V. Sankar Aiyar & Co.
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

To the Members of IIFL Fintech Private Limited

Report on the Audit of Standalone Ind AS Financial statements

Opinion

We have audited the accompanying financial statements of **IIFL Fintech Private Limited**, (the "Company") which comprise Balance Sheet as at 31st March 2026, the Statement of Profit and Loss, (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with 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, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we will 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 Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India including Ind AS Standards prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the 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 the 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 Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements.

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

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 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 over financial reporting 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 the Company's internal financial controls over financial reporting with reference to Standalone Financial Statements.

g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion according to the information and explanations given to us the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to private limited company.

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 does not have any pending litigation which would impact its financial position in its Standalone Financial Statements as at March 31,2026. (Refer note no. 28(xii))

  ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2026;

  iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31,2026.

  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 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 (Refer note no. 28(iv)(A));

  (b) The management has represented, that, to the best of its knowledge and belief, no funds 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 (Refer note no. 28(iv)(B)); and

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(c) In our opinion and based on the audit procedures, we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. during the course of our audit we did not come across any instance of audit trail feature being tempered with. Further audit trail has been preserved by the company as per the statutory requirements for record retention.

For V Sankar Aiyar & Co.
Chartered Accountants
(FRN: 109208W)

Asha Patel
Partner
M. No.166048
UDIN: 26166048VUXSPF5164
Place: Mumbai
Date: April 27 2026

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FRN
109208W
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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF IIFL FINTECH PRIVATE LIMITED (FORMERLY KNOWN AS IIFL OPEN FINTECH LTD) ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026.

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date, we report on matters contained in paragraph 3 of the Order)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

3(i)(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment

(B) The Company does not have any intangible assets.

(b) The Company has a program of verification of Property, Plant and Equipment to cover all the items at major locations in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Based on the information and explanation given to us and on verification of the records of the Company, the physical verification was conducted during the year and no material discrepancies were observed on such verification.

(c) According to the information and explanations given to us and based on verification of records provided to us, we report that, the company does not hold any immovable properties and hence provision of clause 3(i)(c) of the Order is not applicable to the company.

(d) The company has not revalued its Property, Plant and Equipment during the year.

(e) According to the information and explanations given to us no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, clause 3(i)(e) of the Order is not applicable to the Company.

3(ii) (a) According to the information and explanations given to us and records of the company examined by us, the company does not have any inventory and hence reporting under clause 3(ii)(a) of the order is not applicable to the Company.

(b) The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets namely financial asset. Based on our verification, the quarterly statements filed by the company with such banks and financial institutions are in agreement with the books of account of the Company.

3(iii) (a) According to the information and explanations given to us and based on the verification of the records and in our opinion during the year no loan has been granted by the company. Hence, reporting under clause 3(iii)(a) (A) & (B), 3(iii)(c),3(iii)(d), 3(iii)(e) and 3(iii)(f) is not applicable.

(b) According to the information and explanations given to us and based on the verification of the records and in our opinion during the year company has not made investment, provided any guarantees or security, no loans and advances in the nature of loans were granted hence reporting in respect of these matters is not applicable;

3(iv) According to information and explanation given to us and on the basis of our examination of the records the company, the company has complied with sections 185 and 186 of the Companies Act, 2013.

3(v) According to the information and explanations given to us and records of the Company examined by us , the Company has not accepted any deposits or amounts which are deemed to be deposits under the directive of the Reserve Bank of India and the provision of Section within Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.

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3(vi) According to the information and explanations given to us and records of the Company examined by us, the maintenance of cost records has not been specified by Central Government under Section 148(1) of the Companies Act,2013 for the company.

3(vii) (a) According to the information and explanations given to us the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident fund, Employees State Insurance, Income tax, Service tax, Sales tax, duty of custom, duty of Excise, Value Added tax, Cess and other material statutory dues as applicable to the Company with the appropriate authorities. Further no undisputed amounts payable in respect thereof where outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and records of the Company examined by us, there are no dues in respect of provident fund, employees state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, Value added Tax and Goods and Services Tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute as at March 31,2026.

3(viii) As per the information and explanation provided to us and as represented to us, there were no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, clause 3(viii) of the Order is not applicable to the Company.

3(ix)(a) According to the information and explanation given to us and based on our audit procedures, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations provided to us, the company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations and records provided to us, the term loans were not availed by the Company.

(d) According to the information and explanations provided to us, the company has not raised any funds on short term basis which have been utilised for long term purposes.

(e) The company does not have any subsidiaries, associates or joint ventures. Hence reporting under clause 3(ix)(e) & (f) is not applicable.

3(x)(a) According to the information and explanations given to us and in our opinion, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) hence the provisions of clause 3(x)(a) is not applicable.

3(xi) (a) During the course of our examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, there have been no instances of fraud on the company, during the course of business operation. No fraud by the company has been noticed or reported during the year. We have not been informed of any such case by the management

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

(c) According to the information and explanations given to us, the Company has not received any whistle blower complaints during the year.

