information relating to present & likely future conditions including projections of cash flows & profitability.

The financial statements have been approved and authorized for issue by the Board of Directors of the Company at its meeting held on 12th May 2026.

2.2 Presentation of financial statements

The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III of the Companies Act, 2013. The Statement of Cash Flows has been prepared and presented under the indirect method as per the requirements of Ind AS 7 'Statement of Cash Flows'.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only where it has legally enforceable right to offset the recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability simultaneously as permitted by Ind AS. Similarly, the Company offsets incomes and expenses and reports the same on a net basis where the netting off reflects the substance of the transaction or other events as permitted by Ind AS.

2.3 Significant estimates and judgements

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes

(All amounts in ₹ crores, unless otherwise stated)

together with information about the basis of calculation for each affected line item in the financial statements.

3 Material accounting policies

3.1 Property, plant and equipment (PPE)

Items of property, plant & equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income/ expenses in the Statement of Profit and Loss when the asset is derecognised.

3.2 Depreciation

Depreciation is provided on straight-line basis over the useful life of assets assuming no residual value at the end of useful life of the asset . The useful life estimated by the Company is in line with the useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

Useful life as used by the Company and as indicated in Schedule II are listed below:

Nature of Asset	Useful life adopted by the Company
Computers	3 years
Furniture & fixtures	10 years
Office equipments	5 years
Vehicles (Motor cycle)	10 years
Vehicles (Motor car)	8 years
Leasehold improvements	As per lease tenure
Building	48 years

Depreciation on PPE individually costing Rs.5,000/- or less is provided 100% in the year of acquisition.

An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gain and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Depreciation on fixed assets added/disposed off during the year is calculated on pro-rata basis with reference to the date of addition/ disposal.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.3 Intangible assets

Intangible assets are recognised 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 amortisation.

Subsequent expenditure related to an item of intangible asset are added to its gross value only if it increases the future benefits of the existing asset, if it is probable that future economic benefit will flow to the Company from that expenditure and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Intangible assets representing computer software are amortised using the straight-line method over a period of 3 to 5 years, based on Management's estimate of their useful lives.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

3.4 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

(All amounts in ₹ crores, unless otherwise stated)

3.5 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are measured at amortised cost, unless otherwise specified.

All financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments along with the certainty of ultimate collection in case of financial assets. For tradable securities, the Company recognises the financial instruments on settlement date.

3.5.1 Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity.

3.5.1A Classification

The Company classifies its financial assets in the following categories, those to be measured subsequently at

(a) Amortized cost,
(b) Fair value through Other Comprehensive Income (FVOCI), and
(c) Fair value through Profit or Loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because it reflects the best way the business is managed, and information is provided to the management.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

3.5.1B Measurement

At initial recognition, the Company measures financial assets, except those at FVTPL, at their fair value adjusted for transaction costs or origination income directly attributable to the acquisition. Transaction costs for financial assets measured at FVTPL are expensed in profit or loss.

i. Debt instruments carried at amortized cost (AC):

(a) The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios on the books of the Company, it may enter into immaterial and infrequent transactions to sell these portfolios to banks and/or asset reconstruction companies without affecting the business model of the Company.

(b) After initial measurement, such financial assets are subsequently measured at amortised cost on Effective Interest Rate (EIR). Refer note 3.5.5A for further details."

ii. Debt instruments at fair value through other comprehensive income (FVTOCI):

(a) A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the

(All amounts in ₹ crores, unless otherwise stated)

financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans are held to sale and collect contractual cash flows, they are measured at FVTOCI.

(b) Financial assets included within the FVTOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss.

iii. **Debt instruments at fair value through profit or loss (FVTPL):**

Financial assets which do not meet the criteria for categorisation as at amortised cost or as FVTOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in the Statement of Profit and Loss."

iv. **Equity instruments at cost:**

Investments in subsidiary and associate are measured at cost as per Ind AS 27 – Separate Financial Statements.

v. **Investment in Government securities:**

Investment in Government securities are measured in the financial statements at amortised cost. The Company intends to hold these instruments till maturity and any sale of these instruments, if any necessitated by requirements or events are likely to be infrequent.

vi. **Equity instruments at fair value through other comprehensive income (FVTOCI):**

Investments in equity instruments other than in subsidiaries and associates are measured at fair value.

The Company has strategic investments in equity for which it has elected to present subsequent changes in fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the aforesaid equity instruments are recognised in OCI and are not reclassified to the Statement of Profit and Loss subsequently, even on sale of those investments.

a. **Investment in compulsory Convertible debenture**

Investment in compulsorily convertible debentures are classified and measured in the financial statements at fair value through other comprehensive income.

b. **Investment in Alternate investment fund**

Investment in alternative investment fund is classified and measured at fair value through other comprehensive income. Any gain/losses on disposal or subsequent re-measurement is recognised in the other comprehensive income.

3.5.2 Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments

3.5.2A Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

3.5.2B Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

3.5.3 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in the year ended 31st March 2025 and 31st March 2026.

3.5.4 Derecognition of financial assets & liabilities

i) Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to

(All amounts in ₹ crores, unless otherwise stated)

the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

ii) Derecognition of financial assets other than due to substantial modification of terms and conditions

(a) A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Profit and Loss.

(b) The Company enters into securitisation transactions where financial assets are transferred to a special purpose vehicle for a purchase consideration. The credit enhancement is provided in the form of cash collateral and investment in equity tranche PTCs, pursuant to the transfer of financial assets under securitisation. Basis this, the Company concluded that securitisation transactions entered by the Company does not qualify for derecognition since substantial risk and rewards of the ownership has not been transferred. The transactions are treated as financing arrangements and the sale consideration received is treated as borrowings.

iii) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

3.5.5 Revenue recognition

Revenue is recognised 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.

A) Interest income:

(1) Interest income is recognized using the effective interest rate (EIR) method for all financial assets measured at amortized cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to its gross carrying amount. The calculation of the effective interest rate includes transaction costs and transaction income that are directly attributable to the acquisition of a financial asset.

(2) Income by way of additional interest on account of delayed payment by the customers is recognized on realization basis, due to uncertainty in collection.

(3) Interest on Government securities is recognised as interest income in profit & loss statement

B) Dividend income:

Dividend income is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

C) Fees and commission income:

(1) Fees and commission income that are not integral part of the effective interest rate on the financial asset are recognized as the performance obligations are performed and there is no significant financing component of the consideration.

(2) Income in the nature of bounce and related charges are recognized on realization, due to uncertainty in collection.

(3) The Company recognises revenue from contract with customers based on five step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount. Revenue is measured based on

(All amounts in ₹ crores, unless otherwise stated)

the consideration specified in the contract with a customers. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

D) Net gain on fair value changes:

Investments in financial instruments are measured at fair value through profit or loss (FVTPL) in accordance with Ind AS 109. Gains or losses on sale/redemption are recognised in the Statement of Profit and Loss.

E) Other income:

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.5.6 Impairment of financial assets

The Company recognizes loss allowance for Expected Credit Loss "ECL" on the following financial assets that are not measured at FVTPL:

i. Loans

ii. Trade receivables and other financial assets

i. Loans

Expected credit losses are measured through a loss allowance at an amount equal to:

1) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

2) Lifetime expected credit losses (expected credit losses that result from all possible default events over the expected life of the financial instrument).

Both Life Time ECLs (LTECL) and 12 months ECLs are calculated on collective basis.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage	Days Past due	ECL	Risk
Stage 1	Upto 30 days	12 Month ECL	Low Credit Risk
Stage 2	31-90 days	Life-time ECL	Significant increase in credit risk
Stage 3	More than 90 days	Life-time ECL	Impaired assets

Stage 1:

When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from Stage 2 or Stage 3. (If completely regularised to zero DPD for Stage 3)

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for life time ECL. Stage 2 loans also include where the loans have been re-structured as per extent RBI Regulations.

Significant increase in credit risk: The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime ECLs rather than 12 month ECLs. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available with.

Stage 3:

Credit-impaired financial assets: A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

• significant financial difficulty of the borrower;

• a breach of contract such as a default or past due event;

(All amounts in ₹ crores, unless otherwise stated)

- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses

Loans are considered credit-impaired when they are past due for more than 90 days and have not been completely regularised to zero days past due (DPD). Credit-impaired loans also include restructured loan contracts under the Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November, 2025, irrespective of the number of days past due as at the reporting date. Loan accounts where principal and/or interest are overdue for more than 90 days, together with all other loan exposures of the same borrower, continue to be classified as Stage 3 until all overdues across such accounts are fully cleared. The Company recognises a lifetime expected credit loss (ECL) allowance on such loans.

Measurement of ECLs

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including past events, current conditions and current profile of customers. Additionally, forecasts of future macro situations and economic conditions are considered as part of the ECL model. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors.

The Company has calculated ECL using three main components: Probability of Default (PD), Exposure At Default (EAD) and Loss Given Default (LGD). ECL is calculated by multiplying the PD, EAD and and LGD.

Probability of default ('PD'):

PD 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.

Exposure at default ('EAD'):

EAD 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.

Loss given default ('LGD'):

LGD 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 Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed."

Mechanics of ECLs

The Company applies a three-stage approach to measure ECL on financial assets that are not measured at fair value through profit or loss:

Stage 1: 12 month ECL

At initial recognition and for financial instruments where there has not been a significant increase in credit risk since initial recognition, the Company recognizes an allowance based on the 12-month ECL. The 12-month ECL represents the portion of lifetime ECL that result from default events that are possible within the 12 months after the reporting date. The Company calculates this allowance based on the expectation of a default occurring within 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecasted Exposure at Default (EAD) and multiplied by the expected Loss Given Default (LGD).

Stage 2: Lifetime ECL-not credit impaired

When a financial asset shows a significant increase in credit risk since origination but is not considered credit-impaired, the Company records an allowance for lifetime ECL.

The mechanics are similar to Stage 1 but the Probability of Default (PD) and LGD are estimated over the remaining lifetime of the instrument.

Stage 3: Lifetime ECL-credit impaired

For financial assets that are credit-impaired, the Company recognizes the lifetime ECL. The methodology is similar to Stage 2, but with the PD set at 100% to reflect that the asset is already credit impaired.

Forward looking information:

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time.

(All amounts in ₹ crores, unless otherwise stated)

ii. Trade receivables and other financial assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable and other financial assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position for financial assets measured at amortized cost as a deduction from the gross carrying amount of the assets.

Collateral repossessed:

The Company does the regular repossession of collateral provided against the loans in case of default in agreed payments. The Company generally sells the asset repossessed to recover the underlying loan and does not use for internal operation.Any surplus funds are returned to the borrower and accordingly collateral repossessed are not recorded on the balance sheet and not treated as assets held for sale.

Write-off:

Loans are written off when there is no reasonable expectation of recovering 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. This assessment is carried out at the individual asset level. 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.

3.5.7 Derivatives

The Company enters into derivative transactions to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates derivatives taken on External Commercial Borrowings (ECB) as Cashflow Hedges (hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions).

The Company documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions.

The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 38. Movements in the hedging reserve in shareholders' equity are shown in Note 24.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the "other comprehensive income". The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in OCI is subsequently transferred to the Statement of Profit and Loss on ultimate recognition of the underlying hedged forecast transaction.When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

3.5.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

3.6 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, Cash and Cash equivalents includes cash on hand, deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and positive balance in bank cash credit. Bank cash credit with negative balances are shown within borrowings in the balance sheet.

(All amounts in ₹ crores, unless otherwise stated)

3.7 Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(i) Deferred income tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

(ii) Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

3.8 Employee benefits

(a) Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Long term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

(c) Post-employment obligation:

The Company operates the following post-employment schemes:

• Defined benefit plans such as gratuity for its eligible employees, pension plan for its senior managers; and

• Defined contribution plans such as provident fund.

(i) Pension and gratuity obligation:

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by

(All amounts in ₹ crores, unless otherwise stated)

discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(ii) Provident fund:

Contributions to Provident Fund made to Regional Provident Fund Commissioner in respect of Employees' Provident Fund based on the statutory provisions are charged to Statement of Profit and Loss on accrual basis.

(d) Share based payment

The Company operates an equity settled share-based payment arrangement for its employees. The Company determines the fair value of the employee stock options on the grant date using the Black Scholes model. The total cost of the share option is accounted for on a straight-line basis over the vesting period of the grant. The cost attributable to the services rendered by employees is recognised as employee benefits expenses in the Statement of Profit and Loss.

(e) Other employee benefits

The Company contributes to Employees State Insurance Scheme and recognizes such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

3.9 Functional currency

3.9.1 Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). i.e., in Indian rupees (INR) and all values are rounded off to nearest lakhs except where otherwise indicated.

3.9.2 Transactions and balances:

- Foreign currency transactions are translated into functional currency using exchange rates at the date of transaction.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

3.10 Borrowing cost

Borrowing costs are expensed in the period in which they are incurred.

3.11 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of the transactions of non-cash nature as permitted by Ind AS 7.

3.12 Earnings per share

In accordance with Ind AS 33 the basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share, only potential equity shares that are dilutive and that reduce profit per share are included.

3.13 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating

(All amounts in ₹ crores, unless otherwise stated)

units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.14 Lease

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,

(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 corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use 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 are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

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 incremental borrowing rate.

For short-term leases and low value assets (assets of less than INR 500,000 in value) the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease payments have been classified as Cash flow used in financing activities.

3.15 Segment reporting

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.

3.16 Provisions

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

3.17 Contingent liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liabilities. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

3.18 Equity

Equity shares are classified as equity. Distributions to holders of an equity instrument are recognized by the entity directly in equity. Transaction costs of an equity transaction shall be accounted for as a deduction from equity.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 4 Cash and cash equivalents

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Cash on hand*	0.49	0.33
b)	Balances with banks		
	-Current accounts	3,327.01	3,589.99
	Total	**3,327.50**	**3,590.32**

* Includes cash collected from borrowers as on Balance Sheet date subsequently deposited with bank.

NOTE 5 Bank balance other than cash and cash equivalents*

S.No.	Description	As at 31st March 2026	As at 31st March 2025
a)	Balances with banks to the extent held as margin money or security against borrowings, guarantees, other commitments	0.21	5.95
	Total	**0.21**	**5.95**

* Balance maintained in fixed deposits with original maturity more than 3 months as cash collateral towards cash credit (CC) facilities.

NOTE 6 Derivative financial instruments

S.No.	Description	As at 31st March 2026		
		Notional amounts	Fair value - Assets	Fair value - Liabilities
a)	Part I - Currency derivatives- Cross currency interest rate swaps	854.83	103.43	-
	Part II - Derivatives included in above are derivatives held for hedging and risk management purposes as cash flow hedges	854.83	103.43	-
	Total	**854.83**	**103.43**	**-**

S.No.	Description	As at 31st March 2025		
		Notional amounts	Fair value - Assets	Fair value - Liabilities
a)	Part I - Currency derivatives- Cross currency interest rate swaps	300.13	-	2.24
	Part II - Derivatives included in above are derivatives held for hedging and risk management purposes as cash flow hedges	300.13	-	2.24
	Total	**300.13**	**-**	**2.24**

The Company does not undertake derivative transactions for trading purposes.

During the financial year, the Company entered into derivative contracts (cross-currency interest rate swaps) solely for hedging foreign exchange and interest rate exposures arising from its External Commercial Borrowings (ECBs). In line with the Company's Asset Liability Management Policy approved by Board, all foreign currency borrowings are fully hedged at the time of drawdown and remain fully hedged until repayment. The front office and back-office role is defined and segregated. All the derivatives transactions is quarterly monitored and reviewed.

The notional amount for CCIRS represents underlying foreign currency borrowings for which the Company has entered to hedge the variable interest rate and foreign exchange risks. Refer Note 38 for foreign currency risk management and interest rate sensitivity on derivative financial instruments respectively.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 7 Trade receivables

S.No.	Particulars	As at 31st March 2026	As at 31st March 2025
(i)	Receivables considered good - secured	-	-
(ii)	Receivables considered good - unsecured*	214.66	141.25
(iii)	Receivables which have significant increase in credit risk	-	-
(iv)	Receivables - credit impaired	0.98	1.73
	Total (A)	**215.64**	**142.98**
	Less: Allowance for impairment loss (B)	0.98	1.73
	Net (C) = (A-B)	**214.66**	**141.25**

Notes:

1 *Includes dues from related parties (Refer note 41)

2 There are no dues by Directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

NOTE 7.1 Trade receivables (Ageing schedule)

S No.	Particulars	Unbilled	Outstanding for following periods from date of transaction as at 31st March 2026					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivables – considered good	138.90	75.76	-	-	-	-	214.66
(ii)	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivables – credit impaired	-	-	0.75	0.23	-	-	0.98
(iv)	Disputed trade receivables–considered good	-	-	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	Total (A)	**138.90**	**75.76**	**0.75**	**0.23**	**-**	**-**	**215.64**
	Less: Allowance for impairment loss (B)	-	-	0.75	0.23	-	-	0.98
	Net (C) = (A-B)	**138.90**	**75.76**	**-**	**-**	**-**	**-**	**214.66**

S No.	Particulars	Unbilled	Outstanding for following periods from date of transaction as at 31st March 2025					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivables – considered good	61.09	80.16	-	-	-	-	141.25
(ii)	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivables – credit impaired	-	-	1.60	0.13	-	-	1.73
(iv)	Disputed trade receivables–considered good	-	-	-	-	-	-	-
(v)	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	Total (A)	**61.09**	**80.16**	**1.60**	**0.13**	**-**	**-**	**142.98**
	Less: Allowance for impairment loss (B)	-	-	1.60	0.13	-	-	1.73
	Net (C) = (A-B)	**61.09**	**80.16**	**-**	**-**	**-**	**-**	**141.25**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 8 Loans

S No	Description	As at 31st March 2026	As at 31st March 2025
		Amortised Cost	
(A)	**Term loans**		
	i) Automobile financing	19,055.84	18,130.65
	ii) Consumer lending	11,559.30	8,428.23
	iii) Small business lending	600.87	620.54
	Total loans - Gross	**31,216.01**	**27,179.42**
	Less: Impairment loss allowance	930.54	880.58
	Total loans - Net	**30,285.47**	**26,298.84**
(B)	**Nature**		
a)	Secured by tangible assets	25,377.17	21,918.72
b)	Unsecured loans	5,838.84	5,260.70
c)	**Total loans - Gross (a) + (b)**	**31,216.01**	**27,179.42**
d)	Less: Impairment loss allowance	930.54	880.58
e)	**Total loans - Net (c) - (d)**	**30,285.47**	**26,298.84**
i)	Loans in India		
	Public sector	-	-
	Others	31,216.01	27,179.42
	Total loans - Gross	**31,216.01**	**27,179.42**
	Less: Impairment loss allowance	930.54	880.58
	Total loans- Net	**30,285.47**	**26,298.84**
ii)	Loans outside India	-	-
iii)	**Total Loans (i) +(ii)**	**30,285.47**	**26,298.84**

a. Secured indicates loans secured, wholly or partly, by way of hypothecation of automobile assets and / or equitable mortgage of property and / or equipment.

b. The stock of loan (automobile finance) includes 3,380 nos repossessed vehicles as at Balance Sheet date. (31st March 2025: 6,266 nos).

c. The term loans include loans given to related parties (refer note 41) and these loans which have been granted to related parties are specified with terms or period of repayment. These loans have been classified under Stage 1 category at the various reporting periods and related impairment provision as per the Company's accounting policy has been created.

d. No loans and advances in the nature of loans are granted to promoters, directors, KMPs that are repayable on demand or without specifying any terms or period of repayment.

e. Gold loans constitute 0.37% of the total assets of the Company as at 31st March 2026 (31st March 2025: 0.07%).

f. Refer note 43 for additional disclosures.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 9 Investments

S No	Description	As at 31st March 2026	As at 31st March 2025
A	**At cost:**		
a)	**Investment in equity instruments of subsidiaries:**		
i)	TVS Housing Finance Private Limited (1,20,00,000 (31st March 2025: 1,20,00,000) shares of Rs. 10 each fully paid up)	12.00	12.00
ii)	Harita Two Wheeler Mall Private Ltd (2,500 (31st March 2025: 2,500) shares of Rs. 10 each fully paid up)*	0.00	0.00
iii)	Harita ARC Private Limited (2,500 (31st March 2025: 2,500) shares of Rs. 10 each fully paid up)*	0.00	0.00
B	**At amortised cost:**		
a)	**Investment in Government securities**	288.98	282.12
C	**At fair value through other comprehensive income:**		
a)	**Investment in Alternative instrument fund:**		
	80,000 units of Eight Innovate fund II (31st March 2025: 60,000)	12.14	5.38
b)	**Investment in Compulsory convertible debentures**		
	25 (31st March 2025 : 25) 0.001% compulsorily convertible debentures of Rs.1,00,000 each in Hyper Grocers Private Limited	0.25	0.25
	Total – Gross (A)	**313.37**	**299.75**
	(i) Investments outside India	-	-
	(ii) Investments in India	313.37	299.75
	Total	**313.37**	**299.75**
	Less: Allowance for impairment loss (B)	-	-
	Total - Net = (A) - (B)	**313.37**	**299.75**

* Represents amount less than rounding off norm adopted by the company

NOTE 10 Other financial assets

S No	Description	As at 31st March 2026	As at 31st March 2025
	Unsecured - considered good		
	At amortised cost		
a)	Employees related receivables	17.65	18.06
b)	Security deposit for leased premises	15.51	13.29
c)	Other financial assets - Related parties *	3.03	2.70
d)	Other financial assets - Non related parties	5.34	5.34
e)	Deposit with service providers	2.39	2.12
	Total - Gross	**43.92**	**41.50**
	Less: Impairment loss allowance	14.36	13.22
	Total - Net	**29.56**	**28.28**

*Includes dues from related parties (Refer note 41)

(All amounts in ₹ crores, unless otherwise stated)

NOTE 11 Current tax assets (Net)

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Opening balance	11.03	19.80
b)	Add: Taxes paid	397.66	315.03
c)	Less: Taxes payable	(400.49)	(323.80)
	Total - Net	**8.20**	**11.03**

NOTE 12 Movement in Deferred tax asset /(liability)

S. No	Description	Balance as at 31st March 2024	Recognised in profit and loss	Recognised in OCI	Balance as at 31st March 2025	Recognised in profit and loss	Recognised in OCI	Balance as at 31st March 2026
a)	**Deferred tax asset**							
	Remeasurement of defined benefit plans	18.04	(5.72)	2.68	15.00	0.90	2.72	18.62
	Expected credit loss	205.61	16.90	-	222.51	10.19	-	232.70
	Property, plant and equipment and intangible assets	4.88	1.43	-	6.31	(0.88)	-	5.43
	Right-to-use assets	1.20	0.22	-	1.42	0.39	-	1.81
	Impact of effective interest rate adjustment on financial assets/ liabilities	66.79	35.84	-	102.63	60.67	-	163.30
	Other temporary differences	43.42	16.78	-	60.20	4.07	-	64.27
	Deferred tax assets (a)	**339.94**	**65.45**	**2.68**	**408.07**	**75.34**	**2.72**	**486.13**
b)	**Deferred tax liabilities**							
	Fair value on equity instruments designated under FVOCI	-	(0.16)	-	(0.16)	-	1.20	1.05
	Cash flow hedge reserve	1.98	-	(2.39)	(0.41)	-	3.48	3.07
	Deferred tax liabilities (b)	**1.98**	**(0.16)**	**(2.39)**	**(0.57)**	**-**	**4.68**	**4.12**
c)	**Deferred tax assets/ (liabilities), Net (a-b)**	**337.96**	**65.61**	**5.07**	**408.64**	**75.34**	**(1.96)**	**482.01**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 13 Investment property

Description	Land
As at 31st March 2026	
Gross carrying amount as at 1st April 2025	85.16
Additions	-
Sub-total	**85.16**
Disposals	-
Closing gross carrying amount (A)	**85.16**
Depreciation and amortisation	
Opening accumulated depreciation	-
Depreciation for the year	1.58
Sub-total	**1.58**
Disposals	-
Closing accumulated depreciation and amortisation(B)	**1.58**
Net carrying value as at 31st March 2026 (A)-(B)	**83.58**
Net carrying value as at 31st March 2025	**85.16**

Description	Land
As at 31st March 2025	
Gross carrying amount as at 1st April 2024	85.16
Additions	-
Sub-total	**85.16**
Disposals	-
Closing gross carrying amount (A)	**85.16**
Depreciation and amortisation	
Opening accumulated depreciation	-
Depreciation for the year	-
Sub-total	-
Disposals	-
Closing accumulated depreciation and amortisation(B)	-
Net carrying value as at 31st March 2025 (A)-(B)	**85.16**

(i) Fair value

Description	As at 31st March 2026	As at 31st March 2025
Investment property	443.22	422.11

a) The fair value of the investment property is based on the independent valuation obtained by the Company.
b) The title deed of the investment property is in the name of the Company.

(ii) Sensitivity analysis

Particulars	Significant unobservable inputs	Range (Weighted Avg)	Sensitivity of the input to fair value	Fair Value (Rs. In crore)	Sensitivity (Rs. In crore)
As at 31st March 2026	Per/Acre	16,17,00,000 per acre	5%	16.17	16.98
As at 31st March 2025	Per/Acre	15,40,00,000 per acre	5%	15.40	16.17

(All amounts in ₹ crores, unless otherwise stated)

NOTE 14A Property, plant and equipment and intangible assets

Description	Property, plant and equipment								Right-to-use asset	Other intangible assets (Computer software)*
	Computers	Furniture & fixtures	Office equipments	Vehicles	Leasehold improvements	Building	Land	Total		
As at 31st March 2026										
Gross carrying amount as at 1st April 2025	70.90	24.18	29.34	1.49	6.00	-	-	131.91	122.44	21.80
Additions and adjustments on account of modification	17.38	3.10	9.86	0.05	7.98	5.39	8.45	52.21	28.84	50.26
Adjustment due to revaluation and acquisitions through business combinations	-	-	-	-	-	-	-	-	-	-
Sub-total	**88.28**	**27.28**	**39.20**	**1.54**	**13.98**	**5.39**	**8.45**	**184.12**	**151.28**	**72.06**
Disposals	6.92	0.46	1.06	-	-	-	-	8.45	-	-
Closing gross carrying amount (A)	**81.36**	**26.82**	**38.14**	**1.54**	**13.98**	**5.39**	**8.45**	**175.67**	**151.28**	**72.06**
Depreciation and amortisation										
Opening accumulated depreciation	53.09	14.22	18.26	0.48	0.78	-	-	86.84	57.25	19.27
Depreciation/amortisation charge for the year	14.63	2.56	5.36	0.19	2.26	0.07	-	25.06	23.70	5.78
Sub-total	**67.72**	**16.78**	**23.62**	**0.67**	**3.04**	**0.07**	**-**	**111.90**	**80.95**	**25.05**
Disposals	6.93	0.43	1.01	-	-	-	-	8.37	-	-
Closing accumulated depreciation and amortisation (B)	**60.79**	**16.35**	**22.61**	**0.67**	**3.04**	**0.07**	**-**	**103.53**	**80.95**	**25.05**
Net carrying value as at 31st March 2026(A)-(B)	**20.57**	**10.47**	**15.53**	**0.87**	**10.94**	**5.32**	**8.45**	**72.14**	**70.33**	**47.00**
Net carrying value as at 31st March 2025	**17.81**	**9.96**	**11.08**	**1.01**	**5.22**	**-**	**-**	**45.07**	**65.19**	**2.53**

* Intangible assets included in the above schedule represent assets acquired/purchased during the year

(All amounts in ₹ crores, unless otherwise stated)

NOTE 14A Property, plant and equipment and intangible assets (Cont.)

Description	Property, plant and equipment								Right-to-use asset	Other intangible assets (Computer software)*
	Computers	Furniture & fixtures	Office equipments	Vehicles	Leasehold improvements	Building	Land	Total		
As at 31st March 2025										
Gross carrying amount as at 1st April 2024	59.16	20.79	18.64	1.49	-	-	-	100.08	62.96	20.51
Additions and adjustments on account of modification	12.00	3.58	11.25	-	6.00	-	-	32.83	59.48	1.29
Adjustment due to revaluation and acquisitions through business combinations	-	-	-	-	-	-	-	-	-	-
Sub-total	**71.16**	**24.37**	**29.89**	**1.49**	**6.00**	**-**	**-**	**132.91**	**122.44**	**21.80**
Disposals	0.26	0.19	0.55	-	-	-	-	1.00	-	-
Closing gross carrying amount (A)	**70.90**	**24.18**	**29.34**	**1.49**	**6.00**	**-**	**-**	**131.92**	**122.44**	**21.80**
Depreciation and amortisation						-	-	-		
Opening accumulated depreciation	38.63	11.81	13.44	0.29	-	-	-	64.16	36.38	17.57
Depreciation/amortisation charge for the year	14.72	2.59	5.35	0.19	0.78	-	-	23.63	20.87	1.70
Sub-total	**53.34**	**14.40**	**18.79**	**0.48**	**0.78**	**-**	**-**	**87.79**	**57.25**	**19.27**
Disposals	0.25	0.18	0.53	-	-	-	-	0.96	-	-
Closing accumulated depreciation and amortisation (B)	**53.09**	**14.22**	**18.26**	**0.48**	**0.78**	**-**	**-**	**86.84**	**57.25**	**19.27**
Net carrying value as at 31st March 2025 (A)-(B)	**17.81**	**9.96**	**11.08**	**1.01**	**5.21**	**-**	**-**	**45.07**	**65.19**	**2.53**

* Intangible assets included in the above schedule represent assets acquired/purchased during the year

(a) The Company follows cost model as per Ind AS 16 and the Company has not carried out any revaluation of property, plant and equipment (including Right-to-use asset) during the year ended 31st March, 2026 and year ended 31st March, 2025.

(b) The title deeds of immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee) are held in the name of the Company.

NOTE 14B Capital work-in-progress and intangible assets under development

The Company discloses property, plant and equipment that are not ready for use as capital work-in-progress. These are carried at cost, comprising direct cost and related incidental expenses. Intangible assets not ready for their intended use on the date of Balance Sheet are disclosed as 'Intangible assets under development'.

Capital work-in-progress

Particulars	As at 31st March 2026	As at 31st March 2025
Opening Balance	2.40	2.73
Additions	10.29	6.93
Deductions	(12.06)	(7.26)
Closing Balance	**0.63**	**2.40**

Ageing for capital work-in-progress

As at	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March 2026	0.63	-	-	-	0.63
31st March 2025	2.40	-	-	-	2.40

The Company does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

(All amounts in ₹ crores, unless otherwise stated)

Intangible Assets Under Development (ITUD)

Particulars	As at 31st March 2026	As at 31st March 2025
Opening Balance	10.96	3.18
Additions	3.85	8.32
Deductions	(12.91)	(0.54)
Closing Balance	**1.90**	**10.96**

Ageing for intangible assets under development

As at	Amount in ITUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March 2026	1.90	-	-	-	1.90
31st March 2025	8.04	2.92	-	-	10.96

The Company does not have any project temporarily suspended or any intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence intangible asset under development completion schedule is not applicable.

NOTE 15 Other non-financial assets

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Advances to dealers	0.18	0.17
b)	Prepaid expenses	20.92	33.00
c)	Vendor advances	4.40	12.93
d)	Balances with GST/ Service tax department	1.68	1.59
e)	Amount paid under protest	0.92	0.64
	Total	**28.10**	**48.33**

Impairment loss allowance recognised on other non-financial assets is Nil (31st March 2025: Nil).

NOTE 16 Trade payables

S No	Description	As at 31st March 2026	As at 31st March 2025
(a)	Total outstanding dues of micro enterprises and small enterprises	29.60	26.08
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	979.89	1,061.22
	Total	**1,009.49**	**1,087.30**

(All amounts in ₹ crores, unless otherwise stated)

16.1 Trade payables (Ageing Schedule)

The following schedules reflect ageing of trade payables with respect to the date of transaction

S No	Description	Outstanding for following periods from date of transaction as at 31st March 2026				
		<1 Year	1-2 years	2-3 years	>3 years	Total
	Undisputed:					
(i)	MSME	29.60	-	-	-	29.60
(ii)	Others	979.89	-	-	-	979.89
	Disputed:					
(i)	MSME	-	-	-	-	-
(ii)	Others	-	-	-	-	-
	Total	1,009.49	-	-	-	1,009.49

S No	Description	Outstanding for following periods from date of transaction as at 31st March 2025				
		<1 Year	1-2 years	2-3 years	>3 years	Total
	Undisputed:					
(i)	MSME	26.08	-	-	-	26.08
(ii)	Others	1,061.05	0.09	0.08	-	1,061.22
	Disputed:					
(i)	MSME	-	-	-	-	-
(ii)	Others	-	-	-	-	-
	Total	1,087.13	0.09	0.08	-	1,087.30

Notes:

1 Includes dues to related parties (Refer note 41)

2 Dues to micro, medium and small enterprises have been determined to the extent such parties have been identified on the basis of information received by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no interests due or outstanding on the same in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.

