August 17, 2026

The Manager, **Listing Department,** **BSE Limited,** **Phiroze Jeejeebhoy Tower,** **Dalal Street,** **Mumbai 400 001** **Tel No.: 22721233** **Fax No.: 22723719/22723121/22722037** **BSE Scrip Code: 542773**	**The Manager,** **Listing Department,** **The National Stock Exchange of India Ltd.,** **Exchange Plaza, 5 Floor, Plot C/1, G Block,** **Bandra - Kurla Complex,** **Bandra (E), Mumbai 400 051** **Tel No.: 2659 8235** **Fax No.: 26598237/ 26598238** **NSE Symbol: IIFLCAPS**

Dear Sir/Madam,

Sub: Notice of the 31st Annual General Meeting and Annual Report of the Company for Financial Year 2025-26

Pursuant to Regulation 34 read with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we hereby submit the following:

a) Notice of the 31st Annual General Meeting ("AGM") of the Company scheduled to be held on **Wednesday, September 09, 2026 at 11:30 a.m. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"); and

b) Annual Report of the Company for the financial year 2025–26, including the Business Responsibility and Sustainability Report ("BRSR").

The Notice of the 31st AGM and the Annual Report for FY 2025–26 are also available on the Company's website at www.iiflcapital.com and on the website of Central Depository Services (India) Limited ("CDSL") at www.evotingindia.com.

Kindly take the same on record.

Yours faithfully,

For **IIFL Capital Services Limited**
(Formerly IIFL Securities Limited)

Meghal Abhishek Shah

Digitally signed by Meghal Abhishek Shah
Date: 2026.08.17 15:24:26 +05'30'

Meghal Shah
Company Secretary

Encl: As above

IIFL Capital Services Limited
(Formerly known as IIFL Securities Limited)
CIN: L99999MH1996PLC132983
Regd. Office: IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC,
Thane Industrial Area, Wagle Estate, Thane - 400 604
Tel: (91-22) 4103 5000 • Fax: (91-22) 2580 6654
E-mail: secretarial@iiflcapital.com • Website: www.iiflcapital.com

NOTICE OF THE THIRTY-FIRST ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty-First (31st) Annual General Meeting (**"AGM"**) of the Members of IIFL Capital Services Limited (Formerly known as IIFL Securities Limited) (**"the Company"**) will be held on **Wednesday, September 09, 2026, at 11:30 a.m. (IST)** through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the business(es) as mentioned below.

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of the AGM.

ORDINARY BUSINESS(ES):

Item No. 1

Receiving, considering and adopting:

a. The Audited Standalone Financial Statement(s) of the Company for the financial year ended March 31, 2026, together with the reports of the Board of Directors and Auditor's thereon.

   To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Standalone Financial Statement(s) of the Company for the financial year ended March 31, 2026 together with the Reports of the Board of Directors and Auditors thereon, be and are hereby received, considered and adopted."

b. The Audited Consolidated Financial Statement(s) of the Company for the financial year ended March 31, 2026, together with Auditor's report thereon.

   To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Consolidated Financial Statement(s) of the Company for the financial year ended March 31, 2026 together with the report of the Auditors' thereon, be and are hereby received, considered and adopted."

Item No. 2

Re-appointing Mr. R. Venkataraman (DIN: 00011919), who retires by rotation and being eligible, offers himself for re-appointment:

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 152(6) of the Companies Act, 2013 (**"the Act"**) read with Articles of Association of the Company and other applicable provisions, if any, of the Act, Mr. R. Venkataraman (DIN: 00011919), who retires by rotation at this meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS(ES):

Item No. 3

Approving material related party transactions with IIFL Finance Limited

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**), the applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the Company's Policy on Related Party Transactions, and based on the approval of the Audit Committee and the recommendation of the Board of Directors, approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **"the Board"**, which term shall be deemed to include any Committee thereof) to enter into and/or continue transaction(s)/contract(s)/arrangement(s)/agreement(s) or modification(s) thereto with IIFL Finance Limited, being a Related Party as per SEBI Listing Regulations, on the terms and conditions as set out in the Explanatory Statement annexed to this Notice, provided that all such transaction(s)/contract(s)/arrangement(s)/agreement(s) or modification(s) shall be carried out in the ordinary course of business and on an arm's length basis from 31st Annual General Meeting (AGM) of the Company till the 32nd AGM of the Company, for a period not exceeding fifteen months;

RESOLVED FURTHER THAT the Members of the Company do hereby authorise the Board to sign and execute all such documents, deeds, and writings, including the filing of necessary forms and documents with regulatory authorities, and to do all such acts, deeds, matters, and things, and take such steps as may be deemed necessary, desirable, or expedient by the Board in its absolute discretion to give effect to this Resolution and to resolve any questions, difficulties, or doubts that may arise in this regard or be incidental thereto, without requiring any further approval or consent of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred under this Resolution to any Director(s), the Chief Financial Officer, the Company Secretary, or any other Officer(s) or Authorised Representative(s) of the Company, as it may deem necessary or expedient, to do all such acts, deeds, matters, and things as may be required to give effect to the aforesaid Resolution(s);

RESOLVED FURTHER THAT all actions taken or to be taken by the Board in connection with or to give effect to the foregoing Resolution(s) be and are hereby confirmed and approved in all respects."

Item No. 4

Approving material related party transactions with IIFL Home Finance Limited

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**), the applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the Company's Policy on Related Party Transactions, and based on the approval of the Audit Committee and the recommendation of the Board of Directors, approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **"the Board"**, which term shall be deemed to include any Committee thereof) to enter into and/or continue transaction(s)/contract(s)/arrangement(s)/agreement(s) or modification(s) thereto with IIFL Home Finance Limited, being a Related Party as per SEBI Listing Regulations, on the terms and conditions as set out in the Explanatory Statement

annexed to this Notice, provided that all such transaction(s)/contract(s)/arrangement(s)/agreement(s) or modification(s) shall be carried out in the ordinary course of business and on an arm's length basis from 31st Annual General Meeting (AGM) of the Company till the 32nd AGM of the Company, for a period not exceeding fifteen months;

RESOLVED FURTHER THAT the Members of the Company do hereby authorise the Board to sign and execute all such documents, deeds, and writings, including the filing of necessary forms and documents with regulatory authorities, and to do all such acts, deeds, matters, and things, and take such steps as may be deemed necessary, desirable, or expedient by the Board in its absolute discretion to give effect to this Resolution and to resolve any questions, difficulties, or doubts that may arise in this regard or be incidental thereto, without requiring any further approval or consent of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred under this Resolution to any Director(s), the Chief Financial Officer, the Company Secretary, or any other Officer(s) or Authorised Representative(s) of the Company, as it may deem necessary or expedient, to do all such acts, deeds, matters, and things as may be required to give effect to the aforesaid Resolution(s);

RESOLVED FURTHER THAT all actions taken or to be taken by the Board in connection with or to give effect to the foregoing Resolution(s) be and are hereby confirmed and approved in all respects."

Item No. 5

Approving material related party transactions with IIFL Samasta Finance Limited

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**), the applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the Company's Policy on Related Party Transactions, and based on the approval of the Audit Committee and the recommendation of the Board of Directors, approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **"the Board"**, which term shall be deemed to include any Committee thereof) to enter into and/or continue transaction(s)/contract(s)/arrangement(s)/agreement(s) or modification(s) thereto with IIFL Samasta Finance Limited, being a Related Party as per SEBI Listing Regulations, on the terms and conditions as set out in the Explanatory Statement annexed to this Notice, provided that all such transaction(s)/contract(s)/arrangement(s)/agreement(s) or modification(s) shall be carried out in the ordinary course of business and on an arm's length basis from 31st Annual General Meeting (AGM) of the Company till the 32nd AGM of the Company, for a period not exceeding fifteen months;

RESOLVED FURTHER THAT the Members of the Company do hereby authorise the Board to sign and execute all such documents, deeds, and writings, including the filing of necessary forms and documents with regulatory authorities, and to do all such acts, deeds, matters, and things, and take such steps as may be deemed necessary, desirable, or expedient by the Board in its absolute discretion to give effect to this Resolution and to resolve any questions, difficulties, or doubts that may arise in this regard or be incidental thereto, without requiring any further approval or consent of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred under this Resolution to any Director(s), the Chief Financial Officer, the Company Secretary, or any other Officer(s) or Authorised Representative(s) of the Company, as it may deem necessary or expedient, to do all such acts, deeds, matters, and things as may be required to give effect to the aforesaid Resolution(s);

RESOLVED FURTHER THAT all actions taken or to be taken by the Board in connection with or to give effect to the foregoing Resolution(s) be and are hereby confirmed and approved in all respects."

Item No. 6

Approving material related party transactions between IIFL Management Services Limited, a wholly owned subsidiary company, with IIFL Finance Limited

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**), the applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), the Company's Policy on Related Party Transactions, and based on the approval of the Audit Committee and the recommendation of the Board of Directors, approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **"the Board"**, which term shall be deemed to include any Committee thereof) to enter into and/or continue transaction(s)/contract(s)/arrangement(s)/agreement(s) or modification(s) thereto between IIFL Management Services Limited, a Wholly Owned Subsidiary, with IIFL Finance Limited, being a Related Party as per SEBI Listing Regulations, on the terms and conditions as set out in the Explanatory Statement annexed to this Notice, provided that all such transaction(s)/contract(s)/arrangement(s)/agreement(s) or modification(s) shall be carried out in the ordinary course of business of the respective companies and on an arm's length basis from 31st Annual General Meeting (AGM) of the Company till the 32nd AGM of the Company, for a period not exceeding fifteen months;

RESOLVED FURTHER THAT the Members of the Company do hereby authorise the Board to sign and execute all such documents, deeds, and writings, including the filing of necessary forms and documents with regulatory authorities, and to do all such acts, deeds, matters, and things, and take such steps as may be deemed necessary, desirable, or expedient by the Board in its absolute discretion to give effect to this Resolution and to resolve any questions, difficulties, or doubts that may arise in this regard or be incidental thereto, without requiring any further approval or consent of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred under this Resolution to any Director(s), the Chief Financial Officer, the Company Secretary, or any other Officer(s) or Authorised Representative(s) of the Company, as it may deem necessary or expedient, to do all such acts, deeds, matters, and things as may be required to give effect to the aforesaid Resolution(s);

RESOLVED FURTHER THAT all actions taken or to be taken by the Board in connection with or to give effect to the foregoing Resolution(s) be and are hereby confirmed and approved in all respects."

Item No. 7

Approving Offer, Issue and Allotment of Secured or Unsecured, Rated, Listed, Redeemable Non-Convertible Debentures by way of Public Issue and/or Private Placement Basis

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 23, 26, 42, 71, 179 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, regulations, guidelines and circulars (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the special resolutions passed by the members of the Company pursuant to Sections 180(1)(a) and 180(1)(c) of the Act by Postal Ballot on April 24, 2026, other applicable laws, rules, regulations, guidelines, circulars, notifications and/or clarifications issued by any relevant authority, as amended from time to time, and also subject to such approvals, permissions and sanctions as may be necessary, from any regulatory authority, creditors or any other parties as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, sanctions, consents and/or permissions, and as may be agreed by the Board, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (the 'Board', which term shall be deemed to include any Committee thereof) to offer, issue and allot, from time to time, (i) in one or more tranches, secured or unsecured, rated, listed, redeemable non-convertible debentures (**"NCDs"**), on a private placement basis, and/or (ii) secured, rated, listed, redeemable, NCDs by way of public issue of NCDs, both for an aggregate principal amount not exceeding ₹1,000 Crores (Rupees One Thousand Crores only), on such terms and conditions as may be determined by the Board in accordance with applicable laws;

RESOLVED FURTHER THAT the Board be and is hereby authorised to determine the terms of each issue or tranche, including the mode of issuance, size, tenure, coupon, security, pricing, redemption, listing and all other related matters, and to appoint intermediaries, approve and file offer documents and do all such acts, deeds, matters and things as may be necessary, desirable or expedient for giving effect to this Resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to create such charge, mortgage, hypothecation or other security interest over the assets of the Company, as may be required in connection with the issuance of the NCDs;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred by this Resolution to any Committee of the Board or any Director(s) or officer(s) of the Company as it may deem fit;

RESOLVED FURTHER THAT a copy of the above resolution, certified by the Company Secretary or any Director of the Company, be forwarded to such persons or authorities for necessary actions as may be required from time to time."

By Order of the Board of Directors
For IIFL Capital Services Limited

Meghal Shah
Company Secretary
ACS- 53569

Dated: July 23, 2026
Place: Mumbai

Regd. Office:
IIFL House, Sun Infotech Park,
Road No. 16V, Plot No. B-23, MIDC,
Thane Industrial Area, Wagle Estate, Thane - 400 604
Email - secretarial@iiflcapital.com

Notes:

1. The Ministry of Corporate Affairs (**"MCA"**), vide General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020 and subsequent circulars issued from time to time, the latest being General Circular No. 03/2025 dated September 22, 2025, and the Securities and Exchange Board of India (**"SEBI"**), vide Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024, read with other applicable circulars issued in this regard, have, inter alia, permitted the holding of Annual General Meetings (**"AGMs"**) through Video Conferencing (**"VC"**)/Other Audio Visual Means (**"OAVM"**) and granted certain related relaxations. Accordingly, in compliance with the provisions of the Companies Act, 2013 (**"the Act"**), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**) and the aforesaid circulars, the 31st (Thirty-First) AGM of the Company is being convened through VC/OAVM without the physical presence of Members at a common venue. Members can attend and participate in the 31st AGM through the VC/OAVM facility, and the Registered Office of the Company shall be deemed to be the venue of the 31st AGM.

2. The Explanatory Statement pursuant to Section 102 of the Act, setting forth the material facts relating to the Special Business(es) to be transacted at this AGM, together with the relevant details of the Director seeking re-appointment as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2), are annexed hereto.

3. The Members can join and participate in the AGM through the VC/OAVM facility 15 minutes before the scheduled time of commencement of the Meeting and up to 15 minutes thereafter by following the procedure provided in this Notice. The facility of participation through VC/OAVM shall be made available to at least 1,000 Members on a first-come-first-served basis. However, this restriction shall not apply to large Members (i.e., Members holding 2% or more of the share capital), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson(s) of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors and such other persons as may be permitted under the applicable laws, who are allowed to attend the AGM without any restriction on account of first-come-first-served basis.

4. The attendance of Members participating in the AGM through the VC/OAVM facility shall be counted for the purpose of determining the quorum under Section 103 of the Act. In case of joint holders attending the AGM, only such joint holder whose name appears first in the Register of Members of the Company shall be entitled to vote at the AGM.

5. Pursuant to the provisions of Section 113 of the Act and the rules made thereunder, Institutional/Corporate Members (i.e., other than individuals, HUFs, NRIs, etc.) are required to send a scanned certified true copy (PDF/JPEG format) of the Board Resolution/Authority Letter or other authorisation, authorising their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting and/or e-Voting during the AGM. The said authorisation shall be sent to the Scrutiniser at cssnehalshah@gmail.com, with a copy marked to secretarial@iiflcapital.com.

6. Pursuant to the provisions of Section 105 of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and such proxy need not be a Member of the Company. Since the 31st AGM is being held through VC/OAVM in accordance with the MCA Circulars and SEBI Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 31st AGM and, therefore, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

7. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and Regulation 44 of the SEBI Listing Regulations, read with the MCA Circulars, the Company is providing the facility of remote e-Voting to its Members in respect of the business to be transacted at the 31st AGM. The Company has engaged Central Depository Services (India) Limited (**"CDSL"**) for providing the remote e-Voting facility, the facility for participation in the AGM through VC/OAVM and the e-Voting facility during the AGM for Members who have not cast their vote through remote e-Voting.

8. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the 31st AGM, and the Annual Report for the financial year 2026, are being sent only through electronic mode to those Members whose email addresses are registered with the Company, National Securities Depository Limited (**"NSDL"**) and CDSL (collectively, the **"Depositories"**) as on the BENPOS date, i.e., Friday, August 07, 2026.

   In case any member is desirous of obtaining physical copy of the Annual Report for the financial year 2026 and Notice of the 31st AGM of the Company, may send request to the Company's email address at secretarial@iiflcapital.com mentioning Folio No./DP ID and Client ID.

   A communication containing the web-link and QR code for accessing the Annual Report will be sent to those Members whose email addresses are not registered with the Company/Depositories. The Notice of the

31st AGM and the Annual Report for the financial year 2026 will also be available on the Company's website at www.iiflcapital.com, the websites of BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of CDSL at www.evotingindia.com.

9. To support the **"Green Initiative"**, Members whose email addresses are not registered with the Company or their respective Depository Participant(s), and who wish to receive the Notice of the 31st AGM, the Annual Report for the financial year 2026, and other communications from the Company from time to time, are requested to register their email addresses by following the process set out below:

   a. **For Members holding shares in physical form:** Such Members may send a scanned copy of a signed request letter mentioning their Folio Number, complete postal address, and the email address to be registered, along with a self-attested copy of their PAN and any one document supporting their registered address (such as Aadhaar, Driving License, Passport or Bank Statement, or), by email secretarial@iiflcapital.com or to the Company's Registrar and Share Transfer Agent (RTA), MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), at investor.helpdesk@in.mpms.mufg.com.

   b. **For Members holding shares in demat form:** Such Members are requested to register/update their email address with their respective Depository Participant(s) (**"DPs"**).

10. During the financial year 2026, the Company declared and paid an interim dividend of ₹3/- per equity share (i.e., 150% of the face value of ₹2/- per share), which is being treated as the final dividend for the financial year 2026. Please note that, pursuant to the provisions of Section 124(5) of the Act, any dividend remaining unclaimed for 7 (seven) years from the date of its transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 (seven) consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority.

    In accordance with Section 124(2) of the Act read with the Companies (Declaration and Payment of Dividend) Rules, 2014, the Company has uploaded the details of unpaid and unclaimed dividends on its website at www.iiflcapital.com. In view of this, Members who have not yet encashed or received their dividend warrants for the periods listed below are requested to lodge their claims to the Company's RTA at the earliest and well before the respective due dates for transfer to the IEPF.

The due dates for transfer of unpaid/unclaimed dividends to the IEPF are set out below:

Financial Year	Interim Dividend per share (in ₹)	Date of declaration	Due date of Transfer
2019-2020	2	February 07, 2020	March 14, 2027
2020-2021	1	March 10, 2021	April 15, 2028
2021-2022	3	January 24, 2022	March 01, 2029
2022-2023	3	January 23, 2023	February 22, 2030
2023-2024	3	March 01, 2024	April 06, 2031
2024-2025	3	February 11, 2025	March 19, 2032
2025-2026	3	February 10,2026	March 18, 2033

11. The Statutory Registers, Financial Statements, and all other documents referred to in the Notice and Explanatory Statement will be made available for inspection by the Members. Members who wish to inspect these documents or seek any information in relation thereto are requested to send an email to the Company at secretarial@iiflcapital.com.

12. SEBI through its notification dated January 24, 2022, has mandated that requests for the transfer of securities, including transmission and transposition, shall be processed only in dematerialised form. Accordingly, Members holding shares in physical form are advised to dematerialise their holdings at the earliest to eliminate the risks associated with holding securities in physical form and to avail the benefits of dematerialisation. Members may contact the Company's RTA, at investor.helpdesk@in.mpms.mufg.com for assistance.

    Further, pursuant to SEBI Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, SEBI has opened a Special Window for Transfer and Dematerialisation of Physical Securities for a period of one year from February 05, 2026 to February 04, 2027. Eligible investors holding original physical share certificates along with duly executed transfer deeds pertaining to securities acquired prior to April 01, 2019 may lodge their requests with the Company's RTA during the aforesaid period, subject to the conditions and procedures prescribed by SEBI.

13. Pursuant to the provisions of SEBI Master Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025, as amended from time to time, listed companies shall process investor service requests relating to securities held in physical form, such as issue of duplicate share certificates, renewal or exchange of share certificates, endorsement, sub-division/splitting, consolidation of share certificates/folios, transmission and transposition, in accordance with the prescribed procedures. Members are requested to submit the prescribed Forms ISR-4 and/or ISR-5, as applicable, for availing such services.

14. Members are hereby informed that, pursuant to the provisions of SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, read with SEBI Master Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025, as amended from time to time, common and simplified norms have been prescribed for processing investor service requests relating to securities held in physical form, including updation of PAN, KYC details, bank account details and nomination. Members holding shares in physical form are requested to ensure that their PAN, KYC details, bank account details and nomination are updated with the Company's RTA. Members who have not yet updated the aforesaid details are requested to submit the prescribed Forms ISR-1, ISR-2 (where applicable), ISR-3 and SH-13, as applicable. The said forms are available on the Company's website at www.iiflcapital.com.

15. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile number, PAN, bank account details, nomination, power of attorney, mandates or any other relevant particulars to their DP in respect of shares held in dematerialised form and to the Company's RTA in respect of shares held in physical form.

16. Members may avail the facility of nomination in respect of the Equity Shares held by them in physical form pursuant to the provisions of Section 72 of the Act read with the Rules made thereunder by submitting a duly filled and signed Form SH-13 to the Company's RTA. Members desirous of cancelling or varying an existing nomination may submit Form SH-14 to the Company's RTA. Members who do not wish to nominate any person may submit Form ISR-3. These forms will be made available on request.

17. The Company has designated an exclusive e-mail ID, secretarial@iiflcapital.com, for redressal of Members' queries and grievances. Members may send their queries, complaints or grievances to the aforesaid e-mail address.

18. Members may raise questions during the AGM or submit their queries in advance by sending an e-mail to secretarial@iiflcapital.com or investor.relations@iiflcapital.com in the manner prescribed in this Notice. Members are requested to send their queries in advance or keep their questions brief and specific during the AGM to enable the Company to respond appropriately.

19. Members whose names appear in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e., Wednesday, September 02, 2026, shall be entitled to avail the facility of remote e-voting or e-voting during the AGM. The voting rights of the Members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the said cut-off date.

20. A person who is not a Member of the Company as on the cut-off date, i.e., Wednesday, September 02, 2026, should treat this Notice for information purposes only. Members holding shares in physical form or Members who have not registered their e-mail address with the Company/RTA or their Depository Participant ("DP"), as the case may be, and persons who acquire shares of the Company after dispatch of the Notice and become Members of the Company as on the cut-off date, may obtain their User ID and Password for remote e-voting by following the procedure prescribed in this Notice.

21. Members attending the AGM and who have not cast their vote through remote e-voting shall be eligible to vote through the e-voting system during the AGM. Members who have already cast their vote through remote e-voting may attend the AGM; however, they shall not be entitled to vote again during the AGM.

22. The Board of Directors has appointed CS Snehal Shah & Associates, Practicing Company Secretaries (FCS No. 6114), and failing him, CS Pratik M. Shah, Practicing Company Secretary, as the Scrutiniser to scrutinise the remote e-voting process and e-voting during the AGM in a fair and transparent manner. The results of remote e-voting and e-voting during the AGM shall be declared within two (2) working days from the conclusion of the AGM. The results declared along with the Scrutiniser's Report shall be placed on the Company's website at www.iiflcapital.com and on the website of CDSL at www.evotingindia.com and shall also be communicated to BSE Limited and the National Stock Exchange of India Limited, where the equity shares of the Company are listed.

23. The resolutions, if approved by the requisite majority of the Members through remote e-voting and e-voting during the AGM, shall be deemed to have been passed on the date of the AGM, i.e., Wednesday, September 09, 2026.

24. The information and instructions for members for remote e-voting are as under:

In compliance with Regulation 44 of the SEBI Listing Regulations, Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, the applicable MCA and SEBI Circulars and the Secretarial Standard on General Meetings (SS-2), the Company is providing its Members the facility to exercise their right to vote on the resolutions proposed to be passed at the AGM by electronic means ("remote e-voting"). The remote e-voting facility is being provided by CDSL.

i. The remote e-voting period will commence on Friday, September 04, 2026, at 9:00 a.m. (IST) and will end on Tuesday, September 08, 2026, at 5:00 p.m. (IST). During this period, Members holding shares either in physical or dematerialised form as on the cut-off date (record date) of September 02, 2026, may cast their votes electronically. The e-voting module shall be disabled by CDSL after the conclusion of the voting period.

ii. Members who have cast their votes through remote e-voting prior to the meeting shall not be entitled to vote again during the meeting.

iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, and Regulation 44 of the SEBI Listing Regulations, listed entities are required to provide remote e-voting facilities to their Members in respect of all shareholder resolutions. It has been observed that participation from public non-institutional/retail shareholders in the e-voting process has remained comparatively low.

Currently, there are multiple e-voting service providers ("ESPs") in India, and Members are required to register separately with each ESP and maintain multiple user IDs and passwords.

In order to enhance the efficiency of the voting process and increase shareholder participation, SEBI, pursuant to a public consultation process, has introduced a system enabling demat account holders to access the e-voting facility through a single login credential via their demat accounts and/or the websites of the Depositories and Depository Participants. As a result, demat account holders can cast their votes without the need for separate registration with individual ESPs, thereby facilitating seamless authentication and enhancing convenience in the e-voting process.

iv. In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, individual Members holding securities in dematerialised form are permitted to cast their votes through their demat accounts maintained with the Depositories and Depository Participants. Members are advised to update their mobile number and email address in their demat accounts to facilitate seamless access to the e-voting facility.

In accordance with the above-mentioned SEBI Circular, the login method for e-voting and joining virtual meetings for individual members holding securities in demat mode is given below:

Typeof Shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with CDSL	1. Users who have opted for CDSL's Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon and select My Easi New (Token) Tab. 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service provider's website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e- Voting Service Providers.

Typeof Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e- Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re- directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e- Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e- Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e- Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 4886 7000 and 022 2499 7000.

v. Login method for e-Voting and joining virtual meeting for Physical shareholders and shareholders other than individual holding in Demat form.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user, follow the steps given below:

	For Physical Shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field.

vi. After entering these details appropriately, click on "SUBMIT" tab.

vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that the company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

viii. For shareholders holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.

ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvi. There is also an optional provision to upload Board Resolution and Power of Attorney (POA) if any. If uploaded, the same will be made available to scrutiniser for verification.

xvii. Facility for Non – Individual Shareholders and Custodians - Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- A scanned copy of the Board Resolution and POA which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company at the email address cssnehalshah@gmail.com and secretarial@iiflcapital.com respectively, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Members are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 (Seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secretarial@iiflcapital.com or investor.relations@iiflcapital.com. The members who do not wish to speak during the AGM but have queries may send their queries in advance **7 (Seven) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secretarial@iiflcapital.com or investor.relations@iiflcapital.com. These queries will be replied to by the Company suitably by email.
8. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES/MOBILE NO. ARE NOT REGISTERED WITH THE DEPOSITORIES:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor.helpdesk@in.mpms.mufg.com or secretarial@iiflcapital.com.
2. For Demat shareholders - Please update your email id & mobile no. with your respective DP.
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective DP which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400 013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS AND BANK DETAILS BY SHAREHOLDERS:-

a. **For Temporary Registration for Demat shareholders:**

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) by clicking the link: https://web.in.mpms.mufg.com/EmailReg/Email_Register.html in their website www.mpms.mufg.com at the Investor Services tab by choosing the E-mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/PAN, mobile number and e-mail id. In case of any query, a member may send an e- mail to RTA at investor.helpdesk@in.mpms.mufg.com.

On submission of the Members details an OTP will be received by the Member which needs to be entered in the link for verification.

b. **For Permanent Registration for Demat shareholders:**

It is clarified that, for permanent registration of their email address, Members are requested to register their email address with their respective Depository Participant (DP), in accordance with the procedure prescribed by the DP, for shares held in dematerialised form.

c. **Registration of email id for shareholders holding physical shares:**

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with MUFG Intime India Private Limited by clicking the link: https://web.in.mpms.mufg.com/EmailReg/Email_Register.html in their web site www.mpms.mufg.com at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format (upto 1 MB). In case of any query, a member may send an e-mail to RTA at investor.helpdesk@in.mpms.mufg.com.

On submission of the Members details an OTP will be received by the Member who needs to be entered in the link for verification.

d. **Registration of Bank Details for physical shareholders:**

The Members of the Company holding Equity Shares of the Company in physical form and who have not registered their bank details can get the same registered with MUFG Intime India Private Limited, by clicking the link: https://web.in.mpms.mufg.com/EmailReg/Email_Register.html in their web site www.mpms.mufg.com at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e-mail id along with the copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a member may send an e-mail to RTA at investor.helpdesk@in.mpms.mufg.com.

On submission of the Members details an OTP will be received by the Member which needs to be entered in the link for verification.

Annexure to the Notice:

Explanatory Statement Pursuant to Section 102 of Companies Act, 2013 to the accompanying Notice

Item No. 3 to 6

Approving the material related party transactions

Pursuant to the provisions of Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with Schedule XII thereof, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds the materiality threshold specified under the SEBI Listing Regulations.

Further, pursuant to the provisions of Regulation 23(4) of the SEBI Listing Regulations, all material related party transactions and material modifications thereto require prior approval of the Members of the Company by way of an Ordinary Resolution.

The materiality threshold prescribed under Schedule XII of the SEBI Listing Regulations shall also apply to transactions between subsidiaries of the Company and related parties of the subsidiaries, where the Company is not a party to such transactions, and such transactions shall be considered material related party transactions of the Company requiring approval of the Members, if they exceed the prescribed threshold.

The Company, being engaged in the business of stock broking and allied activities, may, in the ordinary course of business, enter into various transactions with related parties, including purchase or sale of securities, subscription or redemption of securities, placement of funds, availing or rendering of services, reimbursement of expenses and other operational, financial and business transactions. Such transactions are undertaken in compliance with applicable laws, on an arm's length basis and on terms that are fair and reasonable and in the interest of the Company.

The maximum value of the proposed transactions with each related party, whether undertaken individually and/or in aggregate, shall not exceed the amounts specified in **Annexure A** forming part of this Notice. The approval of the Members shall be valid from the conclusion of the 31st Annual General Meeting (AGM) up to the conclusion of the 32nd AGM of the Company, for a period not exceeding fifteen months.

The Company proposes to obtain approval of the Members to enter into and/or continue arrangements, transactions, contracts or otherwise with related parties, whether by way of continuation, renewal, extension, modification of existing arrangements/ transactions/contracts or as fresh and independent transactions, as detailed in **Annexure A** to this Notice.

The details of the proposed material related party transactions, along with the disclosures required under Regulation 23 of the SEBI Listing Regulations read with the Industry Standards on "Minimum Information to be Provided to the Audit Committee and Members for Approval of Related Party Transactions" ("RPT Industry Standards"), are provided below:

Sr. No.	Particulars	Details
1	Information as placed before the Audit Committee in the format as specified in the RPT Industry Standards, to the extent applicable.	Annexure A
2	Justification as to why the proposed transaction is in the interest of the listed entity, basis for determination of price and other material terms and conditions of RPT	
3	Disclose the fact that the Audit Committee has reviewed the certificates provided by the CEO/Managing Director/Whole Time Director/Manager and CFO of the Listed Entity as required under the RPT Industry Standards.	The Audit Committee, at its meeting held on May 04, 2026, reviewed the certificate issued by the Managing Director and Chief Financial Officer of the Company, in accordance with the requirements of the RPT Industry Standards.
4	Disclosure that the material RPT or any material modification thereto, has been approved by the Audit Committee and the Board of Directors recommends the proposed transaction to the shareholders for approval	The proposed material related party transaction(s) were approved by the Audit Committee at its meeting held on May 04, 2026 and subsequently approved by the Board of Directors at its meeting held on May 04, 2026. The Board has accordingly recommended the proposed material related party transaction(s) for approval of the Members.

Sr. No.	Particulars	Details
5	Provide web-link and QR Code, through which shareholders can access the valuation report or other reports of external party, if any, considered by Audit Committee while approving the RPT	Not Applicable
6	The Audit Committee and Board of Directors, while providing information to the shareholders, can approve redaction of commercial secrets and such other information that would affect competitive position of listed entity and affirm that, in its assessment, the redacted disclosures still provides all the necessary information to the public shareholders for informed decision making	
7	Any other information that may be relevant	

The Board of Directors, after considering the recommendation of the Audit Committee and the terms and conditions of the proposed transactions, is of the opinion that the proposed material related party transactions are in the best interest of the Company and accordingly recommends the Ordinary Resolutions set out at Item Nos. 3 to 6 of this Notice for approval of the Members.

Pursuant to the provisions of Regulation 23(4) of the SEBI Listing Regulations, no related party shall vote to approve the resolutions set out at Item Nos. 3 to 6 of this Notice, whether the entity is a related party to the particular transaction or not.

Except as disclosed in Annexure A, and to the extent of their shareholding and/or interest, if any, in the related party(ies), none of the Directors, Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 3 to 6 of this Notice.

Item No. 7

Approving Offer, Issue and Allotment of Secured or Unsecured, Rated, Listed, Redeemable Non-Convertible Debentures by way of Public Issue and/or Private Placement Basis

In order to meet the funding requirements of the Company, including for business operations, working capital requirements, repayment/refinancing of existing indebtedness and other general corporate purposes, the Board of Directors may, from time to time, consider raising funds through the issuance of secured or unsecured, rated, listed and redeemable non-convertible debentures ("NCDs") by way of public issue and/or private placement, in one or more tranches.

Pursuant to the provisions of Sections 42 and 71 of the Companies Act, 2013 read with the rules made thereunder, the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and other applicable laws, approval of the Members is required for issuance of NCDs on a private placement basis. Further, in terms of Sections 23 of the Companies Act, 2013 read with the rules made thereunder and the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and other applicable provisions, the Company may also undertake issuance of NCDs by way of public issue, subject to compliance with applicable statutory and regulatory requirements.

The proposed resolution seeks enabling approval of the Members authorising the Board of Directors of the Company to offer, issue and allot, from time to time, in one or more tranches, secured or unsecured, rated, listed and redeemable NCDs by way of public issue and/or private placement, for an aggregate principal amount not exceeding ₹1,000 Crores (Rupees One Thousand Crores only), on such terms and conditions as may be determined by the Board in accordance with applicable laws. The approval is intended to provide flexibility to the Company to access the debt capital markets in a timely and efficient manner depending upon market conditions and funding requirements.

The proposed issuance(s), if undertaken, shall be within the overall borrowing limits as approved by the Members pursuant to Sections 180(1)(a) and 180(1)(c) of the Companies Act, 2013. The Board shall determine the detailed terms of each issuance or tranche, including, inter alia, the size, timing, tenure, coupon, security, pricing, listing, redemption and other terms and conditions thereof.

The Board of Directors recommends the Special Resolution set out at Item No. 7 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution, except to the extent of their shareholding, if any, in the Company.