3(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

V. SANKAR AIYAR & CO. CHARTERED ACCOUNTANTS FRN 109208W

3(xiii) According to the information and explanations given to us and in our opinion, all the transactions with the related parties are in the compliance with 188 of Companies Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards. Company being Private Limited Company, Constitution of Audit Committee is not mandatory hence The Company has not constituted an Audit Committee as per section 177 of the Companies Act, 2013.

3(xiv) (a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.

(b) The company did not have an internal audit system for the period under audit as the same is not required internal audit system as per provisions of the Companies Act 2013. Hence reporting under this clause is not applicable.

3(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary companies or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

3(xvi) (a) According to the information and explanation given to us we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) (a) & (c) of the Order are not applicable.

(b) According to the information and explanation given to us we are of the opinion that The Company has not conducted any Non- Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934, hence reporting requirement of paragraph 3(xvi)(b) of the Order is not applicable.

(c) According to the information and explanations provided to us during the course of audit, the Company does not have any CIC, hence reporting requirement of paragraph 3(xvi)(d) of the Order is not applicable.

3(xvii) The Company has not incurred cash losses during the year and during previous year the company incurred cash losses.

3(xviii) There has been no resignation of statutory auditors of the Company during the year.

3(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

3(xx) The provisions of Section 135 towards Corporate Social Responsibility are not applicable on the Company. Hence reporting under clause 3(xx) (a)& (b) is not applicable.

3(xxi) The reporting under clause 3 (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For V Sankar Aiyar & Co.
Chartered Accountants
(FRN: 109208W)

V. SANKAR AIYAR & CO. FRN 109208W CHARTERED ACCOUNTANTS

Asha Patel
Partner
M. No.166048
UDIN: 26166048VUXSPF5164
Place: Mumbai
Date: April 27 2026

Annexure B referred to in our report of even date to the members of IIFL Fintech Private Limited on the standalone accounts for the year ended 31st March 2026

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of IIFL Fintech Private Limited ("the Company") as of March 31, 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 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.

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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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FRN
109208W
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IIFL FINTECH PRIVATE LIMITED

Balance sheet as at March 31,2026

(₹ in million)

Particulars	Note no.	As at March 31, 2026	As at March 31, 2025
I. ASSETS			
(1) Non current assets			
(a) Property, plant and equipment	4	-	0.11
(b) Financial Assets			
(i) Investments	5	504.13	754.53
(c) Deferred tax assets (net)	13	25.32	25.05
(d) Other non-current assets	9 A	0.05	-
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	6	2.37	6.26
(ii) Bank balance (other than cash and cash equivalents)	7	560.34	282.55
(iii) Trade receivables	8	-	0.54
(b) Current tax assets (net)		2.12	6.48
(c) Other current assets	9	46.33	46.04
TOTAL ASSETS		**1,140.66**	**1,121.56**
II. EQUITY AND LIABILITIES			
(A) EQUITY			
(a) Equity share capital	10	168.39	168.39
(b) Other equity	11	972.04	945.50
(B) LIABILITIES			
(1)Non-current liabilities			
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	14	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	14	0.13	3.29
(ii) Other financial liabilities	15	-	0.03
(c) Other current liabilities	16	0.10	4.35
TOTAL LIABILITIES AND EQUITY		**1,140.66**	**1,121.56**
See accompanying notes forming part of financial statements	**1-28**		

For V Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No. 109208W

Asha Patel
Partner
Membership No. 166048

Place : Mumbai
Dated: April 27, 2026

V.SANKAR AIYAR & CO. CHARTERED ACCOUNTANTS FRN 109208W

For and on behalf of the Board of Directors

Mehekka Oberai
Director
DIN: 08829128

Ram Nirankar Rastogi
Director
DIN: 07063686

IIFL Fintech Private Limited

Shivansh Singh Arora
Chief executive officer and Chief financial officer

IIFL FINTECH PRIVATE LIMITED

Statement of profit and loss for the year ended March 31,2026

(₹ in million)

	Particulars	Note no.	Year ended March 31, 2026	Year ended March 31, 2025
	Revenue from operations			
	Fee and commission income	17	(0.10)	2.21
I	**Total revenue from operations**		**(0.10)**	**2.21**
II	**Other income**	18	**33.19**	**86.28**
III	**Total income (I+II)**		**33.09**	**88.49**
	Expenses			
	(i) Employee benefit expenses	19	0.74	119.50
	(ii) Depreciation, amortization and impairment	20	0.11	0.21
	(iii) Others expenses	21	(2.19)	97.71
IV	**Total expenses**		**(1.34)**	**217.42**
V	**Profit/ (loss) before tax (III-IV)**		**34.43**	**(128.93)**
	Tax expense			
	(i) Current tax	22	8.15	-
	(ii) Deferred tax	13 & 22	(0.26)	(37.13)
VI	**Total tax expense**		**7.89**	**(37.13)**
VII	**Profit/ (loss) for the year (V-VI)**		**26.54**	**(91.80)**
	Other comprehensive income			
	(i) Items that will not be reclassified to profit and loss	24	-	0.02
	(ii) Income tax relating to items that will not be reclassified to profit and loss	24	-	(0.01)
VIII	**Other comprehensive income/ (loss)**		**-**	**0.01**
IX	**Total comprehensive income for the year (VII-VIII)**		**26.54**	**(91.79)**
X	**Earnings per equity share**			
	Basic (₹)	23	**1.58**	**(5.45)**
	Diluted (₹)	23	**1.58**	**(5.45)**
	See accompanying notes forming part of financial statements	**1-28**		