16.2 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) certain disclosures are required to be made relating to micro, medium and small enterprises. Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

Particulars	As at 31st March 2026	As at 31st March 2025
Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	29.60	26.08
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers(other than interest)beyond the appointed day,during the year	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act,for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act(since paid)	-	-

(All amounts in ₹ crores, unless otherwise stated)

NOTE 17 Debt securities

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost:		
Commercial paper (Unsecured)	398.27	-
Non convertible debentures (Secured)	2,911.59	2,625.39
Total (A)	**3,309.86**	**2,625.39**
Debt securities in India	3,309.86	2,625.39
Debt securities outside India	-	-
Total (B)	**3,309.86**	**2,625.39**

NOTE 18 Borrowings (Other than debt securities)

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost:		
(a) Term loans (Secured)		
i) from banks	15,879.42	16,757.81
ii) from other parties	523.91	943.06
iii) External commercial borrowings	948.88	299.22
(b) Loans repayable on demand		
i)cash credit from banks (secured)	-	0.03
ii)working capital demand loan (secured)	4,735.84	1,792.35
Total (A)	**22,088.05**	**19,792.47**
Borrowings in India	21,139.17	19,493.25
Borrowings outside India	948.88	299.22
Total (B)	**22,088.05**	**19,792.47**

Period and amount of default: NIL (31st March 2025: NIL)

NOTE 19 Subordinated liabilities

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost-Unsecured		
(a) Perpetual debt instruments to the extent that do not qualify as equity	103.58	103.57
(b) Other subordinated liabilities		
From banks	-	-
From others	2,166.38	2,165.74
Total (A)	**2,269.96**	**2,269.31**
Subordinated liabilities in India	2,269.96	2,269.31
Subordinated liabilities outside India	-	-
Total (B)	**2,269.96**	**2,269.31**

Period and amount of default: NIL (31st March 2025: NIL)

(All amounts in ₹ crores, unless otherwise stated)

a. Refer Annexure for the terms of the debt securities, borrowings and subordinated liabilities.
b. The Company has utilised the borrowed funds for the purposes for which the fund is obtained.
c. The Company has not been declared willful defaulter by any Bank, financial Institution or other lender.
d. There are no charges or satisfaction yet to be registered with ROC beyond the statutory time period.
e. Change in liabilities arising from financing activities

Particulars	As at 1st April 2025	Cash flows	Exchange differences	Other*	As at 31st March 2026
Debt securities	2,625.39	675.00	-	9.47	3,309.86
Borrowings other than debt securities	19,792.47	2,211.69	91.43	(7.55)	22,088.05
Subordinated liabilities	2,269.31	-	-	0.66	2,269.96
Total	**24,687.17**	**2,886.69**	**91.43**	**2.58**	**27,667.87**

Particulars	As at 1st April 2024	Cash flows	Exchange differences	Other*	As at 31st March 2025
Debt securities	1,510.99	1,100.00	-	14.40	2,625.39
Borrowings other than debt securities	19,043.77	821.98	(82.64)	9.36	19,792.47
Subordinated liabilities	2,212.96	50.00	-	6.34	2,269.31
Total	**22,767.72**	**1,971.98**	**(82.64)**	**30.10**	**24,687.17**

* (i) Other column represents the amortisation of processing fees and movement in interest accrued but not due
(ii) Liabilities represents Debt securities,borrowings (Other than debt securities) and subordinated liabilities

Annexure

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Debt Securities								
Commercial Paper	199.29	Unsecured	6.55%	1	1	Bullet	21/04/2026	21/04/2026
Commercial Paper	198.97	Unsecured	6.60%	1	1	Bullet	30/04/2026	30/04/2026
Non Convertible Debentures	236.21	Secured	7.15%	1	1	Bullet	26/06/2026	26/06/2026
Non Convertible Debentures	516.08	Secured	8.35%	2	2	Bullet	29/10/2026	29/10/2027
Non Convertible Debentures	534.77	Secured	8.25%	2	2	Bullet	31/12/2026	31/12/2027
Non Convertible Debentures	502.95	Secured	8.25%	3	3	Bullet	03/03/2027	03/03/2028
Non Convertible Debentures	578.28	Secured	7.50%	3	3	Bullet	26/04/2028	27/06/2028
Non Convertible Debentures	543.31	Secured	7.55%	3	3	Bullet	19/07/2028	19/09/2028
	3,309.86							
Loan repayable on demand	4,735.84	Secured	6.35% to 7.32%	Repayable on demand				
	4,735.84							
Term Loan								
Bank	39.75	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	120.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	120.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	40.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	45.82	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	92.31	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	46.15	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	215.38	Secured	6.45%	39	21	Monthly	15/10/2024	15/12/2027
Bank	72.88	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	146.67	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	146.67	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	230.51	Secured	5.30%	13	12	Quarterly	28/02/2026	28/02/2029
Bank	230.66	Secured	5.30%	13	12	Quarterly	31/03/2026	31/03/2029
Bank	249.80	Secured	5.30%	13	13	Quarterly	30/06/2026	30/06/2029
Bank	181.80	Secured	7.00%	11	4	Quarterly	01/10/2024	01/04/2027
Bank	131.26	Secured	7.80%	16	7	Quarterly	29/03/2024	29/12/2027
Bank	174.99	Secured	7.80%	12	6	Quarterly	30/12/2024	30/09/2027
Bank	75.02	Secured	7.80%	12	6	Quarterly	30/12/2024	30/09/2027
Bank	75.86	Secured	7.00%	21	15	Monthly	31/10/2025	30/06/2027
Bank	303.60	Secured	7.00%	21	15	Monthly	31/10/2025	30/06/2027
Bank	750.10	Secured	7.25%	36	36	Monthly	30/04/2026	31/03/2029
Bank	25.00	Secured	6.64%	6	1	Half Yearly	29/02/2024	31/08/2026
Bank	166.67	Secured	7.18%	6	5	Half Yearly	29/03/2026	29/09/2028
Bank	31.42	Secured	7.25%	12	1	Quarterly	30/06/2023	28/04/2026
Bank	176.69	Secured	7.10%	16	5	Quarterly	30/09/2023	29/06/2027
Bank	58.86	Secured	7.10%	16	5	Quarterly	30/09/2023	29/06/2027
Bank	144.86	Secured	7.10%	16	6	Quarterly	27/12/2023	26/09/2027
Bank	43.35	Secured	5.85%	16	6	Quarterly	27/12/2023	26/09/2027
Bank	125.59	Secured	7.15%	13	4	Quarterly	29/02/2024	01/03/2027
Bank	31.38	Secured	5.95%	13	4	Quarterly	26/03/2024	27/03/2027
Bank	70.60	Secured	5.47%	26	7	Monthly	30/06/2024	30/10/2026
Bank	154.27	Secured	5.47%	10	5	Quarterly	30/03/2025	30/06/2027
Bank	68.00	Secured	5.79%	27	10	Monthly	29/09/2024	30/01/2027
Bank	138.90	Secured	5.79%	11	6	Quarterly	29/03/2025	29/09/2027
Bank	92.74	Secured	5.97%	27	13	Monthly	30/12/2024	27/04/2027
Bank	162.33	Secured	5.97%	13	7	Quarterly	30/12/2024	27/12/2027
Bank	243.46	Secured	5.60%	13	9	Quarterly	31/05/2025	29/05/2028
Bank	87.53	Secured	5.60%	31	18	Monthly	31/03/2025	27/09/2027
Bank	85.01	Secured	5.55%	13	11	Quarterly	28/10/2025	28/10/2028
Bank	145.54	Secured	5.55%	29	21	Monthly	28/08/2025	28/12/2027
Bank	127.52	Secured	5.55%	13	11	Quarterly	05/11/2025	28/10/2028
Bank	38.11	Secured	5.55%	29	22	Monthly	05/09/2025	28/12/2027
Bank	85.05	Secured	5.55%	13	11	Quarterly	30/12/2025	30/12/2028
Bank	119.55	Secured	5.55%	29	23	Monthly	30/10/2025	29/02/2028
Bank	216.56	Secured	5.55%	29	25	Monthly	19/12/2025	17/04/2028
Bank	100.46	Secured	5.40%	13	13	Quarterly	27/05/2026	26/05/2029
Bank	145.51	Secured	5.40%	29	28	Monthly	27/03/2026	26/07/2028
Bank	249.99	Secured	7.00%	1	1	Bullet	30/06/2026	30/06/2026
Bank	299.95	Secured	7.10%	1	1	Bullet	26/09/2027	26/09/2027
Bank	349.71	Secured	7.00%	10	10	Quarterly	01/07/2026	01/10/2028
Bank	100.77	Secured	8.00%	10	5	Quarterly	29/03/2025	29/06/2027
Bank	352.60	Secured	7.90%	10	7	Quarterly	30/09/2025	30/12/2027
Bank	30.11	Secured	6.61%	10	2	Quarterly	29/04/2024	29/07/2026
Bank	20.07	Secured	6.61%	10	2	Quarterly	29/04/2024	29/07/2026
Bank	75.28	Secured	6.48%	10	3	Quarterly	20/07/2024	20/10/2026
Bank	92.33	Secured	6.68%	11	5	Quarterly	26/11/2024	26/05/2027
Bank	225.80	Secured	7.08%	10	9	Quarterly	24/01/2026	24/04/2028
Bank	38.46	Secured	5.85%	13	5	Quarterly	30/06/2024	30/06/2027
Bank	126.85	Secured	5.60%	13	11	Quarterly	17/10/2025	17/10/2028
Bank	112.50	Secured	6.55%	8	3	Quarterly	11/03/2025	08/12/2026
Bank	400.18	Secured	8.10%	1	1	Bullet	29/05/2026	29/05/2026

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	350.14	Secured	7.12%	1	1	Bullet	21/05/2027	21/05/2027
Bank	350.14	Secured	7.13%	1	1	Bullet	14/07/2027	14/07/2027
Bank	300.12	Secured	7.09%	1	1	Bullet	26/08/2027	26/08/2027
Bank	16.65	Secured	7.80%	12	4	Quarterly	30/06/2024	31/03/2027
Bank	50.00	Secured	7.80%	12	4	Quarterly	30/06/2024	31/03/2027
Bank	49.99	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026
Bank	40.01	Secured	7.95%	10	2	Quarterly	30/04/2024	31/07/2026
Bank	10.00	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026
Bank	20.00	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026
Bank	125.00	Secured	7.95%	12	3	Quarterly	29/02/2024	30/11/2026
Bank	250.00	Secured	7.95%	12	6	Quarterly	31/12/2024	30/09/2027
Bank	145.87	Secured	7.95%	12	7	Quarterly	28/02/2025	30/11/2027
Bank	145.87	Secured	7.95%	12	7	Quarterly	31/03/2025	31/12/2027
Bank	551.72	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	184.57	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	738.28	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	738.28	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	999.73	Secured	6.76%	7	7	Monthly	27/06/2026	27/12/2026
Bank	33.41	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	33.59	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	33.59	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	167.77	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	67.11	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	136.35	Secured	7.75%	11	5	Quarterly	26/12/2024	26/06/2027
Bank	163.67	Secured	7.75%	11	6	Quarterly	30/01/2025	30/07/2027
Bank	218.23	Secured	7.75%	11	6	Quarterly	28/02/2025	31/08/2027
Bank	318.18	Secured	7.05%	11	7	Quarterly	30/06/2025	31/12/2027
Bank	363.71	Secured	7.05%	11	8	Quarterly	30/09/2025	31/03/2028
Bank	428.61	Secured	7.00%	21	18	Monthly	31/01/2026	30/09/2027
Others	147.27	Secured	7.19%	43	21	Monthly	10/06/2024	10/12/2027
Others	167.40	Secured	7.24%	12	4	Quarterly	10/06/2024	10/03/2027
Others	209.25	Secured	6.90%	12	5	Quarterly	10/08/2024	10/05/2027
Bank-ECB	331.42	Secured	7.77%	1	1	Bullet	27/03/2028	27/03/2028
Bank-ECB	285.62	Secured	7.50%	1	1	Bullet	15/05/2028	15/05/2028
Bank-ECB	331.84	Secured	7.59%	1	1	Bullet	19/06/2028	19/06/2028
	17,352.21							
Subordinated Liabilities								
Perpetual Debt	103.58	Unsecured	11.50%	1	1	Bullet	24/11/2027	24/11/2027
Other Subordinated Liabilities:								
Others	154.11	Unsecured	9.40%	1	1	Bullet	10/06/2026	10/06/2026
Others	151.14	Unsecured	9.40%	1	1	Bullet	26/08/2026	26/08/2026
Others	101.82	Unsecured	8.85%	1	1	Bullet	02/06/2027	02/06/2027
Others	359.29	Unsecured	8.85%	1	1	Bullet	11/06/2027	11/06/2027
Others	101.45	Unsecured	9.50%	1	1	Bullet	18/01/2028	18/01/2028
Others	324.77	Unsecured	9.50%	1	1	Bullet	31/01/2028	31/01/2028
Others	201.84	Unsecured	9.35%	1	1	Bullet	29/08/2028	29/08/2028
Others	512.18	Unsecured	9.30%	1	1	Bullet	27/06/2029	27/06/2029
Others	157.56	Unsecured	9.38%	1	1	Bullet	24/04/2030	24/04/2030
Others	102.22	Unsecured	10.00%	1	1	Bullet	01/07/2026	01/07/2026
Total	**2,166.38**							
Subordinated Liabilities Total	**2,269.96**							

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Debt Securities								
Non convertible debentures	833.78	Secured	8.30%	2	2	Bullet	14/08/2025	12/09/2025
Non convertible debentures	237.83	Secured	8.15%	1	1	Bullet	26/06/2026	26/06/2026
Non convertible debentures	516.09	Secured	8.35%	2	2	Bullet	29/10/2026	29/10/2027
Non convertible debentures	534.75	Secured	8.25%	2	2	Bullet	31/12/2026	31/12/2027
Non convertible debentures	502.94	Secured	8.25%	3	3	Bullet	03/03/2027	03/03/2028
	2,625.39							
Loan repayable on demand	1,792.38	Secured	7.50% - 7.82%	Repayable on demand				
	1,792.38							
Term Loan								
Bank	66.26	Secured	7.74%	15	10	Quarterly	31/03/2024	01/10/2027
Bank	200.00	Secured	7.74%	15	10	Quarterly	31/03/2024	01/10/2027
Bank	200.00	Secured	7.74%	15	10	Quarterly	31/03/2024	01/10/2027
Bank	66.67	Secured	7.74%	15	10	Quarterly	31/03/2024	01/10/2027
Bank	59.67	Secured	7.59%	10	3	Quarterly	30/09/2023	31/12/2025
Bank	90.00	Secured	7.59%	10	3	Quarterly	30/09/2023	31/12/2025
Bank	60.00	Secured	7.59%	10	3	Quarterly	30/09/2023	31/12/2025
Bank	99.99	Secured	7.00%	10	2	Quarterly	30/04/2023	30/07/2025
Bank	99.38	Secured	7.95%	15	15	Quarterly	30/06/2025	31/12/2028
Bank	76.92	Secured	7.45%	39	30	Monthly	31/07/2024	30/09/2027
Bank	153.85	Secured	7.45%	39	30	Monthly	31/07/2024	30/09/2027
Bank	76.92	Secured	7.45%	39	30	Monthly	31/07/2024	30/09/2027
Bank	337.91	Secured	7.45%	39	33	Monthly	15/10/2024	15/12/2027
Bank	411.93	Secured	8.25%	11	9	Quarterly	01/10/2024	01/04/2027
Bank	206.28	Secured	8.35%	16	11	Quarterly	29/03/2024	29/12/2027
Bank	291.73	Secured	8.35%	12	10	Quarterly	30/12/2024	30/09/2027
Bank	124.95	Secured	8.35%	12	10	Quarterly	30/12/2024	30/09/2027
Bank	75.00	Secured	7.87%	6	3	Half Yearly	29/02/2024	31/08/2026
Bank	72.33	Secured	7.10%	16	10	Quarterly	27/12/2023	26/09/2027
Bank	62.84	Secured	7.25%	13	8	Quarterly	26/03/2024	27/03/2027
Bank	278.05	Secured	6.39%	10	9	Quarterly	30/03/2025	30/06/2027
Bank	219.44	Secured	6.39%	26	19	Monthly	30/06/2024	30/10/2026
Bank	232.19	Secured	6.71%	11	10	Quarterly	29/03/2025	29/09/2027
Bank	149.42	Secured	6.71%	27	22	Monthly	29/09/2024	30/01/2027
Bank	255.45	Secured	6.89%	13	11	Quarterly	30/12/2024	27/12/2027
Bank	178.58	Secured	6.89%	27	25	Monthly	30/12/2024	27/04/2027
Bank	351.96	Secured	6.60%	13	13	Quarterly	31/05/2025	29/05/2028
Bank	146.00	Secured	6.60%	31	30	Monthly	31/03/2025	27/09/2027
Bank	125.70	Secured	7.25%	12	3	Quarterly	23/03/2023	21/01/2026
Bank	27.19	Secured	7.60%	37	10	Monthly	02/02/2023	21/01/2026
Bank	20.13	Secured	7.75%	12	4	Quarterly	20/05/2023	21/03/2026

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	29.39	Secured	7.75%	37	12	Monthly	20/03/2023	21/03/2026
Bank	125.67	Secured	7.25%	12	4	Quarterly	30/06/2023	28/04/2026
Bank	317.88	Secured	7.10%	16	9	Quarterly	30/09/2023	29/06/2027
Bank	105.89	Secured	7.10%	16	9	Quarterly	30/09/2023	29/06/2027
Bank	241.35	Secured	7.10%	16	10	Quarterly	27/12/2023	26/09/2027
Bank	251.25	Secured	7.15%	13	8	Quarterly	29/02/2024	01/03/2027
Bank	13.64	Secured	5.60%	37	1	Monthly	30/04/2022	29/04/2025
Bank	81.61	Secured	6.35%	37	4	Monthly	29/07/2022	28/07/2025
Bank	249.99	Secured	8.00%	1	1	Bullet	29/09/2025	29/09/2025
Bank	249.96	Secured	8.00%	1	1	Bullet	30/06/2026	30/06/2026
Bank	299.92	Secured	8.10%	1	1	Bullet	26/09/2027	26/09/2027
Bank	100.70	Secured	8.40%	10	2	Quarterly	02/06/2023	02/09/2025
Bank	20.19	Secured	8.40%	10	2	Quarterly	29/06/2023	29/09/2025
Bank	80.83	Secured	8.40%	10	2	Quarterly	01/07/2023	01/10/2025
Bank	181.37	Secured	8.40%	10	9	Quarterly	29/03/2025	29/06/2027
Bank	503.44	Secured	8.30%	10	10	Quarterly	30/09/2025	30/12/2027
Bank	90.39	Secured	7.52%	10	6	Quarterly	29/04/2024	29/07/2026
Bank	60.27	Secured	7.52%	10	6	Quarterly	29/04/2024	29/07/2026
Bank	164.71	Secured	7.76%	11	9	Quarterly	26/11/2024	26/05/2027
Bank	175.76	Secured	7.65%	10	7	Quarterly	20/07/2024	20/10/2026
Bank	69.23	Secured	6.85%	13	9	Quarterly	30/06/2024	30/06/2027
Bank	262.50	Secured	7.72%	8	7	Quarterly	11/03/2025	08/12/2026
Bank	400.36	Secured	8.10%	1	1	Bullet	29/05/2026	29/05/2026
Bank	33.30	Secured	8.30%	12	8	Quarterly	30/06/2024	31/03/2027
Bank	100.00	Secured	8.30%	12	8	Quarterly	30/06/2024	31/03/2027
Bank	150.01	Secured	8.30%	10	7	Quarterly	30/09/2023	31/12/2025
Bank	249.97	Secured	8.50%	10	5	Quarterly	31/03/2024	30/06/2026
Bank	120.03	Secured	8.50%	10	6	Quarterly	30/04/2024	31/07/2026
Bank	50.01	Secured	8.50%	10	5	Quarterly	31/03/2024	30/06/2026
Bank	100.02	Secured	8.50%	10	5	Quarterly	31/03/2024	30/06/2026
Bank	291.67	Secured	8.50%	12	7	Quarterly	29/02/2024	30/11/2026
Bank	416.68	Secured	8.50%	12	10	Quarterly	31/12/2024	30/09/2027
Bank	229.22	Secured	8.50%	12	11	Quarterly	28/02/2025	30/11/2027
Bank	229.22	Secured	8.50%	12	11	Quarterly	31/03/2025	31/12/2027
Bank	39.99	Secured	8.00%	10	2	Quarterly	30/06/2023	30/09/2025
Bank	90.02	Secured	8.05%	10	3	Quarterly	31/07/2023	31/10/2025
Bank	31.46	Secured	7.84%	8	1	Quarterly	20/07/2023	20/04/2025
Bank	167.72	Secured	7.84%	12	4	Quarterly	10/05/2023	10/02/2026
Bank	66.81	Secured	7.69%	12	8	Quarterly	27/06/2024	27/03/2027
Bank	67.17	Secured	7.69%	12	8	Quarterly	27/06/2024	27/03/2027
Bank	67.17	Secured	7.69%	12	8	Quarterly	27/06/2024	27/03/2027
Bank	335.79	Secured	7.69%	12	8	Quarterly	27/06/2024	27/03/2027
Bank	134.31	Secured	7.69%	12	8	Quarterly	27/06/2024	27/03/2027
Bank	752.57	Secured	8.30%	15	15	Quarterly	29/05/2025	29/11/2028
Bank	251.77	Secured	8.30%	15	15	Quarterly	29/05/2025	29/11/2028
Bank	1,007.09	Secured	8.30%	15	15	Quarterly	29/05/2025	29/11/2028
Bank	1,000.69	Secured	8.30%	15	15	Quarterly	29/05/2025	29/11/2028
Bank	245.44	Secured	8.45%	11	9	Quarterly	26/12/2024	26/06/2027
Bank	272.79	Secured	8.45%	11	10	Quarterly	30/01/2025	30/07/2027
Bank	363.72	Secured	8.45%	11	10	Quarterly	28/02/2025	31/08/2027
Bank	500.02	Secured	8.05%	11	11	Quarterly	30/06/2025	31/12/2027

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	500.11	Secured	8.05%	11	11	Quarterly	30/09/2025	31/03/2028
Others	231.41	Secured	8.32%	43	33	Monthly	10/06/2024	10/12/2027
Others	334.87	Secured	8.07%	12	9	Quarterly	10/06/2024	10/03/2027
Others	376.78	Secured	7.78%	12	9	Quarterly	10/08/2024	10/05/2027
Bank-ECB	299.22	Secured	7.77%	1	1	Bullet	27/03/2028	27/03/2028
	18,000.09							
Subordinated Liabilities								
Perpetual Debt	103.57	Unsecured	11.50%	1	1	Bullet	24/11/2027	24/11/2027
Other Subordinated Liabilities:								
Others	154.27	Unsecured	9.40%	1	1	Bullet	10/06/2026	10/06/2026
Others	151.35	Unsecured	9.40%	1	1	Bullet	26/08/2026	26/08/2026
Others	101.91	Unsecured	8.85%	1	1	Bullet	02/06/2027	02/06/2027
Others	359.39	Unsecured	8.85%	1	1	Bullet	11/06/2027	11/06/2027
Others	101.46	Unsecured	9.50%	1	1	Bullet	18/01/2028	18/01/2028
Others	324.01	Unsecured	9.50%	1	1	Bullet	31/01/2028	31/01/2028
Others	201.19	Unsecured	9.35%	1	1	Bullet	29/08/2028	29/08/2028
Others	512.31	Unsecured	9.30%	1	1	Bullet	27/06/2029	27/06/2029
Others	157.63	Unsecured	9.38%	1	1	Bullet	24/04/2030	24/04/2030
Others	102.22	Unsecured	10.00%	1	1	Bullet	01/07/2026	01/07/2026
Total	**2,165.74**							
Subordinated Liabilities Total	**2,269.31**							

Details of Security

i) Non convertible debentures of Rs. 2912 Crores inclusive of current and non-current dues (As at 31st March 2025 Rs. 2,625 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

ii) Term loan received from banks and other parties of Rs. 17,352 Crores inclusive of current and non-Current dues (As at 31st March 2025 Rs. 18,000 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

iii) Working capital demand loan and cash credit of Rs. 4,736 Crores (As at 31st March 2025 Rs.1,792 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

TVS CREDIT

When Uttar Pradesh's harvest season arrives, it calls for a celebration.
Maximum funding leads to maximum prosperity.

Every farmer needs the right machine at the right time for a good yield. Our **Tractor Loans** with maximum funding let you make the most of the season.

SAME-DAY* LOAN APPROVAL | **NO INCOME*** DOCUMENTS | **FLEXIBLE*** EMIs

*Images used are for representative purposes

*Terms and conditions apply

TVS CREDIT

The bylanes of old Delhi are best experienced on three wheels. With same-day approval, these adventures will never stop.

Drivers are the city's storytellers, turning a tourist's wonder into love. The quick approval on our **Three Wheeler Loans** helps them wind through traffic and time with ease.

SAME-DAY*	MINIMAL	FLEXIBLE*
LOAN APPROVAL	DOCUMENTATION	EMIs

*Images used are for representative purposes

*Terms and conditions apply

(All amounts in ₹ crores, unless otherwise stated)

NOTE 20 Other financial liabilities

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Employee related liabilities	104.65	127.42
b)	Security deposit	19.87	15.51
c)	Lease liability (refer note 40)	77.50	71.41
d)	Other liability	7.83	7.00
	Total	**209.85**	**221.34**

NOTE 21 Provisions

S No	Description	As at 31st March 2026	As at 31st March 2025
	Provision for employee benefits		
a)	Pension (refer note 36)	13.29	12.70
b)	Gratuity (refer note 36)	15.58	3.60
c)	Compensated absences (refer note 36)	45.05	43.28
	Others		
a)	Provision for expected credit loss towards undrawn commitments	1.23	-
	Total	**75.15**	**59.58**

NOTE 22 Other non-financial liabilities

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Statutory dues	38.10	38.15
	Total	**38.10**	**38.15**

NOTE 23 Equity share capital

a) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend. Voting rights, dividend distributions and repayment of capital will be in proportion to the number of equity shares held.

b) Terms/Rights attached to Compulsory convertible preference shares

The Company has only one class of compulsory convertible preference shares having a par value of Rs. 10 per share which shall convert into one equity share as laid out in the agreement . Upon conversion into equity shares, the shareholder shall be entitled to participate in the dividend on equity shares on pari passu basis along with holders of other equity shares.

	Description	As at 31st March 2026	As at 31st March 2025
c)	**Authorised share capital:**		
	300,000,000 (As at 31st March 2025 : 300,000,000) equity shares of Rs.10 each	300.00	300.00
	20,000,000 (As at 31st March 2025 : 20,000,000) 0.001% Compulsorily convertible preference shares of Rs.10 each	20.00	20.00
	Total	**320.00**	**320.00**

(All amounts in ₹ crores, unless otherwise stated)

d)	**Issued, subscribed and paid up:**		
	Equity Share:		
	23,96,67,485 (As at 31st March 2025 : 23,62,72,706) equity shares of Rs.10 each	239.67	236.27
	Total	**239.67**	**236.27**
	Instruments entirely equity in nature:		
	1,83,84,684 (As at 31st March 2025: 1,83,84,684) 0.001% Compulsorily convertible preference shares of Rs.10 each	18.38	18.38
	Total	**18.38**	**18.38**

e) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Equity Share:

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	23,62,72,706	236.27	22,82,23,926	228.22
Add: Issued during the year	33,94,779	3.39	80,48,780	8.05
At the end of the year	**23,96,67,485**	**239.67**	**23,62,72,706**	**236.27**

Notes:

1) During FY 25-26, the Company through preferential issue on private placement basis on 31st October 2025 & 13th November 2025 allotted 29,59,441 & 4,35,338 equity shares respectively to eligible buyers at a price of Rs.589.14 per equity share of Rs.10 face value (inclusive of premium of Rs.579.14 per share) aggregating to approximately Rs.200 crores.

2) During FY 24-25, the Company through preferential issue on private placement basis on 28th June 2024 allotted 80,48,780 equity shares respectively to eligible buyers at a price of Rs.410 per equity share of Rs.10 face value (inclusive of premium of Rs.400 per share) aggregating to approximately Rs.330 crores.

3) There were no shares alloted for contract(s) without payment being received in cash, buy back of shares or bonus shares issued during immediately preceeding 5 previous years.

4) No shares has been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment during the preceeding 5 previous years.

0.001% Compulsorily convertible preference shares:

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	1,83,84,684	18.38	1,83,84,684	18.38
Add: Issued during the year	-	-	-	-
At the end of the year	**1,83,84,684**	**18.38**	**1,83,84,684**	**18.38**

f) Shares held by Holding companies:

Particulars	As at 31st March 2026	As at 31st March 2025
Equity share:		
TVS Motor Company Limited	20,52,30,334	20,23,19,089
0.001% Compulsorily convertible preference shares:		
TVS Motor Company Limited	31,69,773	31,69,773

(All amounts in ₹ crores, unless otherwise stated)

g) Number of shares held by share holders more than 5% of total shares as at the end of the year

Name of the Shareholders	As at 31st March 2026		As at 31st March 2025	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity share:				
TVS Motor Company Limited	20,52,30,334	85.63%	20,23,19,089	85.63%
PI Opportunities Fund I Scheme II	1,26,38,567	5.27%	1,22,72,143	5.19%
0.001% Compulsorily convertible preference shares:				
TVS Motor Company Limited	31,69,773	17.24%	31,69,773	17.24%
PI Opportunities Fund I Scheme II	1,52,14,911	82.76%	1,52,14,911	82.76%

h) Shares held by promoters at the end of year

Promotor Name	No. of shares	% of total shares	% change during the year
Equity share:			
TVS Motor Company Limited	20,52,30,334	85.63%	0.00%
0.001% Compulsorily convertible preference shares:			
TVS Motor Company Limited	31,69,773	17.24%	0.00%

NOTE 24 Other equity

Description	As at 31st March 2026	As at 31st March 2025
a) Securities premium	2,392.75	2,196.14
b) Statutory reserves	692.48	509.85
c) Share based payment reserve	0.96	0.27
d) Retained earnings	2,710.70	1,988.24
e) Other comprehensive income - Financial Instruments through OCI	3.08	(0.47)
f) Other comprehensive income - Cashflow Hedge reserve	9.61	(0.76)
Total reserves and surplus	**5,809.58**	**4,693.27**

a) Securities premium	As at 31st March 2026	As at 31st March 2025
Opening balance	2,196.14	1,874.19
Additions during the year	196.61	321.95
Closing balance	**2,392.75**	**2,196.14**

b) Statutory reserves	As at 31st March 2026	As at 31st March 2025
Opening balance	509.85	356.40
Transfer from retained earnings	182.63	153.45
Closing balance	**692.48**	**509.85**

(All amounts in ₹ crores, unless otherwise stated)

c) Share based payment reserve	As at 31st March 2026	As at 31st March 2025
Opening balance	0.27	-
Share based payment expense during the year	0.69	0.27
Closing balance	**0.96**	**0.27**

d) Retained Earnings	As at 31st March 2026	As at 31st March 2025
Opening balance	1,988.24	1,382.40
Net profit for the year	913.17	767.25
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of post-employment benefit obligation net off tax	(8.08)	(7.96)
Transfer to statutory reserve	(182.63)	(153.45)
Closing balance	**2,710.70**	**1,988.24**

e) Other comprehensive income - Financial Instruments through OCI	As at 31st March 2026	As at 31st March 2025
Opening balance	(0.47)	-
Add: Fair value gain/(loss) on financial instruments net of tax	3.55	(0.47)
Closing balance	**3.08**	**(0.47)**

f) Other comprehensive income - Cashflow hedge reserve	As at 31st March 2026	As at 31st March 2025
Opening balance	(0.76)	5.89
Add: Change in fair value of hedging instruments, net off tax	10.37	(6.65)
Closing balance	**9.61**	**(0.76)**

Securities premium

The reserve represents premium on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

Statutory reserves:

According to Section 45 - IC of the Reserve Bank of India Act, 1934, the Company transfers a sum not less than 20% of its net profit every year as disclosed in the Statement of Profit and Loss and before declaration of any dividend to the statutory reserves.

Retained earnings:

Represents Company's cumulative undistributed earnings since its inception. This is available for distribution to shareholders through dividends/capitalisation.

Share based payment reserve:

It is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for its employees.

Other comprehensive income - Financial Instruments through OCI:

It represents the cumulative gains/(losses) arising on revaluation of equity instruments measured at fair value through OCI.

Other comprehensive income - Cashflow Hedge reserve:

It represents the cumulative gains/(losses) arising on revaluation of derivative instruments designated as cash flow hedges through OCI.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 25 Interest income

Description	Year ended 31st March 2026	Year ended 31st March 2025
On financial assets measured at amortised cost:		
Interest on loans	6,175.12	5,752.94
Interest on deposits with bank	19.96	16.24
Interest on Government securities	18.27	6.79
Total	**6,213.35**	**5,775.97**

NOTE 26 Fees and commission income

Description	Year ended 31st March 2026	Year ended 31st March 2025
Fee based income	576.56	525.12
Service income	247.21	211.34
Total	**823.77**	**736.46**

NOTE 27 Net gain on fair value changes

Description	Year ended 31st March 2026	Year ended 31st March 2025
Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
Realised gain on investment at FVTPL	154.02	92.32
Total	**154.02**	**92.32**

NOTE 28 Other income

Description	Year ended 31st March 2026	Year ended 31st March 2025
Unwinding of discount on security deposits and receivable for investments	1.14	0.97
Other non-operating Income	3.72	0.44
Interest on income tax refund	-	2.52
Total	**4.86**	**3.93**

NOTE 29 Finance costs

Description	Year ended 31st March 2026	Year ended 31st March 2025
Interest expenses on financial liabilities measured at amortised cost:		
- Interest on borrowings (other than debt securities)	1,445.82	1,476.13
- Interest on debt securities	268.60	169.54
- Interest on subordinated liabilities	206.71	203.74
Other interest expense:		
- Interest on lease liabilities	6.48	6.12
- Others	6.68	7.79
Total	**1,934.29**	**1,863.32**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 30 Impairment of financial instruments

Description	Year ended 31st March 2026	Year ended 31st March 2025
On financial instruments measured at amortised cost:		
Bad Debts written off (net)	722.12	940.98
Net Loss on foreclosure / sale of repossessed assets	392.22	410.38
Impairment provision on loans	41.59	(57.20)
Provision for expected credit loss towards undrawn commitments	1.23	-
Impairment provision on trade receivables and other financial assets	(0.57)	1.20
Total	**1,156.59**	**1,295.36**

NOTE 31 Employee benefit expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Salaries and wages	1,154.06	1,019.56
Contribution to provident and other funds	60.74	56.86
Gratuity expenses (refer note 36)	9.86	6.87
Share based payment to employees	0.69	0.27
Staff welfare expenses	48.88	52.02
Total	**1,274.23**	**1,135.58**

NOTE 32 Depreciation and amortization expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Depreciation on investment property (refer note 13)	1.58	-
Depreciation on property, plant and equipment (refer note 14)	25.06	23.63
Depreciation on Right-to-use assets (refer note 14)	23.70	20.87
Amortisation of Intangible assets (refer note 14)	5.78	1.70
Total	**56.12**	**46.20**

NOTE 33 Other expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Rent, taxes and energy costs (Refer note 40d))	23.02	18.36
Repairs and maintenance	14.73	18.31
Communication costs	136.93	97.21
Printing and stationery	1.32	1.59
Directors sitting fees & commission expenses	1.53	1.03
Auditors fees and expenses*	1.04	0.73
Legal and professional charges	22.20	92.49
Insurance expenses	1.56	0.90
Travelling and conveyance	58.80	46.13
Information technology expenses	126.38	106.16
Manpower support expenses	579.43	274.49
Brand royalty fee	24.63	24.96
Corporate social responsibility (refer note 41) **	16.00	10.00
Donation (refer note 41)	38.30	20.00
Others	8.83	3.26
Total	**1,054.70**	**715.62**

(All amounts in ₹ crores, unless otherwise stated)

***Auditors fees and expenses**

Description	Year ended 31st March 2026	Year ended 31st March 2025
Statutory audit	0.69	0.42
Limited review	0.12	0.12
Tax audit	0.10	0.08
Certification	0.09	0.05
Reimbursement of expenses	0.04	0.06
Auditors fees and expenses	**1.04**	**0.73**

**** Expenditure incurred on corporate social responsibility activities:**

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
(i) Amount required to be spent by the Company during the year	15.32	9.53
(ii) Amount spent during the year on	16.00	10.00
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	16.00	10.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Details of related party transactions: Contribution to a trust, an Enterprise under common control	16.00	10.00
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in position	-	-
Nature of CSR Activities : Economic development, health care, education, environment sustainability and water conservation		

NOTE 34 Income tax expense

Description	Year ended 31st March 2026	Year ended 31st March 2025
(a) Income tax expense:		
Current tax on profits for the year	400.49	323.80
Tax profits relating to prior period	-	-
Total current tax expense	**400.49**	**323.80**
Deferred tax		
Decrease/(increase) in deferred tax assets	(75.34)	(65.61)
(Decrease)/increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	**(75.34)**	**(65.61)**
Income tax expense for the year	**325.15**	**258.19**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	1,238.32	1,025.44
Tax at the Indian tax rate of 25.168% (31st March 2025: 25.168%)	311.66	258.08
Tax effect of amounts which are permanent differences in nature in calculation of taxable income	13.49	0.11
Income tax expense	**325.15**	**258.19**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 35 Earnings per equity share (EPS)

Description	Year ended 31st March 2026	Year ended 31st March 2025
(a) Basic earnings per share		
Basic earnings per share attributable to the equity holders of the Company	35.66	30.36
(b) Diluted earnings per share		
Diluted earnings per share attributable to the equity holders of the Company	35.66	30.36
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share:		
Profit attributable to equity holders of the company used in calculating basic earnings per share	913.17	767.25
Diluted earnings per share:		
Profit attributable to equity holders of the company used in calculating diluted earnings per share	913.17	767.25
(d) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	25,60,55,601	25,27,16,862
Effect of dilution:		
Employee stock options	13,390	2,782
(e) Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	25,60,68,991	25,27,19,644

NOTE 36 Employee benefit plans

(I) Defined benefit plans

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised fund in India.