ANNEXURE A

MINIMUM INFORMATION AS REQUIRED UNDER RELATED PARTY TRANSACTIONS ("RPT") INDUSTRY STANDARDS

Item No. 3

Approving material related party transactions with IIFL Finance Limited

PART A: Minimum information of the proposed RPT

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Finance Limited
2	Country of incorporation of the related party	India
3	Nature of business of the related party	The Company is registered with the Reserve Bank of India ("RBI") as a Non-Banking Financial Company - Middle Layer ("NBFC-ML") and is primarily engaged in financing activities, including gold loans, MSME loans, construction and real estate finance, and capital market finance.

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship with the related party	**Relationship with the Related Party:** IIFL Finance Limited is a related party of IIFL Capital Services Limited (Formerly IIFL Securities Limited). IIFL Capital Services Limited and IIFL Finance Limited have a common Promoter & Promoter Group, which, as on March 31, 2026, held 10,56,74,667 equity shares, representing 24.85% of the total paid up capital of IIFL Finance Limited. **Nature of interest:** Financial

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	(see table below)

Sr. No.	Nature of Transactions	FY 2026 (₹ in Crores)
1	Interest income	2.06
2	Inter Corporate Deposit Given	375.00
3	Inter Corporate Deposit given received back	375.00
4	Brokerage income (secondary market)	0.23
5	Brokerage and Commission on structured products	37.80
6	Allocation/Reimbursement of Expenses Received	5.87
7	Purchase of Fixed Assets	0.01
8	Allocation/Reimbursement of Expenses Paid	3.36
9	Allocation/Reimbursement of Expenses Paid Others	0.01
10	Sale of Fixed Assets	0.03
Total		**799.36**

S. No.	Particulars of the information	Information provided by the management
2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	Nil
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year	No

A(4). Amount of proposed transactions

S. No.	Particulars of the information	Information provided by the management		
1	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/shareholders.	**S. No.**	**Nature of Transactions**	**(₹ in Crores)**
		1	Inter Corporate Deposit given	1,500.00
		2	Inter Corporate Deposit taken	1,500.00
		3	Allocation/reimbursement of expenses paid	15.00
		4	Allocation/reimbursement of expenses received	15.00
		5	Brokerage income (secondary market)	5.00
		6	Brokerage/Commission Income on structured product	100.00
		7	Purchase of fixed assets	1.00
		8	Sale of fixed assets	1.00
		9	Purchase of investment and other securities	200.00
		10	Sale of investment and other securities	200.00
		11	Investment banking/Advisory/Referral Fees	25.00
		12	Interest Income/expense	As per Inter Corporate Deposit pricing terms
		13	Other transactions	1.00
			Total	**3,563.00**
2	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes		
3	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	137%		

S. No.	Particulars of the information	Information provided by the management	
4	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year.	Not Applicable	
5	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year, if available.	27%	
6	Financial performance of the related party for the immediately preceding financial year	**Particulars**	**FY 2026 (₹ in Crores)**
		Turnover	7,467.11
		Profit/(loss) After Tax	1,153.52
		Net worth	7,560.71

A(5). Basic details of proposed transactions

S. No.	Particulars of the information	Information provided by the management	
1 & 2	Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.) and details of each type of the proposed transaction	**Nature of Transactions**	**Details**
		Inter Corporate Deposit given	Loans given and taken to effectively manage the working capital, treasury management and general corporate purpose
		Inter Corporate Deposit taken	
		Allocation/reimbursement of expenses paid	Allocations/reimbursements in nature of employee cost i.e. gratuity, leave encashment, ESOPs, etc., common office overhead expenses such as technology, rent, electricity etc.
		Allocation/reimbursement of expenses received	
		Investment banking/Advisory/Referral Fees received	Arrangement for Providing Leads/clients including business correspondent deals
		Purchase of fixed assets	Purchase/Sale of fixed assets between the Companies
		Sale of fixed assets	
		Brokerage income (share broker arrangement-secondary market)	Fees received by a broker for facilitating transactions involving secondary Market
		Brokerage/Commission Income on structured product	Fee/commission income on dealing in the structured product e.g. NCD, sub-debt & debt instruments
		Purchase of investment and other securities	Includes investments in equity, debentures, or instruments of similar nature of the related party or the other party.
		Sale of investment and other securities	
		Other transactions	Transactions other than above
3	Tenure of the proposed transaction (tenure in number of years or months to be specified)	From the 31st AGM until the 32nd AGM of the Company, not exceeding 15 months.	
4	Whether omnibus approval is being sought?	Yes	

S. No.	Particulars of the information	Information provided by the management
5	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Not Applicable
6	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed Related Party Transaction(s) are in the interest of the Company as they provide strategic and commercial advantages, including assured availability of required products and/or services, enhanced operational efficiency, and potential cost and margin benefits compared to available third-party alternatives. The transaction(s) are proposed to be undertaken in the ordinary course of business and on an arm's length basis, with pricing and other terms benchmarked against comparable market transactions and without any preferential treatment. Appropriate safeguards, including service level arrangements, performance monitoring mechanisms, audit and inspection rights, and termination provisions, wherever applicable, have been incorporated to protect the interests of the Company. The transaction(s) are in compliance with the Company's Related Party Transactions Policy and applicable regulatory requirements and have been reviewed by the Audit Committee in accordance with applicable law. Accordingly, the Board is of the view that the proposed Related Party Transaction(s) are fair, reasonable and beneficial to the Company.
7	Details of the promoter(s)/ director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. a. Name of the director/KMP b. Shareholding of the director/ KMP, in the related party	Mr. R. Venkataraman and Mr. Nirmal Jain, Promoters of IIFL Capital Services Limited, also serve as Joint Managing Directors of IIFL Finance Limited. Further, Mr. R. Venkataraman is the Managing Director and Key Managerial Personnel of IIFL Capital Services Limited. As on March 31, 2026, the common Promoter and Promoter Group held 10,56,74,667 equity shares, representing 24.85% of the paid-up equity share capital of IIFL Finance Limited. Accordingly, Mr. R. Venkataraman and Mr. Nirmal Jain may be deemed to be interested in the proposed transaction(s) by virtue of their positions and association with both the entities.
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9	Other information relevant for decision making.	

PART B (Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A)

B(2). Disclosure in case of transactions relating to loans and advances (other than trade advances) or Inter Corporate Deposit given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Source of funds in connection with the proposed transaction	The same will be funded entirely through the Company's own internal accruals.
2	Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance	a. Nature of Indebtedness: Not Applicable b. Total cost of borrowing: Nil c. Tenure: Not Applicable d. Other details: Not Applicable
3	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers/other lenders.	Not Applicable

S. No.	Particulars of the information	Information provided by the management
4	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	Interest shall be charged at SBI 3-Month MCLR plus a spread of up to 2%, aligned to recent pricing of borrowing of similar paper from non-related entities
5	Maturity/due date	Up to 1 year
6	Repayment schedule & terms	Repayment may be made through a bullet repayment or part repayments on demand, subject to final repayment not exceeding the stipulated maturity date.
7	Whether secured or unsecured?	Unsecured
8	If secured, the nature of security & security coverage ratio	Not Applicable
9	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the transaction.	To meet working capital requirements, treasury management activities and general corporate purpose

B(3). Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Source of Funds in connection with the proposed transaction.	The proposed transaction will be funded through the Company's internal accruals.
2	Where any financial indebtedness is incurred to make investment	a. Nature of indebtedness : Not Applicable b. Total cost of borrowing : Nil c. Tenure : Not Applicable d. Other details : Not Applicable
3	Purpose for which funds shall be utilised by the investee company.	Working Capital, Treasury management and general corporate purpose
4	Material terms of the proposed transaction	Not Applicable

B(5). Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Material covenants of the proposed transaction	There are no material covenants proposed in relation to the transaction.
2	Interest rate (in terms of numerical value or base rate and applicable spread)	Interest shall be charged at SBI 3-month MCLR plus a spread of up to 2%, aligned to recent pricing of borrowing of similar paper from non-related entities
3	Cost of borrowing Note: This shall include all costs associated with the borrowing	Nil
4	Maturity/due date	Up to 1 year
5	Repayment schedule & terms	Repayment may be made through a bullet or part repayment on demand not exceeding the due date.
6	Whether secured or unsecured	Unsecured
7	If secured, the nature of security & security coverage ratio	Not Applicable
8	The purpose for which the funds will be utilised by the listed entity/ subsidiary	The funds shall be utilised for working capital requirements, treasury management activities and general corporate purpose

PART C: Information to be provided only if a specific type of RPT proposed to be undertaken is a material RPT and is in addition to Part A and B

C(1). Disclosure only in case of transactions relating to any loans and advances (other than trade advances), Inter Corporate Deposit given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party	CRISIL Ratings : AA stable
2	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.	No
	a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;	
	b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting;	
	c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	
	d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.	
	FY 2024	
	FY 2025	
	FY 2026	

C(2) Disclosure in case of transactions relating to any investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party	CRISIL Ratings : AA stable
2	Whether any regulatory approval is required, If yes, whether the same has been obtained	Not required

C(4) Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management*
1	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements	a. Before transaction – 0.59 b. After transaction – 1.08
2	Debt Services Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements	a. Before transaction – 0.51 b. After transaction – 0.29

**Note: Based on consolidated figures*

Item No. 4

Approving material related party transactions with IIFL Home Finance Limited

PART A (Minimum information of the proposed RPT)

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Home Finance Limited
2	Country of incorporation of the related party	India
3	Nature of business of the related party	IIFL Home Finance Limited is engaged in the financial services sector, primarily providing housing loans for the purchase, construction, extension and renovation of residential properties. The Company also offers secured SME loans for business and personal requirements, as well as construction finance to developers engaged in affordable housing projects.

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship with the related party	**Relationship with the Related Party:** IIFL Home Finance Limited is a subsidiary of IIFL Finance Limited. IIFL Home Finance Limited is a related party of the Company by virtue of being a fellow subsidiary under the common Promoter and Promoter Group of IIFL Capital Services Limited and IIFL Finance Limited. **Nature of interest:** Financial

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year	See table below

Sr. No.	Nature of Transactions	FY 2026 (₹ in Crores)
1	Brokerage income (secondary market)*	0.00
2	Inter Corporate Deposit Taken	250.00
3	Inter Corporate Deposit Taken, given back	250.00
4	Referral fees received	0.65
5	Allocation/Reimbursement of Expenses Received	1.59
6	Interest Expenses	1.39
7	Purchase of Fixed Assets	0.01
8	Allocation/Reimbursement of Expenses Paid	1.00
9	Sale of Fixed Assets*	0.00
Total		**504.64**

*Amount is less than ₹ 50,000/-

S. No.	Particulars of the information	Information provided by the management
2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	Nil
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year	No

A(4). Amount of the proposed transaction(s)

S. No.	Particulars of the information	Information provided by the management
1	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/shareholders.	See table below
2	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	106%
4	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year.	Not Applicable

S. No.	Nature of Transactions	(₹ in Crores)
1	Inter Corporate Deposit given	1,300.00
2	Inter Corporate Deposit taken	1,300.00
3	Allocation/reimbursement of expenses paid	5.00
4	Allocation/reimbursement of expenses received	1.00
5	Brokerage income (secondary market)	1.00
6	Brokerage/Commission/Advisory/Referral fees income on structured product	50.00
7	Purchase of fixed assets	1.00
8	Sale of fixed assets	1.00
9	Purchase of investment and other securities	50.00
10	Sale of investment and other securities	50.00
11	Referral Fees	10.00
12	Interest Income/expense	As per Inter Corporate Deposit pricing terms
13	Other transactions	1.00
Total		**2,770.00**

S. No.	Particulars of the information	Information provided by the management	
5	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year, if available.	73%	
6	Financial performance of the related party for the immediately preceding financial year	**Particulars**	**FY 2026 (₹ in Crores)**
		Turnover	3,807.61
		Profit/(loss) After Tax	745.81
		Net worth	8,064.68

A(5). Basic details of proposed transactions

S. No.	Particulars of the information	Information provided by the management	
1 & 2	Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.) and details of each type of the proposed transaction	**Nature of Transactions**	**Details**
		Inter Corporate Deposit given	Loans given and taken to effectively manage the working capital, treasury management and general corporate purpose
		Inter Corporate Deposit taken	
		Allocation/reimbursement of expenses paid	Allocations/reimbursements in nature of employee cost i.e. gratuity, leave encashment, ESOPs, etc., common office overhead expenses such as technology, rent, electricity etc.
		Allocation/reimbursement of expenses/ Referral fees received	
		Investment Banking/Advisory fees/ Referral fees received	Arrangement for Providing Leads/clients including business correspondent deals
		Referral Fees	
		Purchase of fixed assets	Purchase/Sale of fixed assets between the Companies
		Sale of fixed assets	
		Brokerage income (share broker arrangement-secondary market)	Fees received by a broker for facilitating transactions involving secondary Market
		Brokerage/Commission Income on structured product	Fee/commission income on dealing in the structured product
		Purchase of investment and other securities	Includes investments in equity, debentures, or instruments of similar nature of the related party or the other party.
		Sale of investment and other securities	
		Other transactions	Transactions other than above
3	Tenure of the proposed transaction (tenure in number of years or months to be specified)	From the 31st AGM until the 32nd AGM of the Company, not exceeding 15 months.	
4	Whether omnibus approval is being sought?	Yes	
5	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Not Applicable	

S. No.	Particulars of the information	Information provided by the management
6	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed Related Party Transaction(s) are in the interest of the Company as they provide strategic and commercial advantages, including assured availability of required products and/or services, enhanced operational efficiency, and potential cost and margin benefits compared to available third-party alternatives. The transaction(s) are proposed to be undertaken in the ordinary course of business and on an arm's length basis, with pricing and other terms benchmarked against comparable market transactions and without any preferential treatment. Appropriate safeguards, including service level arrangements, performance monitoring mechanisms, audit and inspection rights, and termination provisions, wherever applicable, have been incorporated to protect the interests of the Company. The transaction(s) are in compliance with the Company's Related Party Transactions Policy and applicable regulatory requirements and have been reviewed by the Audit Committee in accordance with applicable law. Accordingly, the Board is of the view that the proposed Related Party Transaction(s) are fair, reasonable and beneficial to the Company.
7	Details of the promoter(s)/ director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. a. Name of the director/KMP b. Shareholding of the director/ KMP, in the related party	Mr. R. Venkataraman and Mr. Nirmal Jain, Promoters of IIFL Capital Services Limited, also serve as Joint Managing Directors of IIFL Finance Limited. IIFL Home Finance Limited is a subsidiary of IIFL Finance Limited. Further, Mr. R. Venkataraman is the Managing Director and Key Managerial Personnel of IIFL Capital Services Limited and also serves as a Non-Executive Director of IIFL Home Finance Limited. As on March 31, 2026, the common Promoter and Promoter Group held 10,56,74,667 equity shares, constituting 24.85% of the paid-up equity share capital of IIFL Finance Limited. Accordingly, Mr. R. Venkataraman and Mr. Nirmal Jain may be deemed to be interested in the proposed transaction(s) by virtue of their positions and association with the respective entities.
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9	Other information relevant for decision making.	

PART B: Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A

B(1) – Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

S. No.	Particulars of the information	Information provided by the management
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Not Applicable
2	Basis of determination of price.	On Actual Basis
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable

B(2). Disclosure in case of transactions relating to loans and advances (other than trade advances) or Inter Corporate Deposit given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Source of funds in connection with the proposed transaction	The same will be funded entirely through the Company's own internal accruals.
2	Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance	a. Nature of Indebtedness: Not Applicable b. Total cost of borrowing: Nil c. Tenure: Not Applicable d. Other details: Not Applicable
3	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers/other lenders.	Not Applicable
4	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	Interest shall be charged at SBI 3-Month MCLR plus a spread of up to 2%, aligned to recent pricing of borrowing of similar paper from non-related entities
5	Maturity/due date	Upto 1 year
6	Repayment schedule & terms	Repayment may be made through a bullet repayment or part repayments on demand, subject to final repayment not exceeding the stipulated maturity date.
7	Whether secured or unsecured?	Unsecured
8	If secured, the nature of security & security coverage ratio	Not Applicable
9	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the transaction.	To meet working capital requirements, treasury management activities and general corporate purpose

B(3). Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Source of Funds in connection with the proposed transaction.	The proposed transaction will be funded through the Company's internal accruals.
2	Where any financial indebtedness is incurred to make investment	a. Nature of indebtedness : Not Applicable b. Total cost of borrowing : Nil c. Tenure : Not Applicable d. Other details : Not Applicable
3	Purpose for which funds shall be utilised by the investee company.	Working Capital, Treasury management and general corporate purpose
4	Material terms of the proposed transaction	Not Applicable

B(5). Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Material covenants of the proposed transaction	There are no material covenants proposed in relation to the transaction.
2	Interest rate (in terms of numerical value or base rate and applicable spread)	Interest shall be charged at SBI 3-month MCLR plus a spread of up to 2%, aligned to recent pricing of borrowing of similar paper from non-related entities.
3	Cost of borrowing Note: This shall include all costs associated with the borrowing	Nil

S. No.	Particulars of the information	Information provided by the management
4	Maturity/due date	Upto 1 year
5	Repayment schedule & terms	Repayment may be made through a bullet or part repayment on demand not exceeding the due date.
6	Whether secured or unsecured	Unsecured
7	If secured, the nature of security & security coverage ratio	Not Applicable
8	The purpose for which the funds will be utilised by the listed entity/subsidiary	The funds shall be utilised for working capital requirements, treasury management activities and general corporate purpose.

PART C: Information to be provided only if a specific type of RPT proposed to be undertaken is a material RPT and is in addition to Part A and B

C(1). Disclosure only in case of transactions relating to any loans and advances (other than trade advances), Inter Corporate Deposit given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party	CRISIL Ratings : AA stable
2	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.	No
	a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;	
	b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting;	
	c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	
	d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.	
	FY 2024	
	FY 2025	
	FY 2026	

C(2) Disclosure in case of transactions relating to any investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party	CRISIL Ratings : AA stable
2	Whether any regulatory approval is required, If yes, whether the same has been obtained	Not required

C(4) Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management*
1	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements	a. Before transaction – 0.59 b. After transaction – 1.02
2	Debt Services Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements	a. Before transaction – 0.51 b. After transaction – 0.31

**Note: Based on consolidated figures*

Item No. 5

Approving material related party transactions with IIFL Samasta Finance Limited

PART A (Minimum information of the proposed RPT)

A(1). Basic details

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Samasta Finance Limited
2	Country of incorporation of the related party	India
3	Nature of business of the related party	IIFL Samasta Finance Limited is a Non Banking Finance Company - Micro Finance Institution (NBFC MFI). The Company is engaged in providing micro finance services to women who are enrolled as members and organised as Joint Liability Group ('JLG'), Small business loans and loans against property

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship with the related party	**Relationship with the Related Party:** IIFL Samasta Finance Limited is a subsidiary of IIFL Finance Limited. IIFL Samasta Finance Limited is a related party of the Company by virtue of being a fellow subsidiary under the common Promoter and Promoter Group of IIFL Capital Services Limited and IIFL Finance Limited. **Nature of interest -** Financial

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year	<table><tr><th>Sr. No.</th><th>Nature of Transactions</th><th>FY 2026 (₹ in Crores)</th></tr><tr><td>1</td><td>Inter Corporate Deposit Taken</td><td>100.00</td></tr><tr><td>2</td><td>Inter Corporate Loan Taken Return Back</td><td>100.00</td></tr></table>
2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought	Nil
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year	Not Applicable

A(4) Amount of the proposed transaction(s)

S. No.	Particulars of the information	Information provided by the management		
1	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/shareholders.	**S. No.**	**Nature of Transactions**	**(₹ in Crores)**
		1	Inter Corporate Deposit given	1,500.00
		2	Inter Corporate Deposit taken	1,500.00
		3	Allocation/reimbursement of expenses paid	5.00
		4	Allocation/reimbursement of expenses received	5.00
		5	Brokerage income (secondary market)	1.00
		6	Brokerage/Commission Income on structured product	35.00
		7	Purchase of fixed assets	1.00
		8	Sale of fixed assets	1.00
		9	Purchase of investment and other securities	50.00
		10	Sale of investment and other securities	50.00
		11	Investment Banking/Advisory fees/Referral Fees received	25.00
		12	Investment Banking/Advisory fees/Referral Fees paid	25.00
		13	Interest Income/expense	As per Inter Corporate Deposit pricing terms
		14	Other transactions	1.00
		Total		**3,199.00**
2	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes		
3	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	123%		
4	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year.	Not Applicable		
5	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year	141%		
6	Financial performance of the related party for the immediately preceding financial year	**Particulars**		**FY 2026 (₹ in Crores)**
		Turnover		2,264.58
		Profit After Tax		21.30
		Net Worth		1,919.76

A(5). Basic details of proposed transactions

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1 & 2</td><td>Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.) and details of each type of the proposed transaction</td><td>
<table>
<tr><th>Nature of Transactions</th><th>Details</th></tr>
<tr><td>Inter Corporate Deposit given</td><td rowspan="2">Loans given and taken to effectively manage the working capital, treasury management and general corporate purpose</td></tr>
<tr><td>Inter Corporate Deposit taken</td></tr>
<tr><td>Allocation/reimbursement of expenses paid</td><td rowspan="2">Allocations/reimbursements in nature of employee cost i.e. gratuity, leave encashment, ESOPs, etc., common office overhead expenses such as technology, rent, electricity etc.</td></tr>
<tr><td>Allocation/reimbursement of expenses received</td></tr>
<tr><td>Investment banking/Advisory/Referral Fees received</td><td rowspan="2">Arrangement for Providing Leads/clients including business correspondent deals</td></tr>
<tr><td>Investment banking/Advisory/Referral Fees paid</td></tr>
<tr><td>Purchase of fixed assets</td><td rowspan="2">Purchase/Sale of fixed assets between the Companies</td></tr>
<tr><td>Sale of fixed assets</td></tr>
<tr><td>Brokerage income (share broker arrangement-secondary market)</td><td>Fees received by a broker for facilitating transactions involving secondary market</td></tr>
<tr><td>Brokerage/Commission Income on structured product</td><td>Fee/commission income on dealing in the structured product</td></tr>
<tr><td>Purchase of investment and other securities</td><td rowspan="2">Includes investments in equity, debentures, or instruments of similar nature of the related party or the other party.</td></tr>
<tr><td>Sale of investment and other securities</td></tr>
<tr><td>Other transactions</td><td>Transactions other than above</td></tr>
</table>
</td></tr>
<tr><td>3</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td>From the 31st AGM until the 32nd AGM of the Company, not exceeding 15 months.</td></tr>
<tr><td>4</td><td>Whether omnibus approval is being sought?</td><td>Yes</td></tr>
<tr><td>5</td><td>Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.</td><td>Not Applicable</td></tr>
<tr><td>6</td><td>Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity</td><td>The proposed Related Party Transactions are in the interest of the Company as it provides clear strategic and commercial advantages, including assured availability of required goods/services, improved operational efficiency, and measurable cost or margin benefits compared to available third-party alternatives. The pricing and terms have been benchmarked against independent market comparables and are confirmed to be on an arm's-length basis, with no preferential treatment. Adequate safeguards—including defined SLAs, penalties for non-performance, audit/inspection rights, and termination options—ensure protection of the Company's interests. The transactions are in the ordinary course of business, complies with the Company's RPT Policy and applicable regulatory requirements, and has been evaluated without the participation of interested directors. Accordingly, the RPT is considered fair, reasonable, and beneficial to the Company.</td></tr>
</table>

S. No.	Particulars of the information	Information provided by the management
7	Details of the promoter(s)/ director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. a. Name of the director/KMP b. Shareholding of the director/ KMP, whether direct or indirect, in the related party	Mr. R. Venkataraman and Mr. Nirmal Jain, Promoters of IIFL Capital Services Limited, also serve as Joint Managing Directors of IIFL Finance Limited. IIFL Samasta Finance Limited is a subsidiary of IIFL Finance Limited. Further, Mr. R. Venkataraman is the Managing Director and Key Managerial Personnel of IIFL Capital Services Limited and also serves as a Non-Executive Director of IIFL Samasta Finance Limited. As on March 31, 2026, the common Promoter and Promoter Group held 10,56,74,667 equity shares, constituting 24.85% of the paid-up equity share capital of IIFL Finance Limited. Accordingly, Mr. R. Venkataraman and Mr. Nirmal Jain may be deemed to be interested in the proposed transaction(s) by virtue of their positions and association with the respective entities.
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee	Not Applicable
9	Other information relevant for decision making.	

PART B: Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A

B(1) – Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

S. No.	Particulars of the information	Information provided by the management
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Not Applicable
2	Basis of determination of price.	On Actual Basis
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable

B(2). Disclosure in case of transactions relating to loans and advances(other than trade advances)or Inter Corporate Deposit given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Source of funds in connection with the proposed transaction	The same will be funded entirely through the Company's own internal accruals.
2	Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance	a. Nature of Indebtedness: Not Applicable b. Total cost of borrowing: Nil c. Tenure: Not Applicable d. Other details: Not Applicable
3	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers/other lenders. Note: Disclosure shall be made of borrowings undertaken by the listed entity with a comparable maturity profile to the loan/ICD being granted by the listed entity.	Not Applicable

S. No.	Particulars of the information	Information provided by the management
4	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	Interest shall be charged at SBI 3-Month MCLR plus a spread of up to 2%, aligned to recent pricing of borrowing of similar paper from non-related entities
5	Maturity/due date	Upto 1 year
6	Repayment schedule & terms	Repayment may be made through a bullet repayment or part repayments on demand, subject to final repayment not exceeding the stipulated maturity date.
7	Whether secured or unsecured?	Unsecured
8	If secured, the nature of security & security coverage ratio	Not Applicable
9	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the transaction.	To meet working capital requirements, treasury management activities and general corporate purpose

B(3). Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Source of Funds in connection with the proposed transaction.	The proposed transaction will be funded through the Company's internal accruals.
2	Where any financial indebtedness is incurred to make investment	a. Nature of indebtedness : Not Applicable b. Total cost of borrowing : Nil c. Tenure : Not Applicable d. Other details : Not Applicable
3	Purpose for which funds shall be utilised by the investee company.	Working Capital, Treasury management and general corporate purpose
4	Material terms of the proposed transaction	Not Applicable

B(5). Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Material covenants of the proposed transaction	There are no material covenants proposed in relation to the transaction.
2	Interest rate (in terms of numerical value or base rate and applicable spread)	Interest shall be charged at SBI 3-month MCLR plus a spread of up to 2%, aligned to recent pricing of borrowing of similar paper from non-related entities.
3	Cost of borrowing Note: This shall include all costs associated with the borrowing	Nil
4	Maturity/due date	Upto 1 year
5	Repayment schedule & terms	Repayment may be made through a bullet or part repayment on demand not exceeding the due date.
6	Whether secured or unsecured	Unsecured
7	If secured, the nature of security & security coverage ratio	Not Applicable
8	The purpose for which the funds will be utilised by the listed entity/subsidiary	The funds shall be utilised for working capital requirements, treasury management activities and general corporate purpose.

PART C: Information to be provided only if a specific type of RPT proposed to be undertaken is a material RPT and is in addition to Part A and B

C(1). Disclosure only in case of transactions relating to any loans and advances (other than trade advances), Inter Corporate Deposit given by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party	CRISIL Ratings : AA-/stable
2	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.	No
	a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;	
	b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting;	
	c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	
	d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.	
	FY 2024	
	FY 2025	
	FY 2026	

C(2) Disclosure in case of transactions relating to any investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Latest credit rating of the related party	CRISIL Ratings : AA-/stable
2	Whether any regulatory approval is required, If yes, whether the same has been obtained	Not required

C(4) Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management*
1	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements	a. Before transaction – 0.59 b. After transaction – 1.08
2	Debt Services Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements	a. Before transaction – 0.51 b. After transaction – 0.29

**Note: Based on consolidated figures*

Item No. 6

Approving material related party transactions between IIFL Management Services Limited, a wholly owned subsidiary company, with IIFL Finance Limited

PART A (Minimum information of the proposed RPT)

A(1). Basic details

S. No.	Particulars of the information	Information provided by the management
1	Name of the related party	IIFL Finance Limited
2	Country of incorporation of the related party	India
3	Nature of business of the related party	The Company is registered with the Reserve Bank of India ("RBI") as a Non-Banking Financial Company - Middle Layer ("NBFC-ML") and is primarily engaged in financing activities, including gold loans, MSME loans, construction and real estate finance, and capital market finance.

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship with the related party	**Relationship with the Related Party:** IIFL Finance Limited is a related party of IIFL Capital Services Limited (Formerly IIFL Securities Limited). IIFL Capital Services Limited and IIFL Finance Limited have a common Promoter & Promoter Group, which, as on March 31, 2026, held 10,56,74,667 equity shares, representing 24.85% of the total paid up capital of IIFL Finance Limited. **Nature of interest:** Financial

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management		
1	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	**Sr. No.**	**Nature of Transactions**	**FY 2026 (₹ in Crores)**
		1.	Purchase of investment and other securities	134.82
		2.	Allocation/reimbursement of expenses paid	0.20
		3	Allocation/reimbursement of expenses received	0.06
		4	Allocation/reimbursement of expenses paid-others	0.01
		5	Interest Income on Investment	0.43
2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought	Nil		
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year	No		

A(4) Amount of proposed transactions

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th colspan="3">Information provided by the management</th></tr>
<tr><td rowspan="9">1</td><td rowspan="9">Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/shareholders.</td><td>S. No.</td><td>Nature of Transactions</td><td>(₹ in Crores)</td></tr>
<tr><td>1</td><td>Allocation/reimbursement of expenses paid</td><td>5.00</td></tr>
<tr><td>2</td><td>Allocation/reimbursement of expenses received</td><td>5.00</td></tr>
<tr><td>3</td><td>Allocation/reimbursement of expenses paid-others</td><td>5.00</td></tr>
<tr><td>4</td><td>Allocation/reimbursement of expenses received-others</td><td>5.00</td></tr>
<tr><td>5</td><td>Brokerage/Commission on structured products</td><td>5.00</td></tr>
<tr><td>6</td><td>Purchase of investment and other securities</td><td>1,500.00</td></tr>
<tr><td>7</td><td>Sale of Investment and other Securities</td><td>1,500.00</td></tr>
<tr><td colspan="2">Total</td><td>3,025.00</td></tr>
<tr><td>2</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td colspan="3">Yes</td></tr>
<tr><td>3</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td colspan="3">116%</td></tr>
<tr><td>4</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year.</td><td colspan="3">6952%</td></tr>
<tr><td>5</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover for the immediately preceding financial year, if available.</td><td colspan="3">23%</td></tr>
<tr><td rowspan="4">6</td><td rowspan="4">Financial performance of the related party for the immediately preceding financial year</td><td colspan="2">Particulars</td><td>FY 2026
(₹ in Crores)</td></tr>
<tr><td colspan="2">Turnover</td><td>7,467.11</td></tr>
<tr><td colspan="2">Profit/(loss) After Tax</td><td>1,153.52</td></tr>
<tr><td colspan="2">Net worth</td><td>7,560.71</td></tr>
</table>

A(5). Basic details of proposed transactions

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1 & 2</td><td>Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.) and details of each type of the proposed transaction</td><td>
<table>
<tr><th>Nature of Transactions</th><th>Details</th></tr>
<tr><td>Allocation/reimbursement of expenses paid</td><td rowspan="2">Allocations/reimbursements in nature of employee cost i.e. gratuity, leave encashment, ESOPs, etc., common office overhead expenses such as technology, rent, electricity etc.</td></tr>
<tr><td>Allocation/reimbursement of expenses received</td></tr>
<tr><td>Purchase of fixed assets</td><td rowspan="2">Purchase/Sale of fixed assets between the Companies</td></tr>
<tr><td>Sale of fixed assets</td></tr>
<tr><td>Brokerage/Commission income on structured products</td><td>Fee/commission income on dealing in the structured products</td></tr>
<tr><td>Purchase of investment and other securities</td><td rowspan="2">Includes investments in equity, debentures, or instruments of similar nature of the related party or the other party.</td></tr>
<tr><td>Sale of investment and other securities</td></tr>
</table>
</td></tr>
<tr><td>3</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td>From the 31st AGM until the 32nd AGM of the Company, not exceeding 15 months.</td></tr>
<tr><td>4</td><td>Whether omnibus approval is being sought?</td><td>Yes</td></tr>
<tr><td>5</td><td>Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.</td><td>Not Applicable</td></tr>
<tr><td>6</td><td>Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity</td><td>The proposed Related Party Transaction(s), though entered into between a subsidiary of the Company and a related party of the Company, are in the ordinary course of business, undertaken on an arm's length basis, and in compliance with applicable laws. These transactions support the subsidiary's business operations, enhance operational efficiency, and are in the best interests of the Company and its shareholders.</td></tr>
<tr><td>7</td><td>Details of the promoter(s)/ director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.
a. Name of the director/KMP
b. Shareholding of the director/ KMP, whether direct or indirect, in the related party</td><td>Mr. R. Venkataraman and Mr. Nirmal Jain, Promoters of IIFL Capital Services Limited, also serve as Joint Managing Directors of IIFL Finance Limited. Further, Mr. R. Venkataraman is the Managing Director and Key Managerial Personnel of IIFL Capital Services Limited. As on March 31, 2026, the common Promoter and Promoter Group held 10,56,74,667 equity shares, representing 24.85% of the paid-up equity share capital of IIFL Finance Limited. Accordingly, Mr. R. Venkataraman and Mr. Nirmal Jain may be deemed to be interested in the proposed transaction(s) by virtue of their positions and association with both the entities.</td></tr>
</table>

S. No.	Particulars of the information	Information provided by the management
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee	Not Applicable
9	Other information relevant for decision making.	

PART B: Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A

B(1) – Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

S. No.	Particulars of the information	Information provided by the management
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Not Applicable
2	Basis of determination of price.	On Actual Basis
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable

B(3). Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary

S. No.	Particulars of the information	Information provided by the management
1	Source of Funds in connection with the proposed transaction.	The proposed transaction will be funded through the Company's internal accruals and borrowings.
2	Where any financial indebtedness is incurred to make investment	a. Nature of indebtedness : Financial b. Total cost of borrowing : Interest Cost would be at SBI 3-month MCLR plus a spread of up to 2% (~10%) c. Tenure : Up to 1 year d. Other details : Not Applicable
3	Purpose for which funds shall be utilised by the investee company.	Working Capital, Treasury management and general corporate purpose
4	Material terms of the proposed transaction	Not Applicable

C(2) Disclosure in case of transactions relating to any investment made by the listed entity or its subsidiary

S. No.	Particular of the information	Information provided by the management
1	Latest credit rating of the related party	CRISIL Ratings : AA stable
2	Whether any regulatory approval is required, If yes, whether the same has been obtained	Not required

ANNEXURE -B

Information pertaining to Directors seeking re-appointment as mentioned under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Secretarial Standards.