For V Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No. 109208W

Asha Patel
Partner
Membership No. 166048

Place : Mumbai
Dated: April 27, 2026

V.SANKAR AIYAR & CO. CHARTERED ACCOUNTANTS FRN 109208W

For and on behalf of the Board of Directors

Mehekka Oberai
Director
DIN: 08829128

Ram Nirankar Rastogi
Director
DIN: 07063686

IIFL Fintech Private Limited

Shivansh Singh Arora
Chief executive officer and Chief financial officer

IIFL FINTECH PRIVATE LIMITED

Cash flow statement for the year ended March 31, 2026

(₹ in million)

Particulars	Note No.	FY 2025-26		FY 2024-25	
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax			34.43		(128.93)
Adjustments for:					
Depreciation, amortisation and impairment	4 & 20	0.11		0.21	
Net (Profit)/Loss on fair value changes - realised		(10.60)		-	
Interest on deposits with banks	18	(20.46)		(40.78)	
Net (profit)/ loss on fair value changes	18	(12.48)		(45.29)	
Employee benefit expenses - others	19	-	**(43.42)**	(0.03)	**(85.89)**
Operating profit/ (loss) before working capital changes			**(8.99)**		**(214.82)**
Adjustments for (increase) / decrease in operating assets					
Decrease/ (increase) in trade receivables		0.54		0.04	
Decrease/ (increase) in other asset		(0.05)		-	
Decrease/ (increase) in other current assets		(0.28)	0.21	(38.25)	(38.21)
Adjustments for increase/ (decrease) in operating liabilities					
Increase / (decrease) in provisions		-		(1.02)	
Increase / (decrease) in trade payables		(3.19)		(5.88)	
Increase / (decrease) in other current liabilities		(4.26)	(7.45)	3.43	(3.47)
Cash (used in) from operations			**(16.24)**		**(256.50)**
Taxes paid			(3.79)		(1.22)
Net cash (used in) operating activities (A)			**(20.03)**		**(257.72)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment			(0.00)		(0.03)
Sale of property, plant and equipment			-		0.12
Proceeds/(purchase) of investments			273.46		(92.25)
Interest received on deposits with banks			20.17		55.24
Proceeds/(deposits) from maturity of deposits placed with banks			(277.50)		283.00
Net cash (used in)/generated from investing activities (B)			**16.13**		**246.08**
Net (decrease) / increase in cash and cash equivalents (A + B)			**(3.89)**		**(11.64)**
Add : Opening cash and cash equivalents as at the beginning of the year	6		6.26		17.90
Cash and cash equivalents as at the end of the year			**2.37**		**6.26**
See accompanying notes forming part of financial statements	**1-28**				

For V Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No. 109208W

Asha Patel
Partner
Membership No. 166048

Place : Mumbai
Dated: April 27, 2026

For and on behalf of the Board of Directors

Mehekka Oberai
Director
DIN: 08829128

Ram Nirankar Rastogi
Director
DIN: 07063686

Shivansh Singh Arora
Chief executive officer and Chief financial officer

IIFL FINTECH PRIVATE LIMITED

Statement of changes in equity for the year ended March 31,2026

A. Equity share capital

Particulars	No. of Shares	₹ in million
As at April 01, 2024	**1,68,38,710**	**168.39**
Add:- Shares issued during the period	-	-
As at March 31, 2025	**1,68,38,710**	**168.39**
Add:- Shares issued during the year	-	-
As at March 31, 2026	**1,68,38,710**	**168.39**

B. Other equity

Particulars	Reserves and Surplus			Total Other Equity (₹ in million)
	Securities Premium	Retained Earnings	Other comprehensive income	
As at April 01, 2024	**982.61**	**54.72**	**(0.03)**	**1,037.31**
Addition during the period	-	(91.80)	0.01	(91.79)
As at March 31, 2025	**982.61**	**(37.08)**	**(0.02)**	**945.50**
Addition during the year	-	26.54	-	26.54
As at March 31, 2026	**982.61**	**(10.55)**	**(0.02)**	**972.04**