The Company operates defined benefit pension plan, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

Particulars	Gratuity			Pension		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
As at 1st April 2024	**44.52**	**(43.95)**	**0.57**	**11.23**	**-**	**11.23**
Current service cost	7.07	-	7.07	-	-	-
Interest expense/(income)	3.12	(3.32)	(0.20)	0.79	-	0.79
Total amount recognised in profit or loss	**10.19**	**(3.32)**	**6.87**	**0.79**	**-**	**0.79**
Remeasurements					-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.44	0.44	-	-	-
(Gain)/loss from change in financial assumptions	0.76	-	0.76	0.84	-	0.84
Experience (gains)/losses	8.76	-	8.76	(0.16)	-	(0.16)
Total amount recognised in other comprehensive (income)/Losses	**9.52**	**0.44**	**9.96**	**0.68**	**-**	**0.68**
Employer contributions	-	(13.80)	(13.80)	-	-	-
Benefit payments	(7.14)	7.14	-	-	-	-
As at 31st March 2025	**57.10**	**(53.48)**	**3.60**	**12.70**	**-**	**12.70**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

Particulars	Gratuity			Pension		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
As at 1st April 2025	**57.10**	**(53.48)**	**3.60**	**12.70**	**-**	**12.70**
Current service cost	9.70	-	9.70	-	-	-
Past service cost	8.61	-	8.61	-	-	-
Interest expense/(income)	3.97	(3.81)	0.16	0.79	-	0.79
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-	-	-	-
Experience (gains)/losses	-	-	-	-	-	-
Total amount recognised in profit or loss	**22.28**	**(3.81)**	**18.48**	**0.79**	**-**	**0.79**
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.92	0.92	-	-	-
(Gain)/loss from change in financial assumptions	0.05	-	0.05	0.87	-	0.87
Experience (gains)/losses	9.66	-	9.66	(0.71)	-	(0.71)
Total amount recognised in other comprehensive (income)/Losses	**9.71**	**0.92**	**10.64**	**0.16**	**-**	**0.16**
Employer contributions	-	(17.14)	(17.14)	-	-	-
Benefit payments	(4.12)	4.12	-	(0.36)	-	(0.36)
As at 31st March 2026	**84.97**	**(69.39)**	**15.58**	**13.29**	**-**	**13.29**

Details	Gratuity		Pension	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Discount rate	6.23%	6.34%	5.75%	6.44%
Salary growth rate	6.00%	6.00%	5.50%	5.50%
Attrition rate	36.00%	36.00%	0.00%	0.00%
Retirement age	58	58	60	60
Mortality inclusive of provision for disability	100% of Indian assured lives mortality (IALM)			

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

(i) Sensitivity analysis

FY 2025-26

Particulars	Gratuity			Pension		
	Change in Assumption	Due to increase in assumption	Due to decrease in assumption	Change in Assumption	Due to increase in assumption	Due to decrease in assumption
Discount rate	0.50%	84.00	85.95	1.00%	12.08	14.73
Salary growth rate	0.50%	85.90	84.04	1.00%	14.80	12.01
Mortality	5.00%	84.97	84.96	5.00%	13.18	13.41
Attrition	5.00%	84.50	85.44	5.00%	13.29	13.29
Rs.10,00,000 benefit ceiling	-	80.58	-	-	-	-
No benefit ceiling	-	-	87.34	-	-	-

FY 2024-25

Particulars	Gratuity			Pension		
	Change in Assumption	Due to increase in assumption	Due to decrease in assumption	Change in Assumption	Due to increase in assumption	Due to decrease in assumption
Discount rate	0.50%	56.42	57.76	1.00%	11.45	14.18
Salary growth rate	0.50%	57.74	56.43	1.00%	14.26	11.38
Mortality	5.00%	57.08	57.08	5.00%	12.60	12.81
Attrition	5.00%	56.68	57.49	5.00%	12.70	12.70
Rs.10,00,000 benefit ceiling	-	55.33	-	-	-	-
No benefit ceiling	-	-	57.86	-	-	-

(ii) Projected plan cash flow

Maturity profile	Amount (Rs. in crs)
Expected benefits for year 1	28.66
Expected benefits for year 2	23.43
Expected benefits for year 3	17.28
Expected benefits for year 4	12.82
Expected benefits for year 5	9.41
Expected benefits for year 6 and above	22.15
Total	**113.75**

(iii) Risk associated with defined benefit plan

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

a. Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to Government bonds' yields at the end of the reporting period.

A decrease/(increase) in discount rate will increase/(decrease)present values of plan liabilities.

b. Salary escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants calculated by applying estimated salary escalation rate. Any deviation in actual salary escalation can have impact on plan liability.

c. Attrition rate risk

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

d. Mortality rate risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase/decrease in the life expectancy of the plan participants can have impact on plan liability

(iv) Category of Plan Assets

100% in insurer managed funds

(II) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions. The Company's contribution to defined contribution plan viz. provident fund & ESI, of Rs. 59.95 crore (As at 31st March 2025: Rs. 55.80 crore) has been recognised in the Statement of Profit and Loss.

(III) Other long-term employee benefits

Compensated absences

Particulars	31st March 2026	31st March 2025
Present value of obligations	45.05	43.28
Expense recognised in the Statement of Profit and Loss	1.77	(12.51)
Assumptions		
Discount rate	6.19%	6.34%
Salary growth rate	6.00%	6.00%
Attrition rate	36.00%	36.00%
Retirement age	58	58

NOTE 37 Fair value measurements

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

The carrying value and fair value of other financial instruments by categories as of 31st March 2026 were as follows:

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and cash equivalents	3,327.50	-	-	3,327.50	3,327.50
Other bank balances	0.21	-	-	0.21	0.21
Trade receivables	214.66	-	-	214.66	214.66
Loans	30,285.47	-	-	30,285.47	30,285.47
Investment in subsidiaries	12.01	-	-	12.01	12.01
Investment in Government securities	288.98	288.98	-	-	288.98
Other financial assets	29.56	-	-	29.56	29.56
Total financial assets	**34,158.39**	**288.98**	**-**	**33,869.40**	**34,158.39**
Trade payables	1,009.49	-	-	1,009.49	1,009.49
Debt securities	3,309.86	-	3,309.86	-	3,309.86
Borrowings other than debt securities	22,088.05	-	-	22,088.05	22,088.05
Subordinated liabilities	2,269.96	-	2,269.96	-	2,269.96
Other financial liabilities	209.85	-	-	209.85	209.85
Total financial liabilities	**28,887.21**	**-**	**5,579.82**	**23,307.39**	**28,887.21**

(All amounts in ₹ crores, unless otherwise stated)

The carrying value and fair value of other financial instruments by categories as of 31st March 2025 were as follows:

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and cash equivalents	3,590.32	-	-	3,590.32	3,590.32
Other bank balances	5.95	-	-	5.95	5.95
Trade receivables	141.25	-	-	141.25	141.25
Loans	26,298.84	-	-	26,298.84	26,298.84
Investment in subsidiaries	12.01	-	-	12.01	12.01
Investment in Government securities	282.12	282.12	-	-	282.12
Other financial assets	28.28	-	-	28.28	28.28
Total financial assets	**30,358.77**	**282.12**	**-**	**30,076.65**	**30,358.77**
Trade payables	1,087.30	-	-	1,087.30	1,087.30
Debt securities	2,625.39	-	2,625.39	-	2,625.39
Borrowings other than debt securities	19,792.47	-	-	19,792.47	19,792.47
Subordinated liabilities	2,269.31	-	2,269.31	-	2,269.31
Other financial liabilities	221.34	-	-	221.34	221.34
Total financial liabilities	**25,995.81**	**-**	**4,894.70**	**21,101.11**	**25,995.81**

Financial assets and financial liabilities measured at fair value:

Particulars	Fair value hierarchy	31st March 2026	31st March 2025
Financial assets			
Derivative financial instruments	Level 2	103.43	-
Investment in alternate investment fund	Level 3	12.14	5.38
Investment in compulsory convertible debentures	Level 3	0.25	0.25
Total financial assets		**115.82**	**5.63**
Financial liabilities			
Derivative financial instruments	Level 2	-	2.24
Total financial liabilities		-	2.24

There were no transfers between any levels during the year.

(i) Fair value hierarchy

Ind AS 113, 'Fair Value Measurement' requires classification of the valuation method of financial instruments measured at fair value in the Statement of 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 un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 113 are described below.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes publicly traded derivatives and mutual funds that have a quoted price. The quoted market price used for financial assets held by the Company is the current bid price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on 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. That is, level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear that risk. The Company develops level 3 inputs based on the best information available in the circumstances.

(All amounts in ₹ crores, unless otherwise stated)

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The Management assessed that cash and cash equivalents, bank balance other than cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments. The fair value of the investments in subsidiary have been considered as the carrying value.

- The majority of borrowings are floating rate borrowings, the carrying value is representative of the fair value.

- The fair values for advance to related parties and rent advance were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

- The fair value of forward foreign exchange contracts and cross currency interest rate swaps (CCIRS) is determined using forward exchange rates at the balance sheet date.

NOTE 38 Financial risk management

The Company's financial assets include loan and advances, investments and cash and cash equivalents that derive directly from its operations. The Company's financial liabilities comprise mainly borrowings from banks, financial institutions, commercial papers, debentures and subordinated liabilities in the form of debentures.

The Company is exposed to various risks such as credit risk, liquidity risk , foreign currency risks and interest rate risks.

The Board of directors have the overall responsibility for the establishment of governance and oversight in relation to the Company's risk management framework. The Board of directors have established committees such as the Risk Management Committee and Asset Liability Committee for developing and monitoring the Company's risk management policies and treasury policies. The Committees reports regularly to the Board of directors on its activities.

The Company's risk management policies are established to identify and analyse the various risks faced by the Company, to set appropriate risk benchmarks limits and controls and to monitor risks and adherence to limits from time to time. The Risk Management Committee oversees how management monitors compliance with the risk management policies and procedures and other governance framework and reviews the adequacy of the risk management framework in relation to the various risks faced by the Company from time to time.

(A) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored to determine significant increase in credit risk. The Company monitors the credit assessment on a portfolio basis, assesses all credit exposures in excess of designated limits. The Company does a risk grading based upon the credit worthiness of the borrowers. All these factors are taken into consideration for computation of Expected Credit Loss (ECL).

Loans

The following table sets out information about credit quality of retail loan assets measured at amortised cost based on number of days past due information. The amount represents the gross carrying value of assets as on each reporting date.

Particulars	31st March 2026	31st March 2025
Gross carrying value of loans		
Stage-1 (Up to 30 Days)	29,566.06	25,066.76
Stage-2 (31-90 Days)	892.13	1,329.68
Stage-3 (More than 90 Days)*	757.82	782.98
Total Gross carrying value as of year end	**31,216.01**	**27,179.42**

*Includes restructured contracts under Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November 2025 irrespective of days past due on the reporting date.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

Trade receivable and other financial assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable and other financial assets. The application of simplified approach does not require the Company to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Credit quality

The Company has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loan assets under ECL model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

The Company categories loan assets into stages based on the Days Past Due status:

— Stage 1: Up to 30 Days Past Due

— Stage 2: 31-90 Days Past Due

— Stage 3: More than 90 Days Past Due

Assumptions considered in the ECL model

The Company has made the following assumptions in the ECL Model:

— "Loss Given Default" (LGD) is common for all three stages and is based on loss in past portfolio. Actual cash flows are discounted with average rate for arriving at loss rate. EIR has been taken as discount rate for all loans.

Estimation technique

The Company has applied the following estimation technique in its ECL model :

— "Probability of Default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%.

— Probability of Default for Stage 1 loan assets is calculated as average of historical trend from Stage 1 to Stage 3 in next 12 months.

— Probability of Default for Stage 2 loan assets is calculated based on the lifetime PD as average of historical trend from Stage 2 to Stage 3 for the remaining tenure.

— Loss Given Default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

There is no change in estimation techniques or significant assumptions during the reporting period.

The Company considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., as considered relevant so as to determine the impact of macroeconomic factors on the Company's ECL estimates. The internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the Company considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The Company considers reasonable and supportable information that is relevant and available without undue cost and effort.

The Company uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the Company considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

As at 31st March 2026, the outstanding exposure in respect of accounts restructured under the COVID-19 One-Time Resolution framework vide RBI circular dated 6th August 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated 5th May 2021 is Nil.

The Company has classified all restructured accounts done under Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November 2025 in Stage 3.

Definition of default

The Company considers a financial instrument is in default when the borrower becomes 90 days past due on its contractual payments. The Company considers loans under default as 'credit impaired' and classified as Stage-3 except for restructured contracts as disclosed above.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

Forward Looking Economic Conditions

The Company measures Expected Credit Loss ("ECL") using reasonable and supportable information, including historical, current and forward looking information, in accordance with Ind AS 109.

The Historical Probability of Default ("PD") estimates are adjusted to reflect forward looking economic conditions by incorporating relevant macro economic factors such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., that impact the overall economic environment. The macro economic inputs used in the model are based on external forecasts, including data sourced from the International Monetary Fund (IMF).

Sensitivity

The ECL allowance is sensitive to changes in macro economic assumptions and scenario weightage. Any changes in these assumptions may result in variations in the impairment provision in future periods. The Company continuously reviews economic developments and updates its assumptions to ensure that the ECL provision remains adequate and prudent.

Impairment loss

The expected credit loss allowance provision is determined as follows:

FY 25-26	Stage 1	Stage 2	Stage 3	Grand Total
Gross carrying value	29,566.06	892.13	757.82	31,216.01
Allowance for ECL	335.82	184.60	410.12	930.54
ECL coverage ratio	1.14%	20.69%	54.12%	2.98%

FY 24-25	Stage 1	Stage 2	Stage 3	Grand total
Gross carrying value	25,066.76	1,329.68	782.98	27,179.42
Allowance for ECL	210.70	244.71	425.17	880.58
ECL coverage ratio	0.84%	18.40%	54.30%	3.24%

Reconciliation of expected credit loss

Particulars	Stage-1	Stage-2	Stage-3	Grand Total
Balance as at 1st April 2024	**289.48**	**253.54**	**393.05**	**936.07**
Transfer from Stage 1	(19.06)	8.64	10.42	-
Transfer from Stage 2	13.19	(117.14)	103.95	-
Transfer from Stage 3	5.27	2.57	(7.84)	-
Loans that have derecognised during the period	(51.64)	(67.96)	(104.94)	(224.54)
New loans originated during the year	91.52	47.32	50.74	189.58
Net remeasurement of loss allowance	(118.06)	117.74	(20.21)	(20.53)
Balance as at 31st March 2025	**210.70**	**244.71**	**425.17**	**880.58**
Transfer from Stage 1	(13.77)	5.64	8.13	-
Transfer from Stage 2	10.74	(106.71)	95.97	-
Transfer from Stage 3	4.13	3.16	(7.29)	-
Loans that have derecognised during the period	(50.10)	(77.01)	(119.89)	(247.00)
New loans originated during the year	194.08	33.72	32.06	259.85
Net remeasurement of loss allowance	(19.72)	80.85	(24.02)	37.11
Balance as at 31st March 2026	**336.06**	**184.36**	**410.13**	**930.54**

Concentration of credit risk

The business manages concentration of risk primarily by geographical region. The following details show the geographical concentrations of the loans at the year end:

Particulars	31st March 2026	31st March 2025
Carrying value		
Concentration by geographical region in India		
South	12,158.53	11,173.70
West	7,559.69	6,927.67
East	6,262.85	4,736.87
North	5,234.94	4,341.18
Total Loans as at reporting period	**31,216.01**	**27,179.42**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

(B) Liquidity risk

Liquidity risk is a risk that an entity will encounter difficulty in meeting financial obligations.

As per company's policy, management ensures availability of sufficient fund either through Installment receivables/ sourcing through debts at each point of time. The fund requirement is ascertained at the beginning of the period by taking into consideration installment receivable, likely disbursement, loan installment payment & other operational expenses. The Company is continuously getting good support from Bankers & Financial Institutions at the time of need.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	31st March 2026	31st March 2025
Floating rate		
Expiring within one year	1,932	4,820
Expiring beyond one year	-	-
	1,932	4,820

(ii) Maturities of financial assets and liabilities:

The tables below analyse the Company's financial assets and liabilities into relevant maturity groupings based on their contractual maturities for:

a. All non-derivative financial liabilities and assets;

b. Net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The table below summaries the maturity profile of the Company's financial assets and financial liabilities based on contractual undiscounted payments as at the balance sheet date.

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2026						
Financial assets:						
Derivative financial instruments	-	-	-	103.43	-	103.43
Cash and cash equivalents	3,327.50	-	-	-	-	3,327.50
Fixed deposits	-	-	0.21	-	-	0.21
Trade receivables	214.66	-	-	-	-	214.66
Loans	7,880.34	5,779.07	8,774.30	15,325.93	8.05	37,767.69
Investments	-	-	304.56	-	24.39	328.95
Other financial assets	1.29	4.23	9.38	14.39	0.28	29.56
Total	**11,423.79**	**5,783.30**	**9,088.45**	**15,443.75**	**32.72**	**41,772.01**
Financial liabilities:						
Borrowings	4,036.13	3,065.25	10,044.77	12,556.25	-	29,702.40
Security deposit	-	-	4.80	15.07	-	19.87
Trade payables	112.82	452.27	444.40	-	-	1,009.49
Other financial liabilities	22.55	8.40	106.82	66.43	0.93	205.13
Total	**4,171.50**	**3,525.93**	**10,600.79**	**12,637.74**	**0.93**	**30,936.89**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,590.32	-	-	-	-	3,590.32
Fixed deposits	-	-	5.95	-	-	5.95
Trade receivables	38.64	38.14	64.47	-	-	141.25
Loans	6,920.21	4,872.60	7,383.26	14,009.22	3.83	33,189.12
Investments	-	-	300.00	-	17.63	317.63
Other financial assets	2.04	4.78	6.40	12.31	2.75	28.28
Total	**10,551.21**	**4,915.52**	**7,706.08**	**14,021.53**	**24.20**	**37,272.55**
Financial liabilities:						
Derivative financial instruments	-	-	-	2.24	-	2.24
Borrowings	2,497.56	3,562.25	7,232.59	14,073.57	150.58	27,516.56
Security deposit	-	-	9.25	6.26	-	15.51
Trade payables	637.50	208.44	241.36	-	-	1,087.30
Other financial liabilities	7.82	6.99	144.00	51.39	10.90	221.11
Total	**3,142.88**	**3,777.68**	**7,627.20**	**14,133.46**	**161.48**	**28,842.72**

The table below summaries the contractual maturity profile of carrying value of assets and liabilities:

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2026						
Financial assets:						
Derivative financial instruments	-	-	-	103.43	-	103.43
Cash and cash equivalents	3,327.50	-	-	-	-	3,327.50
Fixed deposits	-	-	0.21	-	-	0.21
Trade receivables	214.66	-	-	-	-	214.66
Loans	6,720.63	4,594.34	6,882.06	12,666.05	352.94	31,216.01
Investments	-	-	288.98	-	24.39	313.37
Other financial assets	1.29	4.23	9.38	14.39	0.28	29.56
Total	**10,264.08**	**4,598.57**	**7,180.62**	**12,783.87**	**377.61**	**35,204.75**
Financial liabilities:						
Borrowings	3,608.99	2,728.32	9,522.39	11,808.18	-	27,667.88
Security deposit	-	-	4.80	15.07	-	19.87
Trade payables	112.82	452.27	444.40	-	-	1,009.49
Other financial liabilities	21.18	7.03	104.07	57.71	-	189.99
Total	**3,742.98**	**3,187.62**	**10,075.66**	**11,880.95**	**-**	**28,887.23**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,590.32	-	-	-	-	3,590.32
Fixed deposits	-		5.95	-	-	5.95
Trade receivables	38.64	38.14	64.47	-	-	141.25
Loans	5,994.70	3,796.80	5,793.35	11,591.81	2.76	27,179.42
Investments	-	-	282.12	-	17.63	299.75
Other financial assets	2.04	4.78	6.40	12.31	2.75	28.28
Total	**9,625.70**	**3,839.71**	**6,152.29**	**11,604.12**	**23.14**	**31,244.97**
Financial liabilities:						
Derivative financial instruments	-	-	-	2.24	-	2.24
Borrowings	2,034.39	3,152.20	6,577.72	12,772.86	150.00	24,687.17
Security deposit	-	-	9.25	6.26	-	15.51
Trade payables	637.50	208.44	241.36	-	-	1,087.30
Other financial liabilities	6.49	5.66	141.35	42.49	9.85	205.84
Total	**2,678.38**	**3,366.30**	**6,969.68**	**12,823.85**	**159.85**	**25,998.06**

(a) Foreign currency risk exposure:

Foreign exchange risk arises on financial instruments being denominated in a currency that is not the functional currency of the entity. The Company is exposed to foreign exchange risk due to continuous fluctuation in the foreign currency(USD) of the loan originated. The Company has entered into cross currency swaps (CCS) /forward contracts/ Interest rate swap to fully hedge all foreign currency exchange risk on the principal and interest amount payable on borrowings.

Particulars	31st March 2026	31st March 2025
Financial liabilities		
Variable Foreign Currency Borrowings (USD 100 million) (Year ended 31st March 2025 : USD 35 million)	854.83	300.13
Derivative liabilities		
Hedged through forward contracts and CCS	854.83	300.13
Net exposure to foreign currency risk (liabilities)	-	-

(b) Sensitivity analysis

The Company has hedged all its foreign currency exposures by entering into CCS/ forward contracts, hence it shall not be subjected to any sensitivity on settlement due to foreign currency fluctuation due to the movements in foreign exchanges i.e. USD. Forward contracts & cross current swap are to buy USD for hedging foreign currency loan.

Impact on profit after tax		
USD sensitivity	**31st March 2026**	**31st March 2025**
INR/USD Increases by 5%	-	-
INR/USD Decreases by 5%	-	-

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

(C) Fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During the year ended 31st March 2026 and 31st March 2025, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's floating rate borrowings are carried at amortised cost. For NBFC business, loan is the major source for running the business. In India, loans are generally available at floating rate Interest. And there are no such option available to obtain swap option for floating rate Interest linked to respective bank MCLR with fixed interest. Hence except foreign currency loans, other loans are not hedged.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31st March 2026	31st March 2025
Variable rate borrowings	20,836.05	17,493.01
Total borrowings	**27,667.87**	**24,687.17**

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	31st March 2026		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	6.91%	20,836.05	75.31%

Particulars	31st March 2025		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	7.93%	17,493.01	70.86%

An analysis by maturities is provided in note 38 B (ii) above.

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Impact on profit after tax		
Particulars	31st March 2026	31st March 2025
Interest rates – increase by 50 basis points (50 bps) *	(77.96)	(65.45)
Interest rates – decrease by 50 basis points (50 bps) *	77.96	65.45

* Holding all other variables constant

NOTE 39 Capital management

(a) Risk management

The Risk Management policy includes identification of element of risks, including those which in the opinion of Board may lead to Company not meeting its financial objectives. The risk management process has been established across the Company and design to identify, access & frame a response to threat that affect the achievement of its objectives. Further it is embedded across all the major functions and revolve around the goals and objectives of the Company.

Maintaining optimal capital to debt is one such measure to ensure healthy returns to the shareholders. Company envisages maintaining gearing ratio of maximum 7 times to the total equity, the Company monitors the ratio as below:

Particulars	31st March 2026	31st March 2025
Net debt (total borrowings, less cash and cash equivalents)	24,340.37	21,103.76
Total equity (as shown in the balance sheet)	6,067.63	4,947.92
Net debt to equity ratio	**4.01**	**4.27**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 39 Capital management (Contd.)

(b) Externally imposed capital restrictions

1) As per RBI requirements Capital Adequacy Ratio should be minimum 15%, not meeting RBI requirements will lead to cancellation of NBFC licenses issued by RBI. (Refer Note 43 18.17)
2) As per various lending arrangements with banks, TOL (Total Outside Liability) to TNW (Tangible Net Worth) ratio should be less than 8.5 times, not meeting the said requirements may lead to higher interest rates.
3) Shareholding of the promoter shall not be less than 51% without prior approval from lenders.

The Company has complied with these covenants throughout the reporting period.

NOTE 40 Leases

a) Lease disclosures pertaining to right-to-use asset

Particulars	31st March 2026	31st March 2025
Opening balance	65.19	26.58
Add: Adjustments on account of modification	-	35.95
Add: Additions during the year	28.84	23.53
Less: Deletions during the year	-	-
Less: Depreciation during the year	(23.70)	(20.87)
Closing balance	**70.33**	**65.19**

b) Lease liability movement

Particulars	31st March 2026	31st March 2025
Opening balance	71.41	31.36
Add: Adjustments on account of modification	-	34.72
Add: Additions during the year	27.69	23.53
Add: Interest accrued during the year	6.48	6.12
Less: Interest paid during the year	(6.48)	(6.12)
Less: Deletions during the year	-	-
Less: Prinicpal repayment during the year	(21.60)	(18.20)
Closing balance	**77.50**	**71.41**

c) The Company has offices across the country with varied lease period. The lease term considered for arriving at the Right to use Asset and Lease liabilities are based on the lease period of the respective agreements.

d) The Company has exercised the option of short term leases and low value asset exemption.

e) Lease disclosures pertaining to Statement of Profit & Loss

Particulars	31st March 2026	31st March 2025
Amounts recognised in the Statement of Profit and Loss		
i. Depreciation charge of right-of-use assets (included in depreciation,amortisation and impairment)	23.70	20.87
ii. Interest expense (included in finance costs)	6.48	6.12
iii. Expense relating to short-term leases (included in other expenses)	7.42	6.68
iv. Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	-	-
v. Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	-	-
Total	**37.60**	**33.67**

(All amounts in ₹ crores, unless otherwise stated)

f) Addition disclosures in cash flow statement

Particulars	31st March 2026	31st March 2025
Cash flow financing activities		
Principal repayments related to lease liabilities	21.60	18.20
Interest payments related to lease liabilities	6.48	6.12

g) Contractual maturities of lease liabilities outstanding

Particulars	31st March 2026	31st March 2025
Less than one year	22.13	19.07
One to five years	46.49	42.49
More than five years	8.88	9.85
Total	**77.50**	**71.41**

NOTE 41 Related party disclosure

Disclosure in respect of Related Parties and their relationship where transaction exists:

Nature of relationship	Parties name
Reporting enterprise	TVS Credit Services Limited
Holding company	TVS Motor Company Limited
Ultimate holding company	TVS Holdings Limited
Subsidiaries	TVS Housing Finance Private Limited Harita ARC Private Limited Harita Two Wheeler Mall Private Limited
Fellow subsidiary	TVS Motor Services Limited Sundaram Auto Components Limited TVS Digital Pte Limited TVS Digital Limited Home Credit India Finance Private Limited Drive X Mobility Millennial Solutions Private Limited
Enterprise under common control	Sundaram-Clayton Limited Srinivasan Services Trust Vee Yes Charities Foundation TVS Emerald Limited
Associate of holding company	Scienaptic Systems Private Limited (Upto 27th December 2024) TVS Training and Services Limited
Non-executive directors	Mr. Venu Srinivasan (upto 3rd February 2026) Mr. Sudarshan Venu Mr. K.N. Radhakrishnan Mr. Sanjiv Chadha
Independent directors	Mr. R. Gopalan Mr. B. Sriram Ms. Kalpana Unadkat Ms. Deepali Pant Joshi (upto 6th November 2025) Mr. T. C. Suseel Kumar
Director and CEO	Mr. Ashish Sapra, Director and Chief Executive Officer
Key managerial personnel	Ms. Roopa Sampath Kumar, Chief Financial Officer Mr. Chetan Nage, Company Secretary

(All amounts in ₹ crores, unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

A. Transactions with related parties during the year:

Sl. No.	Name of the Related Party	Nature of Transactions	31st March 2026	31st March 2025
1	TVS Motor Company Limited	Contribution towards issuance of equity shares	171.51	282.67
		Receipt of subvention income	29.34	10.11
		Reimbursement of IT expense	4.45	2.46
		Payment towards business support service	1.54	3.70
2	TVS Holdings Limited	Payment towards brand royalty fees	24.63	22.87
		Payment towards business support service	4.36	2.82
3	TVS Housing Finance Private Limited	Reimbursement of expenses	0.20	0.17
4	Harita ARC Private Limited	Reimbursement of expenses	0.01	0.00
5	Harita Two Wheeler Mall Private Limited	Reimbursement of expenses	0.01	0.00
6	TVS Digital Pte Limited	Payment towards software license fees	2.26	1.97
		Payment towards Software purchase	36.05	-
		Payment towards business support service	-	0.01
7	TVS Digital Limited	Payment towards business support service	4.35	0.36
8	Drive X Mobility Millennial Solutions Private Limited	Receipt towards sale of repossessed vehicles	1.50	7.87
9	Sundaram-Clayton Limited	Payment towards business support service	1.66	1.27
10	Srinivasan Services Trust	Contribution towards corporate social responsibility	16.00	10.00
11	Vee Yes Charities Foundation	Contribution towards Donation	10.62	7.10
12	TVS Training and Services Limited	Interest on loan received	0.01	0.02
		Loan recovered	0.05	0.06
13	Home Credit India Finance Private Limited	Receipt of Lead generation fee	0.32	-
		Receipt towards Seat rental	0.10	-
		Reimbursement of expenses	1.03	-
14	Scienaptic Systems Private Limited	Payment towards business support service	-	0.89

B. Remuneration to Key Managerial Personnel*

Particulars	2025-26	2024-25
Short term benefits	11.15	8.69
Post retirement benefits	0.40	0.28
Share based payment	0.17	0.27

*Remuneration to Key Managerial Personnel excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the Company as a whole. The Company has not granted any loans or advances in the nature of loans to promoters, directors, key managerial personnel and the related parties, either severally or jointly with any other person, which are (a) repayable on demand; or (b) without specifying any terms or period of repayment.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

C. Directors' Sitting Fees and Commission

Sl. No.	Name of the Director	Nature	2025-26	2024-25
1	Mr. Venu Srinivasan	Sitting fees*	0.01	0.00
		Commission	-	-
2	Mr. K.N. Radhakrishnan	Sitting fees	0.03	0.03
		Commission	-	-
3	Mr. B.Sriram	Sitting fees	0.03	0.05
		Commission	0.30	0.20
4	Mr. R.Gopalan	Sitting fees	0.04	0.03
		Commission	0.30	0.20
5	Ms. Kalpana Unadkat	Sitting fees	0.03	0.04
		Commission	0.30	0.20
6	Ms. Deepali Pant Joshi	Sitting fees	0.01	0.01
		Commission	0.18	0.13
7	Mr. T.C. Suseel Kumar	Sitting fees	0.01	0.01
		Commission	0.30	0.13
TOTAL			**1.53**	**1.03**

1. The amounts mentioned are actual payments made during the year.
2. * The sitting fees paid during year ended 31st March 2025 represents amount less than rounding off norm adopted by the company
3. Transaction values are excluding taxes and duties

D. Balance outstanding as at:

Sl. No.	Name of the Related Party	31st March 2026	31st March 2025
1	**Amounts due from:**		
	TVS Motor Company Limited	23.61	-
	TVS Housing Finance Private Limited	0.20	-
	Harita ARC Private Limited	0.03	0.02
	Harita Two Wheeler Mall Private Limited	0.03	0.02
	Home Credit India Finance Private Limited	0.05	-
	TVS Training and Services Limited	0.07	0.12
2	**Amounts due to:**		
	TVS Motor Company Limited	-	0.94
	TVS Holdings Limited	2.33	0.72
	TVS Digital Pte Limited	-	0.18
	TVS Digital Limited	1.13	0.16
	Sundaram-Clayton Limited	0.24	0.18
	Scienaptic Systems Private Limited	-	0.17

(All amounts in ₹ crore unless otherwise stated)

41 Related Party Disclosure (Contd.)

Related Party disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26::

Related Party Balance outstanding:

Related Party Items	Parent (as per ownership or control)		Subsidiaries		Associates / Joint ventures		Entity under common control		KMP*		Relatives of KMP*		Fellow subsidiaries and others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Borrowings:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances:																
Outstanding at the year end	-	-	-	-	0.07	0.12	-	-	-	-	-	-	-	-	0.07	0.12
Maximum outstanding during the year	-	-	-	-	0.12	0.18	-	-	-	-	-	-	-	-	0.12	0.18
Investments:																
Outstanding at the year end	-	-	12.01	12.01	-	-	-	-	-	-	-	-	-	-	12.01	12.01
Maximum outstanding during the year	-	-	12.01	12.01	-	-	-	-	-	-	-	-	-	-	12.01	12.01
Purchase of fixed/other assets:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.18)	-	(0.18)
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	(36.05)	(0.77)	(36.05)	(0.77)
Sale of fixed/other assets:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received:																
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	0.00	0.00	-	-	-	-	-	-	-	-	0.00	0.00
Others:																
Outstanding at the year end	21.28	(1.66)	0.25	0.03	-	(0.17)	(0.24)	(0.18)	-	-	-	-	(1.08)	(0.16)	20.21	(2.14)
Maximum outstanding during the year	19.84	5.08	0.25	0.05	(0.17)	(0.17)	(0.52)	(0.09)	-	-	-	-	(1.50)	(0.75)	17.90	4.12

(All amounts in ₹ crore unless otherwise stated)

Related Party Transactions during the year:

Related Party Items	Parent (as per ownership or control)		Subsidiaries		Associates / Joint ventures		Entity under common control		KMP*		Relatives of KMP*		Fellow subsidiaries and others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Contribution towards issuance of equity shares	171.51	282.67	-	-	-	-	-	-	-	-	-	-	-	-	171.51	282.67
Receipt of subvention income	29.34	10.11	-	-	-	-	-	-	-	-	-	-	-	-	29.34	10.11
Reimbursement of IT expense	4.45	2.46	-	-	-	-	-	-	-	-	-	-	-	-	4.45	2.46
Payment towards business support service	5.89	6.52	-	-	-	0.89	1.66	1.27	-	-	-	-	4.35	0.37	11.91	9.05
Payment towards brand royalty fees	24.63	22.87	-	-	-	-	-	-	-	-	-	-	-	-	24.63	22.87
Reimbursement of expenses	-	-	0.22	0.18	-	-	-	-	-	-	-	-	1.03	-	1.25	0.18
Payment towards software license fees	-	-	-	-	-	-	-	-	-	-	-	-	2.26	1.97	2.26	1.97
Payment towards software purchase	-	-	-	-	-	-	-	-	-	-	-	-	36.05	-	36.05	-
Receipt towards sale of repossessed vehicles	-	-	-	-	-	-	-	-	-	-	-	-	1.50	7.87	1.50	7.87
Receipt of Lead generation fee	-	-	-	-	-	-	-	-	-	-	-	-	0.32	-	0.32	-
Receipt towards Seat rental	-	-	-	-	-	-	-	-	-	-	-	-	0.10	-	0.10	-
Contribution towards corporate social responsibility	-	-	-	-	-	-	16.00	10.00	-	-	-	-	-	-	16.00	10.00
Contribution towards Donation	-	-	-	-	-	-	10.62	7.10	-	-	-	-	-	-	10.62	7.10
Disbursal of loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan recovered	-	-	-	-	0.05	0.06	-	-	-	-	-	-	-	-	0.05	0.06
Interest on loan received	-	-	-	-	0.01	0.02	-	-	-	-	-	-	-	-	0.01	0.02

* There is no transaction with directors and relatives of directors.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 42 Employee stock option plan

(A) Employee stock option plan

The Employee Stock Options Scheme titled "ESOP 2024" or "Plan" was approved by the shareholders of the Company through the special resolution passed on 11th November 2024. The Plan grants upto 5,34,800 options. The Plan allows the issue of options to employees who are permanent employees of the Company which are convertible to one equity share of the Company subject to payment / recovery of requisite exercise price. As per the Plan, the Nomination and Remuneration Committee grants the options to the employees deemed eligible. The options granted vest over a period of 4 years from the date of the grant in proportions specified in the ESOP Plan. The fair value as on the date of the grant of the options, representing Stock compensation charge, is expensed over the vesting period. Details of grants given upto the reporting date under the scheme are given as under:

Plan	No. of options granted	Grant Date	No. of options outstanding	Vesting condition and vesting period	Exercise Price (Rs.)	Weighted average fair value of the options at the grant date (Rs.)
ESOP 2024	1,55,400	12th November 2024	1,55,400	1461 days	440.00	178.45
ESOP 2024	1,42,008	28th April 2025	1,42,008	1461 days	440.00	178.45

(B) Method used for accounting for share based payment plan

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options granted are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant Date	Weighted average fair value of the options at the grant date (Rs.)	Weighted average share price (Rs.)	Exercise Price (Rs.)	Expected Volatility*	Option life (years)	Dividend yield (%)	Risk-free interest rate (%)
12th November 2024	178.45	461.54	440.00	33.16%	4	-	6.86%
28th April 2025	178.45	461.54	440.00	33.16%	4	-	6.86%

* Expected volatility calculation is based on volatility of stock prices of comparable companies on NSE based on ex-dividend price

For the year ended 31st March 2026, the Company has accounted expense of Rs. 0.69 crores as employee benefits expense (note no. 31) on the aforementioned employee stock option plan (31st March 2025: Rs 0.27 crores)

(C) Movement in ESOP

Particulars	As at 31st March 2026		As at 31st March 2025	
	No of options	Weighted average fair value of the options at the grant date (Rs per share)	No of options	Weighted average fair value of the options at the grant date (Rs per share)
Outstanding at the beginning of the year	1,55,400	178.45	-	-
Granted during the year	1,42,008	178.45	1,55,400	178.45
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	2,97,408	178.45	1,55,400	178.45
Exercisable at the end of the year	-	-	-	-

Particulars	As at 31st March 2026 (In days)	As at 31st March 2025 (In days)
Weighted average remaining contractual life of options outstanding as at year end	1,036	1,321

(All amounts in ₹ crores, unless otherwise stated)

NOTE 43 Additional notes forming part of Standalone Financial Statements for the year ended 31st March 2026

1 Capital commitments

Description	31st March 2026	31st March 2025
Estimated amount of contracts remaining to be executed on capital account not provided for	2.88	13.38

2 Other commitments

Description	31st March 2026	31st March 2025
Undrawn loans sanctioned to borrowers	195.23	41.29
Undrawn investments	2.00	4.00

3 Contingent liabilities not provided for

Claims against the Company not acknowledged as debts

Description	31st March 2026	31st March 2025
Disputed service tax and GST demand inclusive of penalty (Pre-deposit of Rs. 0.70 Cr, as on 31st March 2025 Rs.0.63 Cr)	10.28	10.65
Legal cases filed by borrowers against the Company	15.54	13.15

The Company's pending litigations comprise of claims against the Company and proceedings pending with statutory authorities. The future cash flows on the above items are determinable only on receipt of decisions/ judgments that are pending at various forums/authorities. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

4 The New Labour Codes which became effective November 21, 2025, resulted in an past period provision for gratuity of Rs. 8.61 Crores, the same has been reported as an Exceptional item in the financials for the quarter ended December 31, 2025 and year ended March 31, 2026. After the balance sheet date, while the Central Government notified the Rules on May 8, 2026, the State Rules are yet to be notified. The impact relating to Labour Codes is subject to finalisation of rules and regulatory framework thereunder.