Particulars	Mr. R. Venkataraman
Age	59 years
Nationality	Indian
Date of first appointment on the Board	May 13, 2019
Qualifications	Master of Business Administration and Bachelor of Technology in Electronics and Electrical Communications
Brief resume including expertise in specific functional areas	Mr. R Venkataraman is the Managing Director, as well as, Co-Promoter of the Company. He holds Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Bangalore, and a Bachelor's degree in Electronics and Electrical Communications Engineering from IIT Kharagpur. He has contributed immensely to the establishment of various businesses and spearheading key initiatives of the IIFL Group over the past 26 years. He previously held senior managerial positions in ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with JP Morgan of US, and Barclays – BZW. He also worked with GE Capital Services India Limited in its private equity division. He has a varied experience of more than 33 years in the financial services sector.
Number of shares held in the Company as on March 31, 2026	1,11,84,432
Directorships held in other public companies (excluding foreign companies) as on March 31, 2026	• IIFL Finance Limited • IIFL Home Finance Limited • IIFL Samasta Finance Limited
Attendance in number of Board eligible during the financial year 2026	Five of Six
Memberships/Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee in public limited companies) as on March 31, 2026	• IIFL Finance Limited – Stakeholders' Relationship Committee (Member) • IIFL Home Finance Limited – Stakeholders' Relationship Committee (Member) • IIFL Samasta Finance Limited – Audit Committee (Member)
Relationships between Directors inter-se	None
Past Remuneration details (₹ in Mn) (FY 2026)	99.6
Stock Option (Exercised and allotted in no.)	Nil

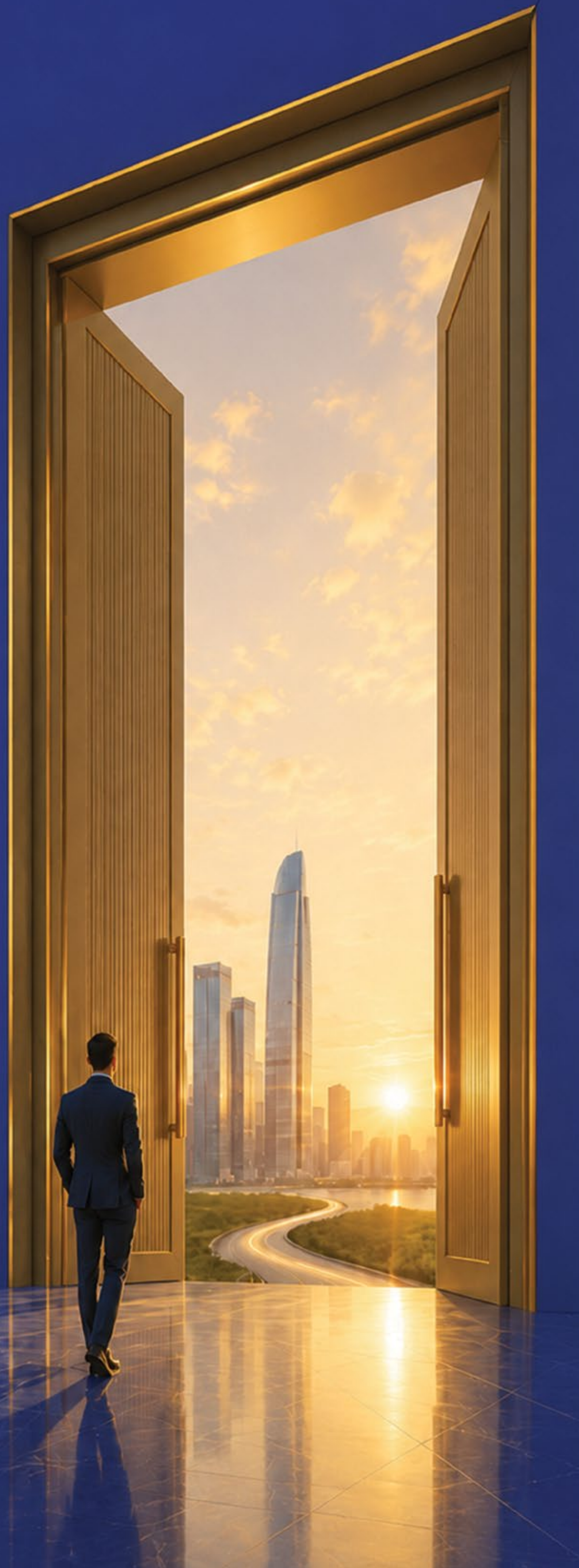
By Order of the Board of Directors
For IIFL Capital Services Limited

Meghal Shah
Company Secretary
ACS- 53569

Dated: July 23, 2026
Place: Mumbai

Regd. Office:
IIFL House, Sun Infotech Park,
Road No. 16V, Plot No. B-23, MIDC,
Thane Industrial Area, Wagle Estate, Thane - 400 604
Email - secretarial@iiflcapital.com

IIFL CAPITAL



ONE ECOSYSTEM. MANY POSSIBILITIES.

Integrated Annual Report

2025-26

Across the Pages

ONE ECOSYSTEM. MANY POSSIBILITIES.

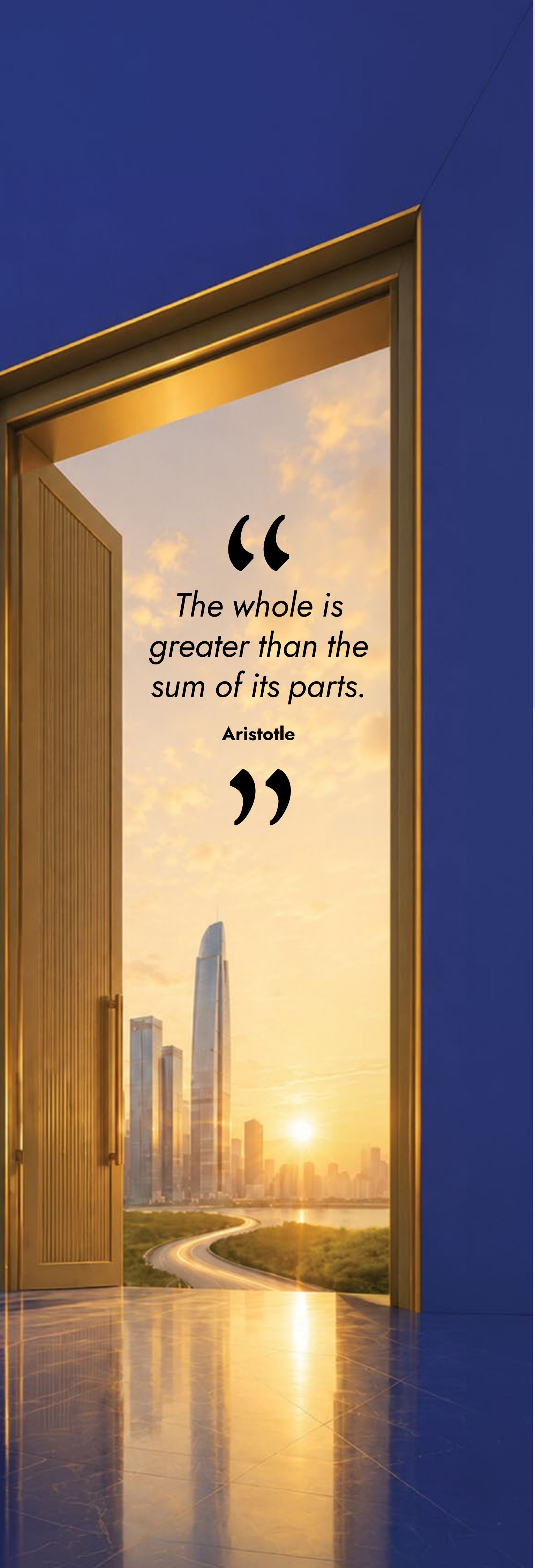
IIFL Capital is built on the simple understanding that as financial needs evolve, clients should find everything they need within one ecosystem.

This journey begins with the first investment, deepens through portfolio construction and access to capital markets, and ultimately extends to the structuring and transfer of inter-generational wealth. Each stage demands different capabilities, yet the experience of navigating them should feel coherent, connected and consistently advised.

The platform that makes this possible brings together integrated businesses: Retail Equities, Wealth Management and Distribution, Asset Management, Investment Banking, and Institutional Equities. These verticals share research capabilities, a unified origination platform and a common commitment to outcomes. Insights generated within one business improve the quality of decisions in another, client relationships, once established, deepen naturally across the full arc of financial life.

India's economic evolution reinforces the relevance of this model. Rising incomes and increasing financial sophistication are drawing more investors towards markets, and their expectations are shifting from product selection to outcome delivery. The scope of what clients require is expanding, and so is the opportunity for institutions equipped to serve it.

Within this ecosystem, possibility is not a promise made to clients at the point of entry. It is a capability that accompanies them at every stage, across every need, wherever their ambitions take them. The possibilities are, by design, many.



FY 2026 Performance

₹26,031 Mn
Total Revenue

₹5,636 Mn
Profit After Tax

₹30.7 Bn
Net Worth

4.4/5
Highest Rated Investment App

2,600+
Partners

3.2 Mn
Retail Customers

~100
Branches across India

Market Capitalisation (as of March 31, 2026)	₹76,037 Mn
CIN	L99999MH1996PLC132983
BSE Code	542773
NSE Symbol	IIFLCAPS
AGM Date	September 9, 2026
AGM Mode	Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')

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Disclaimer

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

About the Report

Reporting Approach

The Integrated Annual Report of IIFL Capital Services Limited ('IIFL Capital' or 'the Company') presents an overview of the Company's business model, strategy, governance framework, operational performance and long-term value creation approach for FY 2026. It aims to provide stakeholders with a balanced and integrated view of the Company's financial and non-financial performance across its businesses: Institutional Equities, Investment Banking, Retail Equities, Wealth Management and Financial Products Distribution, and of how these capabilities collectively contribute to sustainable value creation.

The Report reflects the interconnectedness between strategy, risk management, governance, capital allocation and stakeholder outcomes in an evolving operating environment. The narrative has been prepared with a focus on transparency, materiality, relevance and stakeholder inclusiveness. Certain forward-looking operational and strategic assessments included in this Report are based on management estimates, assumptions and expectations.

Reporting Frameworks and Standards

This Integrated Annual Report has been prepared in alignment with applicable statutory and regulatory requirements, including the Companies Act, 2013, Indian Accounting Standards (Ind AS), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Secretarial Standards.

The Report is guided by the principles of the Integrated Reporting (<IR>) Framework of the IFRS Foundation and seeks to present a holistic view of the Company's ability to create, preserve and sustain value over the short, medium and long term. Sustainability and responsible business disclosures are prepared in accordance with SEBI's Business Responsibility and Sustainability Reporting (BRSR) framework.

Reporting Period and Scope

This Report covers the operational and financial performance of IIFL Capital Services Limited for FY 2026, being the period from April 01, 2025 to March 31, 2026. Comparative information from previous years has been included, wherever relevant, to facilitate a meaningful assessment of performance trends and business progress.

Unless otherwise stated, the financial information presented in this Report is on a consolidated basis, while non-financial disclosures primarily relate to the Company's operations in India.

Value Creation, Stakeholder Engagement and Materiality

IIFL Capital's value creation framework is anchored in the effective utilisation and strengthening of six capitals: Financial, Intellectual, Social and Relationship, Physical, Human and Natural Capital. The Company leverages these capitals to deliver differentiated client solutions, deepen market presence and strengthen long-term business resilience.

Stakeholder engagement remains central to the Company's operating philosophy. During FY 2026, the Company engaged proactively with investors, customers, business partners, employees, rating agencies and lenders, regulators, through multiple formal and informal channels, including investor interactions, analyst calls, customer engagement platforms, conferences and forums, and industry associations, etc.

The material matters covered in this Report have been identified based on their strategic relevance to the Company's long-term growth, operational performance, stakeholder expectations and the evolving regulatory environment. Key focus areas include growth in wealth management and financial product distribution, technology investments, governance standards, market volatility, talent management, client acquisition, operational scalability and regulatory developments.

Board Oversight and Assurance

The Board of Directors actively oversees the Company's strategic direction, governance standards, risk management framework and disclosure practices. The Board, supported by its Committees and the senior management team, reviews key operational, financial, compliance and strategic matters on a periodic basis. The Board comprises an appropriate mix of executive and independent directors, with clearly defined oversight responsibilities, within a governance framework focused on accountability, transparency and responsible business conduct.

The financial statements included in this Report have been prepared in accordance with applicable accounting standards and audited by the statutory auditors. The Company has voluntarily obtained reasonable assurance on its Business Responsibility and Sustainability Report (BRSR) core parameter from an independent assurance provider, Kirtane & Pandit LLP, in accordance with applicable SEBI requirements. Other non-financial information and narrative disclosures have undergone internal review and validation to ensure consistency, accuracy and relevance.

Forward-Looking Statements

This Report contains certain statements relating to the Company's future business outlook, growth plans, strategic priorities, market opportunities and anticipated financial and operational performance. These forward-looking statements are based on management's current expectations, assumptions, estimates and projections regarding future events. Actual results may differ materially from those expressed or implied due to various factors, including changes in economic conditions, market dynamics, regulatory developments, geopolitical events, competitive intensity, technological changes and other risks and uncertainties beyond the Company's control. The Company undertakes no obligation to publicly revise or update any forward-looking statements to reflect subsequent events or circumstances, except as required under applicable laws and regulations.

IIFL CAPITAL

The Ecosystem behind the Possibilities

IIFL Capital Services Limited (hereinafter referred to as 'IIFL Capital', or 'the Company') is one of India's leading diversified financial services companies, operating an integrated capital markets ecosystem spanning Institutional Equities, Investment Banking, Wealth Management, Distribution and Retail Equities. Each capability strengthens the others, enabling the Company to serve institutional investors, corporates, and HNI and UHNI clients across India and global markets with many possibilities from a single relationship.

The distinctiveness of IIFL Capital lies in the manner in which it operates as one. The franchise originates opportunities that are channelled across the wider ecosystem; and retail equities relationships are progressively deepened into long-term wealth and advisory mandates. Each business strengthens the others, and every client relationship gains access to the full breadth of the Company's capabilities.

Consistent with this integrated approach, the Company is evolving from a distributor of third-party products into a manufacturer of proprietary investment strategies — a transition that deepens client relationships, enhances the durability of earnings and reinforces the value of the ecosystem as a whole.

Vision

To be amongst India's most respected financial services companies

Values

Fairness

Ensuring equal treatment and client-focused decision making

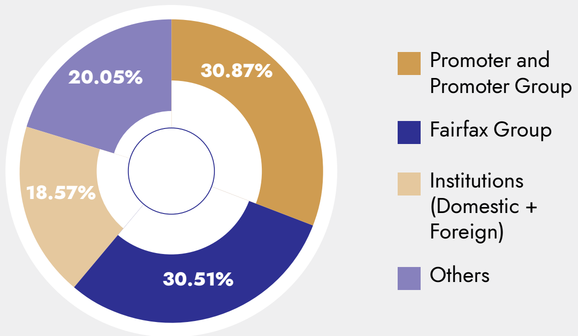
Integrity

Maintaining honesty and ethical behaviour in all actions

Transparency

Providing clear and open communication

Shareholding Pattern as on March 31, 2026



ISO Certifications

ISO 27001:2022
Information Security Management System

ISO 14001:2015
Environmental Management System

ISO 22301:2019
Business Continuity Management System

Credit Rating

The Company's credit rating was reaffirmed at CRISIL AA —/Stable for long-term loans and CRISIL A1+ for short-term borrowing.

ESG Rating

CRISIL rates us "Strong"

FY 2026 at a Glance

₹2,296 Bn
Assets Under Management and Custody

₹2,808 Bn
Average Daily Turnover in Full Year

₹18.08
Earnings per Share

₹14.5 Bn
Net Margin Trading Facility (MTF) Book

₹521 Bn
Distribution Assets Under Management

45
Investment Banking Transactions Completed

₹211.7 Bn
Mutual Fund Assets Under Management

Business Segments

Institutional Business

Institutional Broking and Research
Pg 24

Investment Banking
Pg 26

Non-Institutional Business

Retail Equities
Pg 29

Wealth Management and Financial Product Distribution
Pg 30

Asset Management
Pg 33

Positioned for the Next Phase

FAIRFAX INDIA | DEEPENING A LONG-STANDING PARTNERSHIP

₹2,000 Cr
Primary Capital Infusion

Strengthening the Balance Sheet to Support Growth

Minimum **51%**
Proposed Equity Stake upon Completion

Enhancing Institutional Credibility and Broadening Global Relationships

15+ years
Long-standing Partnership with Fairfax

Strengthening Governance, Oversight, Risk Management and Institutional Processes

Promoter Group
Fairfax India and its Affiliate to join the Existing Promoter Group

Board Representation
Right to Nominate Two Directors to the Board

IIFL CAPITAL

The IIFL Capital Edge

IIFL Capital's positioning is anchored in its ability to combine institutional-scale capabilities with a client-centric approach across all of its business segments. Its integrated platform, governance standards, technology-led execution and trusted market presence work together to deliver differentiated outcomes across client segments and to create long-term stakeholder value.

Large, Financially Strong Player

IIFL Capital operates a scaled and diversified platform supported by a strong balance sheet, expanding assets under management and a growing distribution franchise. This financial resilience funds continued investment in technology, talent, wealth management and institutional capabilities, and underpinned the healthy operating momentum the Company carried through FY 2026.

Key Highlights

₹30.7 Bn
Net Worth

₹2,296 Bn
Asset Under Management and Custody

₹521 Bn
Distribution AUM

₹2,808 Bn
Average Daily Turnover

₹14.5 Bn
Net MTF Book

Agile Technology Platform

Technology is central to IIFL Capital's operating model, enabling seamless client engagement, scalable distribution and efficient execution across businesses. During FY 2026, the Company continued to invest in digital infrastructure, trading platforms and technology-enabled advisory, alongside the build-out of new branches, strengthening both customer experience and long-term scalability.

Key Highlights

- Highest-rated investment app with a 4.4 user rating
- Strong digital trading and wealth management platform
- Technology-enabled client onboarding and engagement
- Continuous investments in branch and technology infrastructure
- Scalable platform supporting institutional and retail ecosystems

Wide Distribution Network

IIFL Capital has built a pan-India distribution ecosystem that supports client acquisition, wealth expansion and product penetration across geographies. Its network of partners and diversified client touchpoints provides significant reach, and the Company continues to evolve its retail equities franchise into a broader wealth management and financial planning platform by leveraging that scale alongside its technology capabilities.

Key Highlights

~100 Branches
Pan-India Presence

2,600+
Partners

Institutional Sales Presence across Mumbai, Singapore, London, and New York

Integrated Domestic and Global Client Coverage

Trusted Brand Equity

Over nearly three decades, IIFL Capital has built a recognised and trusted financial services brand backed by consistent execution and institutional credibility. Its evolution from a research-focused enterprise into a diversified platform reflects an ability to adapt to changing market dynamics while sustaining stakeholder confidence, and its long-standing presence continues to attract clients, talent and strategic opportunities.

Key Highlights

- Early mover in internet trading through indiainfoline.com
- Listed in 2019 as IIFL Securities Limited
- Rebranded as IIFL Capital in 2024
- Recognised among India's Most Trusted Brands
- Strong institutional and retail market recall

Market-Leading Research Capability

Research forms the foundation of IIFL Capital's institutional franchise. Its capabilities support informed decision-making and differentiated client engagement across business verticals.

Key Strengths

- Institutional equities and research platform established since 2007
- Strong analytical coverage across sectors and companies
- Research-driven institutional approach
- Long-standing market credibility in equity research

Strong Governance Framework

IIFL Capital operates with a governance-led culture focused on transparency, accountability and regulatory compliance. The framework is supported by an experienced leadership team, independent board oversight and structured risk management, which the Company continues to strengthen as it scales.

Key Highlights

- Independent Board oversight
- Strong compliance and risk management framework
- Transparent disclosures and investor communication
- Robust internal controls and audit processes

Power of Synergy

IIFL Capital's integrated ecosystem, spanning Institutional Equities, Investment Banking, Wealth Management and Financial Product Distribution, and Retail Equities is a core differentiator. The model deepens client relationships, enhances cross-selling and unlocks operating efficiencies, with the client-centric wealth strategy built directly on the Institutional Equities and Investment Banking platform.

Key Strengths

Research-led institutional engagement
Institutional Equities

Corporate relationships and transaction advisory
Investment Banking

Expanding client relationships through integrated advisory, product cross-selling and long-term engagement
Wealth Management and Financial Product Distribution

Technology-enabled customer scaling
Retail Equities

Building for India's Next Wealth Creation Cycle

You cannot predict. You can prepare.

Howard Marks

Rekha Warriar
Chairperson & Independent Director

Dear Shareholders,

It is my privilege to write to you at a moment when both your Company and the market it serves are entering a new phase. FY 2026 has been a year of progress for IIFL Capital, marked by disciplined execution and the steady advancement of our strategic priorities. Over the past two years, we have transformed from a transaction-led business into an integrated, client-centric wealth and capital markets platform. Today, that transformation is becoming visible in the quality of our earnings, with an increasing share contributed by stable, relationship-driven income.

More importantly, it reflects a deeper belief about where long-term value will be created. As clients' financial needs become more sophisticated and wealth journeys extend across generations, enduring value will belong to institutions that can bring together complementary capabilities within a single, connected platform. That belief is captured in the theme of this year's Annual Report, 'One Ecosystem. Many Possibilities.' It reflects our conviction that when diverse capabilities work together as one, they create broader opportunities for clients, stronger and more resilient relationships, and sustainable value for our shareholders.

An Economy Reorganising around Financial Assets

This progress is unfolding against one of the most significant structural shifts in India's recent economic history. The economy has roughly doubled over the past decade to approach US$ 4 Tn, but the more consequential change is in how Indian households now hold their savings. Demat accounts have expanded more than six-fold since 2019 to over 22.4 Cr; while monthly systematic investment flows have crossed ₹32,000 Cr in March 2026, reflecting the increasing financialisation of household savings. At the upper end of the market, India today has more than 300 family offices, compared with fewer than 50 six years ago, underscoring the rapid expansion of organised wealth. Industry estimates suggest that India's organised wealth pool could more than double over the next five years, while mutual fund assets are expected to compound at nearly 19% annually.

Numbers of this scale describe an opportunity, but they understate the deeper change beneath them. Indian investors are moving from products to outcomes, from individual transactions to portfolio thinking, and from self-directed participation towards advice anchored in genuine expertise. As products grow more complex - across alternatives, private markets, offshore and structured solutions, the value of an institution that can offer integrated advice and capital-markets access only rises. This reorientation of India's financial architecture is still in its early stages, and it will play out over decades rather than quarters.

One Ecosystem, Built with Purpose

The question this opportunity poses is not whether wealth creation in India will accelerate, but which institutions investors will trust to accompany them through the full arc of that journey: from discovery and advice, through execution and portfolio construction, to the long-term stewardship of capital.

Our answer has taken deliberate shape over several years, built on the Company's longstanding execution excellence in capital markets, institutional and retail equities, while steadily expanding into a broader, integrated financial services platform. Today, we have assembled four complementary capabilities - Institutional Equities, Investment Banking, Wealth Management, Financial Product Distribution and Retail Equities, designed so that strength in one reinforces the others.

Institutional Equities generates the research and market insight that informs decisions across the platform; Investment Banking opens access to capital formation and corporate opportunity; Wealth Management translates that institutional-grade intelligence into client portfolios; and our growing Asset Management capability broadens the sources of return available to those we serve. Through the year, the value of this design became increasingly visible in how we serve clients, as closer collaboration across these businesses deepened relationships and strengthened the franchise as a whole.

An integrated platform also changes the economics of the business. While distributing high-quality financial products remains an important part of our offering, we have steadily expanded our participation across the value chain by strengthening our investment management capabilities in portfolio management and alternative strategies. This broadens the solutions we can offer clients, deepens long-term relationships and increases the share of recurring revenue within the business. Together with our broader ecosystem, these capabilities position the Company for sustainable growth across market cycles.

The deepening commitment of Fairfax to IIFL Capital is, to my mind, more than a development in our shareholding. It is an endorsement of the direction we have charted - the move toward an integrated, capability-led model anchored in recurring revenue and enduring client relationships. An aligned, long-term shareholding of Fairfax's standing gives the Company stability and confidence as it enters its next phase of growth.

Growth Built on Trust

The opportunities before us are significant, and so is the responsibility that accompanies them. Managing client capital and holding shareholder confidence are obligations that demand consistency in governance, prudence in capital allocation and rigour in risk management. Your Company enters this next phase from a position of considerable strength — a robust balance sheet and a sound governance framework, built substantially through internal accruals that themselves reflect the earnings quality of the underlying franchise. As we evaluate further growth, that discipline will remain the governing principle.

The Road Ahead

India's capital markets are becoming broader, deeper and more central to the nation's development. As participation widens and expectations rise, the institutions that endure will be those that pair expertise with trust, and execution with long-term purpose. With an integrated platform, growing investment-management capabilities and the renewed confidence of a long-term partner, IIFL Capital is well prepared for what lies ahead.

On behalf of the Board, I extend my sincere appreciation to our clients, employees, shareholders and partners. Your confidence has allowed us to pursue this ambition with clarity and conviction, and we remain committed to earning it.

Warm regards,

Rekha Warriar
Chairperson & Independent Director

Sources: Moneycontrol | The Economic Times | Finnovate

Converting Opportunity into Outcomes

Execution is the ability to mesh strategy with reality.

Larry Bossidy

R. Venkataraman
Managing Director

Dear Shareholders,

FY 2026 tested the structural endurance of India's financial services industry. Geopolitical conflicts, including the tensions in West Asia and heightened uncertainty around global trade following the announcement of new US tariff measures, contributed to elevated market volatility and cautious investor sentiment. At home, a full year of revised retail derivatives regulation, combined with record foreign portfolio outflows and sharp swings in sentiment, compressed transaction volumes across the sector and drew a clear line between standalone, volume-dependent brokerages and integrated platforms.

For IIFL Capital, the very conditions that pressured isolated revenue lines validated the multi-engine model we have spent years building and turned a difficult market into a year of meaningful progress beneath a steady top line. That experience affirmed the conviction expressed in the theme of this year's report – One Ecosystem. Many Possibilities.

Our strategic long-term design is built on a straightforward premise: as India's capital markets mature, sophisticated investors move away from fragmented providers. They require an ecosystem that seamlessly links corporate access, primary market syndication, distribution, and proprietary asset manufacturing. By consolidating these capabilities within IIFL Capital Services, we have insulated our earnings from the standard friction of market cycles. This structural resilience is the foundation on which the many possibilities of our ecosystem rest.

A Resilient Financial Performance

The Company generated operating revenue of ₹24,200 Mn, broadly stable year on year, with the composition of that revenue telling the more important story. Retail Equities, which includes interest income revenue was ₹11,212 Mn, absorbing the full-year impact of the revised derivatives framework. Against this, our institutional and financial product distribution and wealth management businesses grew: Institutional Equities and Investment Banking revenue rose 11% to ₹7,119 Mn, and Financial Product Distribution income rose 12% to ₹5,716 Mn. Profit before tax was ₹7,563 Mn and profit after tax ₹5,636 Mn, with profitability reflecting the cyclical pressure on trading income even as our relationship-led streams expanded.

Our capital position strengthened further. Net worth rose to ₹30.7 Bn and has more than tripled over the past five years, from roughly ₹1,000 Cr to over ₹3,000 Cr, almost entirely through internal accruals rather than external capital. This is the clearest

"Fairfax India's proposed investment of ₹2,000 Cr reflects its continued confidence in IIFL Capital and provides a strong foundation for our next phase of growth. The enhanced partnership will strengthen our balance sheet, deepen our institutional and global relationships, and support the continued expansion of our wealth, asset management, capital markets and related financial services businesses."

evidence of both the earnings quality of the franchise and the discipline with which we deploy capital.

Institutional Equities and Investment Banking: Anchoring the Franchise

Our institutional businesses remain the foundation of the platform and a source of insight for everything else we do. In Investment Banking, the Company was ranked India's number one franchise for mainboard IPOs in FY 2026, with a 25.9% market share - one in every four mainboard listings, and completed 45 transactions across capital markets and advisory. Institutional Equities served around 1,100 domestic and global clients, supported by research coverage of more than 318 stocks representing close to 72% of India's market capitalisation. Together, these businesses have compounded revenue at 22% over four years, anchoring the corporate and institutional relationships from which much of the platform's wider opportunity flows.

Wealth Management: Scaling Recurring Revenue

The migration of Indian household savings into financial assets continues to widen the opportunity in organised wealth management, and our distribution business grew strongly into it. Distribution assets expanded 66% to ₹521 Bn, compounding at 32% over four years, with mutual fund assets reaching ₹211.7 Bn. Importantly, recurring (ARR-led) assets now account for 61% of the distribution book, improving the quality and predictability of this income.

Building an In-House Investment Engine

The most significant strategic step of the year was the scaling of our own investment-manufacturing capability. Combined assets under management across our Portfolio Management Service and Alternative Investment Fund platforms reached ₹38 Bn, spanning discretionary and non-discretionary PMS strategies and a growing suite of alternatives, including our Late-Stage Private Equity, Fintech and Absolute Return funds, and the Capital Credit Opportunities Fund.

By pairing distribution reach with proprietary manufacturing, we are building a more predictable, higher-margin and compounding fee profile. Importantly, our commitment to an open architecture model remains unchanged. Our proprietary capabilities expand the range of solutions available to clients, while investment recommendations will continue to be driven by client objectives and the most appropriate opportunities across both in-house and third-party offerings.

Capital Strength and Disciplined Deployment

Sustainable growth in our industry rests on the strength of the balance sheet, and ours provide ample room to invest. Much of our capital is deployed efficiently into client financing and exchange margins – our Margin Trading Facility book grew 55% to ₹14.5 Bn.

We retain the headroom to grow in the coming years without recourse to fresh capital. This allows us to keep investing through the cycle in technology, distribution and talent, rather than retrenching when conditions tighten.

Responsible Growth: Our ESG Commitment

How we grow matters as much as how fast. Our approach to environmental, social and governance responsibility is structured and externally benchmarked, reflected in a 'Strong' ESG rating from CRISIL and a public ESG profile aligned with the international frameworks.

On the environment front, our operations are certified to ISO 14001:2015, our corporate and registered office runs on procured green energy with solar generation at one location, and two offices are LEED-certified. Rainwater harvesting, certified e-waste disposal and near-fully-digital account opening further reduce our footprint.

On the social dimension, the Company is certified as a 'Great Place to Work', has improved gender diversity to approximately 25%, and delivered over 20,862 hours of training during the year, alongside employee well-being programmes spanning preventive health, mental wellness and fitness. Through the IIFL Foundation, our community work reached marginalised groups, who make up an average of 80% of beneficiaries, through initiatives including support for medical and higher education infrastructure, large-scale afforestation of nearly 13,000 saplings, and improving school access for girl students.

On governance, the Board comprises more than 50% Independent Directors, with the roles of Chairperson and Managing Director clearly separated and the Chairperson an Independent Woman Director. We recorded zero cybersecurity incidents in the year, voluntarily adopted NSE Prime and IiAS governance parameters, to the extent feasible, and maintain a comprehensive framework covering business ethics, insider-trading prevention, enterprise risk and cyber resilience.

The Next Phase of Growth

Our path for the year ahead is clear. We will expand our advisory footprint to capture a larger share of the affluent and HNI market, launch focused strategies within our PMS and AIF platforms, and deepen the cross-utilisation of mandates between Investment Banking, Institutional Equities and Wealth Management. The platform today has greater structural balance and operational capability than at any point in its history. The deepening commitment of Fairfax reflects confidence in this direction and provides a strong long-term partnership as we continue to scale our integrated financial services platform.

On behalf of the management team, I thank our clients, employees, partners and shareholders for their continued trust. We remain focused on building a stronger franchise, creating enduring value and positioning IIFL Capital for the next phase of growth.

Warm regards,

R. Venkataraman
Managing Director

IIFL CAPITAL

The Power of an Integrated Platform

STRATEGIC INPUTS...		...WITH OUR FOUNDATIONAL ENABLERS
Financial Capital	• **₹30,711 Mn** Net worth • **₹18,209 Mn** Outstanding Debt	• Robust technology platform and open architecture model • Extensive portfolio of offerings (own + third party)
Physical Capital	• **2,600+** partners and ~**100** branches across India • Global institutional presence across Mumbai, Singapore, London and New York • Growing Wealth Relationship Manager and advisory network	• Extensive distribution network • Scale-driven servicing infrastructure
Intellectual Capital	• **48** Research Analysts • Deep sectoral expertise and thematic coverage • Integrated market intelligence ecosystem • **100+** Institutional Equities team • **₹136.14** Mn investment in technology infrastructure	• Deep research capabilities • Proprietary technological innovation
Human Capital	• **1,546** Employees • **20,862** Training Hours • **38 years** Average age of employees • **25%** Female employees • **₹41.94 Lakhs** Invested in employee training and development	• Performance-driven organisational culture • Continuous talent development
Social and Relationship Capital	• **₹9.84 Cr** CSR Spend • **400+** Relationship Managers • **2,600+** Partners • Long-term partnerships across institutions • Personalised support to affluent and HNI, UHNI clients	• Customer-centricity and intense focus on wealth creation • Structured community development programmes
Natural Capital	• Green energy procurement and solar adoption • Rainwater harvesting infrastructure • LEED-certified offices • Certified e-waste management practices	• Sustainable resource stewardship • Compliance and risk management

...COMPOUNDED BY THE POWER OF SYNERGY

...STRATEGIC OBJECTIVES

- Focus on experience and ecosystems
- Further scale market-leading Institutional Broking practice
- Continue to expand investment banking franchise
- Platforms and systems
- Strong research base
- Rich engagement and analytics
- Attract and retain the best talent
- Grow responsibly

...WITH A STRONG FOCUS ON

- Addressing Material Topics
- Governance and Risk Management

...AND CREATE VALUE FOR ALL OUR STAKEHOLDERS.