As per our attached report of even date

For V Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No. 109208W

Asha Patel
Partner
Membership No. 166048

Place : Mumbai
Dated: April 27, 2026

V.SANKAR AIYAR & CO. CHARTERED ACCOUNTANTS FRN 109208W

For and on behalf of the Board of Directors

Mehekka Oberai
Director
DIN: 08829128

Ram Nirankar Rastogi
Director
DIN: 07063686

IIFL Fintech Private Limited

Shivansh Singh Arora
Chief executive officer and Chief financial officer

Note 4. Property, plant and equipment: (₹ in million)

Particulars	Furniture and fixtures	Vehicles	Office equipment	Buildings	Plant & equipment	Computer	Total
Gross block							
As at April 01, 2024	-	-	-	-	-	0.66	0.66
Additions during the period	-	-	-	-	-	0.03	0.03
Deductions/ adjustments	-	-	-	-	-	(0.27)	(0.27)
As at March 31, 2025	-	-	-	-	-	0.42	0.42
Additions during the year	-	-	-	-	-	-	-
Deductions/ adjustments	-	-	-	-	-	(0.03)	(0.03)
As at March 31, 2026	-	-	-	-	-	0.39	0.39
Accumulated depreciation							
As at April 01, 2024	-	-	-	-	-	0.25	0.25
Depreciation for the period	-	-	-	-	-	0.21	0.21
Deductions/ adjustments	-	-	-	-	-	(0.15)	(0.15)
Up to March 31, 2025	-	-	-	-	-	0.31	0.31
Depreciation for the year	-	-	-	-	-	0.11	0.11
Deductions/ adjustments	-	-	-	-	-	(0.03)	(0.03)
Up to March 31, 2026	-	-	-	-	-	0.39	0.39
Net block as at March 31, 2025	-	-	-	-	-	0.11	0.11
Net block as at March 31, 2026	-	-	-	-	-	-	-

Note 5. Investments: (₹ in million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	At fair value through profit and loss	At cost	Total	At fair value through profit and loss	At cost	Total
Quoted						
Mutual funds	-	-	-	252.27	-	252.27
Unquoted						
Equity shares	101.88	-	101.88	100.00	-	100.00
Preference shares	402.25	-	402.25	402.25	-	402.25
Total (gross)	504.13	-	504.13	754.53	-	754.53
Less: Impairment loss allowance	-	-	-	-	-	-
Total (net)	504.13	-	504.13	754.53	-	754.53

Note 5.1 Investment details scrip wise:

Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in million)	Quantity (in actuals)	Face value per unit (in ₹)	Carrying value (₹ in million)
Mutual funds			-			252.27
Aditya Birla Sun Life Liquid Fund	-	-	-	6,02,477.62	10.00	252.27
Equity shares			101.88			100.00
Xtracap Fintech India Private Limited	40,00,000.00	1.00	101.88	40,00,000.00	1.00	100.00
Preference shares			402.25			402.25
Open Financial Technologies Private Limited*	201.00	100.00	402.25	201.00	100.00	402.25
Total Gross			504.13			754.53

** Last valuation was done in FY25. The management doesn't expect any material change in the valuation.*

Note 6. Cash and cash equivalent: (₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks :		
- In current accounts	2.37	6.26
Total	2.37	6.26

Note 7. Bank balance (other than cash and cash equivalent): (₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
In deposit accounts (original maturity of more than 3 months)	558.00	280.50
Interest accrued on above deposits	2.34	2.05
Total	560.34	282.55

V. SANKAR AIYAR & CO. FRN 109208W CHARTERED ACCOUNTANTS

IIFL Fintech Private Limited

Note 8.Trade receivables:

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables		
- Receivables considered good - secured	-	-
- Receivables considered good - unsecured*	-	0.39
- Receivables - credit impaired	-	-
- Unbilled revenue	-	0.15
Total- gross	**-**	**0.54**
Less: Impairment loss allowance	-	-
Total- net	**-**	**0.54**

* Including receivables from group/ subsidiary companies (refer note 26)

Note 8.1 Trade receivables ageing schedule (gross):

(₹ in million)

Particulars	Unbilled revenue	As at March 31, 2026					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)Undisputed trade receivables – considered good	-	-	-	-	-	-	-
(ii)Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv)Disputed trade receivables– considered good	-	-	-	-	-	-	-
(v)Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

(₹ in million)

Particulars	Unbilled revenue	As at March 31, 2025					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)Undisputed trade receivables – considered good	0.15	0.38	-	-	-	-	**0.53**
(ii)Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
(iv)Disputed trade receivables– considered good	-	-	-	-	-	-	-
(v)Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**0.15**	**0.38**	-	-	-	-	**0.53**

Notes:

(a) No trade or other receivables are due from directors or other officer of the company either severally or jointly with any other person.

(b) No trade or other receivables are due from firms including limited liability partnerships and Private companies in which any director is a partner or a director or a member.