5 Pursuant to para 2 of general instructions for preparation of financial statements of an NBFC as mentioned in Division III of Schedule III of The Companies Act, 2013, the current and non-current classification has not been provided.

6 (a) There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' for the Company since it is primarily engaged in the business of financing.
(b) The Company operates primarily within India and therefore there is no seperate reportable geographic statement.
(c) Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the Company's total revenue.

7 The Company has the process, whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, Company has reviewed and ensured that adequate provision as required under any law/accounting standard for material foreseeable losses on such long-term contracts have been made in the books of accounts.

8 The Company has no transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

9 The Company is in compliance with the number of layers prescribed under Clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

10 There are no proceedings that have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1998 and rules made thereunder.

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

11 Disclosure of ratios:

S.No.	Particulars	31st March 2026	31st March 2025	% Change
a.	Debt-Equity Ratio	4.56	4.99	-8.61%
b.	Return on Equity Ratio	16.58%	17.41%	-4.78%
c.	Net Profit Ratio	12.69%	11.57%	9.66%
d.	Capital to Risk-Weighted Assets Ratio (CRAR) (Calculated as per RBI guidelines)	19.44%	20.30%	-4.22%
e.	Tier I CRAR (Calculated as per RBI guidelines)	16.49%	15.84%	4.08%
f.	Tier II CRAR (Calculated as per RBI guidelines)	2.95%	4.46%	-33.90%
g.	Liquidity Coverage Ratio (LCR) (Calculated as per RBI guidelines)#	252%	288%	-12%

The LCR is more than the regulatory requirement

Notes:

i. Debt service coverage ratio, Interest service coverage ratio, Long term debt to working capital, Bad debt to account receivable ratio, Current ratio, Current liability ratio, Debtors turnover, Inventory turnover, Operating margin ratios are not relevant as the Company is engaged in financing activities

ii. Debt-Equity Ratio = Total Borrowings/Shareholder's Equity

iii. Return on Equity Ratio = Profit after tax/Average Networth

iv. Net profit ratio (%) = Profit after tax / Total income

v. The Tier II CRAR percentage declined by 33.90% during the year, primarily due to the discounting of existing subordinated debt, coupled with the absence of any fresh subordinated debt issuances.

12 No funds (which are material either individually or in the aggregate) 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, 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 on behalf of the Ultimate Beneficiaries.

13 No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

14 There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

15 The Company has not traded or invested in crypto currency or virtual currency during the financial year.

16 No scheme of arrangements has been approved during the year by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.

17 Disclosure pursuant to Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs): There were 49 cases of frauds amounting to Rs. 0.59 crore reported during the year. (Previous year 20 cases amounting to Rs 0.47 crore).

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18 Disclosure pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025 as amended.

18.1 Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company

S.No.	Description	Amount outstanding	Amount overdue
		As at 31st March 2026	
	Liabilities		
(1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**		
A	Debentures *	-	-
	- Secured	2,911.59	-
	- Unsecured	2,166.38	-
B	Deferred credits	-	-
C	Term loans (including subordinated debt)	17,455.79	-
D	Inter-corporate loans and borrowings	-	-
E	Commercial paper	398.27	-
F	Other loans:	-	-
	i. Cash credit & WCDL	4,735.84	-
	ii. Securitized trust borrowing	-	-
	Total	**27,667.87**	**-**

S.No.	Description	Amount outstanding	Amount overdue
		As at 31st March 2025	
	Liabilities		
(1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**		
A	Debentures *	-	-
	- Secured	2,625.39	-
	- Unsecured	2,165.74	-
B	Deferred credits	-	-
C	Term loans (including subordinated debt)	18,103.66	-
D	Inter-corporate loans and borrowings	-	-
E	Commercial paper	-	-
F	Other loans:	-	-
	i. Cash credit & WCDL	1,792.38	-
	ii. Securitized trust borrowing	-	-
	Total	**24,687.17**	**-**

* There is no public deposit, as defined in the Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025 and it includes subordinated debt

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

S. No.	Description	Amount Outstanding as at	
		31st March 2026	31st March 2025
	Assets		
(2)	**Break-up of loans and advances including bills receivable (other than those included in (4) below) :**		
(a)	Secured	25,377.17	21,918.72
(b)	Unsecured considered good	5,838.84	5,260.70
(3)	**Break-up of leased assets and stock on hire and other assets counting towards AFC activities:**		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
	(iii) Other loan counting towards AFC activities:		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
	Total	**31,216.01**	**27,179.42**

S.No.	Description	Amount Outstanding as at	
		31st March 2026	31st March 2025
(4)	**Current investments:**		
	1 Quoted :		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	288.98	282.12
	(v) Others	-	-
	2 Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	Long term investments:		
	1 Quoted :		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

S.No.	Description	Amount Outstanding as at 31st March 2026	Amount Outstanding as at 31st March 2025
	2 Unquoted:		
	(i) Shares: (a) Equity	12.01	12.01
	(b) Preference	-	-
	(ii) Debentures and bonds	0.25	0.25
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (Alternate investment fund)	12.14	5.38
	Total	**313.37**	**299.76**

(5)	Borrower group-wise classification of assets financed as in (2) and (3) above						
	Category	Amount (Net of provisions for non-performing assets) as at 31st Mar 2026			Amount (Net of provisions for non-performing assets) as at 31st Mar 2025		
		Secured	Unsecured	Total	Secured	Unsecured	Total
	1. Related Parties						
	(a) Subsidiaries			-			-
	(b) Companies in the same group	1.58	-	1.58	2.22	-	2.22
	(c) Other related parties			-			-
	2. Other than related parties	25,389.18	5,317.52	30,706.70	21,448.38	5,153.48	26,601.86
	Total	**25,390.76**	**5,317.52**	**30,708.28**	**21,450.60**	**5,153.48**	**26,604.08**

(6)	Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
	Category	Market value / Break up or fair value of NAV	Book value (Net of provisions)
	1. Related Parties		
	(a) Subsidiaries	12.01	12.01
	(b) Companies in the same group	-	-
	(c)Other related parties	-	-
	2. Other than related parties	301.36	301.36
	Total	**313.37**	**313.37**

(7)	Other information	Amount as at 31st March 2026	Amount as at 31st March 2025
(i)	Gross non-performing assets	-	-
	(a) Related parties	-	-
	(b) Other than related parties	1,141.36	1,338.63
(ii)	Net non-performing assets	-	-
	(a) Related parties	-	-
	(b) Other than related parties	633.63	763.29
(iii)	Assets acquired in satisfaction of debt	-	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.2 Loans against gold collateral

i) Details of loans extended against eligible gold collateral

S. No.	Description	Loan outstanding		Average ticket size(Rs. Crore)	Average LTV ratio	Gross NPA (%)
		Rs. Crore	As % of total loans			
1	Opening balance at the beginning of the year [(a)+(b)]	20.89	100.00%	0.03	39.65	-
(a)	Consumption loans	11.58	55.44%	0.02	39.92	-
	of which bullet repayment loans	11.23	53.77%	0.02	40.17	-
(b)	Income generating loans	9.31	44.56%	0.03	39.38	-
2	New loans sanctioned and disbursed during the year [(c)+(d)]	149.41	100.00%	0.05	57.28	NA
(c)	Consumption loans	93.23	62.40%	0.04	58.24	NA
	of which bullet repayment loans	90.63	60.66%	0.04	58.34	-
(d)	Income generating loans	56.18	37.60%	0.05	56.32	NA
3	Renewals sanctioned and disbursed during the year	243.83	100.00%	0.06	62.02	NA
4	Top-up loans sanctioned and disbursed during the year	-	-	-	-	NA
5	Loans repaid during the year [(e)+ (f)]	283.14	100.00%	-	NA	NA
(e)	Consumption loans	179.72	63.47%	-	NA	NA
	of which bullet repayment loans	177.88	62.82%	-	NA	NA
(f)	Income generating loans	103.42	36.53%	-	NA	NA
6	Non-performing loans recovered during the year [(g)+(h)]	-	-	-	NA	NA
(g)	Consumption loans	-	-	-	NA	NA
	of which bullet repayment loans	-	-	-	NA	NA
(h)	Income generating loans	-	-	-	NA	NA
7	Loans written off during the year [(i)+(j)]	-	-	-	NA	NA
(i)	Consumption loans	-	-	-	NA	NA
	of which bullet repayment loans	-	-	-	NA	NA
(j)	Income generating loans	-	-	-	NA	NA
8	Closing balance at the end of the year [(k)+(l)]	130.98	100.00%	0.05	70.89	-
(k)	Consumption loans	81.80	62.45%	0.04	69.40	-
	of which bullet repayment loans	79.07	60.36%	0.04	69.89	-
(l)	Income generating loans	49.18	37.55%	0.05	72.39	-

ii) Details of gold collateral auctions

S. No.	Description	2025-26	2024-25
a)	Unclaimed gold collateral at the end of the financial year (in grams)	-	-
b)	Number of loan accounts in which auctions were conducted	-	-
c)	Total outstanding in loan accounts mentioned in (b)	-	-
d)	Gold collateral acquired during the FY due to default of loans (in grams)	-	-
e)	Gold collateral auctioned during the FY (in grams)	-	-
f)	Recovery made through auctions during the FY (in ₹ crore)	-	-
g)	Recovery percentage	-	-
h)	as % of value of gold collateral	-	-
i)	as % of outstanding loan	-	-

Note: There were no loans extended against silver collateral and therefore, there were no silver collateral auctions

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.3 The Company has not extended any loans or advances towards project finance activities during the year ended 31st March 2026 and 31st March 2025. Accordingly, there were no recoverable project finance balances outstanding as at 31st March 2026.

18.4 The Company has not extended any Non-Fund Based (NFB) credit facilities during the year ended 31st March 2026 and 31st March 2025.

18.5 Disclosures on Co-Lending Arrangements
The Company has no co-lending arrangement as on 31st March 2026.

18.6 Disclosures relating to securitisation

S. No.	Description	31st March 2026	31st March 2025
1	No of SPEs holding assets for securitisation transactions originated by the NBFC	-	-
2	Total amount of securitised assets as per books of the SPEs	-	-
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	- First loss	-	-
	- Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party securitizations		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitizations		
	- First loss	-	-
	- Others	-	-
	ii) Exposure to third party securitizations		
	- First loss	-	-
	- Others	-	-
5	Sale consideration received for the securitised assets and gain / loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7	Performance of facility provided	-	-
	a) Amount paid	-	-
	b) Repayment received	-	-
	c) Outstanding amount	-	-
8	Average default rate of portfolios	-	-
9	Additional loan given on same underlying asset	-	-
10	Investor complaints (a) Directly/Indirectly received (b) Complaints outstanding	-	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.7 Disclosure of transfer of loan exposure

Details of loans transferred/acquired during the year ended 31st March 2026 under the Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025 and Reserve Bank of India (Non-Banking Financial Companies - Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 are given below:

(i) The Company has not transferred any Non-Performing Assets.

(ii) The Company has not transferred any loan not in default.

(iii) The Company has not acquired any Special Mention Account.

(iv) The Company has not acquired any stressed loan and loan not in default.

18.8 Exposure

(i) Exposure to real estate sector

Category	2025-26	2024-25
(i) Direct exposure		
(a) Residential mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	**5.47**	**4.74**
- individual housing loans up to Rs. 15 Lakhs	3.16	2.60
- individual housing loans more than Rs. 15 Lakhs	2.31	2.14
(b) Commercial real estate -	-	
Lending secured by mortgages on commercial real estates (office building, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc.).	-	-
(c) Investments in Mortgage backed securities (MBS) and other securitised exposures-		
i. Residential	-	-
ii. Commercial real estate	-	-
(ii) Indirect exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies(HFC's)	-	-
Total exposure to real estate sector	**5.47**	**4.74**

(ii) Exposure to capital market

S. No.	Particulars	2025-26	2024-25
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	0.25	0.25
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 stock brokers and guarantees issued on behalf of stock brokers and market makers	-	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

S. No.	Particulars	2025-26	2024-25
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	12.14	5.38
	(iii) Category III	-	-
Total exposure to capital market		**12.39**	**5.63**

(iii) Disclosure on sectoral exposures

Sl. No.	Sector	2025-26			2024-25		
		Total exposure (Rs. Crore)	Gross NPA (Rs. Crore)	Percentage of gross NPAs to total exposure in that sector	Total exposure (Rs. Crore)	Gross NPA (Rs. Crore)	Percentage of gross NPAs to total exposure in that sector
1	Agriculture and allied activities	**4,306.66**	**443.46**	**10.30%**	**4,726.15**	**560.49**	**11.86%**
2	Industry						
	i. MSME	454.18	17.65	3.89%	824.70	26.01	3.15%
	ii. Other	33.53	0.63	1.88%	147.01	6.04	4.11%
	Total	**487.71**	**18.28**	**3.75%**	**971.71**	**64.89**	**2.78%**
3	Services	**2,258.50**	**155.45**	**6.88%**	**1,361.95**	**32.84**	**2.41%**
4	Personal loans	**4,774.84**	**119.72**	**2.51%**	**4,616.42**	**177.29**	**3.84%**
5	Others						
	i. Vehicles	12,963.80	341.92	2.64%	11,608.62	460.63	3.97%
	ii. Consumer durable	6,065.43	62.01	1.02%	3,689.42	74.71	2.02%
	iii. Advance to dealers	228.17	0.52	0.23%	184.25	0.68	0.37%
	iv. Other	130.89	-	0.00%	20.89	-	-
	Total	**19,388.30**	**404.45**	**2.09%**	**15,503.18**	**536.02**	**3.46%**
	Grand total	**31,216.01**	**1,141.36**	**3.66%**	**27,179.42**	**1,338.69**	**4.93%**

(iv) Disclosure on Intra-Group exposures

Description	2025-26	2024-25
Total amount of intra-group exposures	1.58	2.22
Total amount of top 20 intra-group exposures	1.58	2.22
Percentage of intra group exposures to total exposure of the NBFC on borrower/ customers	0.01%	0.01%

(v) Unhedged foreign currency exposures

The Company's exposure of unhedged foreign currency risk at the end of the reporting period is Nil. (As on 31st March 2025: Nil)

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.9 Related party disclosure

Disclosed in Note 41 of Financial statements

18.10 Disclosure of complaints

(i) Summary information on complaints received by the NBFC from customers and from the Offices of Ombudsman

Sr No.		Description	2025-26	2024-25
		Complaints received by the NBFC from its customers		
1		Number of complaints pending at the beginning of the year	132	109
2		Number of complaints received during the year	5,625	4,505
3		Number of complaints disposed during the year	5,502	4,482
	3.1	Of which, number of complaints rejected by the NBFC	463	79
4		Number of complaints pending at the end of the year	255	132
		Maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5		No. of complaints received by the NBFC from the Office of Ombudsman	509	416
	5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	491	406
	5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	18	10
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6		Number of awards unimplemented within the stipulated time (other than those appealed)	-	-

(ii) Top five grounds of complaints received by the NBFCs from customers

Grounds of Complaints	No of complaints pending at the beginning of the Year	No of complaints received during the Year	% Increase/ Decrease in the no of complaints received over the previous year	No of complaints pending at the end of the Year	No of complaints pending beyond 30 Days
2025-26					
(a) Staff interaction related	37	993	17%	43	-
(b) Levy of charges related	2	309	92%	8	-
(c) Non-update of personal account payment	10	430	41%	24	-
(d) CIBIL correction	5	279	68%	20	-
(e) FC Amount paid - Loan live	-	268	NA	1	-
(f) Others	78	3,346	4%	159	12
2024-25					
(a) Staff interaction related	14	851	4%	21	-
(b) Levy of charges related	22	161	-14%	2	-
(c) Sourcing Related	1	44	57%	1	1
(d) SMS calls related	3	228	73%	4	-
(e) Loan Application related	-	-	100%	-	-
(f) Others	69	3,221	30%	104	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.11 Loans to Directors, Senior Officers and relatives of Directors:

	2025-26	2024-25
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

18.12 Currency Futures and Options:

The Company has not undertaken any transaction during the current year and previous year for currency futures and options.

18.13 Liquidity

(i) Funding Concentration based on significant counterparty (both deposits and borrowings):

Particulars	As at 31st March 2026	As at 31st March 2025
Number of significant counterparties*	21	19
Amount (Rs in crore)	26,164.34	23,212.04
% of Total deposits	NA	NA
% of Total liabilities**	90.22%	88.92%

*Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC's total liabilities.

** Total Liabilities have been computed as sum of all balance sheet liabilities excluding share capital and reserves.

(ii) Top 20 large deposits (amount in crore and % of total deposits) - NA

(iii) Top 10 borrowings (amount in crore and % of total borrowings)

Particulars	2025-26	2024-25
Total amount of top 10 borrowings	19,556.89	19,092.77
Percentage of amount of top 10 borrowings to total borrowings	70.68%	77.34%

(iv) Funding Concentration based on significant instrument/product

Sr No	Name of instrument/product	As at 31st March 2026	% of Total Liabilities	As at 31st March 2025	% of Total Liabilities
1	Term Loans from Banks	15,879.42	54.76%	16,757.81	64.20%
2	Term Loan from Financial Institution	523.91	1.81%	943.06	3.61%
3	External Commercial Borrowings	948.88	3.27%	299.22	1.15%
4	Sub-ordinated Debts	2,166.38	7.47%	2,165.74	8.30%
5	Commercial Paper	398.27	1.37%	-	0.00%
6	Non-Convertible Debentures	2,911.59	10.04%	2,625.39	10.06%
7	Working Capital Demand Loan	4,735.84	16.33%	1,792.35	6.87%

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

(v) Stock Ratios

Sl. No.	Particulars	As at 31st March 2026	As at 31st March 2025
1	Commercial papers as a % of total public funds	1.44%	0.00%
2	Commercial papers as a % of total liabilities	1.37%	0.00%
3	Commercial papers as a % of total assets	1.14%	0.00%
4	Non-convertible debentures (original maturity of less than one year) as a % of total public funds	NA	NA
5	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	NA	NA
6	Non-convertible debentures (original maturity of less than one year) as a % of total assets	NA	NA
7	Other short- term Liabilities as a % of total public funds	60.31%	53.00%
8	Other short- term Liabilities as a % of total liabilities	57.54%	50.12%
9	Other short- term Liabilities as a % of total assets	47.58%	42.14%

(vi) Institutional set-up for liquidity risk management

Liquidity refers to the Company's ability to fund asset growth and meet both anticipated and unforeseen cash flow and collateral obligations in a timely manner, at a reasonable cost, and without incurring unacceptable losses. Liquidity risk arises when the Company is unable to meet such obligations as they fall due because of mismatches in the timing of cash flows under both normal and stress scenarios, potentially impairing its financial condition. Effective liquidity risk management helps ensure the company's ability to meet its obligations as and when they fall due and reduces the probability of an adverse situation developing.

At TVS Credit, liquidity risk management is governed by the Company's Asset Liability Management (ALM) Policy approved by the Board. The ALM policy outlines the principles, processes, and responsibilities related to liquidity risk management. The Company constituted an Asset Liability Management Committee (ALCO) as per guidelines issued by the RBI to NBFCs. ALCO provides strategic direction and guidance on liquidity and interest rate risk management within the framework approved by the Board. ALCO reviews the current and projected liquidity position, adequacy and diversification of funding sources, asset-liability mismatches, contingency funding plan, liquidity stress testing and interest rate risk management, among other responsibilities.

To implement ALCO directives, an ALM support group is formed, which is responsible for the day-to-day monitoring of the Company's liquidity management including short-term investments. This includes daily oversight of liquidity levels to ensure sufficient buffers for both business and contingency needs. The team monitors the concentration of borrowings across counterparties, instruments, and reviews ALM and Interest Rate Sensitivity (IRS) mismatches monthly to ensure compliance with internal and regulatory limits. It also monitors "Stock" ratios, manages the Company's collateral position, and regularly assesses the availability of unencumbered assets to support both expected and unexpected funding requirements. Furthermore, the team ensures that internal systems, controls, and procedures remain aligned with the ALM Policy.

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.14 Credit default swaps

S.No.	Description	2025-26	2024-25
1	No. of transactions during the year	-	-
2	Amount of protection bought during the year	-	-
3	No. of transactions where credit event payment was received during the year	-	-
a)	pertaining to current year's transactions	-	-
b)	pertaining to previous year(s)' transactions	-	-
4	Outstanding transactions as on 31st March 2026	-	-
a)	No. of Transactions	-	-
b)	Amount of protection	-	-
5	Net income / profit (expenditure / loss) in respect of CDS transactions during year-to-date	-	-
a)	premium paid	-	-
b)	Credit event payments received (net of value of deliverable obligation)	-	-

18.15 Comparison between provisions 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	29,526.90	333.81	29,193.09	118.11	215.70
Standard	Stage 2	547.75	89.00	458.75	2.19	86.81
Subtotal for standard		**30,074.65**	**422.81**	**29,651.84**	**120.30**	**302.51**
Non-Performing Assets (NPA)						
Substandard	Stage 1	30.17	1.45	28.72	4.04	(2.59)
Substandard	Stage 2	279.84	78.21	201.63	42.14	36.07
Substandard	Stage 3	483.55	259.04	224.51	86.98	172.06
Subtotal for substandard		**793.56**	**338.70**	**454.86**	**133.16**	**205.54**
Doubtful - upto 1 Year	Stage 1	8.99	0.57	8.42	2.26	(1.69)
Doubtful - upto 1 Year	Stage 2	64.54	17.39	47.15	21.28	(3.89)
Doubtful - upto 1 Year	Stage 3	267.16	147.60	119.56	86.86	60.74
1 to 3 years	Stage 3	6.79	3.34	3.45	2.49	0.85
More than 3 years	Stage 3	0.32	0.13	0.19	0.17	(0.04)
Subtotal for doubtful		**347.80**	**169.03**	**178.77**	**113.06**	**55.97**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,141.36**	**507.73**	**633.63**	**246.22**	**261.51**

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	**Stage 1**	**29,566.06**	**335.83**	**29,230.23**	**124.41**	**211.42**
	Stage 2	**892.13**	**184.60**	**707.53**	**65.61**	**118.99**
	Stage 3	**757.82**	**410.11**	**347.71**	**176.50**	**233.61**
	Total	**31,216.01**	**930.54**	**30,285.47**	**366.52**	**564.02**

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	25,000.22	204.00	24,796.22	100.00	104.00
Standard	Stage 2	840.51	101.25	739.26	3.36	97.89
Subtotal for standard		**25,840.73**	**305.25**	**25,535.48**	**103.36**	**201.89**
Non-Performing Assets (NPA)						
Substandard	Stage 1	55.60	5.44	50.16	7.56	(2.12)
Substandard	Stage 2	416.77	121.09	295.68	63.89	57.20
Substandard	Stage 3	585.51	321.38	264.13	105.08	216.30
Subtotal for substandard		**1,057.88**	**447.91**	**609.97**	**176.53**	**271.38**
Doubtful 1- upto 1 year	Stage 1	10.93	1.26	9.67	2.77	(1.51)
Doubtful 1- upto 1 year	Stage 2	72.39	22.37	50.02	24.77	(2.40)
Doubtful 1- upto 1 year	Stage 3	194.74	102.13	92.61	63.70	38.43
Doubtful 2- 1 to 3 years	Stage 1	0.01	-	0.01	-	-
Doubtful 2- 1 to 3 years	Stage 3	2.31	1.48	0.83	0.93	0.55
Doubtful 3- More than 3 years	Stage 2	0.01	-	0.01	0.01	(0.01)
Doubtful 3- More than 3 years	Stage 3	0.42	0.18	0.24	0.22	(0.04)
Subtotal for doubtful		**280.81**	**127.42**	**153.40**	**92.40**	**35.02**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,338.69**	**575.33**	**763.37**	**268.93**	**306.40**
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	-	-	-	-	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**25,066.76**	**210.70**	**24,856.07**	**110.33**	**100.37**
	Stage 2	**1,329.68**	**244.71**	**1,084.97**	**92.03**	**152.68**
	Stage 3	**782.98**	**425.17**	**357.81**	**169.93**	**255.24**
	Total	**27,179.42**	**880.58**	**26,298.84**	**372.29**	**508.29**

18.16 Summary of significant policies

Disclosed in Note 3 - Material note to accounting policies forming part of financial statements

18.17 Capital

Particulars	2025-26	2024-25
(i) CRAR (%)	19.44%	20.30%
(ii) CRAR- Tier 1	16.49%	15.84%
(iii) CRAR- Tier 2	2.95%	4.46%
(iii) Tier I capital	5,615.76	4,592.73
(iv) Tier 2 capital	1,004.85	1,293.60
(v) Amount of subordinated debt raised as Tier 2- capital	669.80	1,089.60
(vi) Amount raised by issue of Perpetual Debt Instruments (PDI)	-	-

Perpetual Debt Instruments (PDI)

Particulars	2025-26	2024-25
Fund raised through PDI during the year	-	-
Outstanding at the end of the financial year	103.58	103.57
Percentage of PDI to Tier I capital	1.84%	2.25%
Financial year in which interest for PDI not Paid	NA	NA

18.18 Investments

S.No.	Description	2025-26	2024-25
1	**Value of investments**		
	i) Gross value of investments		
	a) In India	313.37	299.75
	b) Outside India	-	-
	ii) Provision for depreciation		
	a) In India	-	-
	b) Outside India	-	-
	iii) Net value of investments		
	a) In India	313.37	299.75
	b) 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 provisions during the year	-	-
	iv) Closing balance	-	-

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.19 Derivatives

(i) Forward rate agreement/Interest rate swap

Sl. No.	Description	2025-26	2024-25
(i)	The notional principal of swap agreements	854.83	300.13
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap books	958.26	297.89

(ii) Exchange traded interest rate (IR) derivatives

Sl. No.	Description	Amount
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2026	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not " highly effective"	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not" highly effective"	-

(iii) Disclosure on risk exposure in derivatives

Towards the foreign currency loan availed, the Company has taken forward cover to hedge the foreign current risks and cross currency interest rate swap.

Sl. No.	Description	2025-26	2024-25
(i)	Derivatives (Notional Principal Amount)		
	For hedging	854.83	300.13
(ii)	Marked to market positions		
	a) Asset (+)	103.43	-
	b) Liability (-)	-	2.24
(iii)	Credit exposure	958.26	297.89
(iv)	Unhedged exposures	-	-

18.20 Asset Liability Management - maturity pattern of certain items of assets and liabilities

As at 31st March 2026											
Time Bucket	1 to 7 days	8 to 14 days	15 days to 30 /31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months up to 1 year	Over 1 year up to 3 year	Over 3 year up to 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	0.21	-	-	-	**0.21**
Advances	2,204.10	122.45	122.45	2,075.26	2,196.37	4,594.34	6,882.06	11,215.23	1,450.82	352.94	**31,216.01**
Investments	-	-	-	-	-	-	288.98	-	-	24.39	**313.37**
Borrowings	43.09	11.30	709.07	1,001.32	1,844.21	2,728.32	9,522.39	10,181.90	677.40	-	**26,718.99**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency Liabilities	-	-	-	-	-	-	-	948.88	-	-	**948.88**

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

As at 31st March 2025											
Time Bucket	1 to 7 days	8 to 14 days	15 days to 30 /31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months up to 1 year	Over 1 year up to 3 year	Over 3 year up to 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	5.95	-	-	-	**5.95**
Advances	865.98	577.32	618.56	1,660.15	1,804.89	3,618.33	5,514.24	10,193.00	2,043.45	283.50	**27,179.42**
Investments	-	-	-	-	-	-	282.12	-	-	17.63	**299.75**
Borrowings	98.21	14.12	300.35	546.88	1,074.82	3,152.20	6,577.72	11,127.12	1,346.52	150.00	**24,387.95**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency Liabilities	-	-	-	-	-	-	-	299.22	-	-	**299.22**

18.21 Exposures

(i) Details of financing of Parent Company products

During the year the Company has financed 7,45,889 nos. of two wheelers and 21,167 nos. of three wheelers of TVS Motor Company Limited as against 6,20,637 nos. of two wheelers and 5,360 nos. of three wheelers during the year ended 31st March 2025

(ii) Details of Single Borrower Limits (SBL)/Group Borrower Limits (GBL) exceeded

The Company has not exceeded the Single Borrower Limit and Group Borrowers Limit as set by Reserve Bank of India for the year ended 31st March 2026 and 31st March 2025.

(iii) Unsecured advances

Gross loans and advances includes unsecured advances of Rs. 5387.84 crore (31st March 2025 : Rs.5260.70 crore).There are no advances secured against intangible assets.

18.22 Breach of covenant

There have been no instances of breach of covenant of loan availed or debt securities issued for the year ended 31st March 2026 and 31st March 2025.

18.23 Divergence in asset classification and provisioning

There is no divergence in asset classification and provisioning in the financial statement in the previous year assessed by RBI.

18.24 Registration from other financial sector regulators

The Company has not obtained any other registration/license / authorisation, by whatever name called from any other financial sector regulators.

18.25 Area of operation

There are no joint ventures or overseas subsidiaries for the year ended 31st March 2026 & 31st March 2025.

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.26 Ratings assigned by credit rating agencies and migration of ratings during the year

Rating agency	Facility	Rating (As on Mar 31, 2026)	Rating (As on Mar 31, 2025)
Care Ratings	Long Term Bank Facilities	CARE AA+/ Stable	CARE AA+/ Stable
	Non-Convertible Debentures	CARE AA+/ Stable	CARE AA+/ Stable
ICRA	Long-term Bank Facilities	ICRA AA+ (Stable)	ICRA AA+ (Stable)
	Short-term Bank Facilities	ICRA A1+	ICRA A1+
	Subordinated Debt	ICRA AA+ (Stable)	ICRA AA+ (Stable)
	Perpetual Debt	ICRA AA (Stable)	ICRA AA (Stable)
	Commercial Paper	ICRA A1+	ICRA A1+
CRISIL	Long Term Rating - Bank Loan Facilities	CRISIL AA+/Stable	CRISIL AA/Positive
	Short Term Rating - Bank Loan Facilities	CRISIL A1+	CRISIL A1+
	Non-Convertible Debentures	CRISIL AA+/Stable	CRISIL AA/Positive
	Tier II Bond	CRISIL AA+/Stable	CRISIL AA/Positive
	Perpetual Bonds	CRISIL AA/Stable	CRISIL AA-/Positive
	Commercial Paper	CRISIL A1+	CRISIL A1+
Brickwork Ratings	Subordinated Debt (Tier II)	BWR AA+/Stable	BWR AA+/Stable

18.27 Remuneration to directors

Disclosed in Note 41 of financial statements

18.28 Net profit or loss for the period, prior period items and changes in accounting policies

There are no prior period items which are impacting Company's current year Profit and Loss.

18.29 Circumstances in which revenue recognition has been postponed

There are no such circumstances in which revenue has been postponed pending the resolution of significant uncertainties.

18.30 Provisions and contingencies

Break up of 'Provisions and Contingencies' shown under the head expenditure in Statement of Profit and Loss

Description	2025-26	2024-25
Provision for depreciation on investments	-	-
Provision for depreciation on investment property	1.58	-
Provision/Impairment allowance towards NPA (Net)	(15.06)	32.11
Provision made towards Income Tax	400.49	323.80
Provision/Impairment allowance on Trade receivables & Other Financial Assets	(0.57)	1.20
Provision for expected credit loss towards undrawn commitments	1.23	-
Provision/Impairment allowance towards standard assets	65.02	(87.60)
Total	**452.69**	**269.51**

(All amounts in ₹ crores, unless otherwise stated)

43. Additional notes forming part of standalone financial statements for the year ended 31st March 2026 (Contd.)

18.31 Drawdown from Reserves

No draw down from reserves existed for the year ended 31st March 2026 and 31st March 2025

18.32 Concentration of deposits,advances, exposures & NPAs

(a) Concentration of deposits

Description	2025-26	2024-25
Total deposits of twenty largest depositors	NA	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the deposit taking NBFC	NA	NA

(b) Concentration of advances

Description	2025-26	2024-25
Total advances to twenty largest borrowers	111.44	121.15
Percentage of advances to twenty largest borrowers to total advances of the NBFC	0.36%	0.45%

(c) Concentration of exposures

Description	2025-26	2024-25
Total exposures to twenty largest borrowers/customers	111.44	121.15
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers/customers	0.36%	0.45%

(d) Concentration of NPAs

Description	2025-26	2024-25
Total exposure to top four NPA accounts	7.07	7.34

18.33 Movement of NPAs

S. No.	Movement of NPA	2025-26	2024-25
(I)	**Net NPA to net advances (%)**	**2.06%**	**2.87%**
(II)	**Movement of gross NPA***		
	a. Opening balance	1,338.69	1,304.98
	b. Additions during the year	1,230.09	1,554.27
	c. Reductions during the year	549.91	500.10
	d.Write off during the year	877.51	1,020.45
	e. Closing balance	1,141.36	1,338.69
(III)	**Movement of Net NPA**		
	a. Opening balance	763.35	748.26
	b. Additions during the year	860.59	1,078.09
	c. Reductions during the year	112.80	42.55
	d.Write off during the year	877.51	1,020.45
	e. Closing balance	633.63	763.35
(IV)	**Movement of Provision for NPAs***		
	a. Opening balance	575.33	556.72
	b. Provisions made during the Year	369.51	476.10
	c. Write-off/write-back of excess provisions	437.11	457.49
	d. Closing balance	507.73	575.33

(All amounts in ₹ crores, unless otherwise stated)

18.34 Resolution of stressed assets

During the year ended 31st March 2026, the Company has not implemented resolution plan under the prudential framework for stressed assets issued by RBI vide circular no RBI/DOR/2025-26/357/DOR.STR.REC.276/21.04.048/2025-26 dated 28th November 2025.

18.35 Overseas assets

The Company has no overseas assets as on 31st March 2026 and 31st March 2025.

18.36 Off-balance sheet SPVs sponsored

The Company has no off-balance sheet sponsored SPVs as on 31st March 2026 & 31st March 2025.

18.37 Off-balance sheet exposures and structured products

The Company has no off-balance sheet exposures and structured products as on 31st March 2026 & 31st March 2025.

18.38 Disclosure on Liquidity Coverage Ratio (LCR)

The Liquidity Coverage Ratio (LCR) is a key compliance requirement for NBFCs. Its objective is to ensure short-term resilience of the liquidity risk profile of the NBFCs by way of maintenance of adequate High Quality Liquid Assets (HQLA) to survive a significant financial/economic stress scenario lasting for thirty days period. The Company is maintaining adequate liquidity to manage its commitments. Additionally, the Company has unutilized sanctioned lines of credits from banks to meet liquidity needs.