- Total Revenue: ₹**26,031 Mn**
- Profit After Tax (PAT) (TCI): ₹**5,620 Mn**
- Total Assets: ₹**95,580 Mn**
- Earnings Per Share (EPS): ₹**18.08**
- Return on Equity (ROE): **20%**
- Per Share Dividend Payout: ₹**3**

- Customers Served: **3.2 Mn**
- ₹**2,296 Bn** Assets Under Management and Custody
- ₹**521 Bn** Distribution AUM

- Research Coverage: **318+** stocks covered, accounting for over **72%** of India's market capitalisation
- Trading Systems: Completely new and modern web-trading platform
- Product Enhancements: Revamped mutual fund platform and one-click import of held-away assets along with portfolio analytics
- Digital Footprint: **10 Mn+** downloads with a **4.4** App Rating

- Workforce Recognition: Certified as a **Great Place to Work**
- Talent Development: **100%** participation in structured training

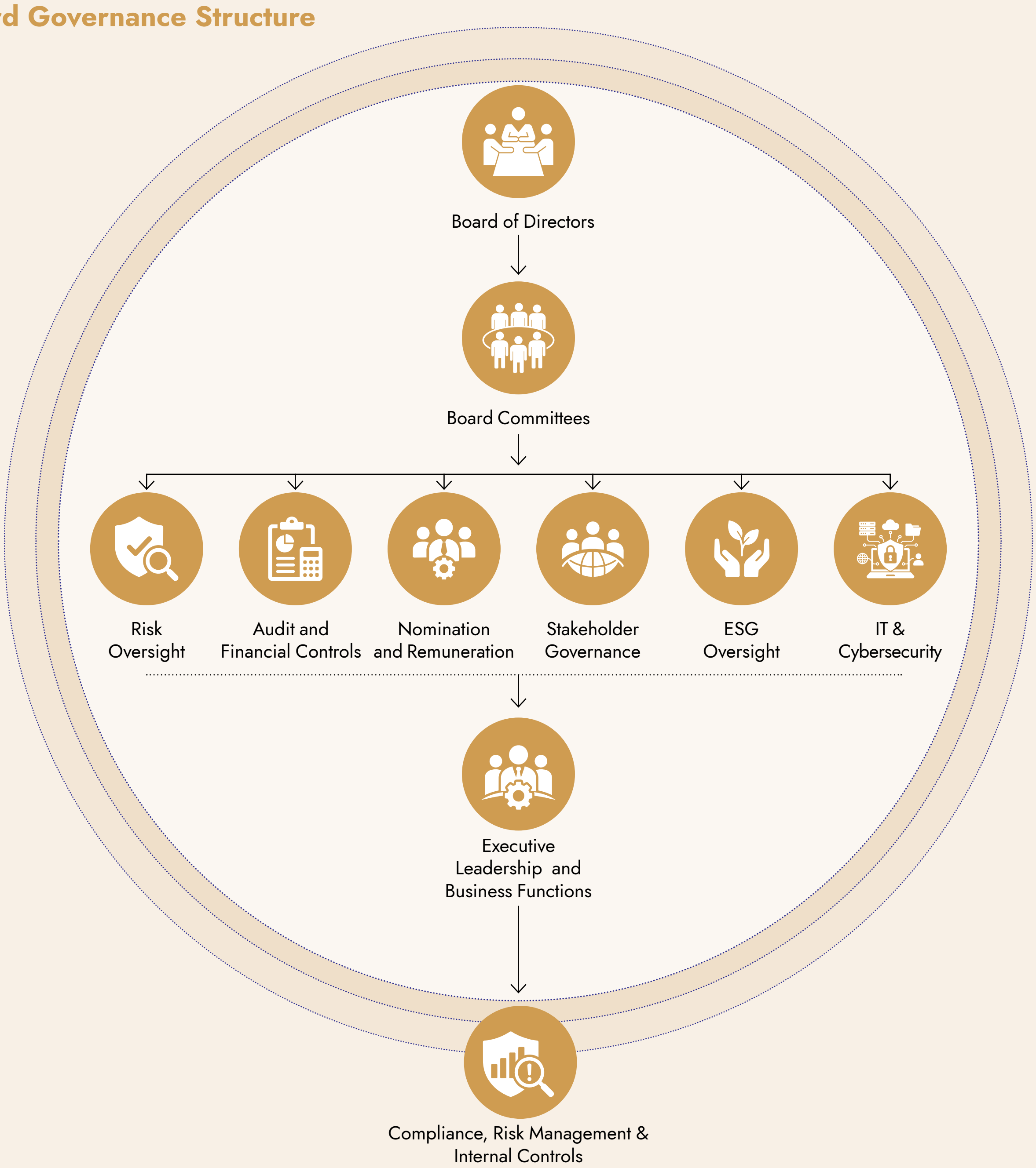
- **80%** average beneficiaries from marginalised & disadvantaged groups
- ₹**1.97 Cr** CSR spend in Aspirational Districts
- **22,000+** beneficiaries reached through healthcare and sanitation interventions
- **16,000+** students and youth benefited through education and skill development programmes
- Customers Served: **3.2 Mn**

- **2,380.18 GJ** renewable energy consumption
- Installed **solar panels** at one of the offices
- **4.38 Lakhs** litres water conserved through rainwater harvesting
- LEED certified building/office - One office each in Mumbai and Gurugram
- **0.53 Metric Tons** e-waste handled

Governance Rooted in Integrity

The Company regards corporate governance as a strategic imperative: the foundation for earning stakeholder trust, protecting shareholder interests and securing long-term sustainability and resilience. Its voluntary adoption of enhanced governance standards reflects a forward-looking approach to an increasingly complex business environment.

Board Governance Structure



Good governance, to us, is the architecture that holds an ecosystem together. This year, the Company deepened that architecture – voluntarily obtaining reasonable assurance on its BRSR Core disclosures, sustaining its 'Strong' ESG rating from CRISIL and voluntarily adopting enhanced governance standards. Each of these goes beyond what regulation requires. When governance is embedded in how every business operates, responsible growth follows as a natural outcome.

Meghal Shah,
Company Secretary and Head - ESG

IIFL Capital's Governance Framework

Board Composition and Independence

The Company's governance framework is anchored in the effective leadership and oversight of its Board of Directors, over 50% of whom are Independent Directors. The Board brings together a diverse mix of skills and experience across finance, accounting, governance, risk management and technology, enabling informed, balanced and strategic decision-making. The roles of Chairperson and Managing Director are separated to ensure an appropriate balance of power and strengthen the Board's independence, and the Chairperson is an Independent Woman Director, reflecting IIFL Capital's commitment to gender diversity and inclusive leadership.

Board Committees

The Board has constituted specialised Committees with well-defined mandates to address areas requiring focused, technical deliberation. The Audit Committee and the Nomination and Remuneration Committee are composed entirely of Independent Directors; across all Committees, Independent Directors constitute more than 60% of the membership and chair most of them, ensuring objective guidance. The core management team implements the decisions of the Board and its Committees across business functions, ensuring alignment with the Company's strategic direction and governance standards.

Grievance Redressal

The Company has established a Grievance Redressal Policy and mechanism that enables all stakeholders to raise concerns and ensures their timely and effective resolution.

Board Development

At IIFL Capital, governance is a strategic imperative, and the Company invests in ongoing knowledge enhancement at the Board level through regular updates and development initiatives, enabling Directors to stay current with regulatory changes, industry trends and emerging risks.

During the year, a Board training programme was conducted in collaboration with Institutional Investor Advisory Services India Limited (IiAS). Key discussions included:

- Enhancing strategic Board engagement with KMPs
- Board oversight under the Digital Personal Data Protection Act, 2023
- AI governance and accountability in financial services
- Evolving legal and regulatory risk of independent directors

In an environment of increasing regulatory scrutiny and technological disruption, proactive governance is essential. Such initiatives reflect the Company's continued commitment to strengthening Board processes, enhancing oversight frameworks and fostering a culture of responsible, future-ready governance.

Transparency and Disclosure

Transparent communication enables stakeholders to make informed decisions and ensures management accountability. IIFL Capital is committed to accurate, timely and fair disclosure, and has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to uphold this commitment and foster stakeholder trust.

Board Committees

To address areas requiring focused, technical deliberation, the Board has constituted specialised committees with well-defined mandates.

Audit Committee

Financial Reporting Oversight, Internal Controls, Audit Governance and Compliance Review

Stakeholders' Relationship Committee

Investor Grievance Redressal and Stakeholder Engagement Oversight

Nomination and Remuneration Committee

Board Composition, Leadership Evaluation and Compensation Governance

CSR Committee

Corporate Social Responsibility Strategy and Implementation Oversight

Risk Management Committee

Enterprise Risk Oversight, Monitoring and Governance Controls

Information Technology Committee

IT Strategy, Major Technology Initiatives, Monitor Cybersecurity, Information Security Risks

Corporate Governance Policies

The Company's governance ecosystem is supported through a comprehensive policy framework that collectively reinforces transparency, accountability and responsible business conduct across the organisation.

Key Policies

- Code of Conduct
- Prevention of Insider Trading
- Enterprise Risk Management
- Anti-bribery and Anti-corruption
- Anti-Money Laundering
- Related Party Transaction
- Whistle-Blower
- Conflict of Interest

↗ Read all policies here https://www.iiflcapital.com/investor-relations/corporate-governance

Governance Dashboard

Board Constitution

6 Total Board Members

4 Independent Directors

Executive Directors

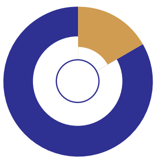
1 Managing Director

1 Whole-Time Director

Board Diversity

16.67% Female

83.33% Male



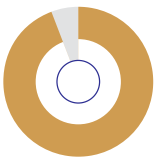
Board Age Range

<50 years of age	1
50 to 60 years of age	4
>60 years of age	1

Meetings and Attendance

6 Total Board Meetings held during the year

94.44% Attendance in Board Meetings



Zero Cybersecurity Incidents

A Board Shaping Long-term Value

IIFL Capital's Board brings together diverse experience across regulation, finance, entrepreneurship and governance, providing disciplined oversight of strategy, risk and capital allocation to support sustainable value creation.

Board of Directors

Rekha Warriar
Chairperson and Independent Director

Ms. Rekha Warriar is a Chairperson and a Non-Executive Independent Director on the Board of the Company. She holds a Master's degree in Applied Mathematics (University of Bombay) and in Economics and Public Policy (Princeton University, NJ). She has over 31 years of experience working with the Reserve Bank of India (RBI) in various departments like Foreign Exchange, Financial Stability, Internal Debt Management, Rural Development, etc. She has also served as a faculty member in RBI's training colleges and as an Associate Professor at the National Institute of Banking Management, Pune. She retired as a Regional Director (West Bengal and Sikkim), RBI, in July 2017. She has been on our Board since 2019.

R. Venkataraman
Managing Director

Mr. R. Venkataraman is the Managing Director, as well as Co-Promoter of the Company. He holds a Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Bangalore, and a Bachelor's degree in Electronics and Electrical Communications Engineering from the Indian Institute of Technology (IIT), Kharagpur. He has contributed immensely to the establishment of various businesses and spearheading key initiatives of the IIFL Group over the past 27 years. He previously held senior managerial positions in ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with JP Morgan of US, and Barclays - BZW. He also worked with GE Capital Services India Limited in its private equity division. He has a varied experience of more than 34 years in the financial services sector.

Narendra Jain
Whole-Time Director

Mr. Narendra Jain is the Chief Operating Officer and Whole-Time Director on the Board of the Company. He is a rank holder Chartered Accountant and holds a Bachelor's degree in Commerce from the University of Mumbai. He has over 31 years of experience in the financial services industry, specifically in areas such as operations, risk management, compliance, process automation and project management. In the past, he was associated with ICICI Brokerage Service Limited, where he worked in areas like operations, risk, compliance and design and development of systems and processes. He was also associated with Hindustan Petroleum Corporation Limited, where he handled indirect taxation and marketing analytics.

V. Krishnan
Independent Director

Mr. V. Krishnan is a Non-Executive Independent Director on the Board of the Company and is a seasoned financial services professional with a diverse experience of 37 years in operations, technology, operational risk, information security, compliance, and internal control. He has worked in multiple areas of financial services like Custodial Services, Asset Management Companies, IT Services, Exchange and International Banks, holding senior positions in various international and domestic organisations like Barclays, Deutsche Bank, JP Morgan, L&T, MCX, SHCIL etc. His diverse experience is backed by professional qualifications in Accounting, Law, Information Security, Internal Audit, Fraud, Anti Money Laundering, and Operations Resilience amongst others. Mr. Krishnan leads Kris Konsulting, a unique boutique advisory, assurance and training firm, that focuses primarily on Governance, Risk & Compliance, Process Re-engineering and Internal Audit.

Anand Bathiya
Independent Director

Mr. Anand Bathiya is a Non-Executive Independent Director on the Board of the Company and a Chartered Accountant by profession. Holding Bachelors in Law and in Commerce, he is a qualified Registered Valuer along with holding diplomas in Securities Law and Information Systems. With two decades of experience in domains of business consulting, finance, growth, governance, transactions and tax, he has enabled multiple businesses build efficiencies and remain competitive. Mr. Bathiya is regularly engaged in advising businesses in negotiating, structuring, performing due diligence and executing domestic and international Mergers & Acquisitions (M&A), having advised more than 300 M&A transactions. He advises businesses in capital market initiatives like IPOs, QIPs, rights issues, open offers, international listings, etc. along with advising private equity funds, venture capital funds, family offices in formation, fund documentation, diligence and investment transaction execution. Currently, he is a Partner with Bathiya Advisors LLP, having in the past worked with world leading professional services firms. He had been appointed as President of Bombay Chartered Accountants' Society for year 2024-25.

Shamik Das Sharma
Independent Director

Mr. Shamik Das Sharma is a Non-Executive Independent Director on the Board of the Company. He has done a Masters in Science (M.S.) with a specialisation in Computer Science from the University of Maryland, College Park, USA, and a B. Tech in Computer Science and Engineering from Indian Institute of Technology (IIT), Kharagpur. He has an experience of more than 25 years as a Computer Scientist and more than 15 years of experience as Vice President and CXO roles at various private companies. He is one of India's leading Product and Technology experts. He has over two decades of experience crafting technical products, taking them to market, building strong teams, and instituting a tech-oriented culture in organisations. As a founder, senior executive and investor, he has worked with small and large companies across diverse domains in the Bay Area and Bangalore. He is currently the Senior Vice-President of Atlassian and previously held roles as General Manager at Curefit, and CTO/CPO at Myntra.

IIFL CAPITAL

Translating Strategy into Performance

IIFL Capital's leadership team brings together expertise across capital markets, investment banking, institutional equities and wealth management, enabling the Company to harness the strength of one platform while expanding opportunities for clients, investors and stakeholders.

Leadership Perspectives

Narendra Jain
Whole-Time Director

"

Our focus on digital innovation, process optimisation, and robust risk controls enabled scalable and efficient operations during the year. We digitised the wealth customer onboarding journey and fully automated third-party distribution product operations. Investments in technology platforms ensured stable service delivery for customers and internal stakeholders, while AI-based solutions improved real-time query resolution, efficiency, and scalability. All processes remain aligned with our Enterprise Risk Management framework and compliance standards. We will continue to enhance automation to deliver best-in-class services to our customers.

H. Nemkumar
Chief Growth Officer

"

Following a year of consolidation, we remain focused on building the next phase of growth. We continue to strengthen our talent pool, deepen our technology capabilities and broaden our product ecosystem to enhance client engagement and operating efficiency. Our expanding presence across investment banking, institutional equities, wealth management and financial products distribution positions us well to capture emerging opportunities while creating a more diversified and resilient revenue base.

Vasudev Jagannath
Head - Institutional Equities

"

All global narratives (anti-AI, Hormuz, etc) that could go wrong for India came together this year. Even as FPI holdings in India have hit a record low, there has been an underlying transformation in their holdings. Services businesses are getting sold down and manufacturing/infrastructure focused companies are being bought. While the year has ended on a very sombre note, I think India is managing the current crisis very well and will come out stronger. FY 2027 is poised to be a big year for the Indian markets, as portfolio refresh continues to gain momentum.

Nipun Goel
Head - Investment Banking

"

In FY 2026, IIFL remained the investment banker of choice, successfully completing approximately 45 transactions, including 31 IPOs, 2 QIPs, one rights issue and several private placements. The Company ranked #1 in the FY 2026 IPO league tables by the number of mainboard IPOs completed.

While maintaining its leadership in Equity Capital Markets (ECM), IIFL expanded its capabilities through advisory and allied services. Strong client relationships, execution excellence and a diversified product offering continued to drive growth across market cycles.

With a strong transaction pipeline and opportunities across capital markets and advisory mandates, the Company remains well positioned to capitalise on future growth and is confident about the business outlook for the year ahead.

Raghav Gupta
Joint Chief Executive Officers - Private Wealth

"At IIFL Capital, our purpose is to help clients achieve their financial aspirations. As a trusted partner, we combine strategic insight, market expertise, rigorous research, and innovation to deliver meaningful outcomes. In a dynamic financial landscape, we remain agile and client-focused, tailoring solutions to evolving needs and ambitions. Our clients' trust drives us to continuously raise standards, and their success remains at the heart of every decision we make.

Prakash Bulusu
Joint Chief Executive Officers - Private Wealth

"Our integrated platform brings together broking, wealth management and distribution, asset management, investment banking, institutional equities, and family office and succession planning under one roof. The strength of this model lies in the way these businesses complement one another, combining research, market intelligence and deep client understanding to deliver holistic, outcome-oriented solutions.

Amit Srivastava
Head of Investments and Senior Managing Partner - Wealth

"At IIFL Capital, we believe sustainable wealth creation is driven by discipline, patience, and a long-term perspective. Our client-centric investment philosophy is anchored in diversification, research-led decision-making, quality-first investing, transparency, cost efficiency, and strong risk management. Through a disciplined, research-backed approach and bespoke solutions, we help clients preserve, grow, and transfer wealth across generations while creating long-term sustainable value.

Chintan Modi
Head - Growth & Business Partners

"Despite a period of heightened market volatility, our diversified business model enabled us to deliver resilient performance during FY 2026. Growth in Assets Under Management, balanced contributions across business segments, and a continued focus on quality client acquisition have strengthened our foundation for sustainable long-term growth.

IIFL CAPITAL

An Integrated Capital Markets Platform

IIFL Capital operates across the full spectrum of capital markets services, combining research depth, execution capability, and distribution reach to serve various needs of different segment of clients from affluent to institutional investors. The platform is structured to generate compounding value through cross-sell, shared intelligence, and integrated client relationships across four distinct but mutually reinforcing businesses.

Four Businesses. One Integrated Platform.

Retail Equities

The Company operates a high-touch, research-led retail equities franchise focused on Affluent, HNI, and UHNI clients, serving as the primary engagement layer for long-term wealth solutions. The platform integrates cash and derivatives execution with research insights, investment ideas, and market intelligence. Supported by digital platforms that enable speed, control, and reporting, the relationship-led model drives cross-sell opportunities across wealth solutions, including asset allocation, Portfolio Management Services, Alternative Investment Funds, fixed income, structured solutions, and alternates.

Wealth Management and Financial Product Distribution

Wealth Management and Financial Product Distribution is a core growth franchise and an emerging wealth manager with an open-architecture distribution platform that drives sticky AUM, higher share of wallet, and recurring fee income. The platform offers curated open-architecture solutions across mutual funds, fixed income, PMS, AIFs and alternatives, aligned to client objectives and risk profiles. Research-backed advisory is delivered through a relationship manager and investment specialist model, supported by a closed-loop cross-sell approach that converts active trading relationships into long-term wealth mandates and deepens engagement through lending, structured solutions, and family-office style offerings.

Investment Banking

Investment Banking has demonstrated strong leadership, executed the highest number of mainboard IPOs and secured the #1 position in the FY 2026 IPO league tables. The business has sustained robust momentum, with each of the past three consecutive years delivering record-breaking investment banking performance. It has also successfully diversified beyond ECM by executing multiple debt and advisory/private placement transactions, strengthening the overall franchise. The platform continues to collaborate closely with the wealth franchise to drive cross-selling and origination, while leveraging the equities platform for follow-on business and block transactions.

Institutional Equities

Institutional Equities is a research and execution platform for institutional investors, strengthening the IIFL Capital Group's market intelligence and supporting differentiated ideas for HNI/UHNI clients. The business serves approximately 1,100 domestic and global institutional clients and offers execution capabilities across Direct Market Access (DMA), algo, high-touch, and block trading. It maintains a strong derivatives and structured trading franchise through its F&O desk and a differentiated alternatives desk that provides ideas across special situations, index inclusions and exclusions, rebalancing, and momentum themes. The equity research platform covers over 318 stocks, representing approximately 72% of market capitalisation. The franchise also drives global investor engagement through conferences in the UK, Hong Kong, Singapore, and the US, as well as targeted roadshows.

The Power of Synergy

IIFL CAPITAL

Institutional Business

Overview

IIFL Capital's Institutional Equities and Investment Banking franchise operates as an integrated platform combining research depth, execution capability, and capital markets advisory to serve domestic and global institutional investors, corporates, promoters, private equity funds, sovereign wealth funds, pension funds, insurance companies, and mutual funds. During FY 2026, the franchise strengthened its leadership position across institutional equities and investment banking, securing the #1 position in India's IPO league tables while deepening investor engagement through conferences, roadshows, and differentiated research.

The segment comprises two businesses

A Institutional Broking and Research

B Investment Banking

₹**7,119** Mn Revenue

27% of Total Revenue

Institutional Equities and Investment Banking Revenue (₹ Mn)

Revenue	(₹ Mn)
FY 2026	7,119
FY 2025	6,395
FY 2024	6,394
FY 2023	3,171
FY 2022	3,248

CAGR from FY 2022 to FY 2026 is 22%

A Institutional Broking and Research

Overview

The Institutional Equities franchise is a research-led, execution-driven platform serving approximately 1,100 domestic and global institutional clients across Mumbai, Singapore, London, and New York. The platform combines deep sector expertise, extensive research coverage, and robust execution capabilities across cash, derivatives, block trades, and structured transactions.

Key Highlights FY 2026

~1,100
Empanelled Institutional Clients

128
Experienced Team across Sales, Research and Trading

318+
Stocks under Coverage

20+
Sectors Covered

~72%
Market Cap Coverage

Capabilities

Research-led Engagement

Bottom-up research across 318+ stocks spanning 20+ sectors, representing approximately 72% of India's market capitalisation, powered by 48 analysts and differentiated alternative idea generation.

Execution and Liquidity

DMA, algo, high-touch, and block trading capabilities, supported by a strong F&O desk and structured trading franchise covering special situations, index rebalancing, and momentum strategies.

Institutional Distribution

Global sales presence across Mumbai, Singapore, London, and New York, serving sovereign wealth funds, pension funds, mutual funds, insurance companies, hedge funds, and AIFs.

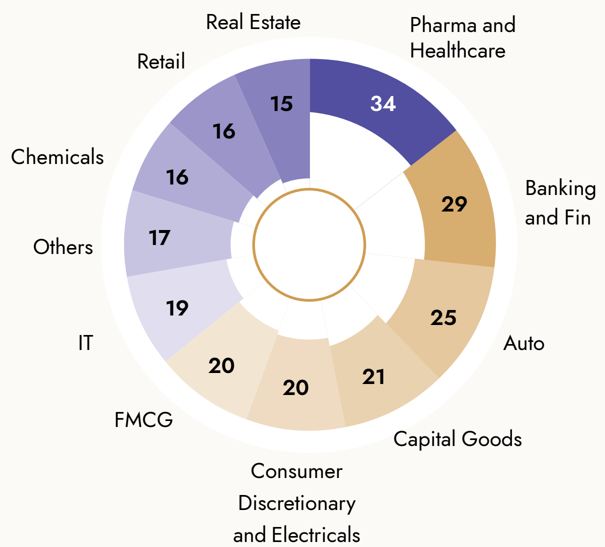
Trading and Market Intelligence

The Company drives idea-led engagement through special situations, index rebalancing and momentum strategies, supported by strong derivatives and F&O desk capabilities.

Key Progress in FY 2026

- Expanded research coverage across key sectors and emerging investment themes
- Strengthened global investor engagement through conferences in the UK, Singapore, Hong Kong, and US
- Enhanced DMA, algorithmic, high-touch, and block trading capabilities
- Deepened synergies across Investment Banking and Wealth Management

Sector-wise Break-up of Stocks under Coverage (Top Stocks)



Key Highlights

- Successfully hosted the 17th Enterprising India Investor Conference in Mumbai from 24-26 February 2026, bringing together 135 corporates and 900+ investors
- Organised the international Invest India Conference in London on 24-25 June 2025, with participation from 21 companies and 100+ clients
- Conducted the 2025 Caravan Series in Vadodara and organised nine corporate plant visits, enabling investors to gain first-hand insights into business operations

Market Cap Break-up of Stocks Under Coverage

Market Cap Bracket	IIFL Research Universe
Above US$ 10 Bn	79
Between US$ 5 Bn and US$ 10 Bn	54
Between US$ 3 Bn and US$ 5 Bn	26
Between US$ 1 Bn and US$ 3 Bn	86
Between US$ 500 Mn and US$ 1 Bn	39
Below US$ 500 Mn	34
Total	**318**

B Investment Banking

Overview

IIFL Capital's Investment Banking franchise maintained strong execution momentum during FY 2026, closing 45 transactions across capital markets and advisory mandates. The franchise secured the #1 position in India's IPO league tables, executing 1 in every 4 mainboard IPOs during the year. The business has diversified beyond ECM into debt advisory, private placements, and strategic transactions, building a more resilient and scalable franchise.

Overall Ranking

#1 in India
IPO League Table Ranking

1 in every 4 IPOs
Managed by IIFL Capital
IPO Market Presence

25.9%
Market Share
(Mainboard IPOs)

31 IPOs
IPOs Executed in FY 2026

45
Total Transactions Closed

Investor Awareness and Education

The Company facilitates interactions between institutional investors and the management teams of listed companies through conferences, roadshows and knowledge-sharing forums. These engagements support informed investment decisions, provide insights into sector and company developments, and strengthen connections between issuers and the investment community.

Key Progress in FY 2026

- Closed 45 transactions across Equity Capital Markets (ECMs), debt advisory, private placements, and strategic advisory, diversifying the franchise beyond traditional ECM
- Deepened issuer relationships across new-age businesses, financial services, manufacturing, and consumer sectors
- Maintained strong engagement with domestic and international institutional investors through conferences, roadshows, and corporate access platforms
- Maintained a strong deal pipeline, with execution expected over the medium term, subject to market conditions
- Ranked #1 in India's mainboard IPO League tables with 25.9% market share, executing 1 in every 4 mainboard IPOs during the year

Select Transactions in FY 2026

Issue Size | **Issue Opening Date**

Issue Size	Company	Type	Issue Opening Date
₹2,800.00 Cr	Aegis Vopak Terminals Ltd.	IPO	26-05-2025
₹3,500.00 Cr	Schloss Bangalore Ltd.	IPO	26-05-2025
₹1,387.34 Cr	Oswal Pumps Ltd.	IPO	13-06-2025
₹12,500.00 Cr	HDB Financial Services Ltd.	IPO	25-06-2025
₹1,300.00 Cr	Aditya Infotech Ltd.	IPO	29-07-2025
₹1,540.65 Cr	Bluestone Jewellery & Lifestyle Ltd.	IPO	11-08-2025
₹15,511.87 Cr	Tata Capital Ltd.	IPO	06-10-2025
₹1,377.50 Cr	Rubicon Research Ltd.	IPO	09-10-2025
₹2,900.00 Cr	Emmvee Photovoltaic Power Ltd.	IPO	11-11-2025
₹895.00 Cr	Sudeep Pharma Ltd.	IPO	21-11-2025
₹1,288.89 Cr	Wakefit Innovations Ltd.	IPO	08-12-2025
₹10,602.65 Cr	ICICI Prudential Asset Management Co. Ltd.	IPO	12-12-2025
₹1,788.62 Cr	Amagi Media Labs Ltd.	IPO	13-01-2026
₹3,083.83 Cr	Clean Max Enviro Energy Solutions Ltd.	IPO	23-02-2026
₹3,000.00 Cr	CG Power & Industrial Solutions Ltd.	QIP	30-06-2025

Non-Institutional Business

Overview

IIFL Capital's Non-Institutional Business continued to strengthen its position during FY 2026, leveraging an integrated platform. Despite structural regulatory changes affecting retail trading activity across the industry, the business remained focused on deepening client relationships, expanding wealth penetration, and growing recurring revenue streams through personalised engagement and disciplined product distribution.

The segment comprises three businesses

A Retail Equities

B Wealth Management and Financial Product Distribution

C Asset Management

Retail Equities: ₹11,212 Mn Revenue, 43% of Total Revenue

Wealth Management and Financial Product Distribution and Asset Management: ₹5,716 Mn Revenue, 22% of Total Revenue

A Retail Equities

Overview

The Retail Equities business demonstrated resilience during FY 2026, continuing its evolution towards a more integrated, wealth and advisory-led platform. The business strengthened research-backed engagement, digital execution capabilities and personalised client relationships. IIFL Capital's relationship & partner-led model is expanding its reach across emerging wealth centres, supported by a growing network of partners and branches that enables it to serve retail and affluent, HNI & UHNI clients at scale and access rising investment participation in Tier 2 and Tier 3 cities.

Key Metrics FY 2026

₹11,212 Mn
Retail Equities Revenue

₹2,808 Bn
Average Daily Turnover

₹14.5 Bn
Net Margin Trading Facility Book

₹521 Bn
Distribution AUM

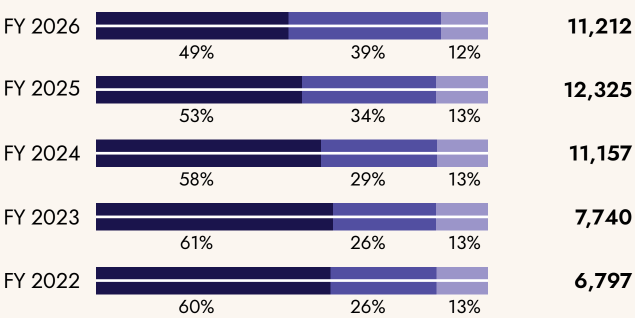
2,600+
Partners

~100
Branch Network

Key Progress in FY 2026

- **Wealth-led Retail Transformation:** Continued transition from traditional retail broking towards an integrated wealth and advisory-led platform, with strengthened engagement across affluent, HNI, and UHNI client segments through customised advisory and investment solutions
- **Stable Market Position:** Maintained overall market share despite structural regulatory changes within the retail derivatives ecosystem. Non-proprietary market share improved across both cash and F&O categories during FY 2026
- **MTF Book Expansion:** Net Margin Trading Facility book grew 55% year-on-year, driven by increased working capital deployment and growing client participation in margin-funded equity positions
- **Franchise Expansion:** Strengthened pan-India presence across high-growth retail and wealth markets, with deepened penetration in emerging investor clusters
- **Technology Enablement:** Digital onboarding and engagement capabilities improved partner productivity and client acquisition efficiency across the network

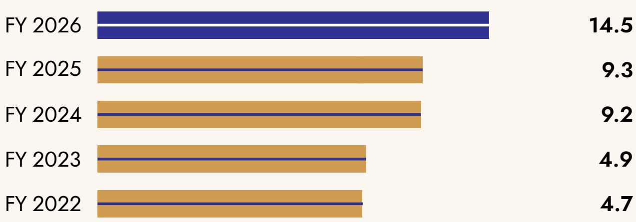
Retail Equities Revenue (₹ Mn)



The Retail Equities Revenue grew at a CAGR of 13% from FY 2022 to FY 2026.

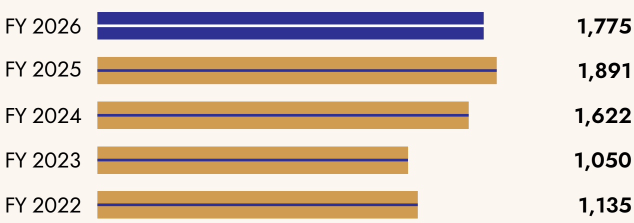
Brokerage | Interest Income | Allied Income

Net Margin Trading Facility (MTF) Book (₹ Bn)



The Net MTF Book grew at a CAGR of 32% from FY 2022 to FY 2026.

Equity Assets (₹ Bn)



The Equity Assets grew at a CAGR of 12% from FY 2022 to FY 2026.

B Wealth Management and Financial Product Distribution

Overview

The Wealth Management platform continued evolving into a differentiated, client-centric proposition focused on affluent, HNI, and UHNI investors. Leveraging client engagement across all verticals, the business built a scalable wealth ecosystem designed to deepen client relationships, increase share of wallet, and strengthen recurring revenue.

Key Metrics FY 2026

₹5,716 Mn	₹521 Bn	₹211.7 Bn
Revenue	Distribution AUM	Mutual Fund AUM

Capabilities

Open-Architecture Platform

Curated investment solutions across mutual funds, fixed income, PMS, AIFs, insurance, healthcare and wellness, structured products, and alternatives, aligned to client objectives and risk profiles.

Research-backed Advisory

Delivered through a relationship manager and investment specialist model, supported by institutional research and corporate access capabilities.

Family Office Solutions

Succession planning, estate structuring, legacy management, and philanthropy advisory for UHNI clients.

Solutions and Services

Investment and Risk Management Solutions

Category	Offerings
Core Investment Products	Mutual Funds, Bonds and Debentures, High Yield Debt Funds, Debt PMS, Sovereign Gold Bonds, Direct Equity, Index/ETFs
Insurance Solutions	Life Insurance, Health Insurance, General Insurance
Alternative and Advanced Investments	AIFs, Pre-IPO Opportunities, Long-Short Funds, Real Estate Funds, Private Equity
Portfolio Solutions	Portfolio Management

Strategic Allied Services

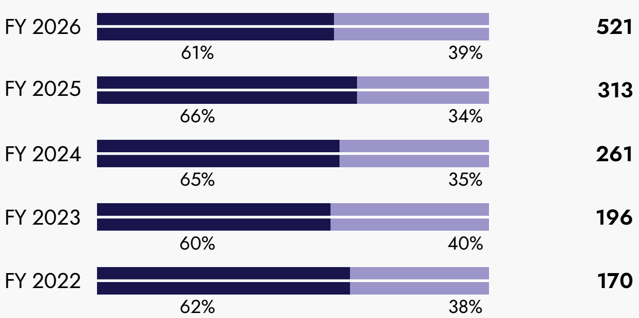
Service Category	Offerings
Investment Banking and Financing	Investment Banking, Loans, IPO, QIP
Trust and Structuring Services	Trust Service Providers, Estate Planning, Succession Taxation and Legal Planning
Advisory and Compliance	Compliance Services, Records Management, Accounting
Wealth Transition and Legacy	Philanthropy, Next Generation Mentoring
Immigration and Global Mobility	Immigration Global Residency
Specialised Solutions	Promoter Stake Monetisation

Products and Services (including Third-Party)

- Mutual Funds
- Portfolio Management Services
- Alternative Investment Funds
- Insurance – Life, Health and General
- Healthcare and Wellness
- Fixed Income

Distribution Assets Breakdown

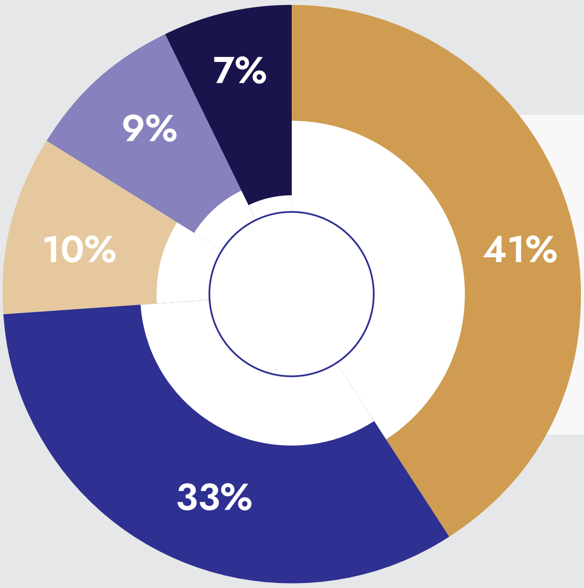
Total Distribution Assets (₹ Bn)



Total Distribution Assets grew at a CAGR of 32% from FY 2022 to FY 2026.