Note 9. Other current assets:

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Prepaid expenses	-	0.03
Balances with government authorities -GST input	46.32	46.01
Other advances	0.01	0.00
Total	**46.33**	**46.04**

Note 9 A . Other non current assets:

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposit	0.05	-
Total	**0.05**	-

Note 10. Equity share capital

(a) Authorised, issued, subscribed and paid-up share capital:

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital		
1,70,00,000 Equity shares (previous year: 1,70,00,000) of ` 10 each	170.00	170.00
Total	**170.00**	**170.00**
Issued, subscribed and paid-up share capital		
1,68,38,710 Equity shares (previous year: 1,68,38,710) of ` 10 each fully paid with voting rights	168.39	168.39
Total	**168.39**	**168.39**

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b. Reconciliation of the shares outstanding at the beginning and at the end of the year: **(₹ in million)**

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the beginning of the year	1,68,38,710	168.39	1,68,38,710	168.39
Add: shares issued during the year	-	-	-	-
Closing at the end of year	**1,68,38,710**	**168.39**	**1,68,38,710**	**168.39**

c. Terms/ rights attached to equity shares

The company has only one class of shares referred to as equity shares having a par value of ` 10/- each. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by shareholders.

d. Equity shares held by the holding company:

Particulars	As at March 31, 2026	As at March 31, 2025
Equity shares of ` 10 each fully paid		
IIFL Finance Limited	1,68,38,710	1,68,38,710

e. Details of shareholders holding more than 5% shares in the Company:

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	% Holdings	No. of Shares	% Holdings
Equity shares of ` 10 each fully paid up				
IIFL Finance Limited*	1,68,38,710	100.00%	1,68,38,710	100.00%

** 1 (One) Share is held by Ms. Mehekka Oberoi in the capacity of nominee of IIFL Finance Limited.*

f. Details of shareholding of promoters:

As at March 31, 2026			
Name of the promoter	No. of shares	% of total shares	% Change during the year
IIFL Finance Limited	1,68,38,710	100.00%	0.00%
Total	**1,68,38,710**	**100.00%**	

As at March 31, 2025			
Name of the promoter	No. of shares	% of total shares	% Change during the period*
IIFL Finance Limited	1,68,38,710	100.00%	0.00%
Total	**1,68,38,710**	**100.00%**	

g. Since inception the Company has not issued any shares without payment being received in cash or by any way of bonus shares or shares bought back.

h. Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestments, including the terms and amount: Nil (previous year: Nil)

Note 11. Other equity:

(₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Retained earnings		
Opening balance as at beginning of the year	(37.08)	54.72
Add: Net profit/ (loss) after tax for the year	26.54	(91.80)
Closing balance as at end of the year	**(10.55)**	**(37.08)**
Securities premium		
Opening balance as at beginning of the year	982.61	982.61
Add: Addition during the year	-	-
Closing balance as at end of the year	**982.61**	**982.61**
Other comprehensive income		
Opening balance as at beginning of the year	(0.02)	(0.03)
Other comprehensive income/ (loss) during the year	-	0.01
Closing balance as at end of the year	**(0.02)**	**(0.02)**
Total	972.04	945.50

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Note 13. Deferred tax (assets)/ liabilities (net): (₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liability on		
- Depreciation on tangible assets	-	-
- Bonus	0.01	0.01
- Unrealised gain on investments	0.27	6.15
Total	**0.28**	**6.16**
Deferred tax (asset) on		
- Depreciation on tangible assets	(0.03)	(0.01)
- Preliminary expenses	(0.06)	(0.12)
- Business losses	(25.51)	(31.08)
- Bonus	-	-
- Compensated absences and retirement benefits	-	-
Total	**(25.60)**	**(31.21)**
Deferred tax (assets)/ liabilities (net)	**(25.32)**	**(25.05)**

Note 14. Trade payables: (₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
(a)Total outstanding dues of micro enterprises and small enterprises (Refer note 14.1)	-	-
(b)Total outstanding dues of creditors other than micro enterprises and small enterprises		
Outstanding dues of creditors	0.04	0.00
Provision for expenses	0.09	3.29
Total	**0.13**	**3.29**

Note 14.1 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (₹ in million)

The following disclosure is made as per the requirement under The Micro, Small and Medium Enterprises Development Act, 2016 ("MSMED Act") on the basis of confirmations sought from suppliers on registration with the specified authorities under MSMED Act:

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Principal amount remaining unpaid to any supplier at the year/period end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year/period end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year/period	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year/period) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year/period end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the MSMED Act. This has been relied upon by the auditors.