In line with RBI regulations, the cash outflows and inflows have been stressed by 115% and 75% of their respective original values for computing LCR. The key drivers on the inflow side are the expected collections from the performing assets of the company and on the outflow side the scheduled maturities of borrowings. The High Quality Liquid Assets are entirely held in the assets, without any haircut. The LCR has been consistently maintained above 100% through the year which is well over the regulatory threshold of 85% (70 % upto November 30, 2023).

Sl. No.	Particulars	Q1 FY26		Q2 FY26		Q3 FY26		Q4 FY26	
		Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (HQLA)	1,046	1,046	1,089	1,089	1,093	1,093	1,117	1,117
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding **(iii)**	9	10	122	140	196	225	191	220
4	Secured wholesale funding **(iv)**	659	758	1,017	1,169	634	729	663	762
5	Additional requirements, of which	-	-	-	-	-	-	-	-
i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	559	643	586	674	625	719	628	722
7	Other contingent funding obligations	63	73	70	81	77	88	60	69
8	**TOTAL CASH OUTFLOWS**	**1,290**	**1,484**	**1,795**	**2,064**	**1,532**	**1,761**	**1,542**	**1,773**
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	1,912	1,434	1,857	1,393	2,105	1,578	2,226	1,670
11	Other cash inflows	3,003	2,252	3,373	2,530	2,705	2,029	2,926	2,195
12	**TOTAL CASH INFLOWS**	**4,915**	**3,686**	**5,230**	**3,923**	**4,810**	**3,607**	**5,152**	**3,864**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
	TOTAL HQLA		**1,046**		**1,089**		**1,093**		**1,117**
	TOTAL NET CASH OUTFLOWS (Weighted value of Total Cash Outflows – Minimum of (Weighted value of Total Cash Inflows, 75% of Weighted value of Total Cash Outflows))		**371**		**516**		**440**		**443**
	LIQUIDITY COVERAGE RATIO (%)		**282%**		**211%**		**248%**		**252%**

(All amounts in ₹ crore unless otherwise stated)

Sl No	High Quality Liquid Assets (HQLA)	Q1 FY25		Q2 FY25		Q3 FY25		Q4 FY25	
		Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)	Total Unweighted Value (average) (i)	Total Weighted Value (average) (ii)
1	Assets to be included as HQLA without any haircut	1,046	1,046	1,089	1,089	1,093	1,093	1,117	1,117
2	Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3	Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4	Approved securities held as per the provisions of section 45 IB of RBI Act	-	-	-	-	-	-	-	-
	Total HQLA	**1,046**	**1,046**	**1,089**	**1,089**	**1,093**	**1,093**	**1,117**	**1,117**

(i) Unweighted values calculated as outstanding balances maturing within one month (for inflows and outflows).
(ii) Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow (75%) and outflow (115%).

(iii) Components of HQLA : Cash on hand and Demand deposits with Scheduled Commercial Banks and Government Securities (T-Bill).
Investment in Gsec of Rs. 288.59 Cr (Last year investment of Rs. 281.82 Cr matured on 24th March 2026) and accordingly it has been included in HQLA computation.

19 Disclosure under SEBI circular – Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 15th October 2025

As per SEBI Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 15th October 2025, the Company can issue debt securities over a continuous period of 3 years (block period). Accordingly, the Company has completed the issuance requirements until 2024-25. There is shortfall of Rs 1,438 crores for the financial year 2025-26, which can be met on or before financial year 2027-28 as per the Master Circular. The Company is in compliance with the Master Circular.

(All amounts in ₹ crore unless otherwise stated)

20 Disclosure on Restructuring Pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26: - November 28, 2025 as amended.

S.No.	Type of Restructuring		Under CDR mechanism					Under SME debt restructuring mechanism					Others					Total				
	Asset Classification Details		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as on 1st April of the FY (opening figures)*	No. of borrowers	-	-	-	-	-	11.00	16.00	1.00	-	28.00	194.00	292.00	121.00	-	607.00	205.00	308.00	122.00	-	635.00
		Amount outstanding	-	-	-	-	-	0.13	1.27	-	-	1.40	2.22	2.57	1.09	-	5.88	2.35	3.84	1.09	-	7.28
		Provision thereon	-	-	-	-	-	-	0.41	-	-	0.41	0.34	1.11	0.24	-	1.69	0.34	1.52	0.24	-	2.10
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	23.00	-	-	23.00	-	1.00	-	-	1.00	-	24.00	-	-	24.00
		Amount outstanding	-	-	-	-	-	-	4.70	-	-	4.70	-	0.10	-	-	0.10	-	4.80	-	-	4.80
		Provision thereon	-	-	-	-	-	-	1.66	-	-	1.66	-	0.04	-	-	0.04	-	1.70	-	-	1.70
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradation of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(72.00)	72.00	-	-	-	(72.00)	72.00	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	(0.49)	0.49	-	-	-	(0.49)	0.49	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(0.20)	0.29	-	-	0.09	(0.20)	0.29	-	-	0.09
6	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	3.00	63.00	67.00	-	133.00	3.00	63.00	67.00	-	133.00
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	0.35	0.76	-	1.12	-	0.35	0.76	-	1.12
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	0.16	0.41	-	0.57	-	0.16	0.41	-	0.57
7	Collection	No. of borrowers	-	-	-	-	-	11.00	16.00	(7.00)	-	20.00	119.00	228.00	(60.00)	-	287.00	130.00	244.00	(67.00)	-	307.00
		Amount outstanding	-	-	-	-	-	0.13	1.27	(0.69)	-	0.71	1.73	2.22	(0.75)	-	3.20	1.86	3.49	(1.44)	-	3.91
		Provision thereon	-	-	-	-	-	-	0.41	(0.25)	-	0.16	0.14	0.96	(0.55)	-	0.55	0.14	1.37	(0.80)	-	0.71
8	Restructured accounts as on 31st March of the FY (closing figures*)	No. of borrowers	-	-	-	-	-	-	23.00	8.00	-	31.00	-	74.00	114.00	-	188.00	-	97.00	122.00	-	219.00
		Amount outstanding	-	-	-	-	-	-	4.70	0.69	-	5.39	-	0.59	1.07	-	1.66	-	5.29	1.76	-	7.05
		Provision thereon	-	-	-	-	-	-	1.66	0.25	-	1.91	-	0.33	0.37	-	0.70	-	1.99	0.62	-	2.61

(All amounts in ₹ crores, unless otherwise stated)

21 There have been no events after the reporting date that require disclosure in the Financial Statements.

22 Prior period figures have been regrouped, wherever necessary, to confirm to the current period presentation.

As per our report of even date

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

For and on behalf of the Board of Directors of
TVS Credit Services Limited

Sudarshan Venu
Chairman
DIN-03601690

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

From Darjeeling's tea estates to breakfast tables.
Let's raise a cup to the right funding.

A good cup of tea is a morning ritual that shouldn't wait.
Our **Used Commercial Vehicle Loans** with maximum funding help your business deliver it without delay.

FAST*	**PRE-ENDORSED**	**UP TO 15-YEAR-OLD***
LOAN APPROVAL	FUNDING	VEHICLES FUNDED

*Images used are for representative purposes

*Terms and conditions apply

Udaipur's lakeside resounds to the beat of the dhol.
Timely loan approval brings the celebration to life.

There is nothing low-key about a wedding in the City of Lakes. With quick approval, our **Personal Loans** ensure that everything falls into place just perfectly.

100% PAPERLESS* PROCESS | **INSTANT*** APPROVAL | **PERSONALISED** ASSISTANCE

*Images used are for representative purposes

*Terms and conditions apply

To the Members of TVS Credit Services Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of TVS Credit Services Limited ("the Parent" / "the Holding Company"/"the Company") and its three subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated Financial Statements, and a summary of the 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 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the act, read with the Companies (Indian Accounting Standards) Rules 2015 as amended ("Ind AS"), the relevant circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time ("RBI Guidelines") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March 2026, and its consolidated profit and total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA") specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit matters

Key audit matters are those matters that, in our professional judgement, 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 matters	How our audit addressed the Key matters
Impairment Loss Allowance Management's judgements in the calculation of impairment allowances have significant impact on the Standalone Financial Statements. The estimates regarding impairment allowances are complex and require a significant degree of judgement, which increased with implementation of Expected Credit Loss ("ECL") approach as required by Ind AS 109 relating to "Financial instruments." Management is required to determine the expected credit loss that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset.	We obtained an understanding of management's assessment of impairment of loans and advances including the internal model, impairment allowance policy and ECL modelling methodology. We verified the appropriateness of the methodology and models used by the Company and assessed reasonableness of the assumptions used within the computation process to determine the impairment loss allowance as per the requirements of Ind AS 109 'Financial Instruments' and ECL policy of the Company.

Key Audit matters	How our audit addressed the Key matters
The key areas of judgement include: 1. Categorization of loans in Stage I, II and III based on identification of: (a) exposures with significant increase in credit risk since their origination and (b) Individually impaired / default exposures. 2. Techniques used to determine Loss Given Default ('LGD') and Probability of Default ('PD') to calculate an ECL based on experience. 3. The impact of different future macroeconomic conditions in the determination of ECL. Quantitative factors like days past due, behaviour of the loan portfolio, historical losses incurred on defaults, macro-economic data points and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro-economic variables to determine expected losses, probability weights applied to reflect future economic conditions, judgement in relation to Management overlays and related Reserve Bank of India ('RBI') guidelines, to the extent applicable, etc. are also taken into account in the ECL computation. Management has made several interpretations and assumptions	We tested, on a sample basis, the completeness and accuracy of the source data used. We recomputed the impairment loss allowance for a sample of loans spread across the portfolios, to check the arithmetical accuracy and compliance with the ECL methodology approved by the Board of Directors of the Company; We also assessed the approach of the Company for categorization of the loans in various stages reflecting the inherent risk in the respective loans. As a result of the above audit procedures no material differences were noted. We confirm the adequacy of disclosures made in the financial statements.

Key Audit matters	How our audit addressed the Key matters
when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions. Given the significance of judgements and the high complexity related particularly to the calculation of ECL we considered this area as a Key Audit Matter.	
IT Systems and Controls The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems. Any control lapses, Validation failures, incorrect input data and wrong extraction of data may result in the financial accounting and reporting records being misstated. Given the complexity of the IT systems and high level of dependency on these systems for processing of financial transactions and their impact on the financial reporting process, we considered this area as a Key Audit Matter.	We tested a sample of key controls operating over the information technology in relation to key financial accounting and reporting systems including system reconciliation and system application controls. Reliance was also placed on the System Audit report of the Company covering user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. Based on our review no material weakness was found in the IT Systems and Controls.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Parent 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 Report, Corporate Governance and Shareholder's Information, but does not include the Standalone and Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Parent 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 Consolidated Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, the relevant circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 entity 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 the entity included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' below.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors 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 Consolidated 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 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 / financial information of three subsidiaries, whose financial statements / financial information reflect total assets of Rs. 17.25 crores as of 31st March 2026, total revenues of Rs. 1.06 crores and net cash inflows amounting to Rs. 1.65 crores for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements 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 the subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the financial statements certified by the Management.

One of the joint statutory auditors has not audited the comparative Consolidated Financial Statements for the year ended 31st March 2025. The comparative Consolidated Financial Statements for the year ended 31st March 2025 were audited by the previous joint statutory auditors whose report dated 28th April 2025 expressed an unmodified opinion on those Consolidated Financial Statements.

Our opinion on the Consolidated Financial Statements is not modified in respect of above matters.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) in our opinion, proper books of accounts as required by law have been kept by the Group 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 Statement of Cash Flows dealt with by this report are in agreement with the books of accounts;

(d) in our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;

(e) On the basis of the written representations received from the directors of the Parent Company 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 Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those companies.;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements in Note no.43.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The derivative contracts being in the nature of the hedge contracts, the company does not anticipate any material losses from the same.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Group.

iv. a) The respective Managements of the Company and its Subsidiaries have represented that, to the best of its 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 or its Subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 on behalf of the Ultimate Beneficiaries.

b) The respective Managements of the Company and its Subsidiaries have represented, that, to the best of it's knowledge and belief, no funds have been received by the company or its subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company or its subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

(i) The Group has not declared or paid any Dividend during the year.

(j) With respect to Rule 11(g) of Companies (Audit & Auditors) Rules,2014, on maintenance of audit trail, transaction and edit log, based on our examination which included test checks, the company and its subsidiaries have used multiple accounting software for maintaining its books of accounts which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Group as per the statutory requirements for record retention.

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 the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Companies included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Date: 12.05.2026
Place: Chennai

UDIN: 26201825EDKQFE4061

For **Suri & Co.,**
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Date: 12.05.2026
Place: Chennai

UDIN: 26229694SUWKFH2350

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 with reference to Consolidated Financial Statements of TVS Credit Services Limited ("the Parent" / "the Holding Company"/"the Company") and its three subsidiaries which are companies incorporated in India, as of 31st March 2026 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Management of the Parent company and its subsidiaries, which are companies incorporated in India is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated 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 with reference to Consolidated Financial Statements, 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 Consolidated Financial Statements were 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 Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements includes obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. Our responsibilities in this regard are further described in the section titled 'Other Matters' below.

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 Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 authorizations 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 Consolidated Financial Statements.

Inherent Limitations of Internal Financial controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated

Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31st March 2026, 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 issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based solely on the corresponding report of the auditors of those companies and our opinion on the internal financial controls with reference to Consolidated Financial statements, insofar as it relates to the internal financial controls in respect of the subsidiary companies is based solely on the corresponding report of the other auditors.

Our opinion is not modified in respect of the above matter.

For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Date: 12.05.2026
Place: Chennai

UDIN: 26201825EDKQFE4061

For **Suri & Co.,**
Chartered Accountants
Firm Registration No. 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Date: 12.05.2026
Place: Chennai

UDIN: 26229694SUWKFH2350

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2026

TVS CREDIT

(All amounts in ₹ crores, unless otherwise stated)

S. No.	Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
	ASSETS			
1	**Financial assets**			
(a)	Cash and cash equivalents	4	3,344.71	3,606.57
(b)	Bank Balance other than (a) above	5	0.21	5.95
(c)	Derivative financial instruments	6	103.43	-
(d)	Receivables			
	i) Trade receivables	7	214.66	141.25
(e)	Loans	8	30,285.47	26,298.84
(f)	Investments	9	301.37	287.75
(g)	Other financial assets	10	29.30	28.25
	Total		**34,279.15**	**30,368.61**
2	**Non-financial assets**			
(a)	Current tax assets (net)	11	8.23	11.04
(b)	Deferred tax assets (net)	12	482.01	408.64
(c)	Investment property	13	83.58	85.16
(d)	Property, plant and equipment	14A	72.14	45.07
(e)	Right-to-use asset	14A	70.33	65.19
(f)	Capital work-in-progress	14B	0.63	2.40
(g)	Intangible assets under development	14B	1.90	10.96
(h)	Other intangible assets	14A	47.00	2.53
(i)	Other non-financial assets	15	28.11	48.38
	Total		**793.93**	**679.37**
	Total assets		**35,073.08**	**31,047.98**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial liabilities**			
(a)	Derivative financial instruments	6	-	2.24
(b)	Payables			
	I. Trade payables			
	i) total outstanding dues of micro enterprises and small enterprises	16	29.60	26.08
	ii) total outstanding dues of creditors other than micro enterprises and small enterprises	16	979.90	1,061.21
(c)	Debt securities	17	3,309.86	2,625.39
(d)	Borrowings (other than debt securities)	18	22,088.05	19,792.47
(e)	Subordinated liabilities	19	2,269.96	2,269.31
(f)	Other Financial liabilities	20	209.85	221.35
	Total		**28,887.22**	**25,998.05**
2	**Non-financial liabilities**			
(a)	Provisions	21	75.15	59.58
(b)	Other non-financial liabilities	22	38.10	38.15
	Total		**113.25**	**97.73**
3	**EQUITY**			
(a)	Equity share capital	23	239.67	236.27
(b)	Instruments entirely equity in nature	23	18.38	18.38
(c)	Other Equity	24	5,814.56	4,697.55
	Total		**6,072.61**	**4,952.20**
	Total liabilities and equity		**35,073.08**	**31,047.98**
See accompanying notes to the consolidated financial statements				
Material accounting policies forming part of consolidated financial statements		3		
Additional Notes forming part of consolidated financial statements		43		

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Place : Chennai
Date : 12th May 2026

Sudarshan Venu
Chairman
DIN-03601690

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

(All amounts in ₹ crores, unless otherwise stated)

S.No.	Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
	Revenue from operations			
i)	Interest income	25	6,214.42	5,777.06
ii)	Fees and commission income	26	823.77	736.46
iii)	Net gain on fair value changes	27	154.02	92.32
I)	**Total revenue from operations**		**7,192.21**	**6,605.84**
II)	Other income	28	4.86	3.93
III)	**Total income (I + II)**		**7,197.07**	**6,609.77**
	Expenses			
i)	Finance costs	29	1,934.29	1,863.32
ii)	Fees and commission expenses		473.14	527.16
iii)	Impairment on financial instruments (net)	30	1,156.59	1,295.36
iv)	Employee benefits expenses	31	1,274.23	1,135.58
v)	Depreciation and amortization expenses	32	56.12	46.20
vi)	Other expenses	33	1,054.81	715.62
IV)	**Total expenses**		**5,949.18**	**5,583.24**
V)	**Profit before exceptional items and tax (III-IV)**		**1,247.89**	**1,026.53**
VI)	Exceptional items	43(4)	8.61	-
VII)	**Profit before tax (V-VI)**		**1,239.28**	**1,026.53**
VIII)	Tax expense	34		
	(1) Current tax		400.76	324.07
	(2) Deferred tax		(75.34)	(65.61)
IX)	**Profit for the year (VII-VIII)**		**913.86**	**768.07**
X)	**Other comprehensive income**			
A.	(i) Items that will not be reclassified to profit or loss			
	- *Remeasurements of the defined benefit plans*		(10.80)	(10.64)
	- *Fair value gain/(loss) on financial instruments through other comprehensive income*		4.76	(0.62)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		1.52	2.83
	Subtotal (A)		**(4.52)**	**(8.43)**
B.	(i) Items that will be reclassified to profit or loss			
	-*Fair value change on cash flow hedge*		13.85	(8.89)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(3.48)	2.24
	Subtotal (B)		**10.37**	**(6.65)**
	Other Comprehensive Income (A+B)		**5.85**	**(15.08)**
XI)	**Total comprehensive income for the year (IX + X) (Comprising Profit/(Loss) and other comprehensive income for the year)**		**919.71**	**752.99**
XII)	Earnings per equity share (Face value of Rs. 10/- each)	35		
	Basic (Rs.)		35.69	30.39
	Diluted (Rs.)		35.69	30.39
	See accompanying notes to the consolidated financial statements			
	Material accounting policies forming part of consolidated financial statements	3		
	Additional Notes forming part of consolidated financial statements	43		

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Sudarshan Venu
Chairman
DIN-03601690

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

(All amounts in ₹ crores, unless otherwise stated)

I) Equity share capital

	Note No.	Amounts
Balance as at 1st April 2024		**228.22**
Changes in equity share capital during the year	23	8.05
Balance as at 31st March 2025		**236.27**
Changes in equity share capital during the year	23	3.39
Balance as at 31st March 2026		**239.67**

II) Instruments entirely equity in nature

	Note No.	Amounts
Balance as at 1st April 2024		**18.38**
Changes in compulsorily convertible preference shares capital during the year	23	-
Balance as at 31st March 2025		**18.38**
Changes in compulsorily convertible preference shares capital during the year	23	-
Balance as at 31st March 2026		**18.38**

III) Other Equity

	Note No.	Reserves and surplus				Other comprehensive income (OCI)		Total
		Securities premium account	Statutory reserve	Share based payment reserve	Retained earnings	Financial instruments through OCI	Cashflow Hedge reserve	
Balance as at 1st April 2024		**1,874.19**	**356.40**	**-**	**1,385.86**	**-**	**5.89**	**3,622.34**
Profit for the year	24	-	-	-	768.07	-	-	768.07
Fair valuation gain/ (loss) of financial instrument (net)	24	-	-	-	-	(0.47)	(6.65)	(7.12)
Remeasurements of defined benefit plans (net)	24	-	-	-	(7.96)	-	-	(7.96)
Transfer to Statutory reserve	24	-	153.45	-	(153.45)	-	-	-
Issuance of equity shares	24	321.95	-	-	-	-	-	321.95
Share-based payment expenses	24	-	-	0.27	-	-	-	0.27
Balance as at 31st March 2025		**2,196.14**	**509.85**	**0.27**	**1,992.52**	**(0.47)**	**(0.76)**	**4,697.55**
Profit for the Year	24	-	-	-	913.86	-	-	913.86
Fair valuation gain/ (loss) of financial instrument (net)	24	-	-	-	-	3.55	10.37	13.92
Remeasurements of defined benefit plans (net)	24	-	-	-	(8.08)	-	-	(8.08)
Transfer to Statutory reserve	24	-	182.77	-	(182.77)	-	-	-
Issuance of equity shares	24	196.62	-	-	-	-	-	196.62
Share-based payment expenses	24	-	-	0.69	-	-	-	0.69
Balance as at 31st March 2026		**2,392.76**	**692.62**	**0.96**	**2,715.53**	**3.08**	**9.61**	**5,814.56**

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Sudarshan Venu
Chairman
DIN-03601690

Roopa Sampath Kumar
Chief Financial Officer

Place : Bengaluru
Date : 12th May 2026

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

TVS CREDIT

(All amounts in ₹ crores, unless otherwise stated)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Cash flows from operating activities		
Profit before tax	1,239.28	1,026.53
Adjustments for:-		
Depreciation and amortization	56.12	46.20
Impairment of financial instruments	41.02	(56.00)
Profit on disposal of property, plant and equipment	(0.71)	(0.20)
Finance costs	1,934.29	1,863.32
Unwinding of discount on security deposits	(1.14)	(0.97)
Remeasurements of defined benefit plans	(10.80)	(10.64)
Share-based payment expenses	0.69	0.27
Cash outflow towards finance costs	(1,928.20)	(1,858.87)
Cash generated/(used) from operations before working capital changes	**91.27**	**(16.89)**
Changes in working capital		
(Increase)/Decrease in Trade receivables	(72.84)	(25.25)
(Increase)/Decrease in Loans	(4,028.21)	(771.40)
(Increase)/Decrease in Other financial assets and other bank balances	5.84	(3.53)
(Increase)/Decrease in Other non-financial assets	20.27	10.21
Increase/(Decrease) in Trade payables	(77.79)	31.09
Increase/(Decrease) in Other financial liabilities	(17.60)	(153.35)
Increase/(Decrease) in Provisions and other non-financial liabilities	15.52	(22.71)
Net cash generated/(used) in operating activities before income tax	**(2,824.26)**	**74.70**
Income taxes paid (net of refund)	(397.95)	(315.30)
Net cash used in operating activities (I)	**(3,222.21)**	**(240.60)**
Cash flows from investing activities		
Investment in Property, plant and equipment	(52.02)	(32.50)
Proceeds from sale of Property, plant and equipment	0.72	0.23
Investment in intangible assets	(41.20)	(9.07)
Investment in Government securities	(6.86)	(188.66)
Investment in Alternate investment fund	(2.00)	(2.00)
Net cash used in investing activities (II)	**(101.36)**	**(232.00)**
Cash flows from financing activities		
Proceeds from issue of Equity shares	200.00	330.00
Proceeds from Issue/(Repayment) of Debt securities (net)	684.47	1,114.40
Proceeds/(Repayment) of Borrowings other than debt securities (net)	2,204.70	834.47
Proceeds/(Repayment) of Subordinated liabilities (net)	0.65	56.35
Payments of Lease liabilities	(28.08)	(24.33)
Net cash generated from financing activities (III)	**3,061.74**	**2,310.89**
Net increase/(decrease) in Cash and cash equivalents (I+II+III)	**(261.83)**	**1,838.29**
Cash and cash equivalents at the beginning of the year	**3,606.54**	**1,768.25**
Cash and cash equivalents at the end of the year	**3,344.71**	**3,606.54**
Components of cash and cash equivalents for the purpose of Statement of Cash Flows:		
Description	**As at 31st March 2026**	**As at 31st March 2025**
Cash and cash equivalents as per Balance Sheet	3,344.71	3,606.57
Less: Overdrafts utilised (Grouped under Borrowings (other than debt securities) - Note 18)	-	0.03
Cash and Cash Equivalents for the purpose of Statement of Cash Flows	**3,344.71**	**3,606.54**

As per our report of even date

For and on behalf of the Board of Directors of **TVS Credit Services Limited**

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

Place : Chennai
Date : 12th May 2026

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Sudarshan Venu
Chairman
DIN-03601690

Roopa Sampath Kumar
Chief Financial Officer

Place : Bengaluru
Date : 12th May 2026

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Chetan Nage
Company Secretary

(All amounts in ₹ crores, unless otherwise stated)

1 Corporate information

TVS Credit Services Limited ('the Parent Company') (CIN U65920KA2008PLC218369) is a public limited company incorporated and domiciled in India. The registered office is located at TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru-560034, Karnataka,India. The Parent Company with its subsidiaries is collectively referred to as a Group.

The Parent Company received Certificate of Registration (No. N-07-00783) dated 13th April,2010 from Reserve Bank of India (RBI) and commenced Non-Banking financial activity there on. The Parent Company is a Systemically Important Non-Deposit taking Non-Banking Finance Company, as defined under Section 45-IA of Reserve Bank of India (RBI) Act, 1934. The Parent Company offers diverse lending products like automobile finance , consumer durable loans and small business loans . The Parent Company is categorised as "NBFC - Investment and Credit Company (NBFC-ICC)" pursuant to RBI circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019 and as defined in Para 6(12) of Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, dated November 28, 2025. Effective 1st October 2022, the Parent Company has been categorised as NBFC-Middle Layer under the RBI Scale Based Regulation.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 of the Companies Act, 2013 (the Act), the guidelines issued by the RBI as applicable to Non-Banking Finance Companies (NBFCs), including the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 and in accordance with Division III of Schedule III of Companies Act 2013 notified by MCA on 11th October 2018. Further, the Group follows applicable guidance, clarifications, circulars and directions issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC), MCA or other regulators, as and when they are issued and applicable.

The financial statements have been prepared on a historical cost basis, except for certain financial instruments and employee benefit plans that are measured at fair value.

The financial statements are prepared on going concern basis based on the ability of the Group to continue its business for the foreseeable future and no material uncertainity exists that may cause significant doubt on the going concern assumption. In making this assessment, the Group has considered wide range of information relating to present & likely future conditions including projections of cash flows & profitability.

The financial statements have been approved for issue by the Board of Directors of the Parent Company on 12th May 2026.

Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the Parent Company and its subsidiaries line by line adding together items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Parent Company.

Non-controlling interests (if any) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

The subsidiary companies considered in consolidated financial statements are:

S. No.	Name of the Subsidiary	Proportion of Ownership (interest/voting power -%)		Reporting Date
		2025-26	2024-25	
1	Harita ARC Services Private Limited	100%	100%	31st March 2026
2	TVS Housing Finance Private Limited	100%	100%	31st March 2026
3	Harita Two Wheeler Mall Private Limited	100%	100%	31st March 2026

All the subsidiaries are incorporated in India.

(All amounts in ₹ crores, unless otherwise stated)

2.2 Presentation of financial statements

"The Group prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III of the Companies Act, 2013. The Statement of Cash Flows has been prepared and presented under the indirect method as per the requirements of Ind AS 7 'Statement of Cash Flows'."

The Group generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only where it has legally enforceable right to offset the recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability simultaneously as permitted by Ind AS. Similarly, the Company offsets incomes and expenses and reports the same on a net basis where the netting off reflects the substance of the transaction or other events as permitted by Ind AS.

2.3 Significant estimates and judgements

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

3 Material accounting policies

3.1 Property, plant and equipment (PPE)

Items of property, plant & equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included under other income/expenses in the Statement of Profit and Loss when the asset is derecognised.

3.2 Depreciation

Depreciation is provided on straight-line basis over the useful life of assets assuming no residual value at the end of useful life of the asset . The useful life estimated by the Company is in line with the useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

Useful life as used by the Group and as indicated in Schedule II are listed below:

Nature of Asset	Useful life adopted by the Group
Computers	3 years
Furniture & fixtures	10 years
Office equipments	5 years
Vehicles(Motor cycle)	10 years
Vehicles (Motor car)	8 years
Leasehold improvements	As per lease tenure
Building	48 years

Depreciation on PPE individually costing Rs.5,000/- or less is provided 100% in the year of acquisition.

An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gain and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss.

Depreciation on fixed assets added/disposed off during the year is calculated on pro-rata basis with reference to the date of addition/disposal.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.3 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to

(All amounts in ₹ crores, unless otherwise stated)

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 amortisation.

Subsequent expenditure related to an item of intangible asset are added to its gross value only if it increases the future benefits of the existing asset, if it is probable that future economic benefit will flow to the Company from that expenditure and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Intangible assets representing computer software are amortised using the straight-line method over a period of 3 to 5 years, based on Management's estimate of their useful lives.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

3.4 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

3.5 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are measured at amortised cost, unless otherwise specified.

All financial instruments are recognised on the date when the Group becomes party to the contractual provisions of the financial instruments along with the certainty of ultimate collection in case of financial assets. For tradable securities, the Group recognises the financial instruments on settlement date.

3.5.1 Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity.

3.5.1A Classification

The Group classifies its financial assets in the following categories, those to be measured subsequently at

(a) Amortized cost,

(b) Fair value through Other Comprehensive Income (FVOCI), and

(c) Fair value through Profit or Loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because it reflects the best way the business is managed, and information is provided to the management."

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

3.5.1B Measurement

At initial recognition, the Group measures financial assets, except those at FVTPL, at their fair value adjusted for transaction costs or origination income directly attributable to the acquisition. Transaction costs for financial assets measured at FVTPL are expensed in profit or loss.

(All amounts in ₹ crores, unless otherwise stated)

i. Debt instruments carried at amortized cost (AC):

(a) The business model of the Group for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the delinquent portfolios on the books of the Group, it may enter into immaterial and infrequent transactions to sell these portfolios to banks and/or asset reconstruction companies without affecting the business model of the Group.

(b) After initial measurement, such financial assets are subsequently measured at amortised cost on Effective Interest Rate (EIR). Refer note 3.5.5A for further details."

ii. Debt instruments at fair value through other comprehensive income (FVTOCI):

(a) A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans are held to sale and collect contractual cash flows, they are measured at FVTOCI.

(b) Financial assets included within the FVOCI category are measured at each reporting date at fair value with such changes being recognised in other comprehensive income (OCI). The interest income on these assets is recognised in profit or loss.

iii. Debt instruments at fair value through profit or loss (FVTPL):

Financial assets which do not meet the criteria for categorisation as at amortised cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in the Statement of Profit and Loss.

iv. Equity instruments at cost:

Investments in subsidiary and associate are measured at cost as per Ind AS 27 – Separate Financial Statements.

v. Investment in Government securities:

The Parent Company also made an investment in the Government securities in order to comply the liquidity ratio compliance as required by RBI pursuant to its master directions. The Parent Company intends to hold these assets till maturity expects that any sale if any necessitated by requirements are likely to be infrequent and immaterial. Accordingly, the related assessment becomes a critical judgement to determine the business model for such financial assets under Ind AS 109.

vi. Equity instruments at fair value through other comprehensive income (FVTOCI):

Investments in equity instruments other than in subsidiaries and associates are measured at fair value.

The Group has strategic investments in equity for which it has elected to present subsequent changes in fair value in other comprehensive income. The classification is made on initial recognition and is irrevocable.

All fair value changes of the aforesaid equity instruments are recognised in OCI and are not reclassified to the Statement of Profit and Loss subsequently, even on sale of those investments.

a. Investment in compulsory convertible debenture:

The Parent Company recognises the investment in compulsory convertible debenture on the issuance date and is classified and measured, at fair value through other comprehensive income.

b. Investment in alternate investment fund:

The Parent Company recognises the investment in alternate investment funds on trade date and is classified and measured, at fair value through other comprehensive income. Any gain/losses on disposal or subsequent re-measurement is recognised in the other comprehensive income.

3.5.2 Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group or a contract that will or may be settled in the Group's own equity instruments and is a non derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

3.5.2A Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial

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liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

3.5.2B Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

3.5.3 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities in the year ended 31st March 2026 and 31st March 2025.

3.5.4 Derecognition of financial assets & liabilities

i) Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes."

ii) Derecognition of financial assets other than due to substantial modification of terms and conditions

(a) A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the Statement of Profit and Loss."

(b) The Group enters into securitisation transactions where financial assets are transferred to a special purpose vehicle for a purchase consideration. The credit enhancement is provided in the form of cash collateral and investment in equity tranche PTCs, pursuant to the transfer of financial assets under securitisation. Basis this, the Group concluded that securitisation transactions entered by the Group does not qualify for derecognition since substantial risk and rewards of the ownership has not been transferred. The transactions are treated as financing arrangements and the sale consideration received is treated as borrowings.

iii) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the Statement of Profit and Loss.

3.5.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

A) Interest income:

(1) Interest income is recognized using the Effective Interest Rate (EIR) method for all financial assets measured at amortized cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to its gross carrying amount. The calculation of the effective interest rate includes transaction costs and transaction income that are directly attributable to the acquisition of a financial asset.

(2) Income by way of additional interest on account of delayed payment by the customers is recognized on realization basis, due to uncertainty in collection.

(3) Interest on Government securities is recognised as interest income in Profit & Loss statement

B) Dividend income:

Dividend income is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and

(All amounts in ₹ crores, unless otherwise stated)

the amount of the dividend can be measured reliably.

C) Fees and commission income:

(1) Fees and commission income that are not integral part of the effective interest rate on the financial asset are recognized as the performance obligations are performed and there is no significant financing component of the consideration.

(2) Income in the nature of bounce and related charges are recognized on realization, due to uncertainty in collection.

(3) The Group recognises revenue from contract with customers based on five step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customers. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

D) Net gain on fair value changes:

Investments in financial instruments are measured at fair value through profit or loss (FVTPL) in accordance with Ind AS 109. Gains or losses on sale/redemption are recognised in the Statement of Profit and Loss.

E) Other income:

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.5.6 Impairment of financial assets

The Group recognizes loss allowance for Expected Credit Loss "ECL" on the following financial assets that are not measured at FVTPL:

i. Loans

ii. Trade receivables and Other Financial Assets

i. Loans

Expected credit losses are measured through a loss allowance at an amount equal to:

1) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

2) Lifetime expected credit losses (expected credit losses that result from all possible default events over the expected life of the financial instrument).

Both Life Time ECLs (LTECL) and 12 months ECLs are calculated on collective basis.

Based on the above, the Group categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage	Days Past due	ECL	Risk
Stage 1	Upto 30 days	12 Month ECL	Low Credit Risk
Stage 2	31-90 days	Life-time ECL	Significant increase in credit risk
Stage 3	More than 90 days	Life-time ECL	Impaired assets

Stage 1:

When loans are first recognised, the Group recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from Stage 2 or Stage 3. (If completely regularised to zero DPD for Stage 3)

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for life time ECL. Stage 2 loans also include where the loans have been re-structured as per extent RBI Regulations.

Significant increase in credit risk: The Group monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime ECLs rather than 12 month ECLs. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative

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information that is reasonable and supportable, including historical experience and forward-looking information that is available with.

Stage 3: Credit-impaired financial assets: A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

• significant financial difficulty of the borrower;

• a breach of contract such as a default or past due event;

• the disappearance of an active market for a security because of financial difficulties; or

• the purchase of a financial asset at a deep discount that reflects the incurred credit losses

Loans are considered credit-impaired when they are past due for more than 90 days and have not been completely regularised to zero days past due (DPD). Credit-impaired loans also include restructured loan contracts under the Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November 2025, irrespective of the number of days past due as at the reporting date. Loan accounts where principal and/or interest are overdue for more than 90 days, together with all other loan exposures of the same borrower, continue to be classified as Stage 3 until all overdues across such accounts are fully cleared. The Group recognises a lifetime expected credit loss (ECL) allowance on such loans.