ARR Assets Transactional Assets

Distribution Assets Mix (As on March 31, 2026)

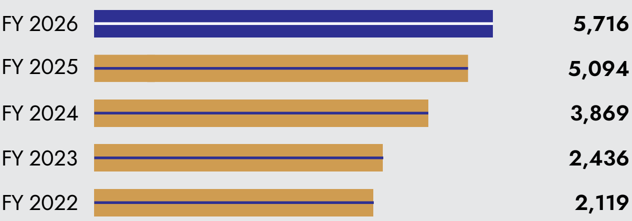


₹**521** Bn

AUM

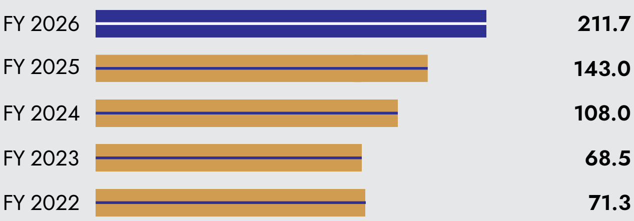
Mutual Fund · Fixed Income · PMS · AIF · ETF

Financial Product Distribution Income* (₹ Mn)



*Includes revenue from insurance and ancillary business of non-capital market clients. Grew at a CAGR of 28% from FY 2022 to FY 2026.

Mutual Fund AUM (₹ Bn)



Mutual Fund AUM grew at a CAGR of 31% from FY 2022 to FY 2026.

C Asset Management

Overview

IIFL Capital has built a proprietary asset manufacturing capability through its PMS and AIF platforms, transitioning from a product-led distribution franchise towards a scalable, multi-strategy investment engine. During the year, the Company closed its Capital Credit Opportunities Fund, raising ₹500 Cr, positioning it as a risk-adjusted, higher-yield structured debt offering.

Key Metrics FY 2026

₹3,800 Cr
Total In-House AUM

₹2,295 Cr
PMS Platform AUM

₹1,505 Cr
AIF Platform AUM

Platform Structure

PMS PLATFORM

Discretionary PMS

- IIFL Flagship Leaders Portfolio
- IIFL Bluechip Alpha (Nifty 50 TRI)

Non-Discretionary PMS

Customised mandates

- Platinum Strategy
- Specialised Portfolio (Custom mandates)
- Advisory services

AIF PLATFORM

Diversified alternatives across early stage, Private Equity, Private Credit and Absolute Return for HNI and institutional investors

Category II AIFs (Private Markets)

- IIFL Capital Credit Opportunities Fund (Structured Debt)
- IIFL Capital Late-Stage Private Equity Fund (Pre-IPO strategy)
- IIFL Capital Fintech Fund (Early stage)

Category III - Listed Strategies

- IIFL Absolute Return Fund
  - > Derivative-led, hedged absolute return strategy

Compliance works best when it is viewed as a partner in growth rather than merely a gatekeeper. At IIFL Capital, compliance means ensuring that our products and services are designed in alignment with investors' risk appetite, while maintaining transparency about potential risks. Our role is to anticipate changes, adapt proactively, and architect robust frameworks that safeguard the interests of investors and stakeholders, while continuing to enable innovation and drive sustainable, responsible growth.

Amit Gupta,
Chief Compliance Officer

Where We Are Investing for Growth

The strength of IIFL Capital's platform lies in the way its businesses, capabilities and relationships work together to create value. The Company's strategic priorities are designed to strengthen the capitals that support sustainable growth, deepen stakeholder engagement and unlock long-term opportunities.

Strategic Priorities	Focus on Experience and Ecosystems	Further Scale Market-leading Institutional Broking Practice	Continue to Expand Investment Banking Franchise	Platforms and Systems
Focus Areas	• Target the affluent/ HNI & UHNI segment for retail equities and wealth management through deep, advisory-led relationships • Identify growth opportunities by leveraging existing research • Cross-sell risk-based solutions to maximise customer value • Redefine our value proposition for affluent, HNI & UHNI customers	• Expand market share by widening reach with sponsors, leveraging strong block-placement capabilities, and investing continuously in technology upgrades • Widen research coverage to 350+ stocks and improve research rankings	• Become the 'Banker of choice' for the Indian entrepreneurial ecosystem across mid- and large-sized transactions • Expand the advisory practice with broader sector coverage and cutting-edge advice • Focus on repeat business, a hallmark of the franchise	• Build a device-agnostic platform that serves the user's full lifecycle • Enable product personalisation to meet user needs • Evolving into a scalable asset manufacturing engine for growth
Key Capitals				

Financial Capital | Physical Capital | Intellectual Capital | Social and Relationship Capital

Strategic Priorities	**Strong Research Base**	**Rich Engagement and Analytics**	**Attract and Retain the Best Talent**	**Grow Responsibly**
Focus Areas	• Provide research-driven advisory support to customers • Sustain excellent research credentials and a strong market knowledge base	• Gain a global view of customer behaviour and data • Nudge product decisions based on analytics	• Define roles, responsibilities and skill sets for sales and support staff • Recruit, train and refine incentive structures to strengthen performance • Enhance digital capabilities and invest in technology for employees	• Adopt superior ESG practices to serve all stakeholders • Build a strong foundation for managing ESG and integrate it into core strategy • Ensure responsible resource use through energy and water conservation and a smaller carbon footprint
Key Capitals				

Human Capital | Natural Capital

Defining Long-term Priorities

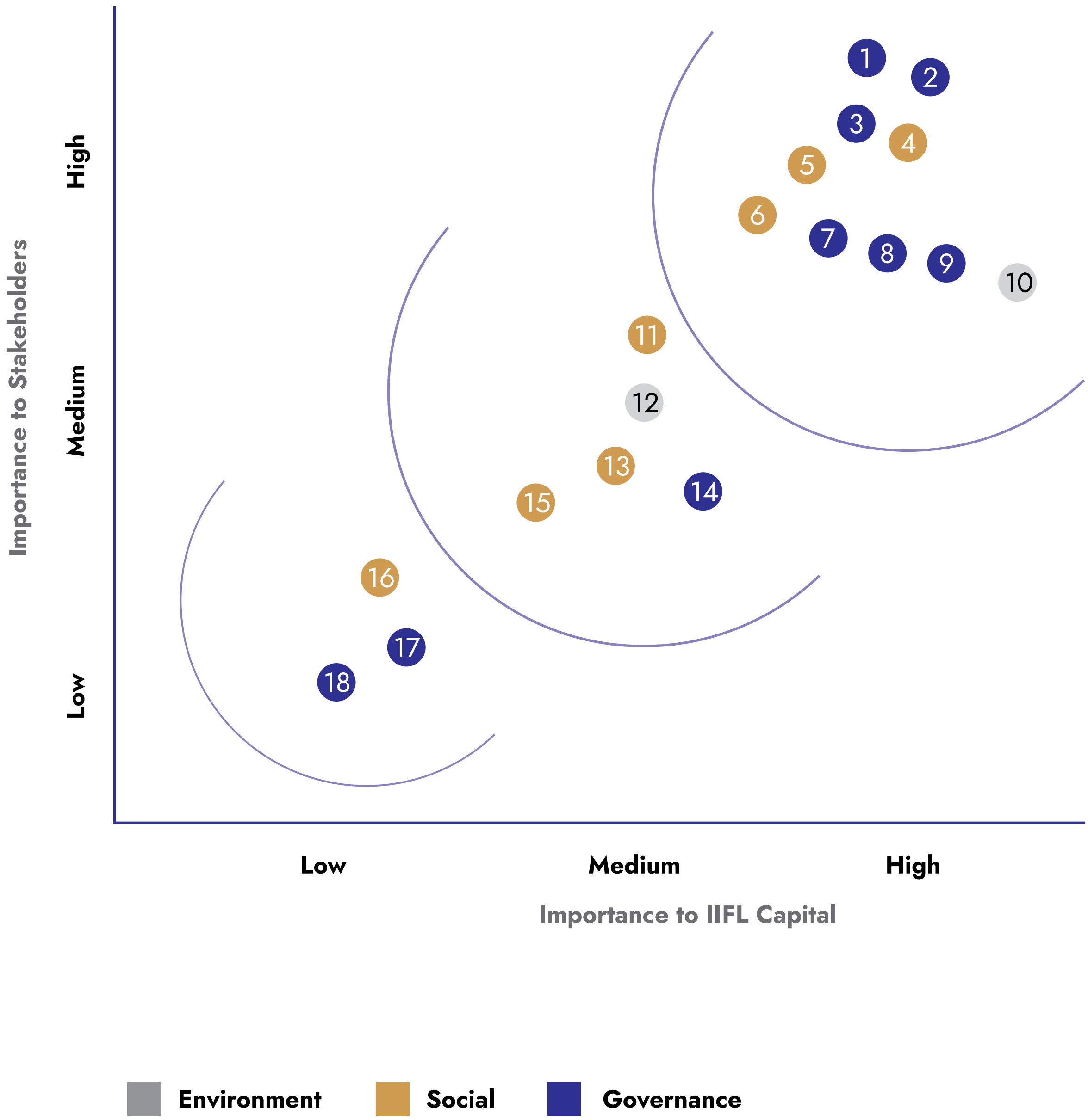
IIFL Capital undertook a structured materiality assessment to identify the ESG and business issues most relevant to its stakeholders and long-term performance. The findings help prioritise areas that influence business resilience, governance, stakeholder trust and sustainable value creation.

Four-Step Materiality Analysis Process

	Step 1	Step 2	Step 3	Step 4
	Pooling of Sustainability Issues	Prioritisation	Finalisation	Validation
Objective	Gathering the macro universe of risks and trends.	Ranking issues based on relative stakeholder importance.	Filtering down to our core operational focus areas.	Setting formal guardrails, accountability timelines, and parameters.
Action and Scope	Pooling of sustainability issues from international reporting frameworks and evolving global sustainability trends.	Prioritisation of the top macro issues based on empirical data collected via stakeholder surveys and peer industry benchmarking.	Surgical finalisation of the top 18 material issues selected directly from the broader pool of major issues.	Validating the specific scope, long-term targets, and designated reporting period for each individual material issue.

Materiality Matrix

High Priority	Medium Priority	Low Priority
1. Data Privacy and Security	11. Diversity and Inclusion	16. Impact on Local Communities
2. Business Ethics and Compliance	12. Climate Change Vulnerability	17. Financial Inclusion
3. Corporate Governance	13. Non-discrimination and Equal Opportunity	18. Responsible Investment
4. Human Capital Development	14. Innovation and Digitisation	
5. Employee Well-Being and Engagement	15. Human Rights	
6. Customer Relationship Management		
7. Risk Management		
8. Transparency and Disclosure		
9. Tax Transparency		
10. Operational Eco-Efficiency and Emissions		



Building Resilience across Market Cycles

At IIFL Capital, risk management is central to protecting client interests, maintaining market integrity and supporting sustainable growth. During FY 2026, the Company further strengthened its governance framework, control environment, technology platforms and surveillance capabilities across its businesses, balancing growth with prudent risk-taking and rigorous regulatory compliance.

Risk Governance and Culture

The Company has established an Enterprise Risk Management (ERM) framework designed to identify, assess, monitor and mitigate risks arising from its business operations, regulatory environment, technology infrastructure, market exposures and stakeholder relationships. Risk governance is supported through oversight by the Board of Directors, Risk Management Committee, senior management and designated risk owners across business and support functions. The framework incorporates periodic review of risk indicators, risk registers, internal controls, compliance monitoring, audit observations, incident reporting and escalation mechanisms. The Company promotes a strong risk-aware culture wherein employees are encouraged to identify emerging risks, report incidents promptly and contribute towards continuous improvement of the control environment.

Risk Management Approach

Risk Identification

Identification of internal and external risks that could impact strategic objectives, operations, customers, financial performance or regulatory obligations.

Risk Assessment

Evaluation of identified risks based on likelihood, potential impact and the effectiveness of existing controls.

Risk Mitigation

Implementation of preventive, detective and corrective controls, action plans and governance measures to reduce residual risk exposure.

Risk Monitoring and Reporting

Continuous monitoring of key risk indicators, incidents, control effectiveness and emerging risks, with periodic reporting to management and Board-level committees.

Three Lines of Risk Management Defence

1 First Line: Business Units	2 Second Line: Risk and Compliance	3 Third Line: Internal Auditors
Own and manage risks within their respective functions	Oversee and monitor the first line's risk management activities	Provide independent assurance to the Board and its Committees
Identify risks and design appropriate controls	Identify and assess enterprise-wide risks	Evaluate the effectiveness of the risk management framework
Operate within the Company's risk tolerance framework	Ensure effective implementation of the risk management strategy	Report key risks and suggest improvements
Provide inputs to the overall risk management process	Conduct risk awareness and training programmes across departments	Ensure risk controls and policies function as intended

Principal Risks and Mitigation Measures

The Company's ERM framework enables the systematic identification, assessment and mitigation of risks across all dimensions of its business. The principal risk areas and the measures adopted to address them, are set out below.

Risk Area	Risk Context	Mitigation and Control Focus	Capitals Impacted
Regulatory and Legal Risk	Operating in a highly regulated environment, with exposure to evolving laws and regulations, regulatory inspections and litigation.	Ongoing compliance reviews, legal oversight, policy governance, employee training, internal audits and regulatory reporting	Financial Social and Relationship Intellectual
Operational and Fraud Risk	Process failures, human error, fraud and business disruption affecting service continuity.	Maker-checker controls, standard operating procedures, fraud monitoring, internal audits and root-cause analysis reviews.	Financial Social and Relationship Intellectual Physical
Technology Risk	System outages, implementation challenges and technology obsolescence impacting business operations.	Technology governance, continuous system monitoring, disaster recovery arrangements and periodic technology audits.	Financial Social and Relationship Intellectual Physical
Cyber and Information Security Risk	Cyber threats including phishing, ransomware and data breaches compromising client data and systems.	Vulnerability assessments and penetration testing (VAPT), access controls, security monitoring, employee awareness and incident response protocols.	Financial Social and Relationship Intellectual Physical
Credit, Collateral and Settlement Risk	Client debit balances, deterioration in collateral value and exposure arising from settlement obligations.	Real-time margin monitoring, collateral management and structured recovery controls.	Financial Social and Relationship
Liquidity Risk	Liquidity pressures arising from settlement cycles and market obligations.	Cash flow forecasting, liquidity stress testing and maintenance of adequate liquidity buffers.	Financial Social and Relationship Intellectual
Third-Party and Outsourcing Risk	Dependence on vendors and outsourced service providers for critical processes.	Vendor due diligence, periodic performance reviews and contingency planning.	Financial Social and Relationship
ESG Risk	Risks relating to governance, business conduct, environmental responsibility and stakeholder perception.	Ethical conduct standards, structured stakeholder engagement, and externally benchmarked governance and ESG practices.	Social and Relationship Natural Human Intellectual Physical

Converting Performance into Possibility

The Company's diversified business model continued to strengthen financial resilience and earnings quality across market cycles. Sustained investments in strategic capabilities and growth initiatives have enhanced the Company's ability to scale responsibly while creating long-term stakeholder value.

"FY 2026 tested the cyclical parts of our business, but it also validated the strength of our strategy.

While regulatory changes and market volatility impacted trading revenues, our focus on building recurring income streams continued to deliver results. Our net worth has more than tripled over five years, entirely through internal accruals, strengthening both our capital efficiency and resilience through market cycles.

Our priority remains unchanged: strengthening earnings quality, improving capital efficiency and building a more durable franchise."

Ronak Gandhi,
Chief Financial Officer

Key Highlights

Resilient through the Cycle

Despite regulatory changes and market volatility, the Company maintained revenue levels in line with the previous year. However, the mix of the revenue has changed. Also, the Company is in the investment phase in wealth management business because of which there is degrowth in profits.

Strong Self-funded Capital Position

Net worth strengthened to ₹30.7 Bn (four-year CAGR of 27%), built almost entirely from internal accruals, from roughly ₹1,000 Cr to over ₹3,000 Cr in five years, providing ample headroom to fund growth internally.

Higher-quality, More Recurring Earnings

Financial product distribution income increased 12% to ₹5,716 Mn, while distribution AUM grew 66% to ₹521 Bn (four-year CAGR of 32%).

Market Leadership in Investment Banking

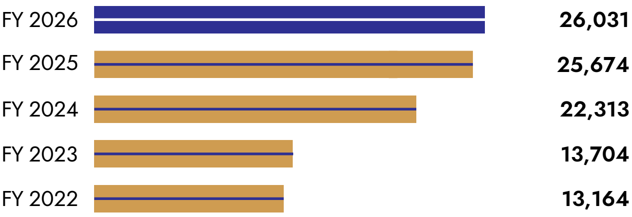
Ranked India's #1 mainboard IPO franchise in FY 2026 with a 25.9% market share, managing one in every four IPOs and 45 transactions completed across capital markets and advisory.

A New, Compounding Growth Engine

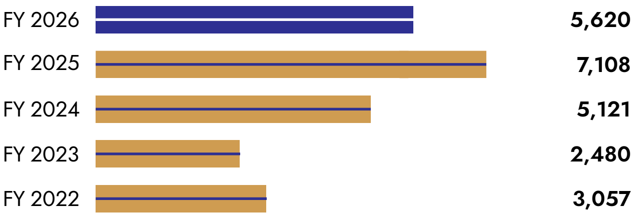
Scaled the in-house asset manufacturing platform to ₹38 Bn across PMS and AIF strategies, adding stable, recurring fee income and moving the model from distribution towards manufacturing.

Five-Year Track Record

Total Revenue (₹ Mn)

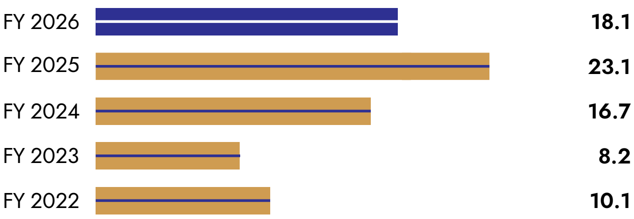


Profit After Tax – TCI (₹ Mn)

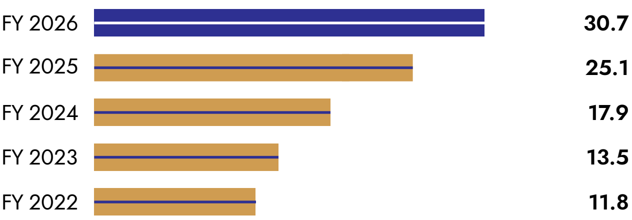


Return on Equity (%)

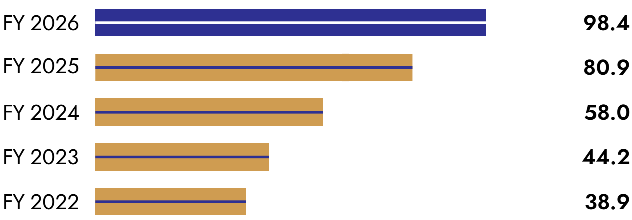
Earnings Per Share (₹)



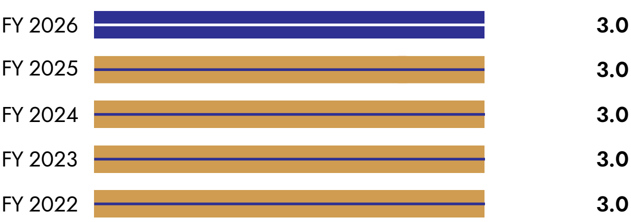
Net Worth (₹ Bn)



Book Value Per Share (₹)



Dividend Per Share (₹)



Net worth has compounded at 27% over four years, funded substantially from internal accruals. The moderation in RoE and EPS in FY 2026 reflects a cyclically softer profit year set against a larger, internally generated capital base.

Key Focus Areas

1 Scaling Wealth Management

- Expand the relationship-manager network
- Deepen the new and existing HNI/UHNI channel
- Cross-sell across the affluent and HNI/UHNI customer base
- Focus on sticky, ARR-led assets

2 Strengthening the Institutional Franchise

- Global institutional coverage across Mumbai, Singapore, London and New York, serving ~1,100 institutional clients
- Research-led execution backed by coverage of 318+ stocks (~72% of India's market capitalisation)
- Strong positioning in block trades, QIBs and capital market transactions

3 Diversifying Revenue Streams

- Increase the share of distribution-led and recurring income
- Expand into advisory, fixed income and alternatives
- Reduce dependence on cyclical retail trading income

4 Investing for Long-term Scale

- Technology-led operating infrastructure
- Digital engagement and analytics capabilities
- Branch and platform investments to improve client acquisition and servicing, supported by balance-sheet capacity

5 Building the In-House Investment Engine

- Scale proprietary asset manufacturing across PMS and AIF strategies (₹38 Bn AUM, spanning discretionary and non-discretionary PMS and Category II/III AIFs)
- Convert distribution and advisory relationships into long-term, compounding fee income
- Anchor the shift from a product-led franchise to a scalable, multi-strategy manufacturing platform

Interlinkages with other Capitals

- Physical Capital
- Natural Capital
- Intellectual Capital
- Social and Relationship Capital
- Human Capital

SDG Linkages

Stakeholders Benefited

- Customers
- Business Partners & Vendors
- Employees
- Rating Agencies & Lenders
- Regulatory Bodies and Market Infrastructure Institutions (MIIs), Stock Exchange & Depository
- Shareholders & Investors
- Communities

IIFL CAPITAL

The Network behind the Platform

IIFL Capital's branches, partner network, global offices and the technology that connects them, is what allows a single platform to serve clients across all business verticals. During FY 2026, the Company continued to invest in this base, extending its distribution reach while strengthening the digital and operating infrastructure that keeps execution, advisory and servicing reliable as volumes grow.

Key Strengths

A pan-India footprint of ~100 branches and 2,600+ partners, reaching affluent, HNI, UHNI, retail and institutional clients across the country.

Institutional connectivity across four global financial centres - Mumbai, Singapore, London and New York, serving approximately 1,100 institutional clients.

A scalable technology platform supporting execution, advisory, reporting and servicing, backed by continued investment in branches and digital infrastructure through the year.

FY 2026 Performance

~100
Number of Branches

2,600+
Partners

Mumbai, Singapore, London and New York
Institutional Presence

3.2 Mn
Total Clients

Continued investments across technology, branches and digital platforms
Capital Expenditure on IT and Infrastructure

99.9%
System Uptime/Availability

Geographic Reach

IIFL Capital extends its reach through a hybrid model that combines physical branches, a wide partner ecosystem and digital platforms. ~100 branches and 2,600+ partners allow the Company to serve clients across segments and geographies, from retail and affluent investors to HNI, UHNI and institutional relationships, supported by a growing network of relationship managers across wealth and retail equities.

Its institutional equities franchise maintains global client connectivity through a dedicated sales presence across Mumbai, Singapore, London and New York. This four-centre footprint underpins engagement with international investors and gives the Company the market access and time-zone coverage expected by a global institutional client base of around 1,100.

Business Continuity Planning (BCP)

The Company operates a technology-enabled business continuity framework designed to keep client servicing, trading execution, back-office operations and advisory support running without interruption. A distributed servicing model, spread across branches, partner locations and digital channels, meant that all business vertical operations continued smoothly even through the more volatile stretches of the year, a period in which the Company recorded zero cybersecurity incidents in the entire FY 2026.

This resilience rests on:

- Redundant systems and digital execution capabilities
- Secure network architecture with real-time monitoring 24/7
- Distributed servicing across branches and partner locations
- A cloud-enabled, scalable execution environment
- Systems and applications are regularly tested from the Disaster Recovery site

Key Areas of Impact

Area	Impact in FY 2026
Distribution Reach	~100 branches and 2,600+ partners supported a 66% rise in distribution AUM to ₹521 Bn
Institutional Access	A four-centre global presence served ~1,100 institutional clients
Scalability	The platform absorbed higher activity, average daily turnover of ₹2,808 Bn and a larger MTF book of ₹14.5 Bn, without disruption to service
Resilience	Zero cybersecurity incidents recorded
Cross-platform Servicing	A single infrastructure enabled integrated servicing and cross-sell within all business vertical
Operational Efficiency	~99% of new accounts opened digitally, reducing manual processing and paper usage

Interlinkages with other Capitals

- Human Capital
- Social & Relationship Capital
- Intellectual Capital
- Financial Capital
- Natural Capital

Alignment with SDGs

Stakeholders Benefited

- Business Partners & Vendors
- Employees
- Regulatory Bodies & Market Infrastructure Institution (MIIs), Stock Exchange & Depository
- Shareholders & Investors
- Communities

Scaling Intelligence across the Platform

At IIFL Capital, the depth of its research, the strength of its technology and the intelligence that moves between its businesses, is the engine behind differentiated client engagement and the Company's institutional standing. In FY 2026, the Company extended its research coverage, modernised its client-facing platforms and reinforced its security posture, sharpening the insight and execution that distinguish the platform.

Key Strengths

Research-led Market Leadership
A 48-member research team covering 318+ stocks across 20+ sectors, close to 72% of India's market capitalisation, placing IIFL Capital among India's leading institutional research franchises.

Technology-enabled Client Experience
A new web trading platform and a rebuilt mutual fund platform, with one-click import of held-away assets and integrated portfolio analytics, improved accessibility, execution and servicing across client segments.

Secure, Resilient Infrastructure
Continued investment in cybersecurity and platform resilience, with zero cybersecurity incidents recorded in FY 2026.

FY 2026 Performance

48
Research Analysts

318+
Stocks under Coverage

20+
Sectors Covered

~72% of India's Market Capitalisation
Market Cap Coverage

4.4/5
Mobile Investment App Rating

10Mn
Mobile App Downloads

Hardik Sanghavi,
Chief Technology Officer - Institutional Equities

"Our adoption of digital innovation, process optimisation, and reinforced risk control mechanisms have ensured robust and scalable operations during the year. We focused on digitising the onboarding journey for our wealth customers and fully automated all third-party distribution product operations. Our investments in technology platforms during the year led to stable product and service deliveries to our customers and internal stakeholders.

AI-based services introduced for real-time customer and partner query resolution continue to contribute to improving efficiency and scalability. All operational processes remain aligned with our Enterprise Risk Management framework and compliance standards. We will continue to focus on enhanced automation of processes to align with our strategy of providing best-in-class services to our customers."

Aditya Sisodiya,
Chief Technology Officer - Private Wealth

"At IIFL Capital, technology is a core driver of growth, agility, and differentiation. During the year, our focus was clear: revamp our platforms and accelerate AI adoption across the business. We continued to modernise our technology stack to build systems that are faster, more scalable, and more resilient. This is enabling quicker execution, better client experiences, and a stronger foundation for future growth. At the same time, we advanced our AI agenda from exploration to real application. By embedding AI into key workflows, we are improving productivity, sharpening decision-making, and unlocking new possibilities across the organisation. As we move forward, our priority remains to build technology that is modern, intelligent, and trusted, helping IIFL Capital stay ahead in a fast-changing market."

Technology and Digital Transformation

Building a Scalable, Intelligence-led Platform

FY 2026 was a year of decisive progress in strengthening IIFL Capital's technology backbone. The focus was clear: build a platform that is fast, scalable and intelligence-driven, capable of supporting rising market volumes, evolving client expectations and increasing digital adoption across segments. Technology is now central to how the Company competes: driving execution, enabling insight and ensuring resilience.

Data and Intelligence as a Core Capability

Data is being systematically embedded across the value chain. A strong research foundation continues to power wealth platforms, supporting better decision-making and differentiated client engagement. The shift underway is from data availability to real-time, actionable intelligence across trading, advisory and client servicing.

Advancing AI-led Execution

The Company made targeted investments in artificial intelligence to enhance productivity, speed and insight. AI adoption is focused on high-impact areas and the approach remains practical and outcome-driven, embedding AI into core workflows rather than treating it as a standalone initiative.

- Enhancing developer productivity and delivery velocity
- Improving research workflows and information synthesis
- Supporting automated insights within client platforms
- Streamlining operational processes across functions

Resilience, Scalability and Continuity

The technology platform is built for resilience and scale. A distributed, cloud-enabled architecture ensured uninterrupted operations across business lines, even during volatile market conditions. This ensures consistent performance and client servicing at scale.

- Redundant systems and real-time monitoring
- Scalable infrastructure for peak loads
- Distributed servicing across digital and physical channels

Data Privacy, Cybersecurity and IT Resilience

As digital adoption deepens, the Company continues to reinforce the controls that protect client data and keep platforms available. Monitoring systems, access controls and adequate security protocols are designed and implemented to mitigate cyber threats while maintaining uninterrupted performance, an approach reflected in zero cybersecurity incidents during the entire FY 2026. Cybersecurity and cyber resilience are embedded within the Company's broader governance framework, alongside data protection, aligned with applicable regulatory guidelines and insider-trading controls.

Shanker Ramrakhiani,
Chief Information Security Officer (CISO)

"Our focus on digital innovation, process optimisation, and robust risk controls enabled scalable and efficient operations during the year. We digitised the wealth customer onboarding journey and fully automated third-party distribution product operations. Investments in technology platforms ensured stable service delivery for customers and internal stakeholders, while AI-based solutions improved real-time query resolution, efficiency, and scalability. All processes remain aligned with our Enterprise Risk Management framework and compliance standards. We will continue to enhance automation to deliver best-in-class services to our customers."

Cybersecurity Framework

Focus Area	Objective
Data Protection Controls	Safeguard sensitive client information
IT Infrastructure Monitoring	Continuous monitoring of cyber threats
Business Continuity Systems	Operational resilience
Access Management Protocols	Secure platform access and governance
Regulatory Compliance	Alignment with industry standards
Cyber Defence	Protection against advanced attacks

Driving Efficiency and Operating Leverage

Technology investments are translating into measurable operating efficiency:

- Faster onboarding and execution
- Increased automation across workflows
- Improved platform stability

The result is a more scalable model, where growth is not constrained by incremental cost.

The Way Forward

The Company's technology priorities remain clearly defined:

- **Deeper AI Integration** across client and internal platforms
- **Stronger Data Infrastructure** for real-time insights
- **An Open, Flexible Architecture** to sustain innovation without lock-in

Research Excellence and Market Intelligence

IIFL Capital's institutional research platform combines sectoral depth, thematic intelligence and corporate access to support informed investment decisions. Bottom-up analysis from a 48-member team spans the market-cap spectrum, from large-cap leaders to emerging mid- and small-cap opportunities, across more than 20 sectors led by Pharma & Healthcare, Banking & Financials, Auto, Capital Goods, Consumer, FMCG and IT.

Crucially, this intelligence does not sit in isolation: it powers the wider platform. Institutional Equities converts research into execution and liquidity for around 1,100 institutional clients, while Wealth Management translates the same ideas into client portfolios and allocation strategies. Differentiated, idea-led engagement, across special situations, index inclusions and exclusions, rebalancing and momentum themes, and global investor outreach through conferences in the UK, Hong Kong, Singapore and the US deepen the Company's standing as a trusted market-intelligence partner.

Market Cap Bracket	Stocks Covered
Above US$ 10 Bn	79
US$ 5-10 Bn	54
US$ 3-5 Bn	26
US$ 1-3 Bn	86
US$ 500 Mn - 1 Bn	39
Below US$ 500 Mn	34
Total	318

G.V. Giri,
Head of Research

"IIFL's approach of investing in coverage expansion has helped significantly improve client rankings, and we have reached the top tier in almost all clients. We will continue on this path both in response to the success of this strategy and as the market breadth continues to expand. Our unique spread of coverage of almost 318 stocks places us at a significant advantage over other top-tier brokerage houses, and we'll work very hard to preserve and increase this advantage over time."

Interlinkages with other Capitals

- Financial Capital
- Human Capital
- Physical Capital
- Natural Capital
- Social & Relationship Capital

Alignment with SDGs

- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Stakeholders Benefited

- Customers
- Business Partners & Vendors
- Employees
- Regulatory Bodies and Market Infrastructure Institutions (MIIs), Stock Exchange & Depository
- Shareholders & Investors

Elevating People Accelerating Growth

At IIFL Capital, our people are the driving force behind our ability to create long-term value for clients, investors and stakeholders. As we continue to strengthen our position as a client-centric, research-led and technology-enabled financial services organisation, we remain committed to building a high-performance culture that attracts exceptional talent, develops future-ready leaders and empowers employees to grow alongside the business.

During FY 2026, we continued to invest in strengthening our human capital through strategic talent acquisition, capability building, leadership development, employee engagement, well-being initiatives and digital HR transformation. These investments have enabled us to build an agile, resilient and future-ready workforce that supports our long-term growth ambitions.

Our people philosophy is founded on meritocracy, collaboration, continuous learning and responsible workplace practices. By fostering an inclusive environment where employees are encouraged to learn, innovate and contribute meaningfully, we create sustainable value for our clients, our organisation and the communities we serve.

Neha Nambiar,
Head - Human Resources

"*At IIFL Capital, we believe our people and culture are the foundation of sustainable growth. During FY 2026, we strengthened our talent ecosystem by attracting high-quality talent, building leadership capability and fostering a culture of performance, accountability and collaboration. We also enhanced the employee experience through stronger talent practices, digital HR initiatives and continuous feedback, creating a more agile and future-ready organisation.*

Our commitment to our people was recognised with IIFL Capital being ranked among India's Best Workplaces™ in BFSI 2026 by Great Place To Work® India. As we look ahead, our HR agenda will continue to be guided by the theme, 'Elevate HR', with a focus on elevating talent, strengthening leadership and enriching the employee experience to support the Company's next phase of growth."