Note 14.2 Trade payables ageing schedule: (₹ in million)

Particulars		Outstanding for following periods from due date of payment				
As at March 31, 2026	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii)Others	0.09	0.04	-	-	-	**0.13**
(iii)Disputed dues - MSME	-	-	-	-	-	-
(iv)Disputed dues - others	-	-	-	-	-	-
Total	**0.09**	**0.04**	-	-	-	**0.13**

Particulars		Outstanding for following periods from due date of payment				
As at March 31, 2025	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii)Others	3.29	-	-	-	-	**3.29**
(iii)Disputed dues - MSME	-	-	-	-	-	-
(iv)Disputed dues - others	-	-	-	-	-	-
Total	**3.29**	-	-	-	-	**3.29**

Note 15. Other financial liabilities: (₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Accrued salaries and benefits	-	0.03
Total	-	**0.03**

Note 16. Other current liabilities: (₹ in million)

Particulars	As at March 31, 2026	As at March 31, 2025
Duties and taxes payable	0.10	4.35
Total	**0.10**	**4.35**

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IIFL Fintech Private Limited

Note 17. Fee and commission income: (₹ in million)

Particulars	FY 2025-26	FY 2024-25
Service fee income	(0.10)	2.21
Total	**(0.10)**	**2.21**

Note 18. Other income: (₹ in million)

Particulars	FY 2025-26	FY 2024-25
Interest income		
Interest income from assets measured at amortised cost		
- Interest on deposits with bank	20.46	40.78
Others		
- Interest on income tax refund	0.25	0.21
Total (I)	**20.71**	**40.99**
Net gain/ (loss) on fair value changes		
(A) Net gain/ (loss) on assets		
- Investments	12.48	45.29
Total (A)	**12.48**	**45.29**
(B) Fair value changes		
- Realised	10.60	69.35
- Unrealised	1.88	(24.06)
Total (B)	**12.48**	**45.29**
Total (II)	**12.48**	**45.29**
Total other income (I+II+III)	**33.19**	**86.28**

Note 19. Employee benefit expenses: (₹ in million)

Particulars	FY 2025-26	FY 2024-25
Salaries and bonus	0.73	119.48
Contribution to provident and other funds (refer note 19.1)	-	0.05
Leave encashment	-	(0.02)
Gratuity	-	(0.01)
Staff welfare expenses	0.01	0.01
Total	**0.74**	**119.50**

Note 19.1 Defined contribution plans: (₹ in million)

The company has recognised the following amounts as an expense and included under Employee Benfit Expenses

Particulars	FY 2025-26	FY 2024-25
Contribution to provident fund	-	0.04
Contribution to employee pension scheme	-	0.02
Contribution to labour welfare fund	-	0.00
Total	**-**	**0.05**

Note 20. Depreciation, amortization and impairment: (₹ in million)

Particulars	FY 2025-26	FY 2024-25
Depreciation on tangible assets (refer note 4)	0.11	0.21
Total	**0.11**	**0.21**

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Note 21. Other expenses: (₹ in million)

Particulars	FY 2025-26	FY 2024-25
Advertisement & marketing	(0.01)	79.52
Exchange and statutory charges	-	0.10
Directors sitting fee	0.30	0.18
Verification expenses	-	0.05
Legal and professional charges	0.40	0.25
Rent	0.12	0.70
Rates & taxes	0.09	-
Remuneration to auditors :		
Audit fees	0.08	0.08
Software charges	(3.20)	16.65
Office expenses	0.01	0.04
Miscellaneous expenses	0.01	0.14
Total	**(2.19)**	**97.71**

Note 22. Tax expenses: (₹ in million)

Particulars	FY 2025-26	FY 2024-25
Current tax expense		
Current year	8.15	-
Deferred tax expense		
Origination and reversal of temporary differences	(0.26)	(37.13)
Total	**7.89**	**(37.12)**

Note 22.1:Reconciliation of income tax expense of the year to accounting year: (₹ in million)

Particulars	FY 2025-26	FY 2024-25
Profit before tax	**34.43**	**(128.93)**
Tax using the Company's domestic tax rate (25.17%)	8.67	(32.45)
Reduction in tax rates		
Tax effect of:		
Income taxed at different rates	(0.80)	(4.68)
Recognition of previously unrecognised deductible temporary differences	0.02	-
Total income tax expense	**7.89**	**(37.13)**
Effective tax rate	**22.92%**	**28.79%**

Note 23. Earnings per share:

Particulars	FY 2025-26	FY 2024-25
Basic & Diluted		
Face value of equity share	10	10
Profit after tax for the year (₹ in million)	26.54	(91.80)
Weighted average number of equity shares	1,68,38,710	1,68,38,710
Basic & Diluted EPS	**1.58**	**(5.45)**

Note 24. Amount recognized in other comprehensive income:

(₹ in million)

Particulars	FY 2025-26			FY 2024-25		
	Amount	Tax expense	Amount net of tax	Amount	Tax expense	Amount net of tax
Remeasurement of defined benefit liabilities/ (assets)	-	-	-	0.02	(0.01)	0.01
Total	-	-	-	**0.02**	**(0.01)**	**0.01**

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25. Fair value of financial instruments

Financial instruments by category:

(₹ in million)