Measurement of ECLs

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including past events, current conditions and current profile of customers. Additionally, forecasts of future macro situations and economic conditions are considered as part of the ECL model. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors.

The Group has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD.

Probability of default ('PD'):

PD 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.

Exposure at default ('EAD'):

EAD 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.

Loss given default ('LGD'):

LGD 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 Group has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

Mechanics of ECLs

The Group applies a three-stage approach to measure ECL on financial assets that are not measured at fair value through profit or loss:

Stage 1: 12 month ECL

At initial recognition and for financial instruments where there has not been a significant increase in credit risk since initial recognition, the Group recognizes an allowance based on the 12-month ECL. The 12-month ECL represents the portion of lifetime ECL that result from default events that are possible within the 12 months after the reporting date. The Group calculates this allowance based on the expectation of a default occurring within 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecasted Exposure at Default (EAD) and multiplied by the expected Loss Given Default (LGD).

Stage 2: Lifetime ECL-not credit impaired

When a financial asset shows a significant increase in credit risk since origination but is not considered credit-impaired, the Group records an allowance for lifetime ECL. The mechanics are similar to Stage 1 but the

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Probability of Default (PD) and LGD are estimated over the remaining lifetime of the instrument.

Stage 3: Lifetime ECL-credit impaired

For financial assets that are credit-impaired, the Group recognizes the lifetime ECL.

The methodology is similar to Stage 2, but with the PD set at 100% to reflect that the asset is already credit impaired.

Forward looking information:

In its ECL models, the Group relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time.

ii. Trade receivables and other financial assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable and other financial assets. The application of simplified approach does not require the Group to track changes in credit risk and calculated on case by case approach, taking into consideration different recovery scenarios.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position for financial assets measured at amortized cost as a deduction from the gross carrying amount of the assets.

Collateral repossessed:

The Group does the regular repossession of collateral provided against the loans in case of default in agreed payments. The Group generally sells the asset repossessed to recover the underlying loan and does not use for internal operation.Any surplus funds are returned to the borrower and accordingly collateral repossessed are not recorded on the balance sheet and not treated as assets held for sale.

Write-off:

Loans are written off when there is no reasonable expectation of recovering in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level. 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.

3.5.7 Derivatives

The Group enters into derivative transactions to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates derivatives taken on External Commercial Borrowings (ECB) as Cashflow Hedges (hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions).

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions.

The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 37. Movements in the hedging reserve in shareholders' equity are shown in Note 24.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the "other comprehensive income". The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in OCI is subsequently transferred to the Statement of Profit and Loss on ultimate recognition of the underlying hedged forecast transaction.When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

3.5.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet

(All amounts in ₹ crores, unless otherwise stated)

where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

3.6 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, Cash and Cash equivalents includes cash on hand, deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and positive balance in bank cash credit. Bank cash credit with negative balances are shown within borrowings in the balance sheet.

3.7 Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(i) Deferred income tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

(ii) Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

3.8 Employee Benefits

(a) Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Long term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

(c) Post-employment obligation:

The Group operates the following post-employment schemes:

• Defined benefit plans such as gratuity for its eligible employees, pension plan for its senior managers; and

• Defined contribution plans such as provident fund.

(i) Pension and gratuity obligation:

The liability or asset recognized in the balance sheet in respect of defined benefit pension and

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gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

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

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(ii) Provident fund:

Contributions to Provident Fund made to Regional Provident Fund Commissioner in respect of Employees' Provident Fund based on the statutory provisions are charged to Statement of Profit and Loss on accrual basis.

(d) Share based payment

The Parent Company operates an equity settled share-based payment arrangement for its employees. The Parent determines the fair value of the employee stock options on the grant date using the Black Scholes model. The total cost of the share option is accounted for on a straight-line basis over the vesting period of the grant. The cost attributable to the services rendered by employees is recognised as employee benefits expenses in the statement of profit and loss.

(e) Other employee benefits

The Group contributes to Employees State Insurance Scheme and recognizes such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

3.9 Functional currency

3.9.1 Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). i.e., in Indian rupees (INR) and all values are rounded off to nearest lakhs except where otherwise indicated.

3.9.2 Transactions and balances:

- Foreign currency transactions are translated into functional currency using exchange rates at the date of transaction.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

3.10 Borrowing cost

Borrowing costs are expensed in the period in which they are incurred.

3.11 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of the transactions of non-cash nature as permitted by Ind AS 7.

3.12 Earnings per share

In accordance with Ind AS 33 the basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share, only potential equity shares that are dilutive and that reduce profit per share are included.

3.13 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

(All amounts in ₹ crores, unless otherwise stated)

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.14 Lease

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116. The Group 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,

(c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use 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 are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

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 incremental borrowing rate.

For short-term leases and low value assets (assets of less than INR 500,000 in value) the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease payments have been classified as Cash flow used in financing activities.

3.15 Segment reporting

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Group.

3.16 Provisions

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

3.17 Contingent liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liabilities. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

3.18 Equity

Equity shares are classified as equity. Distributions to holders of an equity instrument are recognized by the entity directly in equity. Transaction costs of an equity transaction shall be accounted for as a deduction from equity.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 4 Cash and cash equivalents

S.No.	Description	As at 31st March 2026	As at 31st March 2025
a)	Cash on hand*	0.49	0.33
b)	Balance with banks		
	-current accounts	3,327.73	3,590.65
	-deposits	16.49	15.59
	Total	**3,344.71**	**3,606.57**

* Includes cash collected from borrowers as on Balance Sheet date subsequently deposited with bank.

NOTE 5 Bank balance other than cash and cash equivalents*

S.No.	Description	As at 31st March 2026	As at 31st March 2025
a)	Balances with banks to the extent held as margin money or security against borrowings, guarantees, other commitments	0.21	5.95
	Total	**0.21**	**5.95**

*Balance maintained in fixed deposits with original maturity more than 3 months as cash collateral towards cash credit (CC)

NOTE 6 Derivative financial instruments

S No	Description	As at 31st March 2026		
		Notional amounts	Fair Value - Assets	Fair Value - Liabilities
a)	Part I - Currency derivatives- Cross currency interest rate swaps	854.83	103.43	-
	Part II - Derivatives included in above are derivatives held for hedging and risk management purposes as cash flow hedges	854.83	103.43	-
	Total	**854.83**	**103.43**	**-**

S No	Description	As at 31st March 2025		
		Notional amounts	Fair Value - Assets	Fair Value - Liabilities
a)	Part I - Currency derivatives- Cross currency interest rate swaps	300.13	-	2.24
	Part II - Derivatives included in above are derivatives held for hedging and risk management purposes as cash flow hedges	300.13	-	2.24
	Total	**300.13**	**-**	**2.24**

The Group does not undertake derivative transactions for trading purposes.

During the financial year, the Group entered into derivative contracts (cross-currency interest rate swaps) solely for hedging foreign exchange and interest rate exposures arising from its External Commercial Borrowings (ECBs). In line with the Parent Company's Asset Liability Management Policy approved by Board, all foreign currency borrowings are fully hedged at the time of drawdown and remain fully hedged until repayment. The front office and back-office role is defined and segregated. All the derivatives transactions is quarterly monitored and reviewed.

The notional amount for CCIRS represents underlying foreign currency borrowings for which the Parent Company has entered to hedge the variable interest rate and foreign exchange risks. Refer Note 38 for foreign currency risk management and interest rate sensitivity on derivative financial instruments respectively.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 7 Trade receivables

S No.	Particulars	As at 31st March 2026	As at 31st March 2025
(i)	Receivables considered good - secured	-	-
(ii)	Receivables considered good - unsecured *	214.66	141.25
(iii)	Receivables which have significant increase in credit risk	-	-
(iv)	Receivables - credit impaired	0.98	1.73
	Total (A)	**215.64**	**142.98**
	Less: Allowance for impairment loss (B)	0.98	1.73
	Net (C) = (A-B)	**214.66**	**141.25**

Notes:

1 *Includes dues from related parties (Refer note 41)

2 There are no dues by Directors or other officers of the Group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

NOTE 7 Trade receivables (Ageing schedule)

S No.	Particulars	Unbilled	Outstanding for following periods from date of transaction as at 31st March 2026					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivable – considered good	138.90	75.76	-	-	-	-	214.66
(ii)	Undisputed trade receivable – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivable – credit impaired	-	-	0.75	0.23	-	-	0.98
(iv)	Disputed trade receivable–considered good	-	-	-	-	-	-	-
(v)	Disputed trade receivable – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed trade receivable – credit impaired	-	-	-	-	-	-	-
	Total (A)	**138.90**	**75.76**	**0.75**	**0.23**	**-**	**-**	**215.64**
	Less: Allowance for impairment loss (B)	-	-	0.75	0.23	-	-	0.98
	Net (C) = (A-B)	**138.90**	**75.76**	**-**	**-**	**-**	**-**	**214.66**

S No.	Particulars	Unbilled	Outstanding for following periods from due date of payment as at 31st March 2025					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed trade receivable – considered good	61.09	80.16	-	-	-	-	141.25
(ii)	Undisputed trade receivable – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivable – credit impaired	-	-	1.60	0.13	-	-	1.73
(iv)	Disputed trade receivable–considered good	-	-	-	-	-	-	-
(v)	Disputed trade receivable – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed trade receivable – credit impaired	-	-	-	-	-	-	-
	Total (A)	**61.09**	**80.16**	**1.60**	**0.13**	**-**	**-**	**142.98**
	Less: Allowance for impairment loss (B)	-	-	1.60	0.13	-	-	1.73
	Net (C) = (A-B)	**61.09**	**80.16**	**-**	**-**	**-**	**-**	**141.25**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 8 Loans

S No.	Description	As at 31st March 2026	As at 31st March 2025
		Amortised Cost	
(A)	**Term loans**		
	i) Automobile financing	19,055.84	18,130.65
	ii) Consumer lending	11,559.30	8,428.23
	iii) Small business lending	600.87	620.54
	Total loans - Gross	**31,216.01**	**27,179.42**
	Less: Impairment loss allowance	930.54	880.58
	Total loans - Net	**30,285.47**	**26,298.84**
(B)	**Nature**		
a)	Secured by tangible assets	25,377.17	21,918.72
b)	Unsecured loans	5,838.83	5,260.70
c)	**Total loans - Gross (a) + (b)**	**31,216.01**	**27,179.42**
d)	Less: Impairment loss allowance	930.54	880.58
e)	**Total loans - Net (c) - (d)**	**30,285.47**	**26,298.84**
i)	Loans in India		
	Public Sector	-	-
	Others	31,216.01	27,179.42
	Total loans - Gross	**31,216.01**	**27,179.42**
	Less: Impairment loss allowance	930.54	880.58
	Total loans - Net	**30,285.47**	**26,298.84**
ii)	Loans outside India	-	-
iii)	**Total Loans (i) +(ii)**	**30,285.47**	**26,298.84**

a. Secured indicates loans secured, wholly or partly, by way of hypothecation of automobile assets and / or equitable mortgage of property and / or equipment.

b. The stock of loan (automobile finance) includes 3,380 nos repossessed vehicles as at Balance Sheet date. (As at 31st March 2025 : 6,266 nos).

c. The term loans include loans given to related parties (refer note 41) and these loans which have been granted to related parties are specified with terms or period of repayment. These loans have been classified under Stage 1 category at the various reporting periods and related impairment provision as per the Group's accounting policy has been created.

d. No loans and advances in the nature of loans are granted to promoters, directors, KMPs that are repayable on demand or without specifying any terms or period of repayment.

e. Gold loans constitute 0.37% of the total assets of the Group as at 31st March 2026 (31st March 2025: 0.07%).

(All amounts in ₹ crores, unless otherwise stated)

NOTE 9 Investments

S No.	Description	As at 31st March 2026	As at 31st March 2025
A	**At cost:**		
a)	**Investment in Government securities**	288.98	282.12
B	**At fair value through other comprehensive income:**		
a)	**Investment in Alternative investment fund:**		
	80,000 units of Eight Innovate fund II (31st March 2025: 60,000)	12.14	5.38
b)	**Investment in Compulsory convertible debentures:**		
	25 (31st March 2025 : 25) 0.001% compulsorily convertible debentures of Rs.1,00,000 each in Hyper Grocers Private Limited	0.25	0.25
	Total – Gross (A)	**301.37**	**287.75**
	(i) Investments outside India	-	-
	(ii) Investments in India	301.37	287.75
	Total	**301.37**	**287.75**
	Less: Impairment loss allowance (B)	-	-
	Total - Net = (A) -(B)	**301.37**	**287.75**

NOTE 10 Other financial assets

S No.	Description	As at 31st March 2026	As at 31st March 2025
	Unsecured - considered good		
	At amortised cost		
a)	Employees related receivables	17.65	18.06
b)	Security deposit for leased premises	15.51	13.29
c)	Other Financial Assets - Related Parties	2.77	-
d)	Other financial assets - Non related parties	5.34	5.34
e)	Deposit with service providers	2.39	2.12
	Total - Gross	**43.66**	**38.81**
	Less: Impairment loss allowance	14.36	10.56
	Total - Net	**29.30**	**28.25**

NOTE 11 Current tax assets (Net)

S No.	Description	As at 31st March 2026	As at 31st March 2025
a)	Opening balance	11.03	19.80
b)	Add: Taxes paid	397.96	315.30
c)	Less: Taxes payable	(400.76)	(324.07)
	Total	**8.23**	**11.03**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 12 Deferred tax assets/(liabilities)

The balance comprises temporary differences attributable to:

S. No	Description	As at 31st March 2024	Recognised in profit and loss	Recognized in OCI	As at 31st March 2025	Recognised in profit and loss	Recognized in OCI	As at 31st March 2026
a)	**Deferred tax asset**							
	Remeasurement of employee benefits	18.04	(5.72)	2.68	15.00	0.90	2.72	18.62
	Expected credit loss	205.61	16.90	-	222.51	10.19	-	232.70
	Property, plant and equipment and intangible assets	4.88	1.43	-	6.32	(0.88)	-	5.43
	Right-to-use assets	1.20	0.22	-	1.42	0.39	-	1.81
	Impact of effective interest rate adjustment on financial assets/ liabilities	66.79	35.84	-	102.63	60.67	-	163.30
	Other temporary differences	43.42	16.78	-	60.20	4.07	-	64.27
	Deferred tax assets (a)	**339.94**	**65.45**	**2.68**	**408.07**	**75.34**	**2.72**	**486.13**
b)	**Deferred tax liabilities**							
	Fair value on equity instruments designated under FVOCI	-	(0.16)	-	(0.16)	-	1.20	1.05
	Cash flow hedge reserve	1.98	-	(2.39)	(0.41)	-	3.48	3.07
	Deferred tax liabilities (b)	**1.98**	**(0.16)**	**(2.39)**	**(0.57)**	**-**	**4.68**	**4.12**
c)	**Deferred tax assets/ (liabilities) - net (a-b)**	**337.96**	**65.61**	**5.07**	**408.64**	**75.34**	**(1.96)**	**482.01**

NOTE 13 Investment property

Description	Land
As at 31st March 2026	
Gross carrying amount as at 1st April 2025	85.16
Additions	-
Sub-total	**85.16**
Disposals	-
Closing gross carrying amount (A)	**85.16**
Depreciation and amortisation	
Opening accumulated depreciation	-
Depreciation for the year	1.58
Sub-total	**1.58**
Disposals	-
Closing accumulated depreciation and amortisation(B)	**1.58**
Net carrying value as at 31st March 2026 (A)-(B)	**83.58**
Net carrying value as at 31st March 2025	**85.16**

(All amounts in ₹ crores, unless otherwise stated)

Description	Land
As at 31st March 2025	
Gross carrying amount as at 1st April 2024	85.16
Additions	-
Sub-total	**85.16**
Disposals	-
Closing gross carrying amount (A)	**85.16**
Depreciation and amortisation	
Opening accumulated depreciation	-
Depreciation for the year	-
Sub-total	-
Disposals	-
Closing accumulated depreciation and amortisation(B)	-
Net carrying value as at 31st March 2025 (A)-(B)	**85.16**

(i) Fair value

Description	As at 31st March 2026	As at 31st March 2025
Investment property	443.22	422.11

a) The fair value of the investment property is based on the independent valuation obtained by the Parent Company.

b) The title deed of the investment property is in the name of the Parent Company.

(ii) Sensitivity analysis

Particulars	Significant unobservable inputs	Range (Weighted Avg)	Sensitivity of the input to fair value	Fair Value (Rs. In crore)	Sensitivity (Rs. In crore)
As at 31st March 2026	Per/Acre	16,17,00,000 per acre	5%	16.17	16.98
As at 31st March 2025	Per/Acre	15,40,00,000 per acre	5%	15.40	16.17

(All amounts in ₹ crores, unless otherwise stated)

(All amounts in ₹ crores unless otherwise stated)

NOTE 14A Property, plant and equipment and intangible assets

Description	Property, plant and equipment								Right-to-use asset	Intangible assets (Computer Software)*
	Computers	Furniture & fixtures	Office equipment	Vehicles	Leasehold improvements	Building	Land	Total		
As at 31st March 2026										
Gross carrying amount as at 1st April 2025	70.90	24.18	29.34	1.49	6.00	-	-	131.91	122.44	21.80
Additions and adjustments on account of modification	17.38	3.10	9.86	0.05	7.98	5.39	8.45	52.21	28.84	50.26
Adjustment due to revaluation and acquisitions through business combinations	-	-	-	-	-	-	-	-	-	-
Sub-total	**88.28**	**27.28**	**39.20**	**1.54**	**13.98**	**5.39**	**8.45**	**184.12**	**151.28**	**72.06**
Disposals	6.92	0.46	1.06	-	-	-	-	8.45	-	-
Closing gross carrying amount (A)	**81.36**	**26.82**	**38.14**	**1.54**	**13.98**	**5.39**	**8.45**	**175.67**	**151.28**	**72.06**
Depreciation and amortisation										
Opening accumulated depreciation	53.09	14.22	18.26	0.48	0.78	-	-	86.84	57.25	19.27
Depreciation/amortisation charge for the year	14.63	2.56	5.36	0.19	2.26	0.07	-	25.06	23.70	5.78
Sub-total	**67.72**	**16.78**	**23.62**	**0.67**	**3.04**	**0.07**	**-**	**111.90**	**80.95**	**25.05**
Disposals	6.93	0.43	1.01	-	-	-	-	8.37	-	-
Closing accumulated depreciation and amortisation(B)	**60.79**	**16.35**	**22.61**	**0.67**	**3.04**	**0.07**	**-**	**103.53**	**80.95**	**25.05**
Net carrying value as at 31st March 2026(A)-(B)	**20.57**	**10.47**	**15.53**	**0.87**	**10.94**	**5.32**	**8.45**	**72.14**	**70.33**	**47.00**
Net carrying value as at 31st March 2025	**17.81**	**9.96**	**11.08**	**1.01**	**5.22**	**-**	**-**	**45.07**	**65.19**	**2.53**

* Intangible assets included in the above schedule represent assets acquired/purchased during the year

(All amounts in ₹ crores, unless otherwise stated)

(All amounts in ₹ crores unless otherwise stated)

Property, plant and equipment (Cont.)

Description	Property, plant and equipment								Right-to-use asset	Intangible assets (Computer Software)*
	Computers	Furniture & fixtures	Office equipment	Vehicles	Leasehold improvements	Building	Land	Total		
As at 31st March 2025										
Gross carrying Amount as at 1st April 2024	59.16	20.79	18.64	1.49	-	-	-	100.08	62.96	20.51
Additions and adjustments on account of modification	12.00	3.58	11.25	-	6.00	-	-	32.83	59.48	1.29
Adjustment due to revaluation and acquisitions through business combinations	-	-	-	-	-	-	-	-	-	-
Sub-total	**71.16**	**24.37**	**29.89**	**1.49**	**6.00**	**-**	**-**	**132.91**	**122.44**	**21.80**
Disposals	0.26	0.19	0.55	-	-	-	-	1.00	-	-
Closing gross carrying amount (A)	**70.90**	**24.18**	**29.34**	**1.49**	**6.00**	**-**	**-**	**131.92**	**122.44**	**21.80**
Depreciation and amortisation						-	-	-		
Opening accumulated depreciation	38.63	11.81	13.44	0.29	-	-	-	64.16	36.38	17.57
Depreciation/amortisation charge for the year	14.72	2.59	5.35	0.19	0.78	-	-	23.63	20.87	1.70
Sub-total	**53.34**	**14.40**	**18.79**	**0.48**	**0.78**	**-**	**-**	**87.79**	**57.25**	**19.27**
Disposals	0.25	0.18	0.53	-	-	-	-	0.96	-	-
Closing accumulated depreciation and amortisation(B)	**53.09**	**14.22**	**18.26**	**0.48**	**0.78**	**-**	**-**	**86.84**	**57.25**	**19.27**
Net carrying value as at 31st March 2025(A)-(B)	**17.81**	**9.96**	**11.08**	**1.01**	**5.21**	**-**	**-**	**45.07**	**65.19**	**2.53**

* Intangible assets included in the above schedule represent assets acquired/purchased during the year

(a) The Company follows cost model as per Ind AS 16 and the Company has not carried out any revaluation of property, plant and equipment (including Right-to-use asset) during the year ended 31st March, 2026 and year ended 31st March, 2025.

(b) The title deeds of immovable property (other than properties where the Parent Company is the lessee and the lease agreements are duly executed in favour of lessee) are held in the name of the Parent Company.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 14B Capital work-in-progress and intangible assets under development

The Group discloses property, plant and equipment that are not ready for use as capital work-in-progress. These are carried at cost, comprising direct cost and related incidental expenses. Intangible assets not ready for their intended use on the date of Balance Sheet are disclosed as Intangible assets under development.

Capital work-in-progress

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance	2.40	2.73
Additions	10.29	6.93
Deductions	(12.06)	(7.26)
Closing balance	**0.63**	**2.40**

Ageing for capital work-in-progress

As at	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March 2026	0.63	-	-	-	0.63
31st March 2025	2.40	-	-	-	2.40

The Group does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

Intangible Assets Under Development (ITUD)

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance	10.96	3.18
Additions	3.85	8.32
Deductions	(12.91)	(0.54)
Closing balance	**1.90**	**10.96**

Ageing for intangible assets under development

As at	Amount in ITUD for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March 2026	1.90	-	-	-	1.90
31st March 2025	8.04	2.92	-	-	10.96

The Group does not have any project temporarily suspended or any intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence intangible asset under development completion schedule is not applicable.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 15 Other non-financial assets

S No	Description	As at 31st March 2026	As at 31st March 2025
a)	Advances to dealers	0.18	0.17
b)	Prepaid expenses	20.92	33.00
c)	Vendor advances	4.41	12.97
d)	Balances with GST/ Service tax department	1.68	1.60
e)	Amount paid under protest	0.92	0.64
	Total	**28.11**	**48.38**

Impairment loss allowance recognised on other non-financial assets is Nil (31st March 2025: Nil).

NOTE 16 Trade payables

S No	Description	As at 31st March 2026	As at 31st March 2025
(a)	Total outstanding dues of micro enterprises and small enterprises	29.60	26.08
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	979.90	1,061.21
	Total	**1,009.50**	**1,087.29**

16.1 Trade payables (Ageing schedule)

The following schedules reflect ageing of trade payables with respect to the date of transactions

S No	Description	Outstanding for following periods from date of transaction as at 31st March 2026				
		<1 Year	1-2 years	2-3 years	More than 3 years	Total
	Undisputed					
(i)	MSME	29.60	-	-	-	29.60
(ii)	Others	979.90	-	-	-	979.90
	Disputed					
(iii)	MSME	-	-	-	-	-
(iv)	Others	-	-	-	-	-
	Total	**1,009.50**	**-**	**-**	**-**	**1,009.50**

S No	Particulars	Outstanding for following periods from date of transaction as at 31st March 2025				
		<1 Year	1-2 years	2-3 years	More than 3 years	Total
	Undisputed					
(i)	MSME	26.08	-	-	-	26.08
(ii)	Others	1,061.04	0.09	0.08	-	1,061.21
	Disputed					
(iii)	MSME	-	-	-	-	-
(iv)	Others	-	-	-	-	-
	Total	**1,087.12**	**0.09**	**0.08**	**-**	**1,087.29**

Notes:

1 Includes dues to related parties (Refer note 41)

2 Dues to micro, medium and small enterprises have been determined to the extent such parties have been identified on the basis of information received by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no interests due or outstanding on the same in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.

(All amounts in ₹ crores, unless otherwise stated)

16.2 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) certain disclosures are required to be made relating to micro, medium and small enterprises. Based on and to the extent of the information received by the Group from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

Particulars	As at 31st March 2026	As at 31st March 2025
Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	29.60	26.08
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers(other than interest)beyond the appointed day,during the year	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act,for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act(since paid)	-	-

NOTE 17 Debt securities

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost:		
Commercial paper (unsecured)	398.27	-
Non convertible debentures (secured)	2,911.59	2,625.39
Total (A)	**3,309.86**	**2,625.39**
Debt securities in India	3,309.86	2,625.39
Debt securities outside India	-	-
Total (B)	**3,309.86**	**2,625.39**

NOTE 18 Borrowings (Other than debt securities)

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost		
(a)Term loans (secured)		
i)from banks	15,879.42	16,757.81
ii) from other parties	523.91	943.06
iii) External commercial borrowings	948.88	299.22
(b)Loans repayable on demand		
i) cash credit from banks (secured)	-	0.03
ii) working capital demand loan (secured)	4,735.84	1,792.35
Total (A)	**22,088.05**	**19,792.47**
Borrowings in India	21,139.17	19,493.25
Borrowings outside India	948.88	299.22
Total (B)	**22,088.05**	**19,792.47**

Period and amount of default: NIL (31st March 2025: NIL)

(All amounts in ₹ crores, unless otherwise stated)

NOTE 19 Subordinated liabilities

Description	As at 31st March 2026	As at 31st March 2025
At amortised cost-Unsecured		
(a) Perpetual debt instruments to the extent that do not qualify as equity	103.58	103.57
(b) Other subordinated liabilities		
(i) From banks	-	-
(ii) From others	2,166.38	2,165.74
Total (A)	**2,269.96**	**2,269.31**
Subordinated liabilities in India	2,269.96	2,269.31
Subordinated liabilities outside India	-	-
Total (B)	**2,269.96**	**2,269.31**

Period and amount of default: NIL (31st March 2025: NIL)

a. Refer Annexure for the terms of the debt securities, borrowings and subordinated liabilities.
b. The Group has utilised the borrowed funds for the purposes for which the fund is obtained.
c. The Group has not been declared willful defaulter by any Bank or financial Institution or other lender.
d. There are no charges or satisfaction yet to be registered with ROC beyond the statutory time period.
e. Change in liabilities arising from financing activities

Particulars	As at 1st April 2025	Cash Flows	Exchange Differences	Other*	As at 31st March 2026
Debt securities	2,625.39	675.00	-	9.47	3,309.86
Borrowings other than debt securities	19,792.47	2,211.69	91.43	(7.55)	22,088.05
Subordinated liabilities	2,269.31	-	-	0.66	2,269.96
Total	**24,687.17**	**2,886.69**	**91.43**	**2.58**	**27,667.87**

Particulars	As at 1st April 2024	Cash flows	Exchange differences	Other*	As at 31st March 2025
Debt securities	1,510.99	1,100.00	-	14.40	2,625.39
Borrowings other than debt securities	19,043.77	821.98	(82.64)	9.36	19,792.47
Subordinated liabilities	2,212.96	50.00	-	6.34	2,269.31
Total	**22,767.72**	**1,971.98**	**(82.64)**	**30.10**	**24,687.17**

* (i) Other column represents the amortisation of processing fees and movement in interest accrued but not due
(ii) Liabilities represents Debt securities, Borrowings (Other Than Debt Securities) and Subordinated Liabilities

TVS CREDIT

In Kancheepuram, a Paati's gold funds a young girl's ambition.
Metal stays safe, while mettle grows.

Women are well aware that gold doesn't just glitter, it helps them to shine in life. Our **Gold Loans** offer 24/7 security and schemes tailored to their needs.

24/7	FLEXIBLE	TAILOR-MADE
SECURITY SYSTEM*	REPAYMENT OPTIONS*	SCHEMES*

*Images used are for representative purposes

*Terms and conditions apply

**Trichy's heritage opens its doors to the world.
A century of history restored, without hidden charges.**

Heritage homestays, when properly restored, are a legacy relived.
Our **Loans Against Property** make it happen, with repayment terms that give a glorious past a beautiful future.

LOANS UP TO	FLEXIBLE*	NO HIDDEN*
₹15 LAKH*	REPAYMENT TENURE	CHARGES

*Images used are for representative purposes

*Terms and conditions apply

(All amounts in ₹ crores, unless otherwise stated)

Annexure

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Debt Securities								
Commercial Paper	199.29	Unsecured	6.55%	1	1	Bullet	21/04/2026	21/04/2026
Commercial Paper	198.97	Unsecured	6.60%	1	1	Bullet	30/04/2026	30/04/2026
Non Convertible Debentures	236.21	Secured	7.15%	1	1	Bullet	26/06/2026	26/06/2026
Non Convertible Debentures	516.08	Secured	8.35%	2	2	Bullet	29/10/2026	29/10/2027
Non Convertible Debentures	534.77	Secured	8.25%	2	2	Bullet	31/12/2026	31/12/2027
Non Convertible Debentures	502.95	Secured	8.25%	3	3	Bullet	03/03/2027	03/03/2028
Non Convertible Debentures	578.28	Secured	7.50%	3	3	Bullet	26/04/2028	27/06/2028
Non Convertible Debentures	543.31	Secured	7.55%	3	3	Bullet	19/07/2028	19/09/2028
	3,309.86							
Loan repayable on demand	4,735.84	Secured	6.35% to 7.32%	Repayable on demand				
	4,735.84							
Term Loan								
Bank	39.75	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	120.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	120.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	40.00	Secured	6.83%	15	6	Quarterly	31/03/2024	01/10/2027
Bank	45.82	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	92.31	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	46.15	Secured	6.45%	39	18	Monthly	31/07/2024	30/09/2027
Bank	215.38	Secured	6.45%	39	21	Monthly	15/10/2024	15/12/2027
Bank	72.88	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	146.67	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	146.67	Secured	6.95%	15	11	Quarterly	30/06/2025	31/12/2028
Bank	230.51	Secured	5.30%	13	12	Quarterly	28/02/2026	28/02/2029
Bank	230.66	Secured	5.30%	13	12	Quarterly	31/03/2026	31/03/2029
Bank	249.80	Secured	5.30%	13	13	Quarterly	30/06/2026	30/06/2029
Bank	181.80	Secured	7.00%	11	4	Quarterly	01/10/2024	01/04/2027
Bank	131.26	Secured	7.80%	16	7	Quarterly	29/03/2024	29/12/2027
Bank	174.99	Secured	7.80%	12	6	Quarterly	30/12/2024	30/09/2027
Bank	75.02	Secured	7.80%	12	6	Quarterly	30/12/2024	30/09/2027
Bank	75.86	Secured	7.00%	21	15	Monthly	31/10/2025	30/06/2027
Bank	303.60	Secured	7.00%	21	15	Monthly	31/10/2025	30/06/2027
Bank	750.10	Secured	7.25%	36	36	Monthly	30/04/2026	31/03/2029
Bank	25.00	Secured	6.64%	6	1	Half Yearly	29/02/2024	31/08/2026

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	166.67	Secured	7.18%	6	5	Half Yearly	29/03/2026	29/09/2028
Bank	31.42	Secured	7.25%	12	1	Quarterly	30/06/2023	28/04/2026
Bank	176.69	Secured	7.10%	16	5	Quarterly	30/09/2023	29/06/2027
Bank	58.86	Secured	7.10%	16	5	Quarterly	30/09/2023	29/06/2027
Bank	144.86	Secured	7.10%	16	6	Quarterly	27/12/2023	26/09/2027
Bank	43.35	Secured	5.85%	16	6	Quarterly	27/12/2023	26/09/2027
Bank	125.59	Secured	7.15%	13	4	Quarterly	29/02/2024	01/03/2027
Bank	31.38	Secured	5.95%	13	4	Quarterly	26/03/2024	27/03/2027
Bank	70.60	Secured	5.47%	26	7	Monthly	30/06/2024	30/10/2026
Bank	154.27	Secured	5.47%	10	5	Quarterly	30/03/2025	30/06/2027
Bank	68.00	Secured	5.79%	27	10	Monthly	29/09/2024	30/01/2027
Bank	138.90	Secured	5.79%	11	6	Quarterly	29/03/2025	29/09/2027
Bank	92.74	Secured	5.97%	27	13	Monthly	30/12/2024	27/04/2027
Bank	162.33	Secured	5.97%	13	7	Quarterly	30/12/2024	27/12/2027
Bank	243.46	Secured	5.60%	13	9	Quarterly	31/05/2025	29/05/2028
Bank	87.53	Secured	5.60%	31	18	Monthly	31/03/2025	27/09/2027
Bank	85.01	Secured	5.55%	13	11	Quarterly	28/10/2025	28/10/2028
Bank	145.54	Secured	5.55%	29	21	Monthly	28/08/2025	28/12/2027
Bank	127.52	Secured	5.55%	13	11	Quarterly	05/11/2025	28/10/2028
Bank	38.11	Secured	5.55%	29	22	Monthly	05/09/2025	28/12/2027
Bank	85.05	Secured	5.55%	13	11	Quarterly	30/12/2025	30/12/2028
Bank	119.55	Secured	5.55%	29	23	Monthly	30/10/2025	29/02/2028
Bank	216.56	Secured	5.55%	29	25	Monthly	19/12/2025	17/04/2028
Bank	100.46	Secured	5.40%	13	13	Quarterly	27/05/2026	26/05/2029
Bank	145.51	Secured	5.40%	29	28	Monthly	27/03/2026	26/07/2028
Bank	249.99	Secured	7.00%	1	1	Bullet	30/06/2026	30/06/2026
Bank	299.95	Secured	7.10%	1	1	Bullet	26/09/2027	26/09/2027
Bank	349.71	Secured	7.00%	10	10	Quarterly	01/07/2026	01/10/2028
Bank	100.77	Secured	8.00%	10	5	Quarterly	29/03/2025	29/06/2027
Bank	352.60	Secured	7.90%	10	7	Quarterly	30/09/2025	30/12/2027
Bank	30.11	Secured	6.61%	10	2	Quarterly	29/04/2024	29/07/2026
Bank	20.07	Secured	6.61%	10	2	Quarterly	29/04/2024	29/07/2026
Bank	75.28	Secured	6.48%	10	3	Quarterly	20/07/2024	20/10/2026
Bank	92.33	Secured	6.68%	11	5	Quarterly	26/11/2024	26/05/2027
Bank	225.80	Secured	7.08%	10	9	Quarterly	24/01/2026	24/04/2028
Bank	38.46	Secured	5.85%	13	5	Quarterly	30/06/2024	30/06/2027
Bank	126.85	Secured	5.60%	13	11	Quarterly	17/10/2025	17/10/2028
Bank	112.50	Secured	6.55%	8	3	Quarterly	11/03/2025	08/12/2026
Bank	400.18	Secured	8.10%	1	1	Bullet	29/05/2026	29/05/2026
Bank	350.14	Secured	7.12%	1	1	Bullet	21/05/2027	21/05/2027
Bank	350.14	Secured	7.13%	1	1	Bullet	14/07/2027	14/07/2027
Bank	300.12	Secured	7.09%	1	1	Bullet	26/08/2027	26/08/2027
Bank	16.65	Secured	7.80%	12	4	Quarterly	30/06/2024	31/03/2027
Bank	50.00	Secured	7.80%	12	4	Quarterly	30/06/2024	31/03/2027
Bank	49.99	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026
Bank	40.01	Secured	7.95%	10	2	Quarterly	30/04/2024	31/07/2026
Bank	10.00	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2026	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	20.00	Secured	7.95%	10	1	Quarterly	31/03/2024	30/06/2026
Bank	125.00	Secured	7.95%	12	3	Quarterly	29/02/2024	30/11/2026
Bank	250.00	Secured	7.95%	12	6	Quarterly	31/12/2024	30/09/2027
Bank	145.87	Secured	7.95%	12	7	Quarterly	28/02/2025	30/11/2027
Bank	145.87	Secured	7.95%	12	7	Quarterly	31/03/2025	31/12/2027
Bank	551.72	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	184.57	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	738.28	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	738.28	Secured	7.95%	15	11	Quarterly	29/05/2025	29/11/2028
Bank	999.73	Secured	6.76%	7	7	Monthly	27/06/2026	27/12/2026
Bank	33.41	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	33.59	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	33.59	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	167.77	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	67.11	Secured	6.73%	12	4	Quarterly	27/06/2024	27/03/2027
Bank	136.35	Secured	7.75%	11	5	Quarterly	26/12/2024	26/06/2027
Bank	163.67	Secured	7.75%	11	6	Quarterly	30/01/2025	30/07/2027
Bank	218.23	Secured	7.75%	11	6	Quarterly	28/02/2025	31/08/2027
Bank	318.18	Secured	7.05%	11	7	Quarterly	30/06/2025	31/12/2027
Bank	363.71	Secured	7.05%	11	8	Quarterly	30/09/2025	31/03/2028
Bank	428.61	Secured	7.00%	21	18	Monthly	31/01/2026	30/09/2027
Others	147.27	Secured	7.19%	43	21	Monthly	10/06/2024	10/12/2027
Others	167.40	Secured	7.24%	12	4	Quarterly	10/06/2024	10/03/2027
Others	209.25	Secured	6.90%	12	5	Quarterly	10/08/2024	10/05/2027
Bank-ECB	331.42	Secured	7.77%	1	1	Bullet	27/03/2028	27/03/2028
Bank-ECB	285.62	Secured	7.50%	1	1	Bullet	15/05/2028	15/05/2028
Bank-ECB	331.84	Secured	7.59%	1	1	Bullet	19/06/2028	19/06/2028
	17,352.21							
Subordinated Liabilities								
Perpetual Debt	103.58	Unsecured	11.50%	1	1	Bullet	24/11/2027	24/11/2027
Other Subordinated Liabilities:								
Others	154.11	Unsecured	9.40%	1	1	Bullet	10/06/2026	10/06/2026
Others	151.14	Unsecured	9.40%	1	1	Bullet	26/08/2026	26/08/2026
Others	101.82	Unsecured	8.85%	1	1	Bullet	02/06/2027	02/06/2027
Others	359.29	Unsecured	8.85%	1	1	Bullet	11/06/2027	11/06/2027
Others	101.45	Unsecured	9.50%	1	1	Bullet	18/01/2028	18/01/2028
Others	324.77	Unsecured	9.50%	1	1	Bullet	31/01/2028	31/01/2028
Others	201.84	Unsecured	9.35%	1	1	Bullet	29/08/2028	29/08/2028
Others	512.18	Unsecured	9.30%	1	1	Bullet	27/06/2029	27/06/2029
Others	157.56	Unsecured	9.38%	1	1	Bullet	24/04/2030	24/04/2030
Others	102.22	Unsecured	10.00%	1	1	Bullet	01/07/2026	01/07/2026
Total	**2,166.38**							
Subordinated Liabilities Total	**2,269.96**							