HR Strategy

Our human capital strategy is built on the belief that empowered people drive sustainable business success. Guided by our commitment to attracting, developing and engaging talent, our strategy is anchored in three interconnected pillars:

Fostering a Culture of Excellence

Developing future-ready talent through continuous learning, leadership development, technical capability building and structured career growth opportunities.

Enabling a High-Performance Culture

Fostering a culture of meritocracy, accountability and recognition through fair people practices, goal-driven performance management and inclusive talent processes.

Enhancing Employee Experience

Creating a workplace where employees feel supported, valued and heard through well-being initiatives, digital HR, continuous listening and an inclusive, collaborative culture.

Together, these pillars ensure continuity, resilience and stronger alignment of people practices to business goals.

Attracting and Building Talent

Employer Brand

As IIFL Capital continues to grow, attracting high-quality talent remains a strategic priority. We are committed to strengthening our employer brand by showcasing our culture, values and growth opportunities, helping us attract professionals who are aligned with our purpose and long-term vision.

Through digital engagement, employee advocacy and targeted talent outreach, we continue to enhance our visibility across key talent platforms. Our presence on social media platforms like LinkedIn enables us to engage with prospective talent, while candidate and employee feedback provides valuable insights to continuously enhance our hiring and employee experience.

Fair Recruitment

We follow a competency-based, technology-enabled recruitment process designed to provide every candidate with a fair, transparent and consistent hiring experience. Our hiring practices promote equal opportunity and focus on identifying talent that aligns with both the role requirements and our organisational values. To build the next generation of talent, we invest in a management trainee programme that induct fresh professionals and prepare them for long-term success. To strengthen our talent pipeline, we leverage multiple sourcing channels, including campus hiring, lateral recruitment and iRefer, our employee referral programme. By encouraging employees to recommend high-quality talent from their professional networks, iRefer supports faster hiring, enhances cultural alignment and reinforces employee advocacy.

Creating a Seamless Onboarding Experience

Our commitment to delivering an exceptional employee experience begins even before an individual's first day with the Company. Through the EDGE Journey, we provide a structured pre-boarding experience that introduces new hires to our culture, values, deeper understanding of the organisation, fosters a sense of belonging and enables them to transition into their roles with confidence and preparedness from day one.

Complementing this pre-boarding experience, our structured onboarding programme equips employees with the knowledge, tools and support needed to integrate seamlessly into their teams and contribute effectively from the outset.

Internal Mobility

We encourage employees to explore career opportunities through our Internal Job Posting (IJP) framework called iRISE, enabling movement across functions and locations. By promoting internal mobility, we support career development, broaden business exposure and retain institutional knowledge, while ensuring critical roles are filled with talent that understands our culture and business. During FY 2026, 7 positions were filled through internal mobility.

Learning and Development (L&D)

Approach

Learning at IIFL Capital is a continuous journey, not a one-time intervention. Our integrated capability-development framework is aligned to the Company's Leadership Anchors and tailored to each employee's role and career stage. Delivered through a hybrid model – structured classroom sessions, virtual instructor-led training, self-directed digital learning, on-the-job exposure and job rotation, and supported by advanced digital-studio infrastructure, it provides a seamless and consistent experience across physical and virtual environments.

Three Strategic Pillars

Our Company's training agenda is aligned to business priorities across three pillars

Strategic Pillars	Focus
Functional Excellence	Capital markets, wealth management and alternate investments
Leadership Development	High-potential talent and a future-ready leadership pipeline
Role-Based Certification	Regulatory compliance and superior client service

Flagship Programmes and Platforms

- **MoneyVersity**, our proprietary digital learning platform, anchors the ecosystem, offering anytime-anywhere learning journeys, bite-sized upskilling, specialised courses (MS Excel, data visualisation, financial advisory) and mandatory organisational training on Anti-Money Laundering, KYC, Code of Conduct, Prevention of Sexual Harassment, Information Security, etc.
- **Customised Financial Training:** Specialised tracks on Portfolio Management Services, Mutual Funds, Capital Markets and Portfolio Advisory.
- **Leadership Journeys:** Structured programmes for high-potential talent focused on strategic thinking, emotional intelligence and cross-functional collaboration.
- **Grooming for Success:** Client-engagement skilling for relationship managers serving HNI clients, complemented by self-paced soft-skills modules on communication, time management and business etiquette.
- **ProdExcellence and Flavour of the Month (FOTM):** Ongoing updates on product launches, regulatory changes and process improvements, reinforced by monthly knowledge assessments.
- **Structured and Elaborate Onboarding Programme:** A detailed onboarding programme mandated for new hires to induct them into the values, culture and the product basket IIFL Capital offers for its clients.

Certifications and Compliance Learning

We strengthened professional capability across critical business roles through certification-led learning and specialised development programmes. Employees successfully completed industry-recognised certifications, including NISM PMS, NISM Mutual Fund and NISM SIF certifications, enhancing technical expertise, advisory capability and regulatory excellence. These initiatives equipped our teams with deeper product knowledge, strengthened client advisory capabilities and reinforced our commitment to delivering trusted, compliant and high-quality financial solutions.

A Culture of Continuous Learning

Learning at IIFL Capital extends beyond structured programmes. We continued to foster a culture of continuous learning through Learning Bytes, expert-led webinars, knowledge-sharing sessions, market and regulatory updates, and participation in external conferences and industry forums. These initiatives encourage continuous upskilling, cross-functional knowledge sharing and the application of emerging industry insights, enabling employees to remain agile, future-ready and well-equipped to deliver value in a rapidly evolving financial services landscape.

Leadership Development and Competency Mapping

During the year, we established a comprehensive competency framework across functions to define the technical, behavioural and leadership capabilities required across roles and career stages. By aligning capability expectations with business priorities, it enables targeted development interventions, strengthens leadership readiness and supports the creation of a future-ready talent pipeline.

Training Reach in FY 2026

13,538 hours
Instructor-led and Virtual Learning Hours

100%
Workforce Participation in Structured Learning

7,324 hours
Digital Learning Hours

Learning and Development Spend (FY 2026)

₹5,858.87
Learning Spend per Employee

₹41.94 Lakhs
Invested in Employee Training and Development

Performance and Recognition

At IIFL Capital, performance management aligns individual contributions with business priorities while fostering continuous growth and development. During the year, the Company reinforced this approach through iPARS (IIFL Capital Performance Appraisal & Reward System), its performance management framework designed to promote goal clarity, regular feedback and meaningful development conversations.

Built on structured goal setting and periodic performance reviews, iPARS encourages continuous dialogue between managers and employees. The framework assesses performance not only against business outcomes but also on behaviours that reflect the Company's values, collaboration and leadership expectations. Calibration discussions further strengthen consistency, meritocracy and fairness across the organisation.

Formal recognition is delivered through a structured framework:

Programme	Recognises
i3 Awards (IIFL Incredible Icon)	Innovation, internal stakeholder management and intelligent cost optimisation, across sales and support functions
Excellence Awards	Top performers across sales functions, with timely and continuous appreciation
Sales Recognition Forums	Sales milestones and standout performers, fostering healthy competition
Annual Awards	Top Achiever Awards for Sales Leadership and Relationship Managers

Long Service Awards

We celebrate the commitment and loyalty of employees through our Long Service Awards, recognising milestones of 10, 15 and 20+ years of service. These celebrations honour the enduring contributions of our people and reinforce a culture of belonging, appreciation and shared success. During FY 2026, **286** employees were recognised for their long service, with the longest tenure celebrated at **25** years.

Diversity and Inclusion

Approach

A diverse and inclusive workforce drives innovation, enriches collaboration and strengthens our culture. At IIFL Capital, the Diversity & Inclusion Policy sets the foundation, while our Equal Employment Opportunity Policy, aligned with the Rights of Persons with Disabilities Act, 2016, reinforces equitable representation. We embrace diversity across gender, educational background, abilities and skills, from inclusive job descriptions and targeted outreach to tailored development for under-represented groups.

25%
Gender Diversity

Flagship Initiatives

ElevateHER

Our flagship initiative, is focused on advancing the growth, engagement and leadership of women employees through development opportunities, networking and meaningful career conversations.

Employee Resource Groups

Including *Mothers at Work* and *Women Supporting Women*, provide safe spaces where employees can connect, share experiences on life-stage priorities.

Inclusivity in Action

We continue to strengthen workplace inclusion by promoting opportunities for persons with disabilities while creating greater awareness of inclusive behaviours through sensitisation programmes and leadership engagement.

Flexible work arrangements

Support employees through different life stages and personal circumstances, helping them balance their well-being with professional responsibilities while enabling continued contribution to the organisation.

Listening and Engagement

Providing an Exceptional Employee Experience

At IIFL Capital, we believe that exceptional employee experiences create exceptional organisations. Our people are at the heart of everything we do, and we are committed to creating a workplace where every individual feels heard, valued, supported and empowered to thrive. Guided by our people-first philosophy, we continue to strengthen every stage of the employee journey through holistic well-being programmes, a culture of belonging, continuous listening and meaningful engagement. By fostering an environment built on trust, care and collaboration, we enable our people to realise their potential while contributing to the Company's long-term success.

Listening that Drives Action

Understanding our people is fundamental to creating meaningful employee experiences. We have established a robust listening ecosystem that combines technology with human connection to capture employee feedback, understand evolving needs and drive continuous improvement.

Our AI-powered Chief Listening Officer, Amber, engages employees at key milestones across their lifecycle, enabling real-time feedback and helping identify emerging concerns before they escalate. Complementing this digital capability are Employee Engagement Surveys, Pulse Surveys and regular leadership interactions with employees to provide timely support and facilitate meaningful conversations.

Insights gathered through these channels are translated into focused action plans that continuously enhance our people practices, strengthen employee engagement and reinforce a culture of openness, responsiveness and trust.

Well-being beyond the Workplace

Employee well-being remains central to our people philosophy. We believe that supporting our employees extends beyond the workplace, encompassing their physical, emotional and overall well-being.

Throughout the year, we organised a range of wellness initiatives, including annual health check-ups, bone mineral density screening, eye check-up camps, nutrition consultations, marathons and the #Step-A-Thon campaign, encouraging healthier lifestyles and preventive healthcare. Our emotional well-being initiatives included mindfulness sessions, stress management workshops and access to professional counselling through our 24x7 Employee Assistance Programme (EAP), ensuring employees and their families receive confidential support whenever required. Employees also benefited from Doc@Work, offering monthly on-site doctor consultations at the workplace, and 24×7 teleconsultation services, enabling employees to access qualified medical professionals anytime, anywhere.

Recognising the evolving needs of today's workforce, initiatives such as iCARE, our daycare support programme for working parents, further strengthened our commitment to helping employees balance their professional and personal responsibilities. Together, these initiatives foster a healthier, more resilient and supportive workplace where employees can thrive both personally and professionally.

A Culture of Belonging

We believe that a strong organisational culture is built through shared experiences, meaningful relationships and a genuine sense of belonging. Throughout the year, we curated initiatives that strengthened employee engagement, celebrated diversity and fostered deeper connections among employees and their families.

Programmes such as Bring Your Kids to Work Day recognised the invaluable support systems behind our employees, strengthening the bond between work and family. Through Librarywala, employees were encouraged to pursue continuous learning and personal growth through access to a wide collection of physical and digital books.

We celebrated national and regional festivals, cultural occasions and employee milestones, creating opportunities for our people to come together and embrace the diversity that enriches our workplace. Our commitment to responsible citizenship was further reflected through volunteering initiatives, blood donation drives, environmental campaigns, NGO collaborations and enabling employees to contribute meaningfully to the communities around them.

Together, these initiatives strengthened our culture of inclusion, collaboration and belonging, making IIFL Capital a workplace where people feel connected, appreciated and inspired to contribute.

Recognised for Our Culture

Our commitment to building a high-trust, high-performance workplace continues to be recognised externally. During FY 2026, we achieved an 87% Great Place to Work® Trust Index™ score, reflecting the confidence our employees place in our culture, leadership and people practices.

We were recognised among the Top 75 India's Best Workplaces™ in BFSI 2026 and honoured as the Best in Industry – Investments by Great Place to Work® India, and acknowledged as the 'Preferred Workplace for Women 2025-26' by Marksmen Daily. These recognitions reaffirm our commitment to creating an inclusive, collaborative and people-centric workplace where employees are empowered to grow, perform and succeed.

Great Place To Work® Certified 2026 INDIA

Employee Experience at a Glance

Focus Area	Key Initiatives
Listening	Amber AI, Pulse Surveys, Employee Engagement Surveys, Leadership Connects, Employee Happiness Champions
Physical Well-being	Annual Health Check-ups, Bone Mineral Density Screening, Eye Check-up Camps, Nutrition Consultations, Marathons, #Step-A-Thon, Doc@Work
Emotional Well-being	Employee Assistance Programme (EAP), Mindfulness Sessions, Stress Management Workshops
Family Support	iCARE Daycare Support, Bring Your Kids to Work Day
Culture and Belonging	Festival Celebrations, Librarywala, Volunteering, Blood Donation Drives, NGO Collaborations
Recognition	87% GPTW Trust Index™, Top 75 India's Best Workplaces™ in BFSI 2026, Best in Industry - Investment, and Preferred Workplace for Women 2025-26

Human Rights

Respect for human rights is fundamental to the way we conduct business and engage with our employees, partners and other stakeholders. Guided by our Human Rights Policy and Code of Conduct, we are committed to fostering a workplace built on dignity, respect, equality and inclusion, while ensuring compliance with all applicable laws and internationally recognised human rights principles.

We maintain zero tolerance towards child labour, forced labour, human trafficking, discrimination, harassment and retaliation in any form. Our people practices are founded on equal opportunity, fair employment, ethical conduct and safe working conditions, enabling every employee to work in an environment that is respectful, inclusive and free from bias.

Our commitment is reinforced through a comprehensive governance framework comprising our Prevention of Sexual Harassment (POSH) Policy, Equal Opportunity Policy, and Grievance Redressal Mechanism.

Human Rights Governance Framework

Mechanism	Purpose
Code of Conduct	Mandatory for all employees, with annual affirmation of adherence
Zero Tolerance for Forced or Child Labour	Ensured across all operations and the supply chain through strict compliance with applicable laws and ethical business practices
POSH Policy	Supported by a trained Internal Complaints Committee, regular awareness programmes and a robust grievance redressal process
Grievance Redressal Mechanism	Facilitates timely, impartial and transparent resolution of employee concerns and grievances

Key Indicators in FY 2026

Nil
Cases of Child Labour

Nil
Human Rights Violations Reported

Interlinkages with other Capitals

Financial Capital	Organisational Capital
Intellectual Capital	Physical Capital
Social & Relationship Capital	Natural Capital

Alignment with SDGs

Stakeholders Benefited

- Customers
- Business Partners & Vendors
- Employees
- Shareholders & Investors
- Communities

Trusted by Clients Invested in Communities

At the heart of our business lies a deep commitment to people. Social stewardship builds trust, promotes equity and creates lasting community impact, and recognising the interests and expectations of these stakeholders is central to our strategic objectives and long-term sustainability.

Customers

Our Approach

A strong customer value proposition is about more than quality products and services; it is about building trust, ensuring satisfaction and creating lasting relationships. This principle guides our customer relationship management, where we continuously meet evolving needs through innovation, responsiveness and personalised engagement.

Multi-Channel Customer Assistance

Clients can reach us through multiple support channels – email, call, DIY channels like WhatsApp, IIFL Capital Help, ASK IIFL (Chatbot). We provide clear grievance-redressal contacts for both trading and depository matters, alongside a detailed escalation matrix on our website and mobile app. To enhance transparency, we offer direct links to the SCORES and SMART ODR platforms, and clients can track complaint status conveniently through the IIFL Mobile App.

Proactive Engagement and Fraud Prevention

Using advanced analytics, we identify potential disputes or frauds before they are reported, enabling prompt communication and resolution. This pre-emptive approach addresses concerns efficiently while reinforcing trust. Clients also receive periodical updates on advisories to stay informed and vigilant.

Self-Help Tools

We offer customers round-the-clock, self-service support:

Tool: IIFL Capital Help

What it Offers: An FAQ-driven portal integrated with the app and website – a central hub for platform, product and feature updates. Clients raise queries and track status in real time, reducing the need for calls or emails.

Tool: ASK IIFL (Chatbot)

What it Offers: Round-the-clock instant responses on research, account and process queries, with minimal manual intervention, giving customers autonomy and quick access to essential information.

Tool: WhatsApp

What it Offers: Apply for IPOs, access Market Today updates, retrieve P&L, contract notes and mutual fund portfolios, update profiles, invest in mutual fund, explore the Learning Center and refer friends, with real-time assistance.

Corporate Social Responsibility

Approach

At IIFL Capital, we view Corporate Social Responsibility (CSR) as a fundamental responsibility towards nation-building. Our CSR arm, India Infoline Foundation (IIFL Foundation), follows the HELP framework to ensure sustainable social impact through interventions in Health, Education, Livelihood, and Poverty Alleviation, empowering underserved communities to lead better lives.

Net Zero Cooling Station in Jaipur, Rajasthan

Full academic scholarship support for 75 undergraduate students at Indian Institute of Technology, Bombay

Donation of 2 school buses for tribal students in Valsad, Gujarat

12,932 saplings planted in Bhuj, Gujarat

Construction of a Pahari Cultural Centre in Sadhna Pass, Karnah Valley, Jammu and Kashmir

Vocational Training for higher secondary students in Kamrup, Assam

How We Deliver: CSR Collaborations

IIFL Foundation implements projects either directly or in partnership with reputable NGOs, whose expertise and on-ground experience help us design, implement and scale programmes more effectively.

CSR Focus Areas

No.	Focus Area	Intent
1	Skill Development for Youth	Employability and certification for youth in aspirational districts
2	Entrepreneurship Development for Women	Economic independence and cultural preservation
3	Promotion of Girls' Education	Foundational learning and reintegration into schooling
4	Promotion of Education	Dignified, sustainable livelihoods for marginalised groups
5	Infrastructure Development in Government Schools	Digital and physical learning infrastructure
6	Environmental Sustainability	Promoting environmental sustainability through high-density Miyawaki plantations
7	Promoting Healthcare	Affordable and accessible healthcare for all
8	Promotion of Paralympic Sports & Olympic Sports	Supporting athletes and para-athletes through training, development, and access to sporting opportunities
9	Protection of National Heritage, Art and Culture	Preservation of culture and heritage of Pahari Community

CSR Initiatives

Focus Area	Initiative and Location	Approach	Impact
Skill Development for Youth	Beauty and Wellness Training at Baramulla, (Jammu & Kashmir)	At the Chinar Yuva Centre, in aspirational district of Baramulla, young women are trained as beauticians and makeup artists by the seasoned professionals. Interactive sessions, modern-technique demonstrations and exposure visits to established salons are conducted to build skills and confidence to start careers or enterprises.	90 youth were trained and certified, supported in securing employment in the Srinagar marketplace.
Entrepreneurship Development for Women	Support to Two Women-Led Startups, Haridwar (Uttarakhand)	Supported two women-led startups at IIT Roorkee to strengthen the women-led entrepreneurial ecosystem. The project aimed at enabling early-stage women entrepreneurs to overcome critical barriers in product development, validation, regulatory approvals, and achieve market readiness.	2 women entrepreneurs were supported through: • **Gohemp Agroventures Pvt. Ltd.** that transforms agricultural hemp into sustainable building materials, promoting eco-friendly solutions • **Vigorus Healthtech Private Limited** that develops AI-based decision support tools for improved clinical diagnostics
Promotion of Girls' Education	Sakhiyon Ki Baadi - Baran, Pali, Sirohi, Dungarpur, Udaipur, Pratapgarh, Chittorgarh (Rajasthan)	The flagship education initiative builds foundational literacy and numeracy among girls aged 4-14 from tribal communities, many of whom are first-generation learners.	11,705 girls from underserved communities benefited through 392 learning centres established across Chhipabarod, Dhariyawad, Bali, Pindwara, Sayra, Bichhiwara, Kotra, and Phalasiya blocks. The initiative also created livelihoods for 392 women trained and employed as teachers.
	Bicycle Donation, Pune (Maharashtra)	Bicycles were provided to 100 girl students under the Maharashtra Impact and Sustainability Convergence Programme (MICSP) to address long and unsafe school commutes.	The initiative reduces absenteeism, safety risks, and learning gaps faced by girls who walk 2-6 km daily to school. 100 girls from Class 6 and above in government or government-aided schools in Khanwadi, Purandar district, Pune received support.

Focus Area	Initiative and Location	Approach	Impact
Promotion of Education	Academic Scholarship - IIT Bombay, Mumbai (Maharashtra)	Full academic scholarships awarded to 75 first-year undergraduate students at Indian Institute of Technology, Bombay for the academic year 2025-26.	Scholarships were awarded to 75 students including 25 girls (having annual family income below ₹10 Lakhs) and 50 boys (having annual family income below ₹5 Lakhs) selected based on financial eligibility. The scholarship covers tuition, hostel, campus fees, health insurance, and student support services, enabling students to pursue their education without financial constraints and not drop out of the course owing to financial constraints.
	Vocational Training for Higher Secondary Students, Kamrup (Assam)	National Education Policy (NEP) 2020 aligned vocational programme was implemented for class 11th - 12th students in rural government schools of Assam.	240 students from rural government schools in Kamrup, Assam, received vocational training in different domains. Students were provided with hands-on, job-oriented training aimed at building employable skills into: • Tailoring • Mobile Repairing • Beautician Skills • Electrical Work
	Tattva University, Navi Mumbai (Maharashtra)	The Company supported the establishment of **Tattva University,** a greenfield, value-based, multidisciplinary, research-oriented, deemed-to-be university (Distinct Category) in Navi Mumbai, rooted in Jain and Indian knowledge systems, delivering globally competitive education while building ethical, future-ready leaders for India by 2047.	Tattva University would benefit 4,200 students and faculty members with education on Business, Technology, Life Sciences, Social Sciences and more, offering Undergraduate (UG), Postgraduate (PG) and PhD programmes.
	Donation of 2 School Buses, Valsad (Gujarat)	The Company donated 2 school buses to Sparsh NGO. The buses enable daily school travel, access to healthcare, participation in extracurricular activities, and help students attend competitive exams in other regions.	The school buses provide reliable transportation for tribal students in the remote areas of Valsad, Gujarat. 68 children directly receive support from this initiative.

Focus Area	Initiative and Location	Approach	Impact
Infrastructure in Government Schools	Construction of Government School at Chardana, Baran (Rajasthan)	Responding to a community request, Government Senior Secondary School in Chardana village, Atru block, Baran, a NITI Aayog Aspirational District, was supported through construction of classrooms, staffrooms, a Balvatika, a music room, and a designated Mid-Day Meal area, inclusive facilities with accessible toilets, ramps, and STEM and digital labs.	Government School at Chardana, Baran, is the only accessible educational institution for families in and around Chardana. Hence, supporting the school's development has ensured improved educational outcomes and has created a safe, conducive learning environment for 233 children.
Promotion of Environmental Sustainability	Tree plantation, Bhuj (Gujarat)	Planted 12,932 saplings at Bhuj, Gujarat, using the Miyawaki technique to transform 0.75 acres into a dense forest and promote ecological and social benefits to the wider community.	Planted 12,932 saplings at Bhuj, with expected carbon sequestration of approximately 275 tonnes annually, contributing to improved air and soil quality while creating a thriving habitat for birds, insects and small animals, enhancing local biodiversity.
	Heatwave Resilience Project, Jaipur (Rajasthan)	Supported the installation of a Net-Zero Cooling Station in a heat-stressed informal settlement, to combat the rising incidence of extreme heat events in Veer Tejaji Road, Madhyam Marg, Jaipur, Rajasthan.	Benefiting over 8,000 citizens during the year, the initiative provides a scalable, low-carbon and gender-responsive model aligned with India's National Cooling Action Plan and the National Disaster Management Authority's heat preparedness framework. It demonstrates a city-level Heat Action Plan for Jaipur while ensuring long-term sustainability through the handover of the station to local communities after one year.
Promoting Healthcare	Donation of Dialysis Machines, Mumbai (Maharashtra)	Donation of 5 Dialysis Machines to a community healthcare centre in Mumbai to help individuals from financially weaker income groups.	The dialysis machines will provide accessible and affordable dialysis services to more than 1,200 underprivileged urban community members.
	Construction support to Lecture Hall in Hospital, Chhatrapati Sambhajinagar (Aurangabad) (Maharashtra)	Supported the construction of a Lecture Hall at Shri Ramchandra Institute of Medical Sciences, to strengthen medical education infrastructure.	The facility will serve MBBS and B.Sc. Nursing students, directly benefiting approximately 1,000 medical learners. The enhanced learning environment will improve the quality and capacity of medical education, contributing to better healthcare professionals and overall community well-being.
	Donation of Sweeper Truck, Baramati (Maharashtra)	Supported the procurement of truck-mounted road sweeper to address the growing challenge of road cleaning in Baramati.	20,124 community members would benefit with cleaner roads and improved public hygiene, reduction in air pollution caused by dust and soil particles, lower workload and improved safety for sanitation workers, reduced drain blockages and prevention of waterlogging.

Focus Area	Initiative and Location	Approach	Impact
Promotion of Paralympic sports and Olympic sports	Support for Athletes and Para-Athletes in Mumbai (Maharashtra)	Support was provided to the 16 Indian athletes and para-athletes: • Expert training and coaching • Sports science support • World-class equipments like prosthetics, wheelchair, and sport kit, etc. • Funding and support for domestic and foreign training and tournaments • Athlete welfare through monthly stipend	Support was provided to 16 Indian athletes and para-athletes towards their preparation for the Los Angeles 2028 Olympics and Paralympics.
Protection of National Heritage, Art and Culture	Construction Support to Cultural Centre	The Pahari Cultural Centre has been constructed to document, highlight and preserve the rich heritage of Pahari community across India with emphasis on Jammu & Kashmir **The cultural centre:** • Showcase Pahari tribal life, customs, language, folklore, and arts • Serve as a space for language and heritage promotion • Honour the military contributions and sacrifices of locals • Hi-Tech Scanning and Security Centre	Supported the construction of a Pahari Cultural Centre in Sadhna Pass, Karnah Valley, Jammu & Kashmir. It is the first Pahari Cultural Centre in India which also includes an Army Museum and War Memorial. The centre may receive approximately 2,400 visitors annually.

Madhu Jain,
Director, India Infoline Foundation

Empowering Potential. Enabling Progress.

At IIFL Foundation, we believe sustainable progress is driven by investing in people, knowledge, and innovation. Our partnerships with India's Institutes of National Importance reflect this commitment by expanding access to quality education, nurturing future leaders, and supporting innovation that addresses real-world challenges.

Through scholarships for meritorious students from underserved backgrounds at IIT Bombay and support for women-led technology ventures at IIT Roorkee, we are enabling talent to thrive while advancing solutions in sustainable construction and AI-enabled healthcare.

These initiatives reflect our belief that empowering individuals and fostering innovation create lasting social value and contribute to a more inclusive, resilient, and sustainable future.

Impact Assessment of Sakhiyon Ki Baadi Programme

IIFL Foundation engaged KPMG to conduct an impact assessment of its flagship programme, Sakhiyon Ki Baadi (SKB), in Rajasthan for FY 2026. The assessment found the programme to be effective in reaching underserved communities, encouraging school attendance among children, strengthening families' willingness to educate girls, and enhancing children's social and interpersonal skills. The programme also contributed to women empowerment by equipping female educators (Dakshas) with relevant skills and providing them with sustainable livelihood opportunities.

Building on the existing project design and guided by the OECD-DAC evaluation framework, the study adopted a cross-sectional design and a mixed-methods approach to capture both quantitative and qualitative outcomes of the programme. Data was collected through Key Informant Interviews (KIIs), Focus Group Discussions (FGDs), and case studies across sampled locations. In total, 538 respondents representing seven stakeholder groups were covered as part of the assessment.

Below are the key outcome-based findings from the Impact Assessment based on sampled interactions:

- All the students reported that attending SKB has helped increase their confidence enabling them to express themselves more freely in front of parents, Dakshas and friends post SKB.
- All Dakshas, teachers, Anganwadi workers, and Panchayati Raj Institution (PRI) members, expressed that SKBs have been instrumental in bringing about a positive shift in the community's approach to girls' education.
- All parents acknowledged that they experienced reduced financial burden, with all parents affirming that the programme's stationery support was adequate throughout the year.
- 91% of parents reported their children were not attending any educational institution before SKB.
- 78% of parents reported that they found SKB as a safe and accessible learning space for their children.
- 100% of parents reported that their children understand concepts better after joining SKB, attributing this improvement to structured materials and guided practice.
- 57% of the Dakshas reported that they were unemployed prior to joining SKB and that they now have a stable source of income.
- 82% of PRI members reported that families now show greater willingness to send their girls to school after SKB enrolment.
- 82% of PRI members reported that the SKB programme has been successful in addressing the educational needs of the community.

Students of Sakhiyon Ki Baadi Programme

Case Study

From Distance to Determination: The Inspiring Journey of Iram Jan

Iram Jan, (26), a passionate and determined young woman from Pampore, turned her aspirations into reality through sheer perseverance. Coming from a modest background, she was constantly searching for an opportunity to build a career in the beauty industry. Before joining the course, she was pursuing a B.A., but she was interested in beauty parlour work.

Her journey began when she enrolled in the Beauty & Wellness course at the Chinar Yuva Centre, supported by IIFL Foundation, Indian Army and REACHA. What made her journey truly remarkable was her unwavering commitment! She travelled nearly 150 kilometres daily between Pampore and Baramulla to attend the training.

Despite the long and exhausting commute, Iram remained focused on learning and improving her skills. The training equipped her with professional techniques in makeup and beauty services, while also building her confidence and discipline.

After successfully completing the 3-month course into beauty and wellness, Iram started working as a freelance makeup artist in Pampore. Today, she is not only pursuing her passion but also contributing financially to her family. She earns ₹5,000-10,000 per month during the off-season and ₹15,000-20,000 per month during the peak season.

Her journey is a powerful testament to dedication and resilience, proving that no distance is too far when one is determined to succeed.

From Constraints to Confidence: Nirma's Journey of Change

Nirma Kumari, a resident of Tuka village, grew up in a large farming family. Persistent financial hardships made education and employment opportunities extremely difficult to access. After her marriage, Nirma faced additional challenges as her in-laws, influenced by traditional beliefs, did not support women working outside the home or pursuing further education. Although her husband wished to support her aspirations, family pressures forced him to step back, leaving Nirma dependent on her father and unable to contribute financially to her family.

A turning point came when Nirma decided to become a Daksha in Sakhiyon Ki Baadi programme, to teach girls in her village. She conducted a survey that led to the enrollment of 30 girls aged 4 to 14 years in the centre she teaches. Through regular engagement with parents and community members, Nirma promoted the importance of girls' education and ensured consistent attendance and participation among students. At the same time, she pursued her own educational aspirations and actively spread awareness about government welfare schemes.

Today, Nirma leads a Sakhiyon Ki Baadi centre that has helped increase interest in learning among girls in her village. Her financial independence has enabled her to support her father and manage her educational expenses. More importantly, she has earned the respect and support of her family and community, including her in-laws, who now encourage her work. By overcoming social barriers and creating opportunities for others, Nirma has emerged as a role model for young girls, demonstrating how education and community support can transform lives and unlock new possibilities.

Interlinkages with other Capitals

- Financial Capital
- Human Capital
- Intellectual Capital
- Social and Relationship Capital
- Physical Capital
- Natural Capital

SDG Linkages

- 1 NO POVERTY
- 3 GOOD HEALTH AND WELL-BEING
- 4 QUALITY EDUCATION
- 5 GENDER EQUALITY
- 6 CLEAN WATER AND SANITATION
- 8 DECENT WORK AND ECONOMIC GROWTH
- 10 REDUCED INEQUALITIES

Stakeholders Impacted

- Customers
- Business Partners & Vendors
- Employees
- Regulatory Bodies and Market Infrastructure Institutions (MIIs), Stock Exchange & Depository
- Shareholders & Investors
- Communities

IIFL CAPITAL

Stewarding a Greener Tomorrow

At IIFL Capital, environmental stewardship centres on responsible resource consumption, efficient waste management and a steady transition to low-impact operations. Across our offices we work to minimise our ecological footprint – from reducing paper use to responsibly managing electronic waste; strengthening trust, ensuring compliance and reinforcing our commitment to future generations.

FY 2026 Key Progress

10,200 GJ
Total Energy Consumed

78,19.82 GJ
Energy from Non-renewable Sources

2,380.18 GJ
Renewable Energy Utilised

1,456.70 tCO_2e
Scope 2 Emissions

1,791.67 tCO_2e
Scope 3 Emissions

3,353.41 KL
Water Consumed

0.53 MT
e-Waste Generated

4.02 MT
Paper Waste Generated

0.04 MT
Plastic Waste Generated

~**99**%
Digital Account Openings

Certifications and Green Infrastructure

ISO 14001:2015 – Environmental Management System

IIFL Capital holds ISO 14001:2015 certification for its Environmental Management System, placing it among the few financial-services firms in India to hold this accreditation. The certification strengthens how we identify, monitor and manage environmental impacts, supports cost efficiency and embeds sustainable practices across our operations.

Sustainable Workplace Initiatives

- Two offices have achieved LEED certification, demonstrating adherence to recognised standards for energy, water, and resource efficiency
- The corporate and registered offices are powered through green-energy procurement
- Solar panels are installed at one office location
- Sensor-based LED lighting has been deployed across offices to improve energy efficiency
- The registered office is equipped with a rainwater harvesting system, with recycled wastewater reused for flushing and irrigation

Energy and Emissions Management

Approach

The Company remains focused on enhancing operational sustainability through initiatives such as renewable energy adoption, energy-efficient technologies, and responsible resource management across its offices.

Waste Management

Approach

Efficient waste management improves operational efficiency and reduces our environmental impact. Guided by the principles of Reduce, Reuse and Recycle, we focus on the three streams that make up the majority of our output – paper, e-waste and plastic.

Paper

The Company promotes responsible paper management through digital-first processes, including digital contract notes and paperless customer onboarding. Access-based and double-sided printing practices are encouraged where printing is required, while secure paper disposal is facilitated through paper shredders and authorised waste management vendors.

e-Waste

Our e-waste – desktops, laptops, monitors, printers, scanners and tablets, is disposed of entirely through certified, authorised recyclers under defined procedures.

Plastic

No single-use plastics are used across our branches and offices nationwide, and we continue to extend such measures further.