Particulars	As at March 31, 2026 Fair value through profit or loss	Fair value through Other comprehensive income	Amortised cost / Cost
Financial assets			
(A) Non current assets			
(i) Investments	504.13	-	-
Total (A)	**504.13**	**-**	**-**
(B) Current financial assets			
(i) Cash and cash equivalents	-	-	2.37
(ii) Bank balance (other than cash and cash equivalents)	-	-	560.34
(iii) Trade receivables	-	-	-
Total (B)	**-**	**-**	**562.71**
Total financial assets (A+B)	**504.13**	**-**	**562.71**
Financial liabilities			
(A) Current financial liabilities			
(i) Trade payables	-	-	0.13
Total financial liabilities (A)	**-**	**-**	**0.13**

Financial instruments by category:

(₹ in million)

Particulars	As at March 31, 2025 Fair value through profit or loss	Fair value through Other comprehensive income	Amortised cost / Cost
Financial assets			
(A) Non current assets			
(i) Investments	754.53	-	-
Total (A)	**754.53**	**-**	**-**
(B) Current financial assets			
(i) Cash and cash equivalents	-	-	6.26
(ii) Bank balance (other than cash and cash equivalents)	-	-	282.55
(iii) Trade receivables	-	-	0.54
Total (B)	-	**-**	**289.34**
Total financial assets (A+B)	**754.53**	**-**	**289.34**
Financial liabilities			
(A) Current financial liabilities			
(i) Trade payables and other financial liabilities	-	-	3.32
Total financial liabilities (A)	**-**	**-**	**3.32**

25.1 Financial instruments measured at fair value – Fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

25.2 Valuation methodologies of financial instruments measured at fair value

- Quoted mutual funds are measured based on the published net asset value (NAV) by AMFI and are classified as level 1.
- Equity/ Preference shares of non-listed entities are initially recognised at transaction price and re-measured (to the extent information is available) and valued by external independent valuer and classified as Level 3.

(₹ in million)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total	Carrying value
As at March 31, 2026					
Financial assets					
Investments					
- Mutual fund	-	-	-	-	-
- Equity shares	-	-	101.88	101.88	101.88
- Preference shares	-	-	402.25	402.25	402.25
Total financial assets	**-**	**-**	**504.13**	**504.13**	**504.13**

(₹ in million)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total	Carrying value
As at March 31, 2025					
Financial assets					
Investments					
- Mutual fund	252.27	-	-	252.27	252.27
- Equity shares			100.00	100.00	100.00
- Preference shares			402.25	402.25	402.25
Total financial assets	**252.27**	**-**	**502.25**	**754.53**	**754.53**

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25.4 Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term nature, the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and bank balances, trade receivables, lien or earmarked balances with banks and trade payables.

(₹ in million)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at March 31, 2026	Total fair value	Carrying value	Valuation hierarchy
Financial assets			
Cash and cash equivalents	2.37	2.37	-
Bank deposits	560.34	560.34	-
Trade receivables	-	-	-
Total financial assets	**562.71**	**562.71**	
Financial Liabilities			
Trade payables	0.13	0.13	-
Total financial liabilities	**0.13**	**0.13**	

(₹ in million)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at March 31, 2025	Total fair value	Carrying value	Valuation hierarchy
Financial assets			
Cash and cash equivalents	6.26	6.26	-
Bank deposits	282.55	282.55	-
Trade receivables	0.54	0.54	-
Total financial assets	**289.34**	**289.34**	
Financial Liabilities			
Trade payables and other financial liabilities	3.32	3.32	-
Total financial liabilities	**3.32**	**3.32**	

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Note 26. Related party transactions

(A) List of related parties

Nature of relationship	Name of party*
Holding company	IIFL Finance Limited
Fellow subsidiaries	IIFL Home Finance Limited IIFL Samasta Finance Limited IIHFL Sales Limited
Other related parties	IIFL Capital Services Limited (formerly known as IIFL Securities Limited) IIFL Facilities Services Limited IIFL Capital Asset Management Limited (formerly known as IIFL Securities Alternate Asset Management Limited) Livlong Insurance Brokers Limited
Key managerial person	Ms. Maneesha Jena - Company Secretary (upto March 03, 2026) Mr. Shivansh Singh Arora - Chief Financial Officer & Chief Executive Officer

* The above list includes related parties identified by the management with whom the transactions have been carried out during the year.

(B) Significant transactions with related parties for the year ended March 31, 2026 (₹ in million)