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Debt Securities								
Non convertible debentures	833.78	Secured	8.30%	2	2	Bullet	14/08/2025	12/09/2025
Non convertible debentures	237.83	Secured	8.15%	1	1	Bullet	26/06/2026	26/06/2026
Non convertible debentures	516.09	Secured	8.35%	2	2	Bullet	29/10/2026	29/10/2027
Non convertible debentures	534.75	Secured	8.25%	2	2	Bullet	31/12/2026	31/12/2027
Non convertible debentures	502.94	Secured	8.25%	3	3	Bullet	03/03/2027	03/03/2028
	2,625.39							
Loan repayable on demand	1,792.38	Secured	7.50% - 7.82%	Repayable on demand				
	1,792.38							
Term Loan								
Bank	66.26	Secured	7.74%	15	10	Quarterly	31/03/2024	01/10/2027
Bank	200.00	Secured	7.74%	15	10	Quarterly	31/03/2024	01/10/2027
Bank	200.00	Secured	7.74%	15	10	Quarterly	31/03/2024	01/10/2027
Bank	66.67	Secured	7.74%	15	10	Quarterly	31/03/2024	01/10/2027
Bank	59.67	Secured	7.59%	10	3	Quarterly	30/09/2023	31/12/2025
Bank	90.00	Secured	7.59%	10	3	Quarterly	30/09/2023	31/12/2025
Bank	60.00	Secured	7.59%	10	3	Quarterly	30/09/2023	31/12/2025
Bank	99.99	Secured	7.00%	10	2	Quarterly	30/04/2023	30/07/2025
Bank	99.38	Secured	7.95%	15	15	Quarterly	30/06/2025	31/12/2028
Bank	76.92	Secured	7.45%	39	30	Monthly	31/07/2024	30/09/2027
Bank	153.85	Secured	7.45%	39	30	Monthly	31/07/2024	30/09/2027
Bank	76.92	Secured	7.45%	39	30	Monthly	31/07/2024	30/09/2027
Bank	337.91	Secured	7.45%	39	33	Monthly	15/10/2024	15/12/2027
Bank	411.93	Secured	8.25%	11	9	Quarterly	01/10/2024	01/04/2027
Bank	206.28	Secured	8.35%	16	11	Quarterly	29/03/2024	29/12/2027
Bank	291.73	Secured	8.35%	12	10	Quarterly	30/12/2024	30/09/2027
Bank	124.95	Secured	8.35%	12	10	Quarterly	30/12/2024	30/09/2027
Bank	75.00	Secured	7.87%	6	3	Half Yearly	29/02/2024	31/08/2026
Bank	72.33	Secured	7.10%	16	10	Quarterly	27/12/2023	26/09/2027
Bank	62.84	Secured	7.25%	13	8	Quarterly	26/03/2024	27/03/2027
Bank	278.05	Secured	6.39%	10	9	Quarterly	30/03/2025	30/06/2027
Bank	219.44	Secured	6.39%	26	19	Monthly	30/06/2024	30/10/2026
Bank	232.19	Secured	6.71%	11	10	Quarterly	29/03/2025	29/09/2027
Bank	149.42	Secured	6.71%	27	22	Monthly	29/09/2024	30/01/2027
Bank	255.45	Secured	6.89%	13	11	Quarterly	30/12/2024	27/12/2027
Bank	178.58	Secured	6.89%	27	25	Monthly	30/12/2024	27/04/2027
Bank	351.96	Secured	6.60%	13	13	Quarterly	31/05/2025	29/05/2028
Bank	146.00	Secured	6.60%	31	30	Monthly	31/03/2025	27/09/2027

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	125.70	Secured	7.25%	12	3	Quarterly	23/03/2023	21/01/2026
Bank	27.19	Secured	7.60%	37	10	Monthly	02/02/2023	21/01/2026
Bank	20.13	Secured	7.75%	12	4	Quarterly	20/05/2023	21/03/2026
Bank	29.39	Secured	7.75%	37	12	Monthly	20/03/2023	21/03/2026
Bank	125.67	Secured	7.25%	12	4	Quarterly	30/06/2023	28/04/2026
Bank	317.88	Secured	7.10%	16	9	Quarterly	30/09/2023	29/06/2027
Bank	105.89	Secured	7.10%	16	9	Quarterly	30/09/2023	29/06/2027
Bank	241.35	Secured	7.10%	16	10	Quarterly	27/12/2023	26/09/2027
Bank	251.25	Secured	7.15%	13	8	Quarterly	29/02/2024	01/03/2027
Bank	13.64	Secured	5.60%	37	1	Monthly	30/04/2022	29/04/2025
Bank	81.61	Secured	6.35%	37	4	Monthly	29/07/2022	28/07/2025
Bank	249.99	Secured	8.00%	1	1	Bullet	29/09/2025	29/09/2025
Bank	249.96	Secured	8.00%	1	1	Bullet	30/06/2026	30/06/2026
Bank	299.92	Secured	8.10%	1	1	Bullet	26/09/2027	26/09/2027
Bank	100.70	Secured	8.40%	10	2	Quarterly	02/06/2023	02/09/2025
Bank	20.19	Secured	8.40%	10	2	Quarterly	29/06/2023	29/09/2025
Bank	80.83	Secured	8.40%	10	2	Quarterly	01/07/2023	01/10/2025
Bank	181.37	Secured	8.40%	10	9	Quarterly	29/03/2025	29/06/2027
Bank	503.44	Secured	8.30%	10	10	Quarterly	30/09/2025	30/12/2027
Bank	90.39	Secured	7.52%	10	6	Quarterly	29/04/2024	29/07/2026
Bank	60.27	Secured	7.52%	10	6	Quarterly	29/04/2024	29/07/2026
Bank	164.71	Secured	7.76%	11	9	Quarterly	26/11/2024	26/05/2027
Bank	175.76	Secured	7.65%	10	7	Quarterly	20/07/2024	20/10/2026
Bank	69.23	Secured	6.85%	13	9	Quarterly	30/06/2024	30/06/2027
Bank	262.50	Secured	7.72%	8	7	Quarterly	11/03/2025	08/12/2026
Bank	400.36	Secured	8.10%	1	1	Bullet	29/05/2026	29/05/2026
Bank	33.30	Secured	8.30%	12	8	Quarterly	30/06/2024	31/03/2027
Bank	100.00	Secured	8.30%	12	8	Quarterly	30/06/2024	31/03/2027
Bank	150.01	Secured	8.30%	10	7	Quarterly	30/09/2023	31/12/2025
Bank	249.97	Secured	8.50%	10	5	Quarterly	31/03/2024	30/06/2026
Bank	120.03	Secured	8.50%	10	6	Quarterly	30/04/2024	31/07/2026
Bank	50.01	Secured	8.50%	10	5	Quarterly	31/03/2024	30/06/2026
Bank	100.02	Secured	8.50%	10	5	Quarterly	31/03/2024	30/06/2026
Bank	291.67	Secured	8.50%	12	7	Quarterly	29/02/2024	30/11/2026
Bank	416.68	Secured	8.50%	12	10	Quarterly	31/12/2024	30/09/2027
Bank	229.22	Secured	8.50%	12	11	Quarterly	28/02/2025	30/11/2027
Bank	229.22	Secured	8.50%	12	11	Quarterly	31/03/2025	31/12/2027
Bank	39.99	Secured	8.00%	10	2	Quarterly	30/06/2023	30/09/2025
Bank	90.02	Secured	8.05%	10	3	Quarterly	31/07/2023	31/10/2025
Bank	31.46	Secured	7.84%	8	1	Quarterly	20/07/2023	20/04/2025
Bank	167.72	Secured	7.84%	12	4	Quarterly	10/05/2023	10/02/2026
Bank	66.81	Secured	7.69%	12	8	Quarterly	27/06/2024	27/03/2027
Bank	67.17	Secured	7.69%	12	8	Quarterly	27/06/2024	27/03/2027
Bank	67.17	Secured	7.69%	12	8	Quarterly	27/06/2024	27/03/2027
Bank	335.79	Secured	7.69%	12	8	Quarterly	27/06/2024	27/03/2027
Bank	134.31	Secured	7.69%	12	8	Quarterly	27/06/2024	27/03/2027
Bank	752.57	Secured	8.30%	15	15	Quarterly	29/05/2025	29/11/2028

(All amounts in ₹ crores, unless otherwise stated)

Institution	Amount Outstanding as on 31st March 2025	Type of Security	Interest Rate	Total Installment	No of installments remaining	Frequency	Repayable from	Repayable to
Bank	251.77	Secured	8.30%	15	15	Quarterly	29/05/2025	29/11/2028
Bank	1,007.09	Secured	8.30%	15	15	Quarterly	29/05/2025	29/11/2028
Bank	1,000.69	Secured	8.30%	15	15	Quarterly	29/05/2025	29/11/2028
Bank	245.44	Secured	8.45%	11	9	Quarterly	26/12/2024	26/06/2027
Bank	272.79	Secured	8.45%	11	10	Quarterly	30/01/2025	30/07/2027
Bank	363.72	Secured	8.45%	11	10	Quarterly	28/02/2025	31/08/2027
Bank	500.02	Secured	8.05%	11	11	Quarterly	30/06/2025	31/12/2027
Bank	500.11	Secured	8.05%	11	11	Quarterly	30/09/2025	31/03/2028
Others	231.41	Secured	8.32%	43	33	Monthly	10/06/2024	10/12/2027
Others	334.87	Secured	8.07%	12	9	Quarterly	10/06/2024	10/03/2027
Others	376.78	Secured	7.78%	12	9	Quarterly	10/08/2024	10/05/2027
Bank-ECB	299.22	Secured	7.77%	1	1	Bullet	27/03/2028	27/03/2028
	18,000.09							
Subordinated Liabilities								
Perpetual Debt	103.57	Unsecured	11.50%	1	1	Bullet	24/11/2027	24/11/2027
Other Subordinated Liabilities:								
Others	154.27	Unsecured	9.40%	1	1	Bullet	10/06/2026	10/06/2026
Others	151.35	Unsecured	9.40%	1	1	Bullet	26/08/2026	26/08/2026
Others	101.91	Unsecured	8.85%	1	1	Bullet	02/06/2027	02/06/2027
Others	359.39	Unsecured	8.85%	1	1	Bullet	11/06/2027	11/06/2027
Others	101.46	Unsecured	9.50%	1	1	Bullet	18/01/2028	18/01/2028
Others	324.01	Unsecured	9.50%	1	1	Bullet	31/01/2028	31/01/2028
Others	201.19	Unsecured	9.35%	1	1	Bullet	29/08/2028	29/08/2028
Others	512.31	Unsecured	9.30%	1	1	Bullet	27/06/2029	27/06/2029
Others	157.63	Unsecured	9.38%	1	1	Bullet	24/04/2030	24/04/2030
Others	102.22	Unsecured	10.00%	1	1	Bullet	01/07/2026	01/07/2026
Total	**2,165.74**							
Subordinated Liabilities Total	**2,269.31**							

Details of Security

i) Non convertible debentures of Rs. 2912 Crores inclusive of current and non-current dues (As at 31st March 2025 Rs. 2,625 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

ii) Term loan received from banks and other parties of Rs. 17,352 Crores inclusive of current and non-Current dues (As at 31st March 2025 Rs. 18,000 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

iii) Working capital demand loan and cash credit of Rs. 4,736 Crores (As at 31st March 2025 Rs.1,792 Crores) is fully secured by exclusive floating charge against hypothecation of receivables under the financing activity of the Company.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 20 Other financial liabilities

S No.	Description	As at 31st March 2026	As at 31st March 2025
a)	Employee related liabilities	104.65	127.42
b)	Security deposit	19.87	15.51
c)	Lease liability (refer note 40)	77.50	71.43
d)	Other liability	7.83	6.99
	Total	**209.85**	**221.35**

NOTE 21 Provisions

S No.	Description	As at 31st March 2026	As at 31st March 2025
	Provision for employee benefits		
a)	Pension (refer note 36)	13.29	12.70
b)	Gratuity (refer note 36)	15.58	3.60
c)	Compensated absences (refer note 36)	45.05	43.28
	Others		
a)	Provision for expected credit loss towards undrawn commitments	1.23	-
	Total	**75.15**	**59.58**

NOTE 22 Other non-financial liabilities

S No.	Description	As at 31st March 2026	As at 31st March 2025
a)	Statutory dues	38.10	38.15
	Total	**38.10**	**38.15**

NOTE 23 Equity share capital

a) Terms/Rights attached to equity shares

The Group has only one class of equity shares having a par value of Rs. 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend. Repayment of capital will be in proportion to the number of equity shares held.

b) Terms/Rights attached to Compulsory convertible preference shares

The Group has only one class of compulsory convertible preference shares having a par value of Rs. 10 per share which shall convert into one equity share as laid out in the agreement . Upon conversion into equity shares, the shareholder shall be entitled to participate in the dividend on equity shares on pari passu basis along with holders of other equity shares.

	Description	As at 31st March 2026	As at 31st March 2025
c)	**Authorised share capital:**		
	300,000,000 (As at 31st March 2025 : 300,000,000) equity shares of Rs.10 each	300.00	300.00
	20,000,000 (As at 31st March 2025 : 20,000,000) 0.001% Compulsorily convertible preference shares of Rs.10 each	20.00	20.00
	Total	**320.00**	**320.00**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 23 Equity share capital (Contd.)

	Description	As at 31st March 2026	As at 31st March 2025
d)	**Issued, subscribed and paid up:**		
	Equity share:		
	239,667,485 (As at 31st March 2025 : 236,272,706) equity shares of Rs.10 each	239.67	236.27
	Total	**239.67**	**236.27**
	Instruments entirely equity in nature:		
	18,384,684 (As at 31st March 2025: 18,384,684) 0.001% Compulsorily convertible preference shares of Rs.10 each	18.38	18.38
	Total	**18.38**	**18.38**

e) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Equity Share:

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	236,272,706	236.27	228,223,926	228.22
Add: Issued during the year*	3,394,779	3.39	8,048,780	8.05
At the end of the year	**239,667,485**	**239.67**	**236,272,706**	**236.27**

Notes:

1) During FY 25-26, the Company through preferential issue on private placement basis on 31st October 2025 & 13th November 2025 allotted 29,59,441 & 4,35,338 equity shares respectively to eligible buyers at a price of Rs.589.14 per equity share of Rs.10 face value (inclusive of premium of Rs.579.14 per share) aggregating to approximately Rs.200 crores.
2) During FY 24-25, the Company through preferential issue on private placement basis on 28th June 2024 allotted 80,48,780 equity shares respectively to eligible buyers at a price of Rs.410 per equity share of Rs.10 face value (inclusive of premium of Rs.400 per share) aggregating to approximately Rs.330 crores.
3) There were no shares alloted for contract(s) without payment being received in cash, buy back of shares or bonus shares issued during immediately preceeding 5 previous years.
4) No shares has been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment during the preceeding 5 previous years.

0.001% Compulsorily convertible preference shares:

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	18,384,684	18.38	18,384,684	18.38
Add: Issued during the year	-	-	-	-
At the end of the year	**18,384,684**	**18.38**	**18,384,684**	**18.38**

f) Shares held by Holding Companies:

Particulars	As at 31st March 2026	As at 31st March 2025
Equity share:		
TVS Motor Company Limited	205,230,334	202,319,089
0.001% Compulsorily convertible preference shares:		
TVS Motor Company Limited	3,169,773	3,169,773

(All amounts in ₹ crores, unless otherwise stated)

NOTE 23 Equity share capital (Contd.)

Number of shares held by share holders more than 5% of total shares as at the end of the year

Name of the Shareholders	As at 31st March 2026		As at 31st March 2025	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity share:				
TVS Motor Company Limited	205,230,334	85.63%	202,319,089	85.63%
PI Opportunities Fund I Scheme II	12,638,567	5.27%	12,272,143	5.19%
0.001% Compulsorily convertible preference shares:				
TVS Motor Company Limited	3,169,773	17.24%	3,169,773	17.24%
PI Opportunities Fund I Scheme II	15,214,911	82.76%	15,214,911	82.76%

g) Shares held by promoters at the end of year

Promotor Name	No. of shares	% of total shares	% change during the year
Equity share:			
TVS Motor Company Limited	205,230,334	85.63%	0.00%
0.001% Compulsorily convertible preference shares:			
TVS Motor Company Limited	3,169,773	17.24%	0.00%

NOTE 24 Other equity

Description	As at 31st March 2026	As at 31st March 2025
a) Securities premium	2,392.76	2,196.14
b) Statutory reserves	692.62	509.85
c) Share based payment reserve	0.96	0.27
d) Retained earnings	2,715.53	1,992.52
e) Other comprehensive income - Financial Instruments through OCI	3.08	(0.47)
f) Other comprehensive income - Cashflow Hedge reserve	9.61	(0.76)
Total reserves and surplus	**5,814.56**	**4,697.55**

a) Securities premium	As at 31st March 2026	As at 31st March 2025
Opening balance	2,196.14	1,874.19
Additions during the year	196.62	321.95
Deductions/Adjustments during the year	-	-
Closing balance	**2,392.76**	**2,196.14**

b) Statutory reserve	As at 31st March 2026	As at 31st March 2025
Opening balance	509.85	356.40
Transfer from retained earnings	182.77	153.45
Deductions/Adjustments during the year	-	-
Closing balance	**692.62**	**509.85**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 24 Other equity (Contd.)

c) Share based payment reserve	As at 31st March 2026	As at 31st March 2025
Opening balance	0.27	-
Share based payment expense during the year	0.69	0.27
Closing balance	**0.96**	**0.27**

d) Retained earnings	As at 31st March 2026	As at 31st March 2025
Opening balance	1,992.52	1,385.86
Net profit for the year	913.86	768.07
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of post-employment benefit obligation net off tax	(8.08)	(7.96)
Transfer to statutory reserve	(182.77)	(153.45)
Closing balance	**2,715.53**	**1,992.52**

e) Other comprehensive income - Financial Instruments through OCI	As at 31st March 2026	As at 31st March 2025
Opening balance	(0.47)	-
Add: Fair value gain/(loss) on financial instruments net of tax	3.55	(0.47)
Closing balance	**3.08**	**(0.47)**

f) Other comprehensive income - Cashflow Hedge reserve	As at 31st March 2026	As at 31st March 2025
Opening balance	(0.76)	5.89
Add: Change in fair value of hedging instruments, net off tax for the year	10.37	(6.65)
Closing balance	**9.61**	**(0.76)**

Securities premium:

The reserve represents premium on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

Statutory reserves:

According to Section 45 - IC of the Reserve Bank of India Act, 1934, the Group transfers a sum not less than 20% of its net profit every year as disclosed in the statement of profit and loss and before declaration of any dividend to the statutory reserves.

Retained earnings:

Represents Group's cumulative undistributed earnings since its inception. This is available for distribution to shareholders through dividends/capitalisation.

Share based payment reserve:

It is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Parent Company for its employees.

Other comprehensive income - Financial Instruments through OCI:

It represents the cumulative gains/(losses) arising on revaluation of equity instruments measured at fair value through OCI.

Other comprehensive income - Cashflow Hedge reserve:

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 25 Interest income

Description	Year ended 31st March 2026	Year ended 31st March 2025
On financial assets measured at amortised cost:		
Interest on loans	6,175.12	5,752.94
Interest on deposits with bank	21.03	17.33
Interest on Government securities	18.27	6.79
Total	**6,214.42**	**5,777.06**

NOTE 26 Fees and commission income

Description	Year ended 31st March 2026	Year ended 31st March 2025
Fee based income	576.56	525.12
Service income	247.21	211.34
Total	**823.77**	**736.46**

NOTE 27 Net gain on fair value changes

Description	Year ended 31st March 2026	Year ended 31st March 2025
Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
Realised gain on investment at FVTPL	154.02	92.32
Total	**154.02**	**92.32**

NOTE 28 Other income

Description	Year ended 31st March 2026	Year ended 31st March 2025
Unwinding of discount on security deposits and receivable for investments	1.14	0.97
Other non-operating income	3.72	0.44
Interest on income tax refund	-	2.52
Total	**4.86**	**3.93**

NOTE 29 Finance costs

Description	Year ended 31st March 2026	Year ended 31st March 2025
Interest cost on financial liabilities measured at amortised cost		
- Interest on borrowings (other than debt securities)	1,445.82	1,476.13
- Interest on debt securities	268.60	169.54
- Interest on subordinated liabilities	206.71	203.74
Other interest expense:		
- Interest on lease liabilities	6.48	6.12
- Others	6.68	7.79
Total	**1,934.29**	**1,863.32**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 30 Impairment of financial instruments

Description	Year ended 31st March 2026	Year ended 31st March 2025
On financial instruments measured at amortised cost:		
Bad Debts written off (net)	722.12	940.98
Net Loss on forclosure/sale of repossessed assets	392.22	410.38
Impairment provision on loans	41.59	(57.20)
Provision for expected credit loss towards undrawn commitments	1.23	-
Impairment provision on trade receivables and other financial assets	(0.57)	1.20
Total	**1,156.59**	**1,295.36**

NOTE 31 Employee benefit expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Salaries and wages	1,154.06	1,019.56
Contribution to provident and other funds	60.74	56.86
Gratuity expenses (refer note 36)	9.86	6.87
Share based payments to employees	0.69	0.27
Staff welfare expenses	48.88	52.02
Total	**1,274.23**	**1,135.58**

NOTE 32 Depreciation and amortization expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Depreciation on investment property (refer note 13)	1.58	-
Depreciation on property, plant and equipment (refer note 14)	25.06	23.63
Depreciation on Right-to-use assets (refer note 14)	23.70	20.87
Amortisation of Intangible assets (refer note 14)	5.78	1.70
Total	**56.12**	**46.20**

NOTE 33 Other expenses

Description	Year ended 31st March 2026	Year ended 31st March 2025
Rent, taxes and energy costs (Refer Note 40d))	23.02	18.36
Repairs and maintenance	14.73	18.31
Communication costs	136.93	97.21
Printing and stationery	1.32	1.59
Directors sitting fees & commission expenses	1.53	1.03
Auditors fees and expenses*	1.04	0.73
Legal and professional charges	22.27	92.49
Insurance expenses	1.56	0.90
Travelling and conveyance	58.80	46.13
Information technology expenses	126.38	106.16
Manpower support expenses	579.43	274.49
Brand royalty	24.63	24.96
Corporate social responsibility (refer note 41)**	16.00	10.00
Donation	38.30	20.00
Others	8.87	3.26
Total	**1,054.81**	**715.62**

(All amounts in ₹ crores, unless otherwise stated)

***Auditors fees and expenses**

Description	Year ended 31st March 2026	Year ended 31st March 2025
Statutory audit	0.69	0.42
Limited review	0.12	0.12
Tax audit	0.10	0.08
Certification	0.09	0.05
Reimbursement of expenses	0.04	0.06
Auditors fees and expenses	**1.04**	**0.73**

**** Expenditure incurred on Corporate social responsibility activities:**

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
(i) Amount required to be spent by the Group during the year	15.32	9.53
(ii) Amount of expenditure incurred	16.00	10.00
a. Construction/ acquisition of any asset	-	10.00
b. On purposes other than (a) above	16.00	10.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Details of related party transactions: Contribution to a trust, an Enterprise under common control	-	10.00
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in position	16.00	-
Nature of CSR Activities : Economic development, health care, education, environment sustainability and water conservation		

NOTE 34 Income tax expense

Description	Year ended 31st March 2026	Year ended 31st March 2025
(a) Income tax expense		
Current tax on profits for the year	400.76	324.07
Tax profits relating to prior period	-	-
Total current tax expense	**400.76**	**324.07**
Deferred tax:		
Decrease (increase) in deferred tax assets	(75.34)	(65.61)
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	**(75.34)**	**(65.61)**
Income tax expense for the year	**325.42**	**258.46**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	1,239.28	1,026.53
Tax at the Indian tax rate of 25.168% (Year ended 31st March 2024 – 25.168%)	311.90	258.36
Tax effect of amounts which are permanent differences in nature in calculation of taxable income	13.52	0.10
Income tax expense	**325.42**	**258.46**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 35 Earnings per share

Description	Year ended 31st March 2026	Year ended 31st March 2025
(a) Basic earnings per share		
Basic earnings per share attributable to the equity holders of the Group	35.69	30.39
(b) Diluted earnings per share		
Diluted earnings per share attributable to the equity holders of the Group	35.69	30.39
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share:		
Profit attributable to equity holders of the company used in calculating basis earnings per share	913.86	768.07
Diluted earnings per share:		
Profit attributable to equity holders of the company used in calculating diluted earnings per share	913.86	768.07
(d) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	25,60,55,601	25,27,16,862
Effect of dilution:		
Employee stock options	13,390	2,782
(e) Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	25,60,68,991	25,27,19,644

NOTE 36 Employee benefit plans

(I) Defined benefit plans

The Group provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised fund in India.

The Group operates defined benefit pension plan, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

Particulars	Gratuity			Pension		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
As at 1st April 2024	**44.52**	**(43.95)**	**0.57**	**11.23**	**-**	**11.23**
Current service cost	7.07	**-**	7.07	-	**-**	-
Interest expense/(income)	3.12	(3.32)	(0.20)	0.79	**-**	0.79
Total amount recognised in profit or loss	**10.19**	**(3.32)**	**6.87**	**0.79**	**-**	**0.79**
Remeasurements					-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.44	0.44	-	-	-
(Gain)/loss from change in financial assumptions	0.76	-	0.76	0.84	**-**	0.84
Experience (gains)/losses	8.76	-	8.76	(0.16)	**-**	(0.16)
Total amount recognised in other comprehensive (income)/Losses	**9.52**	**0.44**	**9.96**	**0.68**	**-**	**0.68**
Employer contributions		(13.80)	(13.80)	-	-	-
Benefit payments	(7.14)	7.14	-	-	-	-
As at 31st March 2025	**57.10**	**(53.48)**	**3.60**	**12.70**	**-**	**12.70**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

Particulars	Gratuity			Pension		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
As at 1st April 2025	**57.10**	**(53.48)**	**3.60**	**12.70**	**-**	**12.70**
Current service cost	9.70	-	9.70	**-**	**-**	-
Past service cost	8.61	-	8.61	-	**-**	-
Interest expense/(income)	3.97	(3.81)	0.16	0.79	**-**	0.79
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-	-	**-**	-
(Gain)/loss from change in financial assumptions	-	-	-	-	**-**	-
Experience (gains)/losses	-	-	-	-	**-**	-
Total amount recognised in profit or loss	**22.28**	**(3.81)**	**18.48**	**0.79**	**-**	**0.79**
Remeasurements						
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.92	0.92	-	-	-
(Gain)/loss from change in financial assumptions	0.05	-	0.05	0.87	-	0.87
Experience (gains)/losses	9.66	-	9.66	(0.71)	-	(0.71)
Total amount recognised in other comprehensive (income)/Losses	**9.71**	**0.92**	**10.64**	**0.16**	**-**	**0.16**
Employer contributions	-	(17.14)	(17.14)	-	-	-
Benefit payments	(4.12)	4.12	-	(0.36)	-	(0.36)
As at 31st March 2026	**84.97**	**(69.39)**	**15.58**	**13.29**	**-**	**13.29**

Details	Gratuity		Pension	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Discount rate	6.23%	6.34%	5.75%	6.44%
Salary growth rate	6.00%	6.00%	5.50%	5.50%
Attrition rate	36.00%	36.00%	0.00%	0.00%
Retirement age	58	58	60	60
Mortality inclusive of provision for disability	100% of Indian assured lives mortality (IALM)			

(i) Sensitivity analysis

FY 2025-26

Particulars	Gratuity			Pension		
	Change in Assumption	Due to increase in assumption	Due to decrease in assumption	Change in Assumption	Due to increase in assumption	Due to decrease in assumption
Discount rate	0.50%	84.00	85.95	1.00%	12.08	14.73
Salary growth rate	0.50%	85.90	84.04	1.00%	14.80	12.01
Mortality	5.00%	84.97	84.96	5.00%	13.18	13.41
Attrition	5.00%	84.50	85.44	5.00%	13.29	13.29
Rs.10,00,000 benefit ceiling	-	80.58	-	-	-	-
No benefit ceiling	-	-	87.34	-	-	-

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

FY 2024-25

Particulars	Gratuity			Pension		
	Change in Assumption	Due to increase in assumption	Due to decrease in assumption	Change in Assumption	Due to increase in assumption	Due to decrease in assumption
Discount rate	0.50%	56.42	57.76	1.00%	11.45	14.18
Salary growth rate	0.50%	57.74	56.43	1.00%	14.26	11.38
Mortality	5.00%	57.08	57.08	5.00%	12.60	12.81
Attrition	5.00%	56.68	57.49	5.00%	12.70	12.70
Rs.10,00,000 benefit ceiling	-	55.33	-	-	-	-
No benefit ceiling	-	-	57.86	-	-	-

(ii) Projected plan cash flow

Maturity profile	Amount (Rs. in crs)
Expected benefits for year 1	28.66
Expected benefits for year 2	23.43
Expected benefits for year 3	17.28
Expected benefits for year 4	12.82
Expected benefits for year 5	9.41
Expected benefits for year 6 and above	22.15
Total	**113.75**

(iii) Risk associated with defined benefit plan

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

a. Changes in discount rate

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to Government bonds' yields at the end of the reporting period.

A decrease/(increase) in discount rate will increase/(decrease)present values of plan liabilities.

b. Salary escalation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants calculated by applying estimated salary escalation rate. Any deviation in actual salary escalation can have impact on plan liability.

c. Attrition rate risk

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.

d. Mortality rate risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase/decrease in the life expectancy of the plan participants can have impact on plan liability

(iv) Category of Plan Assets

100% in insurer managed funds

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions.The Group's contribution to defined contribution plan viz. provident fund & ESI, of Rs. 59.95 crore (As at 31st March 2025: Rs. 55.80 crore) has been recognised in the Statement of Profit and Loss.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 36 Employee benefit plans (Contd.)

(III) Other long-term employee benefits

Compensated absences

Particulars	31st March 2026	31st March 2025
Present value of obligations	45.05	43.28
Expense recognised in the Statement of Profit and Loss	1.77	(12.51)

Assumptions		
Discount rate	6.19%	6.34%
Salary growth rate	6.00%	6.00%
Attrition rate	36.00%	36.00%
Retirement age	58	58

NOTE 37 Fair value measurements

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

The carrying value and fair value of other financial instruments by categories as of 31st March 2026 were as follows:

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and cash equivalents	3,344.71	-	-	3,344.71	3,344.71
Other bank balances	0.21	-	-	0.21	0.21
Trade receivables	214.66	-	-	214.66	214.66
Loans	30,285.47	-	-	30,285.47	30,285.47
Investment in Government securities	288.98	288.98	-	-	288.98
Other financial assets	29.30	-	-	29.30	29.30
Total financial assets	**34,163.32**	**288.98**	**-**	**33,874.34**	**34,163.32**
Trade payables	1,009.50	-	-	1,009.50	1,009.50
Debt securities	3,309.86	-	3,309.86	-	3,309.86
Borrowings other than debt securities	22,088.05	-	-	22,088.05	22,088.05
Subordinated liabilities	2,269.96	-	2,269.96	-	2,269.96
Other financial liabilities	209.85	-	-	209.85	209.85
Total financial liabilities	**28,887.21**	**-**	**5,579.82**	**23,307.39**	**28,887.21**

The carrying value and fair value of other financial instruments by categories as of 31st March 2025 were as follows:

Particulars	Carrying amount	Fair value			
	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and cash equivalents	3,606.57	-	-	3,606.57	3,606.57
Other bank balances	5.95	-	-	5.95	5.95
Trade receivables	141.25	-	-	141.25	141.25
Loans	26,298.84	-	-	26,298.84	26,298.84
Investment in Government securities	282.12	282.12	-	-	282.12
Other financial assets	28.25	-	-	28.25	28.25
Total financial assets	**30,362.98**	**282.12**	**-**	**30,080.86**	**30,362.98**
Trade payables	1,087.29	-	-	1,087.29	1,087.29
Debt securities	2,625.39	-	2,625.39	-	2,625.39
Borrowings other than debt securities	19,792.47	-	-	19,792.47	19,792.47
Subordinated liabilities	2,269.31	-	2,269.31	-	2,269.31
Other financial liabilities	221.35	-	-	221.35	221.35
Total financial liabilities	**25,995.81**	**-**	**4,894.70**	**21,101.11**	**25,995.81**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 37 Fair value measurements (Contd.)

Financial assets and financial liabilities measured at fair value:

Particulars	Fair value hierarchy	31st March 2026	31st March 2025
Financial assets			
Derivative financial instruments	Level 2	103.43	-
Investment in alternate investment fund	Level 3	12.14	5.38
Investment in compulsory convertible debentures	Level 3	0.25	0.25
Total financial assets		**115.82**	**5.63**
Financial liabilities			
Derivative financial instruments	Level 2	-	2.24
Total financial liabilities		-	2.24

There were no transfers between any levels during the year.