Water Management

The organisation promotes sustainable water management through a rainwater harvesting system that collected and reused approximately 4.38 Lakh litres of water, along with reuse of RO discharge water for flushing and groundwater recharge initiatives at its registered office.

A Digital-First, Low-Impact Model

The most significant lever on our footprint is the digital nature of our business. Around 99% of account openings are fully digital, materially reducing paper consumption and physical processing. Paperless onboarding, digital contract notes and technology-led servicing keep our operating model inherently low-impact even as client volumes grow.

Climate Resilience and Community Action

The Company through its CSR initiatives, supported climate resilience beyond its own operations by developing the Jaipur Heat Action Plan in collaboration with the Jaipur Municipal Corporation. The initiative strengthened preparedness and coordinated response to extreme heat events and included the pilot implementation of a Net-Zero Cooling Station in a heat-stressed informal settlement, benefiting over 8,000 citizens. The initiative aligns with India's National Cooling Action Plan and the National Disaster Management Authority's heat preparedness framework.

Environmental Awareness

Environmental stewardship is reinforced through employee engagement and awareness programmes. During the year, the Company launched an Environmental Management System (EMS) training module on its Money-Versity learning platform, with 326 employees completing the programme during the year, while the remaining employees continue to progress through the training. Awareness campaigns promoting paper conservation and responsible resource use were also conducted across offices.

Key Highlights

Rainwater Harvesting
4.38 Lakh
Litres of Rainwater Collected and Reused

EMS Awareness
326 employees
Completed EMS Training

Tree Plantation
12,932
Trees Planted

Jaipur Heat Action Plan
8,000+
People Benefited

Interlinkages with other Capitals

- Financial Capital
- Human Capital
- Intellectual Capital
- Social and Relationship Capital
- Physical Capital

SDG Linkages

- 6 CLEAN WATER AND SANITATION
- 7 AFFORDABLE AND CLEAN ENERGY
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13 CLIMATE ACTION
- 15 LIFE ON LAND

Stakeholders Impacted

- Customers
- Employees
- Regulatory Bodies and Market Infrastructure Institutions (MIIs), Stock Exchange & Depository
- Shareholders & Investors
- Communities

Corporate Information

Board of Directors

Ms. Rekha Gopal Warriar
Chairperson and Independent Director

Mr. R. Venkataraman
Managing Director

Mr. Narendra Deshmal Jain
Whole-Time Director

Mr. Shamik Das Sharma
Independent Director

Mr. Anand Shailesh Bathiya
Independent Director

Mr. V. Krishnan
Independent Director

Key Managerial Personnel

Mr. Ronak Gandhi
Chief Financial Officer

Ms. Meghal Shah
Company Secretary & Head - ESG

Mr. Shanker Ramrakhiani
Chief Information Security Officer

Mandatory Board Committees

Audit Committee

Nomination and Remuneration Committee

Stakeholders' Relationship Committee

Corporate Social Responsibility Committee

Risk Management Committee

Information Technology Committee

Auditors

V. Sankar Aiyar & Co.
Chartered Accountants

Registrar and Share Transfer Agent

MUFG Intime India Private Limited

(Formerly Link Intime India Private Limited)
C-101, Embassy 247,
L. B. S. Marg, Vikhroli (West),
Mumbai - 400 083

Registered Office

IIFL House, Sun Infotech Park,
Road No. 16V, Plot No. B-23, Thane
Industrial Area, Wagle Estate,
Thane - 400 604

Corporate Office

Ground Floor, Hubtown Solaris,
N.S. Phadke Marg, Vijay Nagar,
Andheri East, Mumbai - 400 069

List of Corporate Bankers

ICICI Bank Limited

HDFC Bank Limited

YES Bank Limited

DBS Bank Limited

State Bank of India

Ratnakar Bank Limited

Indian Bank Limited

IDFC First Bank Limited

IDBI Bank Limited

DIRECTORS' REPORT

Dear Stakeholders,

The Directors are pleased to present the Thirty-First Annual Report of IIFL Capital Services Limited (Formerly known as IIFL Securities Limited) (**'the Company'** or **'Your Company'** or **'IIFL Capital'**) along with the audited financial statements for the Financial Year (FY) ended March 31, 2026.

1. COMPANY OVERVIEW

IIFL Capital is one of India's leading financial services conglomerates, with a growing focus on providing comprehensive wealth management solutions and a broad spectrum of investment offerings to a diverse client base. Over the years, the Company has established a strong legacy of trust, innovation, and excellence through its diversified portfolio of services, consistently delivering long-term value to its clients, shareholders, and other stakeholders.

With nearly three decades of experience, IIFL Capital serves a diverse client base comprising Ultra High Net Worth Individuals (UHNIs), High Net Worth Individuals (HNIs), affluent and institutional investors. Through its Investment Banking, Institutional Equities, Broking & Distribution and Asset Management businesses, the Company offers a comprehensive range of investment and financial solutions, including Mutual Funds Alternative Investment Funds (AIFs), Fixed Income Products (FIPs), structured products, insurance solutions, and other wealth creation opportunities, tailored to meet the evolving needs of its clients.

The Company adopts a holistic approach to financial planning, enabling clients to benefit from comprehensive solutions encompassing wealth preservation, tax optimisation, and succession planning. This integrated framework allows the Company to provide informed and structured guidance across the client's financial lifecycle, with solutions tailored to meet evolving objectives and long-term financial aspirations.

During FY 2026, the Company continued to strengthen its wealth management franchise. With over 400 Relationship Managers (RMs), strong advisory capabilities, a diversified product suite, market-leading research, and technology-enabled platforms, the Company remains well-positioned to drive sustainable growth and deepen client engagement across the wealth spectrum.

Further, the Company continued to strengthen its digital ecosystem to enhance client engagement and investment experience. The *IIFL Markets* app, with a 4.4 user rating and over 10 Mn downloads, remained a preferred platform for investors, supported by continuous upgrades, advanced features, seamless transactions, and an intuitive user experience. The platform also enables clients to track portfolios, access investment insights, and manage their financial investments seamlessly.

Leading the market in capital raising and advisory, the Company maintained a strong position in the Investment Banking business during FY 2026, with successful execution across Initial Public Offerings (IPOs), Qualified Institutional Placements (QIPs), Offer for Sale (OFS), private placements, stake sales, and advisory mandates.

The Company's research platform comprised 48 professionals, covering 318+ stocks across 20+ sectors, representing over 72% of India's market capitalisation, and providing sectoral and thematic insights to institutional and wealth clients.

As on March 31, 2026, the Company served over 3 Mn clients across institutional, wealth and retail segments through a robust distribution network of 2,600+ partners and ~100 branches across India, complemented by an institutional sales presence in key global financial centres. Supported by an agile technology platform, trusted brand equity and a strong capital base, the Company continued to deliver a seamless client experience and managed Assets Under Management (AUM) and Custody of ₹2,296 Bn.

2. FINANCIAL SUMMARY AND HIGHLIGHTS

A summary of the Company's financial performance for FY ended March 31, 2026, is as under:

₹ in Mn

Particular	Standalone		Consolidated	
	FY 2026	FY 2025	FY 2026	FY 2025
Gross Income	22,201	21,585	26,031	25,674
Profit/(Loss) before Depreciation and Tax	7,429	8,354	8,214	9,795
Depreciation	(533)	(436)	(651)	(549)
Profit/(Loss) before tax	6,896	7,918	7,563	9,246
Provision for Tax	1,587	1,889	1,927	2,117
Non-controlling interest	-	-	23	5
Profit/(Loss) after Tax	5,309	6,030	5,613	7,123
Balance brought forward from previous year	18,395	13,295	20,797	14,604
Appropriation towards dividend paid	(934)	(930)	(934)	(930)
Surplus carried forward	22,770	18,395	25,477	20,797
Earning Per share on equity Share of ₹2/- each				
Basic (in ₹)	17.10	19.45	18.08	23.06
Diluted (in ₹)	16.14	18.53	17.07	21.89

3. REVIEW OF THE OPERATIONS AND BUSINESS, AND THE STATE OF COMPANY AFFAIRS

During the year under review, there was no change in the nature of business of the Company.

Your Company continued to maintain a strong business performance during FY 2026, reporting consolidated revenue of ₹26,031 Mn as against ₹25,674 Mn in FY 2025. The consolidated net profit after tax (TCI) stood at ₹5,620 Mn in FY 2026 as compared to ₹7,108 Mn in FY 2025.

i. Retail Equities

During the year, Retail Equities income (including interest income on Margin Trading Facility and Bank Fixed Deposits) stood at ₹11,212 Mn, down by 9% on a YoY basis, primarily impacted due to regulatory changes and evolving market dynamics; however the Company continue to maintain strong market participation, supported by its diversified client franchise, robust execution capabilities, and technology-led platforms.

ii. Financial Product Distribution and Wealth Management

The Financial Product Distribution business recorded revenue of ₹5,716 Mn in FY 2026, representing a growth of 12% over ₹5,094 Mn in FY 2025, aided by higher client adoption and continued diversification of the product portfolio. The Financial Product Distribution business comprises the distribution of AIFs, Portfolio Management Services (PMS), Mutual Funds, Insurance products, FIPs, and other investment solutions.

iii. Investment Banking & Institutional Equities

The Investment Banking and Institutional Equities business delivered a strong performance in FY 2026, with revenues of ₹7,119 Mn, reflecting 11% YoY growth. During FY 2026, your Company successfully completed around 45 transactions, including 31 IPOs, 2 QIPs, a rights issue and several private placements.

The Company continued to strengthen its position across capital markets and advisory services through consistent mandate wins, strong execution and enduring client relationships. Multiple offer documents for upcoming IPOs were filed during the year, while several private equity and advisory mandates remained under execution. Continued investment in talent and leadership development further enhanced the Company's capabilities and growth prospects.

iv. Asset Management

The Company's Asset Management business, carried on through its wholly owned subsidiary, IIFL Capital Asset Management Limited (ICAML), continued to strengthen its presence across PMS and AIFs during FY 2026.

As at March 31, 2026, ICAML managed PMS AUM of ₹22.95 Bn and AIF AUM of ₹15.05 Bn. During the year, the transfer of the Company's PMS business to ICAML further strengthened its asset management platform and consolidated investment management operations under a dedicated asset management entity.

These developments reflect ICAML's strong investment capabilities, disciplined investment approach and growing presence in the asset management industry, positioning it for sustainable growth and long-term value creation.

4. DIVIDEND AND RESERVES

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("SEBI Listing Regulations")**, the Company has adopted a Dividend Distribution Policy, which is available on the Company's website at https://files.iiflcapital.com/assets/Dividend_Distribution_Policy1_d3d028fa68.pdf.

In accordance with the Policy, the Board of Directors declared an interim dividend of ₹3 per equity share (150% of the face value of ₹2 per share) at its meeting held on February 10, 2026. The dividend payout aggregated to ₹934 Mn and is considered as the final dividend for FY 2026.

During the year under review, the Company has transferred an amount of ₹13 Mn to the General Reserve maintained by the Company.

5. INVESTOR EDUCATION AND PROTECTION FUND

The Company remains committed to safeguarding investor interests and ensuring compliance with the provisions relating to the Investor Education and Protection Fund **("IEPF")**. Details of the IEPF-related activities undertaken during FY 2026 are provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

6. COMMERCIAL PAPER

During FY 2026, the Company utilised Commercial Papers as a source of short-term funding for its growing Margin Trading Facility business.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 **("Act")** are disclosed in Note No. 6 & 7 to the Standalone Financial Statements forming part of this Integrated Annual Report.

8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes or commitments affecting the financial position of the Company between the end of FY 2026 and the date of this Report, except that subsequent to the close of the financial year, Fairfax India Holdings Corporation, through FIH Mauritius Investments Ltd. and its affiliate ("Fairfax"), proposed to increase its shareholding in the Company to at least 51% through a combination of transactions, including a preferential issue of equity shares aggregating ~₹2,000 Crores at an issue price of ₹350 per equity share, an open offer, and arrangements with the existing Promoters, subject to receipt of customary regulatory and other approvals. The shareholders of the Company approved the preferential issue of equity shares at the Extraordinary General Meeting held on June 01, 2026.

Upon completion of the proposed transaction, Fairfax will become part of the Promoter Group alongside the existing Promoters and will have the right to nominate two directors on the Board.

9. SHARE CAPITAL

As on March 31, 2026, the Company's issued, subscribed and paid-up equity share capital stood at ₹62,28,69,426, comprising 31,14,34,713 equity shares of ₹2 each. During the year under review, the paid-up equity share capital increased from ₹61,99,11,618 to ₹62,28,69,426 pursuant to the allotment of 14,78,904 equity shares under the IIFL Securities Limited Employee Stock Option Scheme – 2018 **("IIFL ESOS Scheme–2018")**. The equity shares allotted rank pari passu with the existing equity shares of the Company.

The Company did not issue any equity shares with differential rights as to dividend, voting or otherwise, nor did it issue any sweat equity shares during the year under review.

Subsequent to the close of the financial year, the Board and the shareholders approved the preferential issue of 5,71,42,857 equity shares to FIH Mauritius Investments Ltd. at an issue price of ₹350 per equity share, aggregating ~₹2,000 Crores, subject to receipt of customary regulatory and other approvals.

Employees Stock Option Scheme (ESOS)

The Company has in force the **IIFL ESOS Scheme–2018**, formulated in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **("SEBI SBEB & SE Regulations")**. There were no material changes to the scheme during the year, and the same is in compliance with the applicable provisions of the SEBI SBEB & SE Regulations.

During FY 2026, the Nomination and Remuneration Committee, pursuant to the IIFL ESOS Scheme–2018, granted 23,08,279 stock options to eligible employees of the Company, each convertible into one fully paid-up equity share of the Company. As on March 31, 2026, 11,61,257 stock options had lapsed and were added back to the option pool, and the total number of stock options outstanding under the scheme stood at 3,77,80,027.

The disclosures related to ESOPs, as required under the provisions of the Act, the rules made thereunder, and SEBI SBEB & SE Regulations, are available on the Company's website at www.iiflcapital.com. These disclosures can also be inspected by members at the Company's registered office. Members interested in obtaining a copy may contact the Company Secretary at secretarial@iiflcapital.com.

The relevant disclosures in accordance with IND AS 102, relating to share-based payments, forms part of Note 33 of the Standalone Financial Statements and Note 43 of the Consolidated Financial Statements of the Company.

10. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of Section 135 of the Act and the rules made thereunder, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition of the CSR Committee and its terms of reference are set out in the Corporate Governance Report forming part of this Integrated Annual Report. The Annual Report on CSR Activities, as required under the Act, is annexed as **Annexure 1** and forms a part of this Integrated Annual Report.

The Company has adopted a CSR Policy in compliance with the provisions of the Act, which is available on the Company's website at www.iiflcapital.com The Company's CSR initiatives are primarily implemented through India Infoline Foundation ("IIFL Foundation"), a wholly owned subsidiary incorporated under Section 8 of the Act and registered in accordance with the applicable provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Through IIFL Foundation, the Company undertakes CSR initiatives across the areas of **Health, Education & Environment, Livelihood and Poverty Alleviation (HELP)**. During FY 2026, the CSR programmes remained aligned with select United Nations Sustainable Development Goals (SDGs), including No Poverty (SDG-1), Quality Education (SDG 4), Gender Equality (SDG 5), Affordable and Clean Energy (SDG 7), Decent Work and Economic Growth (SDG 8) and Reduced Inequalities (SDG 10).

The Company continued to focus its CSR efforts on creating sustainable and inclusive social impact, with an average of 80% of the beneficiaries of its CSR programmes belonging to marginalised and disadvantaged communities. CSR spending in aspirational districts increased from ₹0.52 Crores in FY 2025 to ₹1.97 Crores in FY 2026, underscoring the Company's commitment to inclusive growth and community development. Further details of the CSR initiatives undertaken during the year are provided in the CSR – Social and Relationship Capital of the Narrative Section and the Annual Report on CSR Activities forming part of this Integrated Annual Report.

11. NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Schedule II of the SEBI Listing Regulations, the Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, adopted a Nomination and Remuneration Policy. The Policy lays down the criteria for appointment, qualifications, positive attributes, independence, remuneration, and evaluation of Board of Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel ("SMP").

The Nomination and Remuneration Policy is attached as **Annexure–2** and forms an part of this Integrated Annual Report. The Policy is also available on the Company's website at https://files.iiflcapital.com/assets/Nomination_and_Remuneration_Policy_d2cd45fce3.pdf

12. HUMAN RESOURCES MANAGEMENT

Your Company's employees are its most valuable asset and key drivers of sustainable growth. The Company continues to focus on attracting, developing, engaging and retaining talent through a people-centric approach, while fostering a high-performance, inclusive and collaborative work culture. Continuous learning and development initiatives, performance-linked rewards, employee engagement programmes and career development opportunities remain integral to the Company's human resource strategy.

As on March 31, 2026, the Company had 1,546 permanent employees.

Maternity Benefit Act, 1961

The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961, as amended, including provisions relating to maternity benefits and crèche facilities, as applicable.

Prevention of Sexual Harassment of Women at Workplace

Your Company is committed to providing a safe, secure and inclusive work environment and maintains a zero-tolerance approach towards any form of sexual harassment. In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 **("POSH Act")** and the rules made thereunder, the Company has in place a Policy on Prevention of Sexual Harassment at Workplace and has constituted an Internal Committee for redressal of complaints. Regular awareness and training programmes are conducted to reinforce a respectful and harassment-free workplace. The Policy is available on the Company's website at https://files.iiflcapital.com/assets/Policy_and_Prevention_of_Sexual_Harassment_at_Workplace_ed9b6ac07e.pdf.

During FY 2026, the status of complaints received under the POSH Act was as under:

a. Number of complaints received : **Nil**

b. Number of complaints disposed of : **Nil**

c. Number of cases pending for more than 90 days: **Nil**

Particulars of employees

The disclosures required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached as **Annexure – 3** and forms part of this Integrated Annual Report

Further, a statement showing the names and other particulars of employees drawing remuneration exceeding the limits specified in Rule 5(2) and 5(3) of the aforementioned rules is maintained and forms part of this Report. However, in accordance with the first proviso to Section 136(1) of the Act, the Annual Report and Accounts are being sent to members and other entitled parties, excluding this information. The information is available for inspection by members. Any member interested in obtaining a copy may write to the Company Secretary at secretarial@iiflcapital.com.

13. SUBSIDIARY, ASSOCIATES AND JOINT VENTURE COMPANIES

As of March 31, 2026, the Company has eleven subsidiaries (including step-down subsidiaries) and no associate or joint venture companies. The following is a list of the subsidiaries, both in India and overseas:

Sr. No.	Name of the domestic subsidiary
1	IIFL Facilities Services Limited*
2	IIFL Management Services Limited*
3	Livlong Insurance Brokers Limited*
4	Livlong Protection and Wellness Solutions Limited
5	India Infoline Foundation* (Section 8 Company)
6	Shreyans Foundations LLP (Step down subsidiary company)
7	Meenakshi Towers LLP
8	IIFL Securities Services IFSC Limited*
9	IIFL Commodities Limited*
10	IIFL Capital Asset Management Limited (Formerly IIFL Securities Alternate Asset Management Limited)*
	Name of the foreign/overseas subsidiary
11	IIFL Capital Inc.*

**Wholly-owned subsidiary*

During FY 2026, IIFL Wealth (UK) Limited, a wholly owned subsidiary of the Company, had undergone voluntary strike off and was dissolved with effect from July 22, 2025, and accordingly ceased to be a wholly owned subsidiary of the Company from such date. Other than the aforesaid change, no company became or ceased to be a subsidiary, joint venture or associate of the Company during the year.

Subsequent to the close of the financial year, IIFL Capital (IFSC) Limited became a wholly owned subsidiary of the Company upon its incorporation on May 11, 2026.

Pursuant to Regulation 16 of the SEBI Listing Regulations, the Board has approved a Policy for Determining Material Subsidiaries, which is available on the Company's website at https://files.iiflcapital.com/assets/Policy_for_determining_material_subsidiaries_7edbd88b99.pdf

In accordance with the provisions of Section 136 of the Act, the audited financial statements of the Company, including the consolidated financial statements, along with the financial statements of its subsidiaries, are available on the Company's website at https://www.iiflcapital.com/investor-relations/financials. These documents are also available for inspection by the Members in accordance with the applicable provisions of the Act.

14. FINANCIAL PERFORMANCE OF THE MAJOR SUBSIDIARIES OF THE COMPANY

A brief overview of the performance of the major subsidiary companies is provided below.

Domestic subsidiaries

I. IIFL Facilities Services Limited ("IFSL")

IFSL is engaged in providing office infrastructure, facility services and related services, primarily catering to group companies as well as external clients. During FY 2026, the total income and total comprehensive income of IFSL were ₹1,355 Mn and ₹758 Mn, respectively, compared to ₹1,095 Mn and ₹611 Mn in FY 2025.

II. Livlong Insurance Brokers Limited ("LIBL")

LIBL is registered with the Insurance Regulatory and Development Authority as a Direct Broker, providing insurance broking services. During FY 2026, LIBL's total income and total comprehensive income were ₹925 Mn and ₹68 Mn, respectively, compared to ₹1,110 Mn and ₹199 Mn in FY 2025.

III. Livlong Protection and Wellness Solutions Limited ("LPWSL")

LPWSL primarily focuses on addressing the healthcare needs of customers by leveraging technology. During FY 2026, LPWSL's total income and total comprehensive income were ₹1,922 Mn and ₹97 Mn, respectively, compared to ₹1,449 Mn and ₹25 Mn in FY 2025.

IV. IIFL Management Services Limited ("IMSL")

IMSL act as a manager to AIFs. The Company is also engaged in the business of dealing in unlisted shares, stocks, debenture-stock, bonds, obligations or any other securities on its own account. During FY 2026, the total income and total comprehensive income/(loss) of IMSL were ₹435 Mn and (₹92) Mn, respectively, compared to ₹799 Mn and ₹297 Mn in FY 2025.

V. IIFL Capital Asset Management Limited (Formerly IIFL Securities Alternate Asset Management Limited) (ICAML)

ICAML acts as the Manager to AIFs and is registered with SEBI as an Investment Adviser and Portfolio Manager. Pursuant to the Business Transfer Agreement executed during the year, the Company's PMS business was transferred to ICAML on a going-concern basis. During FY 2026, the total income and total comprehensive income/(loss) of ICAML were ₹136 Mn and (₹10) Mn, respectively, compared to ₹26 Mn and (₹5) Mn in FY 2025.

Foreign/overseas subsidiaries

VI. IIFL Capital Inc.

IIFL Capital Inc. is engaged in providing advisory and financial services. During FY 2026, the total income and total comprehensive income of IIFL Capital Inc. were ₹148 Mn and ₹8 Mn, respectively, compared to ₹184 Mn and ₹9 Mn in FY 2025.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Section 129(3) of the Act, your Company has prepared the annual consolidated financial statements, consolidating its financials with its subsidiary companies. The annual audited consolidated financial statements have been prepared in compliance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India.

Pursuant to Section 129(3) of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of subsidiary companies is provided in Form AOC-1, as **'Annexure A'** of the Consolidated Financial Statements, and forms part of this Integrated Annual Report.

15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report forms part of this Integrated Annual Report. The report provides a detailed overview of the Company's business performance, industry trends, opportunities and risks, and the outlook for the future.

16. ENVIRONMENT SOCIAL & GOVERNANCE (ESG) COMPLIANCE AND SUSTAINABILITY INITIATIVES

IIFL Capital recognises Environmental, Social and Governance (ESG) factors as integral to sustainable growth, effective risk management and long-term value creation. The Company continues to embed ESG principles across its business operations and decision-making processes, reflecting its commitment to responsible business practices and creating sustainable value for all stakeholders.

To reinforce its commitment to sustainable and responsible business practices, the Company has adopted a comprehensive ESG Policy, approved by the ESG Committee and the Board of Directors. The Policy sets out the roles and responsibilities of the Board, the ESG Committee and the ESG team in driving the Company's sustainability agenda. It identifies key ESG focus areas, including Environment, Corporate Governance, Customer Relations, Employee Well-being, Corporate Social Responsibility and Information & Cyber Security. The Company's ESG performance is monitored through defined Key Performance Indicators (KPIs), with periodic updates submitted by relevant stakeholders to facilitate ongoing oversight and accountability. The ESG Policy is available on the Company's website at https://files.iiflcapital.com/assets/Environment_Social_and_Governance_ESG_Policy_6fb9955251.pdf

In alignment with the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC), the Company has also instituted a range of policies aimed at promoting responsible business practices. Additionally, an ESG Risk Register has been established to proactively identify, assess, and manage risks related to environmental, social, and governance matters.

During FY 2025, the Company undertook a comprehensive ESG materiality assessment, with the assistance of PwC, to identify and prioritise ESG matters that are most relevant to its business and stakeholders. The assessment incorporated inputs from key internal stakeholders, including senior management and employees, as well as external stakeholders such as customers, lenders, business partners, shareholders and investors. Based on the materiality assessment, the Company, during FY 2026, established targets to address the material ESG issues identified under the high-priority category. The Company has also made notable progress against these targets. Details of the targets and achievements are provided in the Business Responsibility and Sustainability Report (BRSR), which forms part of this Integrated Annual Report.

The Company has obtained ISO 14001:2015 certification for its Environmental Management System (EMS), and the successful completion of the surveillance audit reaffirmed its continued compliance with the standard. The Company also secured a 'Strong' ESG rating from CRISIL ESG Ratings & Analytics, reflecting its strong sustainability performance and governance practices, and reaffirming its commitment to responsible value creation for stakeholders.

To enhance transparency and credibility in its sustainability journey, the Company has integrated its ESG profile on the ESG World Platform, thereby strengthening stakeholder engagement and trust. The profile is publicly accessible and reflects the Company's ongoing efforts to benchmark, monitor and enhance its ESG performance.

The Company remains committed to advancing its sustainability agenda, fostering responsible corporate governance and creating long-term value for all stakeholders.

17. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, the BRSR for FY 2026 forms part of this Integrated Annual Report. The BRSR provides comprehensive disclosures on the Company's performance with respect to ESG parameters and includes reporting on the nine principles of NGRBC as prescribed by the Ministry of Corporate Affairs.

As part of its commitment to transparency, accountability and sustainable business practices, the Company has voluntarily obtained reasonable assurance on the applicable BRSR Core disclosures for FY 2026. The reasonable assurance report issued by Kirtane & Pandit LLP forms part of the BRSR and is included in this Integrated Annual Report.

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

The Company is steered by a well-diversified and experienced Board of Directors, whose collective expertise spans finance, accounting, technology, corporate governance and risk management. This wide-ranging knowledge base empowers the Board to provide robust strategic leadership, uphold the highest standards of corporate governance, and facilitate future-ready decision-making that aligns with the best interests of the Company and its stakeholders.

As on March 31, 2026, the composition of the Board was in compliance with the requirements of Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations. The Board comprises an appropriate mix of Executive, Non-Executive and Independent Directors, including an Independent Woman Director serving as the Chairperson of the Board, thereby ensuring diversity, independence and balanced decision-making.

All Independent Directors have submitted declarations confirming their independence in terms of Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. Further, in compliance with Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs.

In accordance with the SEBI Listing Regulations, the Board has identified the core skills, expertise, and competencies necessary for effective governance and oversight of the Company's business. The details of the Board's skill matrix, along with the profile of Directors, are provided in the Report on Corporate Governance forming part of this Integrated Annual Report.

A complete list of the Company's Directors is provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

Changes in the composition of the Board of Directors

During the year under review, the Members of the Company approved the appointment of Mr. R. Venkataraman (DIN: 00011919) as the Managing Director and Key Managerial Personnel of the Company with effect from March 22, 2025, through a Postal Ballot on June 06, 2025, in accordance with the provisions of the Act, and the applicable provisions of the SEBI Listing Regulations.

Mr. Anand Shailesh Bathiya (DIN: 03084831) was re-appointed as a Non-Executive Independent Director of the Company for a second consecutive term of five years with effect from September 22, 2025. Further, Mr. Viswanathan Krishnan (DIN: 09026252) was re-appointed as a Non-Executive Independent Director of the Company for a second consecutive term of five years with effect from January 21, 2026. The aforesaid re-appointments were approved by the Members of the Company at the 30th Annual General Meeting **("AGM")** held on September 16, 2025, in accordance with the provisions of the Act and the applicable provisions of the SEBI Listing Regulations.

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

During the year, there was no new appointment of Independent Director on the Board of the Company.

Retirement by rotation

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. R. Venkataraman (DIN: 00011919), Managing Director is liable to retire by rotation at the forthcoming AGM and being eligible, has offered himself for re-appointment. The Board recommends the proposal of his re-appointment for the consideration of the Members of the Company at the forthcoming AGM. This proposal has been included in the Notice convening the 31st AGM, along with a brief profile of Mr. Venkataraman.

Changes in KMPs

During the year under review, there was no change in the KMPs of the Company.

As on the date of this Report, the following officials are designated as KMPs of the Company in accordance with the provisions of the Act and the rules made thereunder, and the SEBI Listing Regulations:

- Mr. R. Venkataraman – Managing Director
- Mr. Narendra Jain – Whole-Time Director
- Mr. Ronak Gandhi – Chief Financial Officer
- Ms. Meghal Shah – Company Secretary
- Mr. Shanker Ramrakhiani – Chief Information Security Officer

19. MEETINGS OF BOARD/COMMITTEE

During FY 2026, the Board of Directors met six (6) times. The meetings of the Board and its Committees were conducted in compliance with the provisions of the Act, the SEBI Listing Regulations and the applicable Secretarial Standards issued by the Institute of Company Secretaries of India. Agenda papers and minutes were circulated within the prescribed timelines; however, in exceptional circumstances requiring urgent consideration, agenda papers were circulated and meetings convened at shorter notice, or approvals were obtained through resolutions passed by circulation, in accordance with applicable laws. All recommendations made by the Committees of the Board were accepted by the Board.

The details of the meetings of the Board and its Committees, including the attendance of Directors, are provided in the Report on Corporate Governance, which forms an integral part of this Integrated Annual Report.

20. COMMITTEE OF THE BOARD

As on March 31, 2026, the Board had the following Committees to assist it in the effective discharge of its responsibilities and to strengthen governance and oversight mechanisms:

a) Audit Committee

b) Nomination and Remuneration Committee

c) Stakeholders' Relationship Committee

d) Corporate Social Responsibility Committee

e) Risk Management Committee

f) Finance Committee

g) Independent Director's Committee

h) ESG Committee

i) Information Technology Committee

Changes during the year:

During the year under review, the Board approved the merger of the Cybersecurity Committee with the Information Technology Committee at its meeting held on November 07, 2025, in line with the regulatory framework governing information technology and cybersecurity oversight for the Company. Consequently, the Information Technology Committee was entrusted with overseeing both information technology and cybersecurity-related matters.

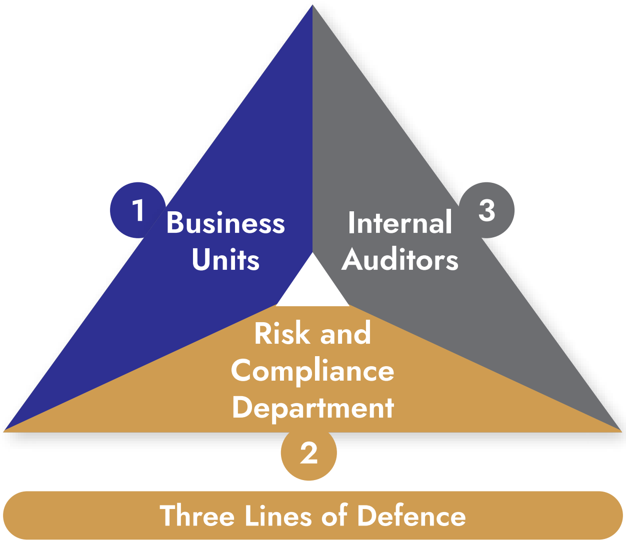
The details of the Board Committees, including their terms of reference, composition, number of meetings held during the year and attendance of members thereat, are provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

21. RISK MANAGEMENT

Effective risk management is essential for identifying, assessing, and monitoring potential threats and challenges across the organisation. In line with this, the Company has implemented robust measures, including a comprehensive Enterprise Risk Management ("ERM") Policy, which has been duly approved by the Risk Management Committee and the Board of Directors. This policy encompasses the identification, analysis, mitigation, and control of various risk categories to support the achievement of the Company's key business objectives.

The Company's ERM Policy is aligned with the Committee of Sponsoring Organisations of the Treadway Commission (COSO) 2017 ERM Framework. It covers a broad spectrum of risks, including Strategic Risk, Market Risk, Financial Risk, Fraud Risk, Legal Risk, Regulatory Risk, Operational Risk, Reputational Risk, ESG Risk, Technology Risk, Cyber/Information Risk, and Third-Party Risk.

Your Company has adopted the 'Three lines of defense' as part of the risk governance structure. The following diagram illustrates it.



Risk governance structure and key roles & responsibilities

A strong risk governance structure can help ensure that an organisation is able to identify, assess, and respond to risk effectively. The structure is also intended to provide an effective system of checks and balances to ensure that the risk management practices are in compliance with the regulations and industry standards.

The risk governance structure at IIFL Capital is as provided hereunder:

Roles and responsibilities of key stakeholders constituting the risk governance structure are as under:

Role of Board of Directors: The Board of Directors is responsible for monitoring and overseeing the implementation of the ERM policy and practices.

Role of Risk Management Committee (RMC): RMC is responsible for formulation of the detailed ERM policy. ensures that appropriate methodology, processes and systems are in place to monitor and evaluate risk associated with the business of the Company. It monitors and oversees implementation of the ERM policy, including evaluating the adequacy of risk management systems. The appointment, removal, and terms of remuneration of the Chief Risk Officer is subject to review by RMC. The details of composition and meetings of RMC is provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

Role of Chief Risk Officer (CRO): CRO is responsible for the overseeing the risk management activities. CRO periodically reviews the ERM Policy, monitors and oversees its implementation, process for systematic identification and assessment of all the risks and update RMC on the risks identified and the assessment and mitigation controls relating thereto. CRO conducts internal meetings with the Risk Owners/Functional Heads on ERM initiatives and updates the management on the progress/status of the same on a quarterly basis.

Role of Risk Management Department: The Risk Management Department is responsible for development and maintenance of overall risk management infrastructure. It facilitates implementation of the ERM policy and collates and reviews risk assessment prepared by the CRO/ Functional heads. It also maintains and update the risk register and creates awareness on the risk management process/ practices for the identified stakeholders periodically. Further, it reports risk and risk management measures to RMC. The Risk Management Department is responsible for ensuring compliance with regulations and continuously improving the risk management process.