Nature of transaction	Holding company	Other related parties	Total
Referral fees income			
IIFL Finance Limited	0.10	-	0.10
	(2.54)	-	(2.54)
Allocation/ reimbursement of expenses paid			
IIFL Finance Limited	0.76	-	0.76
	(194.77)	-	(194.77)
IIFL Capital Services Limited	-	0.01	0.01
	-	(0.01)	(0.01)
IIFL Facilities Services Limited	-	-	-
	-	(0.02)	(0.02)
Allocation/ reimbursement of expenses paid others			
IIFL Finance Limited	-	-	-
	(0.21)	-	(0.21)
Allocation/ reimbursement of expenses received others			
IIFL Finance Limited	-	-	-
	(0.06)	-	(0.06)
Purchase of Investment			
IIFL Finance Limited	-	-	-
	(402.25)	-	(402.25)
Sale of property, plant & equipment			
IIFL Finance Limited	0.00	-	0.00
	(0.09)	-	(0.09)
Livlong Insurance Brokers Limited	-	-	-
	-	(0.01)	(0.01)
IIFL Capital Asset Management Limited	-	-	-
	-	(0.02)	(0.02)
Purchase of property, plant & equipment			
IIFL Finance Limited	-	-	-
	(0.03)	-	(0.03)
Rent Expense			
IIFL Finance Limited	0.13	-	0.13
	-	-	-
Security Deposit Paid			
IIFL Finance Limited	0.05	-	0.05
	-	-	-
Cross charge, platform fees and marketing spend			
Open Financial Technologies Private Limited	-	-	-
	-	(15.47)	(15.47)

(C) Closing balances with related parties (₹ in million)

Nature of transaction	Holding Company	Other related parties	Total
Other Payable			
IIFL Finance Limited	0.04	-	0.04
	-	-	-
Receivable towards Security Deposit			
IIFL Finance Limited	0.05	-	0.05
	-	-	-
Other Receivable			
IIFL Finance Limited	-	-	-
	(0.54)	-	(0.54)

(Figure in bracket represents previous period figure)

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Note 27. Risk management

The Group company has a well-defined comprehensive Enterprise Risk Management ("ERM") Framework in place and a robust organizational structure to identify, assess, measure and monitor risks and strengthen controls to mitigate risks. Group has established procedures to periodically place before the Management and the Board of Directors, the risk assessment and minimisation procedures are being followed by the group and furthermore steps taken by it to mitigate these risks. ERM has been adopted by the group which uses defined Key Risk Indicators based on quantitative and qualitative factors.

Note: 27.1 Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.
Credit risk arises primarily from financial assets such as trade receivables, investments.

Credit quality analysis

The following tables sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

(₹ in million)

As at March 31, 2026		
Particulars	**Financial assets where loss allowance measured using simplified approach/ cost**	**Total**
Bank deposits	560.34	560.34
Cash and cash equivalents	2.37	2.37
Trade receivables	-	-

(₹ in million)

As at March 31, 2025		
Particulars	**Financial assets where loss allowance measured using simplified approach/ cost**	**Total**
Bank deposits	282.55	282.55
Cash and cash equivalents	6.26	6.26
Trade receivables	0.54	0.54

Note: 27.2 Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument.

-Price risk: exposure

The Company's exposure to assets having price risk is as under (net)

(₹ in million)

Particulars	Equity shares	Preference shares	Mutual funds	Total
As at March 31, 2026	101.88	402.25	-	504.13
As at March 31, 2025	100.00	402.25	252.27	754.53

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Note 28. Additional dislcoure requirements

(i) Relationship with struck off companies

The Company has not entererd into any transactions with struck off companies.

(ii) Registration of charges or satisfaction of charges with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

(iii) Compliance with number of layers of companies:

The Company is in compliance with clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 as there are no such investments made.

(iv) Utilisation of borrowed funds and share premium

(A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:-

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) Undisclosed income

The Company has disclosed all its Income appropriately and there are no ongoing Tax Assessments where any undisclosed income is recognised by the relavant tax authorities.

(vi) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(vii) Disclosure of benami property

The Company does not possess any benami property under the Benami Transactions (Prohibition) Act, 1985 and rules made thereunder.

(viii) Disclosure of borrowings

The Company has not borrowed any funds from any banks or financial institutions during the year. Hence no disclosures is required hereunder.

(ix) Wilful defaulter

The Company has not borrowed any funds from any banks or financial institutions during the year. Hence no disclosures is required hereunder.

(x) Title deeds of immovable properties not held in the name of the Company

The Company holds no immovable properties or premises under lease agreements. Hence no disclosure is required hereunder.

(xi) Disclosure on loans and advances

The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.

(xii) Contingent liabilities & capital commitments

Particulars	As at March 31, 2026	As at March 31, 2025
Contingent liabilities	Nil	Nil
Captial commitments	Nil	Nil

(xiii) Accounting ratios

Particulars	FY 2025-26	FY 2024-25
(a) Current ratio	2,665.17	44.53
(b) Debt to equity ratio	NA	NA
(c) Debt service coverage ratio	NA	NA
(d) Inventory turnover ratio	NA	NA
(e) Trade receivable turnover ratio	-	8.24
(f) Trade payable turnover ratio	NA	NA
(g) Return on capital employed	3.02%	-11.58%
(h) Net profit ratio	0.80	(1.04)

For V Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No. 109208W

Asha Patel
Partner
Membership No. 166048

Place : Mumbai
Dated: April 27, 2026

For and on behalf of the Board of Directors

Mehekka Oberai
Director
DIN: 08829128

Ram Nirankar Rastogi
Director
DIN: 07063686

Shivansh Singh Arora
Chief executive officer and Chief financial officer

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