(i) Fair value hierarchy

Ind AS 113, 'Fair Value Measurement' requires classification of the valuation method of financial instruments measured at fair value in the Statement of 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 un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 113 are described below.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes publicly traded derivatives and mutual funds that have a quoted price. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on 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. That is, level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear that risk. The Group develops level 3 inputs based on the best information available in the circumstances.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The Management assessed that cash and cash equivalents, bank balance other than cash and cash equivalents, receivable, other financial assets, payables and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.
- The majority of borrowings are floating rate borrowings, the carrying value is representative of the fair value.
- The fair values for advance to related parties and rent advance were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- The fair value of forward foreign exchange contracts and cross currency interest rate swaps (CCIRS) is determined using forward exchange rates at the balance sheet date.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management

The Group's financial assets include loan and advances, investments and cash and cash equivalents that derive directly from its operations. The Group's financial liabilities comprise mainly borrowings from banks, financial institutions, commercial papers, debentures and subordinated liabilities in the form of debentures.

The Group is exposed to various risks such as credit risk, liquidity risk , foreign currency risks and interest rate risks.

The Board of Directors have the overall responsibility for the establishment of governance and oversight in relation to the Group's risk management framework. The Board of Directors have established committees such as the Risk Management Committee and Asset Liability Committee for developing and monitoring the Group's risk management policies and treasury policies. The Committees reports regularly to the Board of Directors on its activities.

The Group's Risk management policies are established to identify and analyse the various risks faced by the Group, to set appropriate risk benchmarks limits and controls and to monitor risks and adherence to limits from time to time. The Risk Management Committee oversees how management monitors compliance with the risk management policies and procedures and other governance framework and reviews the adequacy of the risk management framework in relation to the various risks faced by the Group from time to time.

(A) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored to determine significant increase in credit risk. The Group monitors the credit assessment on a portfolio basis, assesses all credit exposures in excess of designated limits. The Group does a risk grading based upon the credit worthiness of the borrowers. All these factors are taken into consideration for computation of Expected Credit Loss (ECL).

Loans

The following table sets out information about credit quality of retail loan assets measured at amortised cost based on number of days past due information. The amount represents the gross carrying value of assets as on each reporting date.

Particulars	31st March 2026	31st March 2025
Gross carrying value of loans		
Stage-1 (Up to 30 days)	29,566.06	25,066.76
Stage-2 (31-90 days)	892.13	1,329.68
Stage-3 (More than 90 days)*	757.82	782.98
Total gross carrying value as of year end	**31,216.01**	**27,179.42**

* Includes restructured contracts under Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November 2025 irrespective of days past due on the reporting date.

Other financial assets

Credit risk with respect to other financial assets are extremely low except "Other Financial Assets - Non Related Parties". Based on the credit assessment the historical trend of low default is expected to continue. No provision for ECL has been created for Other financial Assets except full provision on "Other financial assets - Non related parties".

Credit quality

The Group has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loan assets under ECL model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

The Group categories loan assets into stages based on the days past due status:

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

— Stage 1: Up to 30 Days Past Due

— Stage 2: 31-90 Days Past Due

— Stage 3: More than 90 Days Past Due

Assumptions considered in the ECL model

The Group has made the following assumptions in the ECL Model:

— Loss Given Default (LGD) is common for all three stages and is based on loss in past portfolio. Actual cash flows are discounted with average rate for arriving at loss rate. EIR has been taken as discount rate for all loans

Estimation technique

The Group has applied the following estimation technique in its ECL model :

— Probability of Default (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%.

— PD for Stage 1 loan assets is calculated as average of historical trend from Stage 1 to Stage 3 in next 12 months.

— PD for Stage 2 loan assets is calculated based on the lifetime PD as average of historical trend from Stage 2 to Stage 3 for the remaining tenor.

— LGD is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

There is no change in estimation techniques or significant assumptions during the reporting period.

The Group considers a broad range of forward looking information with reference to external forecasts of economic parameters such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., as considered relevant so as to determine the impact of macroeconomic factors on the Group's ECL estimates. The internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the Group considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The Group considers reasonable and supportable information that is relevant and available without undue cost and effort.

The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the financial services business considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

As at 31st March 2026, the outstanding exposure in respect of accounts restructured under the COVID-19 One-Time Resolution framework vide RBI circular dated 6th August 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated 5th May 2021 is Nil.

The Company has classified all restructured accounts done under Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 dated 28th November 2025 in Stage 3.

Definition of default

The Group considers a financial instrument is in default when the borrower becomes 90 days past due on its contractual payments. The Group considers loans under default as 'credit impaired' and classified as Stage-3 except for restructured contracts as disclosed above.

Forward Looking Economic Conditions

The Group measures Expected Credit Loss ("ECL") using reasonable and supportable information, including historical, current and forward looking information, in accordance with Ind AS 109.

The Historical Probability of Default ("PD") estimates are adjusted to reflect forward looking economic conditions by incorporating relevant macro economic factors such as GDP growth, government borrowing, private consumption expenditure, policy interest rates, etc., that impact the overall economic environment. The macro economic inputs used in the model are based on external forecasts, including data sourced from the International Monetary Fund (IMF).

Sensitivity

The ECL allowance is sensitive to changes in macro economic assumptions and scenario weightage. Any changes in these assumptions may result in variations in the impairment provision in future periods. The Group continuously reviews economic developments and updates its assumptions to ensure that the ECL provision remains adequate and prudent.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

Impairment loss

The expected credit loss allowance provision is determined as follows:

FY 25-26	Stage 1	Stage 2	Stage 3	Grand Total
Gross carrying value	29,566.06	892.13	757.82	31,216.01
Allowance for ECL	335.82	184.60	410.12	930.54
ECL coverage ratio	1.14%	20.69%	54.12%	2.98%

FY 24-25	Stage 1	Stage 2	Stage 3	Grand Total
Gross carrying value	25,066.76	1,329.68	782.98	27,179.42
Allowance for ECL	210.70	244.71	425.17	880.58
ECL coverage ratio	0.84%	18.40%	54.30%	3.24%

Reconciliation of expected credit loss

Particulars	Stage-1	Stage-2	Stage-3	Grand Total
Balance as at 1st April 2024	289.48	253.54	393.05	936.07
Transfer from Stage 1	(19.06)	8.64	10.42	-
Transfer from Stage 2	13.19	(117.14)	103.95	-
Transfer from Stage 3	5.27	2.57	(7.84)	-
Loans that have derecognised during the period	(51.64)	(67.96)	(104.94)	(224.54)
New loans originated during the year	91.52	47.32	50.74	189.58
Net remeasurement of loss allowance	(118.06)	117.74	(20.21)	(20.53)
Balance as at 31st March 2025	**210.70**	**244.71**	**425.17**	**880.58**
Transfer from Stage 1	(13.77)	5.64	8.13	-
Transfer from Stage 2	10.74	(106.71)	95.97	-
Transfer from Stage 3	4.13	3.16	(7.29)	-
Loan that have derecognised during the period	(50.10)	(77.01)	(119.89)	(247.00)
New loans originated during the year	194.08	33.72	32.06	259.85
Net remeasurement of loss allowance	(19.72)	80.85	(24.02)	37.11
Balance as at 31st March 2026	**336.06**	**184.36**	**410.13**	**930.54**

Concentration of credit risk

The business manages concentration of risk primarily by geographical region. The following details show the geographical concentrations of the loans at the year end:

Particulars	31st March 2026	31st March 2025
Carrying value		
Concentration by geographical region in India		
South	12,158.53	11,173.70
West	7,559.69	6,927.67
East	6,262.85	4,736.87
North	5,234.94	4,341.18
Total loans as at reporting period	**31,216.01**	**27,179.42**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

(B) Liquidity risk

Liquidity risk is a risk that an entity will encounter difficulty in meeting financial obligations.

As per Group's policy, management ensures availability of sufficient fund either through installment receivables/ sourcing through debts at each point of time. The fund requirement is ascertained at the beginning of the period by taking into consideration installment receivable, likely disbursement, loan installment payment & other operational expenses. The Group is continuously getting good support from Bankers & Financial Institutions at the time of need.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

	31st March 2026	31st March 2025
Floating rate		
Expiring within one year	1,932	4,820
Expiring beyond one year	-	-
	1,932	4,820

(ii) Maturities of financial assets and liabilities

The tables below analyse the Group's financial assets and liabilities into relevant maturity groupings based on their contractual maturities for:

a. All non-derivative financial assets and liabilities, and

b. Net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The table below summaries the maturity profile of the Group's financial assets and financial liabilities based on contractual undiscounted payments as at the balance sheet date.

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2026						
Financial assets:						
Derivative financial instruments	-	-	-	103.43	-	103.43
Cash and cash equivalents	3,344.71	-	-	-	-	3,344.71
Fixed deposits	-	-	0.21	-	-	0.21
Trade receivables	214.66	-	-	-	-	214.66
Loans	7,880.34	5,779.07	8,774.30	15,325.93	8.05	37,767.69
Investments	-	-	304.56	-	24.39	328.95
Other financial assets	1.28	4.23	9.38	14.13	0.28	29.56
Total	**11,440.99**	**5,783.30**	**9,088.45**	**15,443.49**	**32.72**	**41,788.95**
Financial Liabilities:						
Borrowings	4,036.13	3,065.25	10,044.77	12,556.25	0.00	29,702.40
Security deposit	-	-	4.80	15.07	-	19.87
Trade payables	112.83	452.27	444.40	-	-	1,009.50
Other financial liabilities	22.55	8.40	106.82	66.43	0.93	205.13
Total	**4,171.51**	**3,525.92**	**10,600.79**	**12,637.75**	**0.93**	**30,936.90**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,606.57	-	-	-	-	3,606.57
Fixed deposits	-	-	5.95	-	-	5.95
Trade receivables	38.64	38.14	64.47	-	-	141.25
Loans	6,920.21	4,872.60	7,383.26	14,009.22	3.83	33,189.12
Investments	-	-	300.00	-	17.63	317.63
Other financial assets	2.01	4.78	6.40	12.31	2.75	28.25
Total	**10,567.43**	**4,915.52**	**7,760.08**	**14,021.53**	**24.20**	**37,288.77**
Financial liabilities:						
Derivative financial instruments	-	-	-	2.24	-	**2.24**
Borrowings	2,497.56	3,562.25	7,232.59	14,073.57	150.58	**27,516.55**
Security deposit	-	-	9.25	6.26	-	**15.51**
Trade payables	637.50	208.44	241.36	-	-	**1,087.30**
Other financial liabilities	7.82	6.99	144.00	51.39	10.90	**221.11**
Total	**3,142.88**	**3,777.68**	**7,627.20**	**14,133.46**	**161.48**	**28,842.71**

The table below summaries the contractual maturity profile of carrying value of assets and liabilities:

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2026						
Financial assets:						
Derivative financial instruments	-	-	-	103.43	-	103.43
Cash and cash equivalents	3,344.71	-	-	-	-	3,344.71
Fixed deposits	-	-	0.21	-	-	0.21
Trade receivables	214.66	-	-	-	-	214.66
Loans	6,720.63	4,594.34	6,882.06	12,666.05	352.94	31,216.01
Investments	-	-	288.98	-	12.39	301.37
Other financial assets	1.29	4.23	9.38	14.13	0.28	29.56
Total	**10,281.29**	**4,598.57**	**7,180.63**	**12,783.61**	**365.61**	**35,209.69**
Financial liabilities:						
Borrowings	3,608.99	2,728.32	9,522.39	11,808.18	-	27,667.88
Security deposit	-	-	4.80	15.07	-	19.87
Trade payables	112.82	452.27	444.40	-	-	1,009.49
Other financial liabilities	21.18	7.03	104.07	57.71	-	189.99
Total	**3,742.99**	**3,187.62**	**10,075.66**	**11,880.96**	**-**	**28,887.23**

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

Particulars	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31st March 2025						
Financial assets:						
Cash and cash equivalents	3,606.57	-	-	-	-	3,606.57
Fixed deposits	-	-	5.95	-	-	5.95
Trade receivables	38.64	38.14	64.47	-	-	141.25
Loans	5,994.70	3,796.80	5,793.35	11,591.81	2.76	27,179.42
Investments	-	-	282.12	-	5.63	287.75
Other financial assets	2.01	4.78	6.40	12.31	2.75	28.25
Total	**9,641.92**	**3,839.72**	**6,152.29**	**11,604.12**	**11.14**	**31,249.19**
Financial liabilities:						
Derivative financial instruments	-	-	-	2.24	-	2.24
Borrowings	2,034.39	3,152.20	6,577.72	12,772.86	150.00	24,687.17
Security deposit	-	-	9.25	6.26	-	15.51
Trade payables	637.50	208.44	241.36	-	-	1,087.30
Other financial liabilities	6.49	5.66	141.35	42.49	9.85	205.84
Total	**2,678.38**	**3,366.30**	**6,969.68**	**12,823.85**	**159.86**	**25,998.06**

(a) Foreign currency risk exposure:

Foreign exchange risk arises on financial instruments being denominated in a currency that is not the functional currency of the entity. The Group is exposed to foreign exchange risk due to continuous fluctuation in the foreign currency(USD) of the loan originated. The Group has entered into cross currency swaps (CCS) /forward contracts/ Interest rate swap to fully hedge all foreign currency exchange risk on the principal and interest amount payable on borrowings.

Particulars	31st March 2026	31st March 2025
Financial liabilities		
Variable Foreign Currency Borrowings(USD 100 million) (Year ended 31st March 2025 : USD 35 million)	854.83	300.13
Derivative liabilities		
Hedged through forward contracts and CCS	854.83	300.13
Net exposure to foreign currency risk (liabilities)	-	-

(b) Sensitivity analysis

The Group has hedged all its foreign currency exposures by entering into CCS/ forward contracts, hence it shall not be subjected to any sensitivity on settlement due to foreign currency fluctuation due to the movements in foreign exchanges i.e. USD. Forward contract & cross current swap are to buy USD for hedging foreign currency loan.

Impact on profit after tax		
USD sensitivity	31st March 2026	31st March 2025
INR/USD Increases by 5%	-	-
INR/USD Decreases by 5%	-	-

(All amounts in ₹ crores, unless otherwise stated)

NOTE 38 Financial risk management (Contd.)

(C) Fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the year ended 31st March 2026 and 31st March 2025, the Group's borrowings at variable rate were mainly denominated in INR.

The Group's floating rate borrowings are carried at amortised cost. For NBFC business, loan is the major source for running the business. In India, loans are generally available at floating rate interest. And there are no such option available to obtain swap option for floating rate interest linked to respective bank MCLR with Fixed Interest. Hence except foreign currency loans, other loans are not hedged.

(a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31st March 2026	31st March 2025
Variable rate borrowings	20,836.05	17,493.01
Total borrowings	**27,667.87**	**24,687.17**

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

Particulars	31st March 2026		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	6.91%	20,836.05	75.31%

Particulars	31st March 2025		
	Weighted average interest rate	Balance	% of total loans
Cash credits, bank loans etc.	7.93%	17,493.01	70.86%

An analysis by maturities is provided in note 38 B (ii) above.

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Impact on profit after tax		
Particulars	31st March 2026	31st March 2025
Interest rates – increase by 50 basis points (50 bps) *	(77.96)	(65.45)
Interest rates – decrease by 50 basis points (50 bps) *	77.96	65.45

* Holding all other variables constant

(All amounts in ₹ crores, unless otherwise stated)

NOTE 39 Capital management

(a) Risk management

The Risk management policy includes identification of element of risks, including those which in the opinion of Board may lead to Group not meeting its financial objectives. The risk management process has been established across the Group and design to identify, access & frame a response to threat that affect the achievement of its objectives. Further, it is embedded across all the major functions and revolve around the goals and objectives of the Group.

Maintaining optimal capital to debt is one such measure to ensure healthy returns to the shareholders. Group envisages maintaining gearing ratio of maximum 7 times to the total equity, the Group monitors the ratio as below.

Particulars	31st March 2026	31st March 2025
Net debt (total borrowings, less cash and cash equivalents)	24,323.15	21,080.60
Total equity (as shown in the balance sheet)	6,072.61	4,952.20
Net debt to equity ratio	**4.01**	**4.26**

(b) Externally imposed capital restrictions

1) As per RBI requirements Capital Adequacy Ratio should be minimum 15%, not meeting RBI requirements will lead to cancellation of NBFC license issued by RBI.
2) As per various lending arrangements with banks, TOL (Total Outside Liability) to TNW (Tangible Net Worth) ratio should be less than 8.5 times, not meeting the said requirements may lead to higher interest rates.
3) Shareholding of the promoter shall not be less than 51% without prior approval from lenders.

The Group has complied with these covenants throughout the reporting period.

NOTE 40 Leases

a) Lease disclosures pertaining to right-to-use asset

Particulars	31st March 2026	31st March 2025
Opening balance	65.19	26.58
Add: Adjustments on account of modification	-	35.95
Add: Additions during the year	28.84	23.53
Less: Deletions during the year	-	-
Less: Depreciation during the year	(23.70)	(20.87)
Closing balance	**70.33**	**65.19**

b) Lease liability movement

Particulars	31st March 2026	31st March 2025
Opening balance	71.41	31.36
Add: Adjustments on account of modification	-	34.72
Add: Additions during the year	27.69	23.53
Add: Interest accrued during the year	6.48	6.12
Less: Interest paid during the year	(6.48)	(6.12)
Less: Deletions during the year	-	-
Less: Prinicpal repayment during the year	(21.60)	(18.20)
Closing balance	**77.50**	**71.41**

c) The Group has offices across the country with varied lease period. The lease term considered for arriving at the Right to use Asset and Lease liabilities are based on the lease period of the respective agreements.

d) The Group has exercised the option of short term leases and low value asset exemption.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 40 Leases (Contd.)

e) Lease disclosures pertaining to Statement of Profit & Loss

	Particulars	31st March 2026	31st March 2025
Amounts recognised in the Statement of Profit and Loss			
i.	Depreciation charge of right-of-use assets (included in depreciation, amortisation and impairment)	23.70	20.87
ii.	Interest expense (included in finance costs)	6.48	6.12
iii.	Expense relating to short-term leases (included in other expenses)	7.42	6.68
iv.	Expense relating to leases of low-value assets that are not short-term leases (included in other expenses)	-	-
v.	Expense relating to variable lease payments not included in the measurement of lease liabilities	-	-
	Total	**37.60**	**33.67**

f) Addition disclosures in cash flow statement

	Particulars	31st March 2026	31st March 2025
	Cash flow financing activities		
	Principal repayments related to lease liabilities	21.60	18.20
	Interest payments related to lease liabilities	6.48	6.12

g) Contractual maturities of lease liabilities outstanding

	Particulars	31st March 2026	31st March 2025
	Less than one year	22.13	19.07
	One to five years	46.49	42.49
	More than five years	8.88	9.85
	Total	**77.50**	**71.41**

NOTE 41 Related party disclosure

Disclosure in respect of Related Parties and their relationship where transaction exists:

Nature of relationship	Parties name
Holding company	TVS Motor Company Limited
Ultimate holding company	TVS Holdings Limited
Fellow subsidiary	TVS Motor Services Limited
	Sundaram Auto Components Limited
	TVS Digital Pte Limited
	TVS Digital Limited
	Home Credit India Finance Private Limited
	Drive X Mobility Millennial Solutions Private Limited
Enterprise under common control	Sundaram-Clayton Limited
	Srinivasan Services Trust
	Vee Yes Charities Foundation
	TVS Emerald Limited
Associate of holding company	Scienaptic Systems Private Limited (Upto 27th December 2024)
	TVS Training And Services Ltd

(All amounts in ₹ crores, unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

Non-executive directors	Mr. Venu Srinivasan (upto 3rd February 2026)
	Mr. Sudarshan Venu
	Mr. K.N. Radhakrishnan
	Mr. Sanjiv Chadha
Independent directors	Mr. R. Gopalan
	Mr. B. Sriram
	Ms. Kalpana Unadkat
	Ms. Deepali Pant Joshi (upto 6th November 2025)
	Mr. T. C. Suseel Kumar
Director and CEO	Mr. Ashish Sapra, Director and Chief Executive Officer
Key managerial personnel	Ms. Roopa Sampath Kumar, Chief Financial Officer
	Mr. Chetan Nage, Company Secretary

A. Transactions with related parties during the year:

Sl. No.	Name of the Related Party	Nature of Transactions	31st March 2026	31st March 2025
1	TVS Motor Company Limited	Contribution towards issuance of equity shares	171.51	282.67
		Receipt of subvention income	29.34	10.11
		Reimbursement of IT expense	4.45	2.46
		Payment towards business support service	1.54	3.70
2	TVS Holdings Limited	Payment towards brand royalty fees	24.63	22.87
		Payment towards business support service	4.36	2.82
3	TVS Digital Pte. Limited	Payment towards software license fees	2.26	1.97
		Payment towards digital advertisement	36.05	-
		Payment towards business support service	-	0.01
4	TVS Digital Ltd	Payment towards business support service	4.35	0.36
5	Drive X Mobility Millennial Solutions Private Limited	Receipt towards sale of repossessed vehicles	1.50	7.87
6	Sundaram Clayton Limited	Payment towards business support service	1.66	1.27
7	Srinivasan Services Trust	Contribution towards corporate social responsibility	16.00	10.00
8	Vee Yes Charities Foundation	Contribution towards Donation	10.62	7.10
9	TVS Training and Services Limited	Interest on loan received	0.01	0.02
		Loan recovered	0.05	0.06
10	Home Credit India Finance Private Limited	Receipt of Lead generation fee	0.32	-
		Receipt towards Seat rental	0.10	-
		Reimbursement of expenses	1.03	-
11	Scienaptic Systems Private Limited	Payment towards business support service	-	0.89

(All amounts in ₹ crores, unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

B. Remuneration to Key Managerial Personnel*

Particulars	2025-26	2024-25
Short term benefits	11.15	8.69
Post retirement benefits	0.40	0.28
Share based payment	0.17	0.27

*Remuneration to Key Managerial Personnel excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the Group as a whole

The Group has not granted any loans or advances in the nature of loans to promoters, directors, key managerial personnel and the related parties , either severally or jointly with any other person, which are (a) repayable on demand; or (b) without specifying any terms or period of repayment.

C. Directors' Sitting Fees and Commission

S. No.	Name of the Director	Nature	2025-26	2024-25
1	Mr. Venu Srinivasan	Sitting fees*	0.01	0.00
		Commission	-	-
2	Mr. K.N. Radhakrishnan	Sitting fees	0.03	0.03
		Commission	-	-
3	Mr. B.Sriram	Sitting fees	0.03	0.05
		Commission	0.30	0.20
4	Mr. R.Gopalan	Sitting fees	0.04	0.03
		Commission	0.30	0.20
5	Ms. Kalpana Unadkat	Sitting fees	0.03	0.04
		Commission	0.30	0.20
6	Ms. Deepali Pant Joshi	Sitting fees	0.01	0.01
		Commission	0.18	0.13
7	Mr. T.C. Suseel Kumar	Sitting fees	0.01	0.01
		Commission	0.30	0.13
TOTAL			**1.53**	**1.03**

1. The amounts mentioned are actual payments made during the year.
2. * The sitting fees paid during year ended 31st March 2025 represents amount less than rounding off norm adopted by the Group
3. Transaction values are excluding taxes and duties

D. Balance outstanding as at the end of the year:

S. No.	Name of the Related Party	31st March 2026	31st March 2025
1	**Amounts due from:**		
	TVS Motor Company Limited	23.61	-
	Home Credit India Finance Private Limited	0.05	-
	TVS Training and Services Limited	0.07	0.12
2	**Amounts due to:**		
	TVS Motor Company Limited	-	0.94
	TVS Holdings Limited	2.33	0.72
	TVS Digital Pte Limited	-	0.18
	TVS Digital Limited	1.13	0.16
	Sundaram-Clayton Limited	0.24	0.18
	Scienaptic Systems Private Limited	-	0.17

(All amounts in ₹ crores unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

Related Party disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 requirements vide notification no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26::

Related Party Balance outstanding:

Related Party Items	Parent (as per ownership or control)		Associates / Joint ventures		Entity under common control		KMP*		Relatives of KMP*		Fellow subsidiaries and others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Borrowings:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances:														
Outstanding at the year end	-	-	0.07	0.12	-	-	-	-	-	-	-	-	0.07	0.12
Maximum outstanding during the year	-	-	0.12	0.18	-	-	-	-	-	-	-	-	0.12	0.18
Investments:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	12.01	12.01
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	12.01	12.01
Purchase of fixed/other assets:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	(0.18)	-	(0.18)
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	(36.05)	(0.77)	(36.05)	(0.77)
Sale of fixed/other assets:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received:														
Outstanding at the year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum outstanding during the year	-	-	0.00	0.00	-	-	-	-	-	-	-	-	0.00	0.00
Others:														
Outstanding at the year end	21.28	(1.66)	-	(0.17)	(0.24)	(0.18)	-	-	-	-	(1.08)	(0.16)	20.21	(2.14)
Maximum outstanding during the year	19.84	5.08	(0.17)	(0.17)	(0.52)	(0.09)	-	-	-	-	(1.50)	(0.75)	17.90	4.12

(All amounts in ₹ crores unless otherwise stated)

NOTE 41 Related party disclosure (Contd.)

Related Party Transactions during the year:

Related Party Items	Parent (as per ownership or control)		Associates / Joint ventures		Entity under common control		KMP*		Relatives of KMP*		Fellow subsidiaries and others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Contribution towards issuance of equity shares	171.51	282.67	-	-	-	-	-	-	-	-	-	-	171.51	282.67
Receipt of subvention income	29.34	10.11	-	-	-	-	-	-	-	-	-	-	29.34	10.11
Reimbursement of IT expense	4.45	2.46	-	-	-	-	-	-	-	-	-	-	4.45	2.46
Payment towards business support service	5.89	6.52	-	0.89	1.66	1.27	-	-	-	-	4.35	0.37	11.91	9.05
Payment towards brand royalty fees	24.63	22.87	-	-	-	-	-	-	-	-	-	-	24.63	22.87
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	1.03	-	1.25	0.18
Payment towards software license fees	-	-	-	-	-	-	-	-	-	-	2.26	1.97	2.26	1.97
Payment towards software purchase	-	-	-	-	-	-	-	-	-	-	36.05	-	36.05	-
Receipt towards sale of repossessed vehicles	-	-	-	-	-	-	-	-	-	-	1.50	7.87	1.50	7.87
Receipt of Lead generation fee	-	-	-	-	-	-	-	-	-	-	0.32	-	0.32	-
Receipt towards Seat rental	-	-	-	-	-	-	-	-	-	-	0.10	-	0.10	-
Contribution towards corporate social responsibility	-	-	-	-	16.00	10.00	-	-	-	-	-	-	16.00	10.00
Contribution towards Donation	-	-	-	-	10.62	7.10	-	-	-	-	-	-	10.62	7.10
Disbursal of loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan recovered	-	-	0.05	0.06	-	-	-	-	-	-	-	-	0.05	0.06
Interest on loan received	-	-	0.01	0.02	-	-	-	-	-	-	-	-	0.01	0.02

* There is no transaction with directors and relatives of directors.

(All amounts in ₹ crores, unless otherwise stated)

NOTE 42 Employee stock option plan

(A) Employee stock option plan

The Employee Stock Options Scheme titled "ESOP 2024" or "Plan" was approved by the shareholders of the Parent Company through the special resolution passed on 11th November 2024. The Plan grants upto 5,34,800 options. The Plan allows the issue of options to employees who are permanent employees of the Parent Company which are convertible to one equity share of the Parent Company subject to payment / recovery of requisite exercise price. As per the Plan, the Nomination and Remuneration Committee grants the options to the employees deemed eligible. The options granted vest over a period of 4 years from the date of the grant in proportions specified in the ESOP Plan. The fair value as on the date of the grant of the options, representing Stock compensation charge, is expensed over the vesting period. Deatils of grants given upto the reporting date under the scheme are given as under:

Plan	No. of options granted	Grant Date	No. of options outstanding	Vesting condition and vesting period	Exercise Price (Rs.)	Weighted average fair value of the options at the grant date (Rs.)
ESOP 2024	1,55,400	12th November 2024	1,55,400	1461 days	440.00	178.45
ESOP 2024	1,42,008	28th April 2025	1,42,008	1461 days	440.00	178.45

(B) Method used for accounting for share based payment plan

The Parent Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options granted are estimated on the date of grant using the Black – Scholes Model. The key assumptions used in Black – Scholes Model for calculating fair value as on the date of respective grants are:

Grant Date	Weighted average fair value of the options at the grant date	Weighted average share price	Exercise Price	Expected Volatility*	Option life (years)	Dividend yield (%)	Risk-free interest rate (%)
12th November 2024	178.45	461.54	440.00	33.16%	4	-	6.86%
28th April 2025	178.45	461.54	440.00	33.16%	4	-	6.86%

* Expected volatility calculation is based on volatility of stock prices of comparable companies on NSE based on ex-dividend price

For the year ended 31st March 2026, the Parent Company has accounted expense of Rs.0.69 crores as employee benefits expense (note no. 31) on the aforementioned employee stock option plan (31st March 2025: Rs.0.27 crores)

(C) Movement in ESOP

Particulars	As at 31st March 2026		As at 31st March 2025	
	No of options	Weighted average fair value of the options at the grant date (Rs per share)	No of options	Weighted average fair value of the options at the grant date (Rs per share)
Outstanding at the beginning of the year	1,55,400	178.45	-	-
Granted during the year	1,42,008	178.45	1,55,400	178.45
Forfeited/ cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	**2,97,408**	**178.45**	**1,55,400**	**178.45**
Exercisable at the end of the year	-	-	-	-

Particulars	As at 31st March 2026 (In days)	As at 31st March 2025 (In days)
Weighted average remaining contractual life of options outstanding as at year end	1,036	1,321

(All amounts in ₹ crores, unless otherwise stated)

NOTE 43 Additional notes forming part of Consolidated Financial Statements for the nine year ended 31st March 2026

1 Capital commitments

Description	31st March 2026	31st March 2025
Estimated amount of contracts remaining to be executed on capital account not provided for	2.88	13.38

2 Other commitments

Description	31st March 2026	31st March 2025
Undrawn loans sanctioned to borrowers	195.23	41.29
Undrawn investments	2.00	4.00

3 Contingent Liabilities not provided for

Claims against the Group not acknowledged as debts

Description	31st March 2026	31st March 2025
Disputed Service Tax and GST demand inclusive of penalty (Pre-deposit of Rs. 0.70 Cr, as on 31st March 2025 Rs. 0.63 Cr)	10.28	10.65
Legal cases filed by borrowers against the Company	15.54	13.15

The Group's pending litigations comprise of claims against the Group and proceedings pending with statutory authorities. The future cash flows on the above items are determinable only on receipt of decisions/judgments that are pending at various forums/authorities. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

4 The New Labour Codes which became effective November 21, 2025, resulted in a past period provision for gratuity of Rs. 8.61 Crores, the same has been reported as an Exceptional items in the financials for the quarter ended December 31, 2025 and the year ended March 31, 2026. After the balance sheet date, while the Central Government notified the Rules on May 8, 2026, the State Rules are yet to be notified. The impact relating to Labour Codes is subject to finalisation of rules and regulatory framework thereunder.

5 Pursuant to para 2 of general instructions for preparation of financial statements of an NBFC as mentioned in Division III of Schedule III of The Companies Act, 2013, the current and non-current classification has not been provided.

6 The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

7 No funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

8 No funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

9 The Group has not traded or invested in crypto currency or virtual Currency during the financial year.

10 The Group has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(All amounts in ₹ crores, unless otherwise stated)

11 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 for the year ended 31st March 2026 and 31st March 2025

As at 31st March 2026

Name of the entity	Net assets		Share in profit/(loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	As a % of consolidated net assets	₹ in crores	As a % of consolidated profit/(Loss)	₹ in crores	As a % of consolidated Other comprehensive income	₹ in crores	As a % of consolidated Total comprehensive income	₹ in crores
Parent								
TVS Credit Services Limited	99.72%	6,055.62	99.92%	913.17	100.00%	5.85	99.92%	919.00
Subsidiaries								
TVS Housing Finance Private Limited	0.28%	17.24	0.08%	0.74	0.00%	-	0.08%	0.74
Haritha ARC Private Limited	0.00%	0.00	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Harita Two Wheeler Mall Private Limited	0.00%	0.00	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Total	**100.00%**	**6,072.87**	**100.00%**	**913.86**	**100.00%**	**5.85**	**100.00%**	**919.71**

As at 31st March 2025

Name of the entity	Net assets		Share in profit/(loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	As a % of consolidated net assets	₹ in crores	As a % of consolidated profit/(Loss)	₹ in crores	As a % of consolidated Other comprehensive income	₹ in crores	As a % of consolidated Total comprehensive income	₹ in crores
Parent								
TVS Credit Services Limited	99.67%	4,935.90	99.89%	767.25	100.00%	(15.08)	99.89%	752.17
Subsidiaries								
TVS Housing Finance Private Limited	0.33%	16.30	0.11%	0.82	0.00%	-	0.11%	0.82
Haritha ARC Private Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Harita Two Wheeler Mall Private Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Total	**100.00%**	**4,952.20**	**100.00%**	**768.07**	**100.00%**	**(15.08)**	**100.00%**	**752.99**

12 There have been no events after the reporting date that require disclosure in the Financial Statements.

13 Prior period figures have been regrouped, wherever necessary, to confirm to the current period presentation.

As per our report of even date

For and on behalf of the Board of Directors of
TVS Credit Services Limited

For Brahmayya & Co.,
Chartered Accountants
ICAI Regn. No. FRN 000511S

K Jitendra Kumar
Partner
Membership No. 201825

For Suri & Co.,
Chartered Accountants
ICAI Regn. No. FRN 004283S

Sanjeev Aditya M
Partner
Membership No. 229694

Place : Chennai
Date : 12th May 2026

Sudarshan Venu
Chairman
DIN-03601690

Ashish Sapra
Director and Chief Executive Officer
DIN-09805893

Roopa Sampath Kumar
Chief Financial Officer

Chetan Nage
Company Secretary

Place : Bengaluru
Date : 12th May 2026

TVS CREDIT

TVS CREDIT SERVICES LIMITED

Registered Office: TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru, Karnataka - 560034
CIN: U65920KA2008PLC218369; Website : www.tvscredit.com Email: corpsec@tvsholdings.com
Phone: 80981 45257

PROXY FORM

FORM No. : MGT 11

[Pursuant to Section 105(6) of the Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	: **U65920KA2008PLC218369**	E-Mail ID	:
Name of the Company	: **TVS Credit Services Limited**	Folio No.	:
Registered Office	TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru, Karnataka - 560034	DP ID / Client ID	:
Name of the Member(s) Registered Address		No. of Shares	:

I/We being the Member(s) of TVS Credit Services Limited holding ___________ Equity Shares, hereby appoint:

1. Name	2. Name	3. Name
Address	Address	Address
e-mail id	e-mail id	e-mail id
Signature .... Or failing him/her	Signature .... Or failing him/her	Signature .... Or failing him/her

as my/our Proxy to attend and vote (on a poll) on my/our behalf at the 18th Annual General Meeting of the Company to be held at TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru, Karnataka - 560034 on Monday, 20th July 2026 at 04.00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No	Resolutions	Vote	
Ordinary Business		For	Against
1.	Adoption of both standalone and consolidated audited financial statements of the Company for the financial year ended 31st March 2026 together with the reports of the Board of Directors' and Auditors' thereon.		
2.	Re-appointment of Mr K N Radhakrishnan as director, who retires by rotation.		
Special Business			
3.	Approval under Section 180(1)(c) of the Companies Act, 2013 to borrow in excess of the aggregate of the paid-up capital and free reserves of the Company.		
4.	Approval under Section 180(1)(a) of the Companies Act, 2013 to secure the borrowing by creating charges / mortgages over the properties of the Company.		
5.	Re-appointment of Ms. Kalpana Unadkat as Independent Director of the Company		

Signed this..................day of.........................2026

--- Signature of Member

--- Signature of Proxy holder

Affix Revenue Stamp of Re.1

Notes:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala, Bengaluru, Karnataka - 560034, not less than 48 hours before the commencement of the meeting.
2. It is optional to put a ✓ in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

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So is the funding plan for its success.**

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*Images used are for representative purposes

*Terms and conditions apply

Registered Office:

TVR Pride, No. 383, 16th Main, 3rd Block, Koramangala,
Bengaluru, Karnataka – 560034

Corporate Office:

No. 29, Jayalakshmi Estates, Haddows Road,
Nungambakkam, Chennai – 600006

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