Role of Risk Owners/Functional Heads: Each Risk owner/Functional head is responsible for their respective risk i.e., risk identification, mitigation, implementation of the controls and any other matter relating thereto and update the Risk Management Department on the same. Further, Risk owner/Functional Head prepares a Risk Report advising on the results and residual risks and recommending further action.

Incident Management

The Company has a process to track and monitor the incidents occurred which covers its root cause analysis, and taking corrective and preventive measures thereon, thereby helping the Company to have a control over repetitiveness of the incidents. The Incident Report is also presented before the RMC for its review.

22. ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and Regulation 17 read with Part D of Schedule II to the SEBI Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, that of its Committees and individual Directors.

The evaluation covered various aspects of the functioning of the Board and its Committees, including their composition, effectiveness, governance oversight, strategic guidance, participation and contribution of Directors, and overall Board processes.

The Independent Directors evaluated the performance of the Non-Independent Directors, the Chairperson of the Board and the Board as a whole. The Board also reviewed the performance of its Committees and independent Directors. The details of the evaluation criteria and process are provided in the Report on Corporate Governance, which forms an integral part of this Integrated Annual Report.

23. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

Your Company has established and maintained robust internal financial controls over financial reporting, which are continuously evaluated and enhanced through the implementation of new and revised standard operating procedures. These internal financial control measures are designed to safeguard the Company's assets, prevent and detect fraud and errors, ensure the accuracy and completeness of accounting records, and enable the timely preparation of reliable financial information. Throughout the year, these controls have been operating effectively.

Further, the Statutory Auditors have confirmed that the internal financial control systems over financial reporting are adequate and the same is annexed with the Independent Auditor's Report.

24. QUALITY INITIATIVES AND PROCESS IMPROVEMENTS

IIFL Capital remains committed to maintaining high standards of quality, information security, cyber resilience and business continuity. During FY 2026, the Company successfully completed the surveillance audits for ISO 27001:2022 (Information Security Management System) and ISO 22301:2019 (Business Continuity Management System) without any major non-conformities, reaffirming the effectiveness of its management systems and internal control framework.

During FY 2026, the Company continued to strengthen its technology and cyber security framework through enhanced governance, proactive monitoring, robust risk management practices and employee awareness programmes. The Company remained focused on information security, data privacy, cyber resilience and business continuity while further enhancing its digital capabilities and operational efficiency.

The Company continued to comply with applicable regulatory requirements relating to technology, information security, cyber security, business continuity and data privacy. It also progressed initiatives towards compliance with the Digital Personal Data Protection Act, 2023 and further strengthened its governance and risk management framework.

25. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

Your Company has adopted a Related Party Transactions Policy ("RPT Policy"), approved by the Board of Directors and updated from time to time. The Policy provides a comprehensive framework for the identification, approval, review, monitoring, reporting and disclosure of related party transactions in accordance with the provisions of the Act, the SEBI Listing Regulations and prevailing industry standards and governance practices. The RPT Policy is available on the Company's website at https://files.iiflcapital.com/assets/Related_Party_Transaction_Policy_08a864ccf4.pdf

In compliance with the provisions of the Act and the SEBI Listing Regulations, all related party transactions are placed before the Audit Committee for its review and approval. For transactions of a repetitive nature, omnibus approval is obtained on an annual basis, and the Audit Committee is provided with quarterly disclosures of all related party transactions for its review and noting.

All contracts and arrangements entered into with related parties during the financial year were in the ordinary course of business and on an arm's length basis, in accordance with the Company's RPT Policy. During FY 2026, the Company entered into material related party transactions within the limits approved by the Members. Accordingly, the disclosure of related party transactions in Form AOC-2, as prescribed under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is not applicable. Details of related party transactions are disclosed in Note 36 and Note 44 to the Standalone and Consolidated Financial Statements, respectively.

Further, the Company has engaged an independent firm of Chartered Accountants to review and confirm compliance of related party transactions with the provisions of the Act, the Rules made thereunder, and the SEBI Listing Regulations. A certificate in this regard is submitted to the Audit Committee on a quarterly basis.

26. STATUTORY AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No. 109208W), continue as the Statutory Auditors of the Company and shall hold office until the conclusion of the 32nd AGM of the Company.

The Statutory Auditors have confirmed that they continue to satisfy the criteria of independence prescribed under the Act and have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India.

The Report of the Statutory Auditors on the Standalone and Consolidated Financial Statements for FY 2026 forms part of this Integrated Annual Report. The Auditors' Report does not contain any qualification, reservation, adverse remark, disclaimer, or emphasis of matter requiring any explanation from the Board.

27. SECRETARIAL AUDITORS AND THEIR REPORT

In accordance with the provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI Listing Regulations, the Board of Directors, based on the recommendation of the Audit Committee, appointed M/s. Rathi & Associates, Practicing Company Secretaries, as the Secretarial Auditors of the Company for a term of five consecutive financial years commencing from FY 2026 to FY 2030. The Secretarial Audit Report is annexed as **Annexure - 4**. The Secretarial Auditors have not expressed any qualifications, reservations, or adverse remarks in their Report for the year under review. The Secretarial Auditor have mentioned the following event in their report:

a. During the inspection of Merchant Banking activities, the Company has received an administrative warning for non-compliance of certain provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Merchant Bankers) Regulation, 1992 and SEBI (Prohibition of Insider Trading) Regulations, 2015 for (a) Non-updation of track record in one instance; (b) Failure to communicate through a person - centric email ID; (c) Delay in making entries in the Structured Digital Database in terms of Regulation 9 read with Schedule C of SEBI (Prohibition of Insider Trading) Regulations, 2015; (d) Failure to obtain login credentials for uploading offer documents; and (e) Lack of due diligence in one Initial Public Offer in violation of Regulation 24(3) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Management Response:

The corrective measures has been taken by the Company in relation to the rectification of the violations mentioned in the SEBI letter and shall continue to ensure strict adherence to applicable SEBI Regulations, Circulars, and compliance requirements.

28. MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the maintenance of cost records and requirement of cost audit are not applicable to the activities carried on by the Company.

29. REPORTING OF FRAUDS BY AUDITORS

During FY 2026, the Statutory Auditors and Secretarial Auditors of the Company have not reported any instance of fraud under Section 143(12) of the Act read with the Companies (Audit and Auditors) Rules, 2014.

30. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134(3)(a) of the Act read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for FY 2026 is available on the Company's website and can be accessed at https://www.iiflcapital.com/investor-relations/financials.

31. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATORS OR COURT OR TRIBUNALS

There were no significant or material orders passed by any Regulators, Courts, or Tribunals during the year that would impact the going concern status of the Company or its future operations.

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

Pursuant to Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are provided below:

a) Energy conservation

As the Company is primarily engaged in providing financial services, the information related to conservation of energy, as required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is not applicable. However, the initiatives undertaken by the Company towards energy management are detailed in the BRSR, which forms part of this Integrated Annual Report.

b) Technology absorption

The Company continued to strengthen its technology capabilities during FY 2026 through focused investments in digital transformation, innovation and platform enhancement. Your Company remains committed to adopting best-in-class technologies across business, operations, and customer platforms, with enhancements in trading infrastructure, analytics, and user interfaces driving improved scalability, execution efficiency, and overall customer experience. Adoption of cloud-based infrastructure and low-latency systems has further enhanced the ability to efficiently manage high-volume market activity.

The Company has also reinforced platform resilience through robust investments in business continuity, disaster recovery readiness, and scalable infrastructure, ensuring high system reliability and uptime. In parallel, it continues to enhance in-house technological capabilities and introduce advanced features to deliver a seamless and differentiated trading experience. The Company remains focused on leveraging emerging technologies to drive innovation and support sustainable growth.

c) Foreign exchange earnings and outgo

The details of foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, are as follows:

(₹ In Mn)

Particular	FY 2026	FY 2025
Earning in Foreign Currency	427	336
Expenses in Foreign Currency	410	403

33. WHISTLE BLOWER POLICY/VIGIL MECHANISM

In accordance with the provisions of Section 177(9) and 177(10) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has implemented a Whistle Blower Policy and established a Vigil Mechanism for Directors, employees and other stakeholders to report genuine concerns relating to unethical behaviour, actual or suspected fraud, violation of the Company's Code of Conduct, or any other misconduct.

The Whistle Blower Policy provides adequate safeguards against victimisation of whistle blowers and ensures that concerns are investigated in a fair, transparent and confidential manner. It also provides for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.

The Company affirms that during the year under review, no person was denied access to the Audit Committee. Further details of the Vigil Mechanism are provided in the Corporate Governance Report forming part of this Integrated Annual Report. The Policy is available on the Company's website at https://files.iiflcapital.com/assets/Whistle_Blower_Policy_21_6845f5e625.pdf

34. CORPORATE GOVERNANCE

Your Company is committed to maintaining the highest standards of corporate governance and has complied with the applicable requirements of the Act and the SEBI Listing Regulations.

Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a detailed Report on Corporate Governance forms part of this Integrated Annual Report. The requisite certificate from the Secretarial Auditor confirming compliance with the conditions of Corporate Governance as stipulated under the SEBI Listing Regulations is annexed to the Corporate Governance Report and forms part of this Integrated Annual Report.

35. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 134(5) of the Act, the Directors of your Company, to the best of their knowledge and ability, confirm that:

a) the applicable accounting standards have been followed in the preparation of the annual accounts and that there are no material departures;

b) such accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;

d) the annual accounts have been prepared on a 'going concern' basis;

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

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

36. OTHER DISCLOSURES

As no application has been made under the Insolvency and Bankruptcy Code, 2016, the requirement to disclose details of any application made or proceedings pending under the Code, along with their status as of the end of the financial year, is not applicable.

The requirement to disclose the difference between the valuation done at the time of a one-time settlement and the valuation done when taking loans from Banks or Financial Institutions, along with the reasons, is not applicable.

The requirement to disclose details regarding the non-exercising of voting rights in respect of shares purchased directly by employees under a scheme, pursuant to Section 67(3) of the Act read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014, is also not applicable.

The Company has not accepted or renewed any deposits as per the provisions of Section 73 of the Act and the rules made thereunder. Therefore, no principal or interest amount was outstanding as of the Balance Sheet date.

37. APPRECIATION

Your Directors place on record their sincere appreciation for the dedication, commitment, and contributions of employees across all levels of the organisation, whose efforts have been instrumental in the Company's continued growth and success.

Your Directors also express their gratitude to the Company's customers, shareholders, investors, bankers, business partners, and other stakeholders for their continued trust and support. The Board further acknowledges the guidance and cooperation received from various regulatory and statutory bodies and looks forward to their continued support in the years ahead.

For and on behalf of the Board

Rekha Gopal Warriar
Chairperson and Independent Director
DIN: 08152356

Date: July 23, 2026
Place: Pune

ANNEXURE-1 TO THE DIRECTORS' REPORT

The Annual Report on Corporate Social Responsibility (CSR) Activities of IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)

for the Financial Year ended March 31, 2026

[Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

IIFL Capital Services Limited (Formerly known as IIFL Securities Limited) ("the Company" or "IIFL Capital") ensures that its activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The Company strongly believes that Corporate Social Responsibility ("CSR") initiatives help to promote inclusive growth and equitable development.

The CSR Policy and activities of the Company are steered by the same values that guide the business of the Company. It can be summarised in one acronym – FIT, which stands for:

- **Fairness** in all our transactions
- **Integrity** and Honesty in letter, in spirit and in all our dealings with people
- **Transparency** in all our dealings

By applying these values to the CSR activities, IIFL Capital undertakes initiatives that create sustainable growth and empower underprivileged sections of the society.

The focus areas prioritised by IIFL Capital in its CSR strategy are guided by the philosophy of HELP (Health, Education & Environment, Livelihood and Poverty Alleviation). The CSR activities of IIFL Capital are executed by India Infoline Foundation (generally referred as "IIFL Foundation"), the Implementing Agency. In line with its philosophy the Company had undertaken the following activities during FY 2026:

- Developed the Jaipur Heat Action Plan in collaboration with the Jaipur Municipal Corporation to strengthen preparedness and coordinated response to extreme heat events, including piloting a Net-Zero Cooling Station in a heat-stressed informal settlement in Jaipur, benefiting over 8,000 citizens and aligned with India's National Cooling Action Plan and the National Disaster Management Authority's heat preparedness framework;
- Supported two women-led startups at IIT Roorkee to promote women-led innovation by enabling product development, validation and market readiness. The initiative facilitated the development and pilot deployment of sustainable hemp-based construction solutions and an AI-enabled healthcare support platform, contributing to climate-resilient infrastructure and improved healthcare accessibility;
- Conducted training programme for 90 youth in the Beauty and Wellness sector in Baramulla, an Aspirational District in Jammu and Kashmir in collaboration with the Indian Army;
- Provided bicycles to 100 underserved female students under the Maharashtra Impact and Sustainability Convergence Programme;
- Donated 2 school buses to Sparsh NGO to facilitate reliable transportation for tribal students in remote areas of Valsad, Gujarat, enabling access to education, healthcare, extracurricular activities, and participation in competitive examinations benefiting 68 students;
- Supported full academic scholarships for 75 first-year undergraduate students at IIT Bombay for the academic year 2025-26, covering tuition, hostel and campus fees, health insurance, and student support services, enabling students to pursue their education without financial constraints and reducing the risk of dropping out due to financial reasons.
- Planted 12,932 saplings in Bhuj, Gujarat using the Miyawaki technique to transform 0.75 acres land into a dense forest and promote ecological and social benefits for the wider community. The initiative is expected to sequester approximately 275 tons of carbon per year, improving air and soil quality as well as creating a thriving habitat for birds, insects, and small animals, enhancing local biodiversity;
- Supported 16 Indian athletes and para-athletes in their preparation for the LA 2028 Olympics & Paralympics through the provision of expert coaching, sports science support, access to advanced equipment,

funding for training and competitions, and a monthly stipend;

- Supported the construction of a Pahari Cultural Centre at Sadhna Pass, Karnah Valley, Jammu & Kashmir, to document, promote, and preserve the rich heritage of the Pahari community across India;
- Supported the construction of a lecture hall at Shri Ramchandra Institute of Medical Sciences, Chhatrapati Sambhaji Nagar (Aurangabad), Maharashtra to strengthen medical education infrastructure;
- Donated 5 dialysis machines to a community healthcare centre in Mumbai to support access to healthcare services for individuals from economically weaker sections;
- Supported the procurement of a truck-mounted road sweeper in Baramati, Maharashtra, to enhance public hygiene, reduce dust-induced air pollution, improve sanitation worker safety, and mitigate waterlogging and road safety risks;
- Supporting a vocational programme aligned with The National Education Policy (NEP) 2020 for Class 11-12 students in 2 rural government schools in Kamrup, Assam benefiting to 240 students;
- Supporting the establishment of Tattva University, a greenfield multidisciplinary and research-oriented deemed-to-be university (Distinct Category) in Navi Mumbai, aimed at delivering globally competitive education and nurturing ethical, future-ready leaders.
- Supported infrastructure development at a Government Senior Secondary School in Chardana village, Atru block of Baran district (an Aspirational District in Rajasthan), to enhance access to quality education, benefiting 233 students;
- Through its flagship programme, 'Sakhiyon Ki Baadi', the Company promoted foundational literacy among women and girls from marginalised communities in Rajasthan, reaching 11,705 beneficiaries through 392 learning centres across seven districts.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Anand Bathiya	Chairperson	2	2
2	Ms. Rekha Warriar	Member	2	2
3	Mr. V. Krishnan	Member	2	2

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:

Web link - https://www.iiflcapital.com/investor-relations/corporate-governance

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE: Not Applicable. However, IIFL Foundation engaged KPMG to conduct an impact assessment of the flagship programme "Sakhiyon ki Baadi" in Rajasthan. The report found the programme effective in reaching underserved communities, fostering children's interest in attending school, increasing willingness among families to send girls to school, and enhancing their social skills. It also empowered women by upskilling female educators (Dakshas) and providing them with stable incomes. Key highlights of the assessment are included in the Corporate Social Responsibility – Social and Relationship Capital of the Narrative Section of this Annual Report. The detailed report is available on the IIFL Foundation's website at www.iiflfoundation.com.

5.

Sl. No.	Particulars	Amount (in ₹)
a.	Average net profit of the Company as per sub-section (5) of section 135	5,51,81,19,763
b.	Two percent of average net profit of the Company as per sub-section (5) of section 135	11,03,62,395
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	Nil
d.	Amount required to be set-off for the financial year, if any	Nil
e.	Total CSR obligation for the financial year [(b)+(c)-(d)]	11,03,62,395

6. a. **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹6,53,09,750/-

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)]:** ₹6,53,09,750/-

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)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
6,53,09,750	4,50,52,645	April 27, 2026	-	Nil	-

f. **Excess amount for set-off, if any:** Nil

Sl. No.	Particular	Amount (in ₹)
a.	Two percent of average net profit of the Company as per sub-section (5) of section 135	11,03,62,395
b.	Total amount spent for the Financial Year	6,53,09,750
c.	Excess amount spent for the Financial Year [(b)-(a)]	Nil
d.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
e.	Amount available for set off in succeeding Financial Years [(c)-(d)]	Nil

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub¬section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	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 ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY 2025	3,31,48,767*	-	3,31,48,767*	-	-	-	-
2	FY 2024	-	-	-	-	-	-	-
3	FY 2023	-	-	-	-	-	-	-

Note: **Amount transferred to unspent account pertaining to FY 2025 spent in FY 2026.*

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

If Yes, enter the number of Capital assets created/ acquired: 6

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	**Classroom Construction** Government Senior Secondary School, Chardana, Baran, Rajasthan.	325218	June 11, 2025[1]	1,20,00,000.00	NA	Government Senior Secondary School, Chardana, Baran. UDISE Code-08310308305	Atru, Baran, Rajasthan
2	**Tata Magic Express CNG Bi-Fuel Vehicle** Niharika hostel, at post Mota Waghchipaa, Killa Pardi Taluka, Valsad, Gujarat and Gurukul Hostel, Ahandi Faliyu, at Post Dhapkal, Kaprada Taluka, Gujarat	396125	October 18, 2025[2]	16,09,650.00	CSR00003937	Sparsh Trust	6th Floor, Manav Mandir School Premises, 10, ManavMandir Road, Walkeshwar, Mumbai, Maharashtra
3	**100 Bicycle** Jyoti-Savitri Zilla Parishad School, Khanwadi, Post Saswad, Taluka Purandar, District Pune, Maharashtra	412301	March 31, 2026[2]	5,73,550.00	NA	Jyoti-Savitri Zilla Parishad School Khanwadi	Khanwadi, Post Saswad, Taluka Purandar, District Pune, Maharashtra
4	**Sweeper Truck** The Malegaon SSK LTD, Malegaon Budruk, Taluka Baramati, District Pune, Maharashtra	413115	May 09, 2026[2]	25,00,000.00	NA	The Malegaon SSK LTD	Malegaon Budruk, Taluka Baramati, District Pune, Maharashtra
5	**Lecture Hall** Shri Ramchandra Institute of Medical Sciences, Chhatrapati Sambhajinagar, Maharashtra	431006	September 24, 2025[2]	2,00,00,000.00	CSR00003058	Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan (BAVP)	Chhatrapati Sambhajinagar, Maharashtra
6	**Dialysis Machines (5 Unit)** Plot CTS No.886 (PT) of Village Kandivali, Link Road, Dahanukar Wadi, Kandivali (West), Mumbai, Maharashtra	400067	March 12, 2026[2]	35,00,000.00	CSR00044991	JITO Mumbai Goregaon Chapter Foundation	102, Abhilasha Building, L. T. Road, Punjabi Lane, Borivali West, Mumbai - 400092

Note:

The above table includes capital assets created or acquired during FY 2026.

[1] This is an ongoing project approved during FY 2025. A capital asset aggregating to ₹1,25,00,000/- was created from CSR expenditure incurred under the project, comprising ₹5,00,000/- incurred during FY 2025 and ₹1,20,00,000/- incurred during FY 2026.

[2] These projects were approved during FY 2026, and the capital assets were created or acquired entirely from CSR expenditure incurred during FY 2026.

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:

During the financial year 2026, the Company has spent ₹6,53,09,750/- on various projects. The unspent amount of ₹4,50,52,645/- pertains to 2 (two) ongoing projects which has been transferred to the unspent CSR account and will be utilised in accordance with the Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For IIFL Capital Services Limited
(Formerly known as IIFL Securities Limited)

R. Venkataraman
Managing Director
DIN: 00011919

Anand Bathiya
Chairperson of CSR Committee
DIN: 03084831

Date: July 23, 2026
Place: Mumbai

ANNEXURE-2 TO THE DIRECTORS' REPORT

1. PREAMBLE:

This Nomination and Remuneration Policy (**the "Policy"**) has been formulated by IIFL Capital Services Limited (formerly known as IIFL Securities Limited) (the **"Company"**) in accordance with the provisions of Section 178 of the Companies Act, 2013, read with the applicable rules made thereunder, and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**), as amended from time to time.

2. PURPOSE

The purpose of this Policy is to provide a guiding framework for the appointment of qualified individuals as members of the Board of Directors of the Company ("Directors"), Key Managerial Personnel ("KMP"), and persons appointed to Senior Management Positions ("SMP"), to recommend the remuneration payable to such persons, and to evaluate their performance.

3. SCOPE

The policy shall be applicable to the following in the Company:

a) Directors

b) KMPs

c) SMPs

d) Other employees

4. DEFINITIONS

4.1 **"Act"** means the Companies Act, 2013, including any amendments, modifications, or re-enactments thereof, and the rules made thereunder, as applicable to the Company.

4.2 **"Board of Directors"** or **"Board"** means the Board of Directors of IIFL Capital Services Limited (Formerly IIFL Securities Limited), as constituted from time to time.

4.3 **"Company"** means "IIFL Capital Services Limited".

4.4 **"Key Managerial Personnel"** or **"KMP"** means the key managerial personnel of the Company as defined under the Act and the rules made thereunder, and shall include:

a) the Chief Executive Officer or the managing director or the manager;

b) Company Secretary;

c) Whole-time Director;

d) Chief Financial Officer;

e) such other officer, not more than one level below the Directors, who is in whole-time employment and designated as Key Managerial Personnel by the Board;

f) Compliance Officer appointed pursuant to Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

g) such other officer as may be prescribed under applicable law from time to time.

4.5 "Other Employees" means all employees of the Company, other than the Directors, Key Managerial Personnel, and Senior Management Personnel.

4.6 "Policy" means the Nomination and Remuneration Policy of the Company

4.7 "Remuneration" means any money, or its equivalent given or passed to any person for services rendered by him/her and includes perquisites as defined under the Income-Tax Act, 1961.

4.8 **"Research Analysts"** means individuals or entities having the same meaning ascribed to the term under the SEBI (Research Analysts) Regulations, 2014, as amended from time to time.

4.9 **"Senior Management Personnel (SMP)"** shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than the board of directors, by the Company.

Unless the context otherwise requires, words and expressions used in this Policy but not specifically defined herein shall have the meanings assigned to them under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, wherever applicable.

5. NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Board shall constitute a Nomination and Remuneration Committee comprising a minimum of three Non-Executive Directors, the majority of whom shall be Independent

Directors. The Chairperson of the Committee shall be an Independent Director. The Chairperson of the Company shall not serve as the Chairperson of the Committee. The term of the Committee shall continue in office until it is reconstituted or terminated by the Board of Directors.

Role of the NRC:

1. Formulate the criteria and manner for the effective evaluation of the performance of the Board, its committees, and individual directors, and review the implementation and compliance of such evaluations.
2. Formulate the criteria for determining the qualifications, positive attributes, and independence of directors and recommend to the Board a policy on the remuneration of directors, Key Managerial Personnel (KMP), and other employees, ensuring that:
   i. The level and composition of remuneration is reasonable and sufficient to attract, retain, and motivate directors of the quality required to successfully manage the Company;
   ii. The relationship between remuneration and performance is clear and aligned with appropriate performance benchmarks; and
   iii. Remuneration to directors, KMP, and Senior Management maintains a balance between fixed and incentive pay, reflecting both short-term and long-term performance objectives in line with the Company's goals.
3. Identify and recommend to the Board individuals who are qualified to become directors or may be appointed to Senior Management positions, in accordance with the criteria laid down, including their appointment and removal.
4. Recommend whether to extend or continue the term of appointment of an Independent Director based on the performance evaluation report of Independent Directors.
5. Devise and recommend a policy on diversity of the Board of Directors.
6. Recommend to the Board all forms of remuneration payable to Senior Management
7. Oversee and administer the Company's employee stock option schemes.

6. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

6.1. Appointment Criteria and Qualifications:

a. A person being appointed as Director, KMP, or in Senior Management should possess the adequate qualification, expertise, and experience for the position he/she is considered for appointment.

b. Independent Director:

   i. Qualifications of Independent Director:

   An Independent Director shall possess appropriate skills, experience, and knowledge in terms of the Board Diversity Policy of the Company.

   ii. Positive attributes of Independent Directors:

   An Independent Director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his/her responsibilities in a bona- fide manner in the interest of the Company; devote sufficient time and attention to his/her professional obligations for informed and balanced decision making; and assist the Company in implementing best corporate governance practices.

6.2. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules, and regulations there under, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP, or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

6.3. Retirement:

The Director, KMP, and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, or Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

7. PROVISIONS RELATING TO REMUNERATION OF DIRECTORS, KMP, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES:

7.1. Directors

A. Executive Directors (Managing Director, Manager, or Whole Time Director):

i. At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes NRC and the Board of Directors) within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting as per the requirement of the Companies Act, 2013.

iii. The remuneration of the Manager/ CEO/ Managing Director/ Whole Time Director is broadly divided into fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:

- The relationship of remuneration and performance benchmarks
- Balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals
- Responsibility required to be shouldered, the industry benchmarks and the current trends
- The Company's performance vis-à-vis the annual budget achievement and individual performance

B. Non-Executive Directors

i. The Non-Executive Independent Director may receive fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakhs per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

ii. A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of NRC.

iii. In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.

iv. The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.

v. The commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

7.2. KMP and Senior Managerial Personnel:

The remuneration to the KMP and Senior Management Personnel will be based on following guidelines:

i. Maintaining a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company.

ii. Compensation should be reasonable and sufficient to attract retain and motivate KMP and Senior Management Personnel.

iii. Remuneration payable should comprise of a fixed component and a performance linked variable based on the extent of achievement of individual performance vis-avis overall performance of the Company.

iv. Remuneration shall be also considered in form of long term incentive plans for key employees, based on their contribution, position and length of service, in the nature of ESOPS/ESPS.

7.3. Remuneration of other employees of the Company:

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organisation. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

7.4. Research Analysts

The compensation of all individuals employed as Research Analyst shall be reviewed, documented and approved at least annually by NRC. While approving the compensation of the Research Analysts, NRC shall not consider:

i. Any specific merchant banking or investment banking or brokerage services transaction which might have happened because of the services of the Research Analyst; and

ii. Any contribution made by the Research Analyst to the Company's investment banking or merchant banking or brokerage services business other than that of preparing and/or providing research reports.

8. MALUS & CLAWBACK

Malus & Clawback of the remuneration paid shall be applicable in case of any act of gross negligence and breach of integrity by the Director, KMP or Senior Management Personnel or any other employee. Such cases pertaining to Director, KMP or Senior Management Personnel or employee up to grade EVP shall be determined by NRC. Cases pertaining to other employees shall be reviewed and determined by the Head – Human Resource. Errors of judgment shall not be construed as breaches as may be determined by NRC.

9. DEVIATIONS

Deviations on elements of this Policy in extraordinary circumstances, when deemed necessary in the interest of the Company, may be done based on specific reasons at the sole discretion of NRC.

10. DISCLOSURE OF THE POLICY

This Policy shall be placed on the website of the Company and the salient features of the Policy and changes therein, if any, along with the web address of the Policy shall be disclosed in the Board's Report.

11. REVIEW/REVISION

The Policy shall be reviewed annually and any amendments thereto shall be approved by NRC and the Board of Directors. If at any point a conflict of interpretation/ information between the Policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities ("Regulatory Provisions") arises, then the interpretation of the Regulatory Provisions shall prevail. In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions.

ANNEXURE-3 TO THE DIRECTORS' REPORT

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary:

Name	Ratio of Remuneration of Directors to Median Remuneration of Employee	% increase in remuneration in the financial year
Executive Directors		
Mr. R. Venkataraman – MD	78.26	-
Mr. Narendra Jain – WTD	17.39	29
Non-Executive Directors		
Ms. Rekha Gopal Warriar	2.20	17.40
Mr. Shamik Das Sharma	1.94	20.21
Mr. Anand Shailesh Bathiya	2.51	23.77
Mr. Viswanathan Krishnan	2.43	20.69
CFO		
Ronak Gandhi	-	18
CS		
Meghal Shah	-	26

Notes:

i. Since Mr. R. Venkataraman served as Managing Director only for a part of the previous year, the remuneration received in FY 2026 is not comparable to that of FY 2025. Accordingly, the percentage increase in his remuneration is not stated.

ii. Remuneration paid to the Independent Non –Executive Directors includes sitting fees for attending Board Meetings/ Committee Meetings and commission paid during FY 2026.

iii. MD- Managing Director, WTD- Whole Time Director, CFO- Chief Financial Officer, CS – Company Secretary.

iv. Remuneration comprises the employee's salary (CTC) and performance-linked variable pay and excludes gratuity contributions.

b. The percentage increase in the median remuneration of employees in the financial year was 16%. The calculation of increase in Median Remuneration is done based on comparable employees. For this the employees who were not eligible for increment have been excluded.

c. The Company had 1546 employees on the rolls as on March 31, 2026.

d. The average percentage/percentile increase in the salaries of the employees (other than the managerial personnel) was 18% as compared to a percentage/percentile increase of 23% in the remuneration of managerial personnel. The calculation of increase in median remuneration is done based on comparable employees.

e. It is hereby affirmed that the remuneration was paid as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board

R. Venkataraman
Managing Director
DIN: 00011919

Date: July 23, 2026
Place: Mumbai

ANNEXURE-4 TO THE DIRECTORS' REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014] and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
IIFL Capital Services Limited
(Formerly known as IIFL Securities Limited)
IIFL House, Sun Infotech Park,
Thane Industrial Area,
Wagle Estate Thane – 400604

Dear Sirs,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **IIFL Capital Services Limited** (CIN: L99999MH1996PLC132983) (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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 March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

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

    (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

    (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;

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

2. The following Regulations, Guidelines and Circulars prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**):

    (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

    (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (to the extent applicable);

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

    (iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;

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

3. The provisions of the following Regulations and Guidelines prescribed under SEBI Act were not applicable to the Company during the financial year under report: -

(i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

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

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

4. We further report that, based on the compliance systems and processes established by the Company and upon examination of the relevant records and documents on a test-check basis, the Company has complied with the provisions of the laws, regulations, and guidelines specifically applicable to its business, including the following:

(i) The Securities and Exchange Board of India (Stock Brokers and Sub-Broker) Regulations, 1992 (up to the date of repeal) and thereafter the Securities and Exchange Board of India (Stock Brokers) Regulations 2026 (with effect from January 07, 2026);

(ii) Securities and Exchange Board of India (Investment Advisers) Regulations, 2013;

(iii) Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020;

(iv) Securities and Exchange Board of India (Intermediaries) Regulations, 2008;

(v) Securities and Exchange Board of India (Research Analysts) Regulations, 2014;

(vi) Securities and Exchange Board of India (Depositories and Participants) Regulations 2018;

(vii) Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992;

(viii) Securities and Exchange Board of India {KYC (Know Your Client) Registration Agency} Regulations, 2011;

(ix) Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;

(x) Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2015

We have also examined compliance with the applicable clauses of:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

During the year under review, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, and Secretarial Standards etc. mentioned above and we have no material observation of instances of non-compliance in respect of the same. However, during the course of audit, we have come across the following events which may be noted:

i) During the inspection of Merchant Banking activities, the Company has received an administrative warning for non-compliance of certain provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Merchant Bankers) Regulation, 1992 and SEBI (Prohibition of Insider Trading) Regulations, 2015 for (a) Non-updation of track record in one instance; (b) Failure to communicate through a person- centric email ID; (c) Delay in making entries in the Structured Digital Database in terms of Regulation 9 read with Schedule C of SEBI (Prohibition of Insider Trading) Regulations, 2015; (d) Failure to obtain login credentials for uploading offer documents; and (e) Lack of due diligence in one Initial Public Offer in violation of Regulation 24(3) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review was duly carried out in compliance with the provisions of the Act.

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 at a short notice in case of urgency and a system exists for Board members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We hereby report that the majority decision is carried through and proper system is in place which ensures to capture and record, the dissenting members views, if any, as part of the minutes.

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.

We further report that during the year under report, the Company did not undertake any events/actions which had major bearing on the Company's affairs in pursuance of the above referred laws, rules and regulations.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA R LAHOTY
PARTNER
M. NO. FCS 8568
C.P. No. 10286
UDIN: F008568H000924230
P.R. Certificate No.: 6391/2025

Place: Mumbai
Date: July 23, 2026

Note: This report should be read with our letter which is annexed as **Annexure** and forms an integral part of this report.

ANNEXURE

To,
The Members
IIFL Capital Services Limited
(Formerly known as IIFL Securities Limited)
IIFL House, Sun Infotech Park,
Thane Industrial Area,
Wagle Estate Thane – 400604

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 check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that 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. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA R LAHOTY
PARTNER
M. NO. FCS 8568
C.P. No. 10286
UDIN: F008568H000924230
P.R. Certificate No.: 6391/2025

Place: Mumbai
Date: July 23, 2026

CORPORATE GOVERNANCE REPORT

The Board of Directors ("**the Board**") is pleased to present the Company's Report on Corporate Governance for the financial year ended March 31, 2026, in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), as amended from time to time and forms an integral part of the Directors' Report to the Members of IIFL Capital Services Limited (formerly known as IIFL Securities Limited) ("**IIFL Capital**", "**the Company**", or "**Your Company**").

The Report outlines the Company's governance framework and practices during the year under review, reflecting its continued commitment to transparency, accountability, and responsible business conduct.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

IIFL Capital's corporate governance philosophy is built on the principles of integrity, transparency, accountability, and compliance. The Company believes that robust governance is fundamental to creating sustainable value, maintaining stakeholder trust, and achieving long-term growth. It is committed to conducting its business in a fair, ethical, and transparent manner, while ensuring compliance with all applicable laws and regulations. Through continuous enhancement of its governance framework in line with evolving regulatory requirements and best practices, the Company seeks to uphold the highest standards of corporate governance and responsible business conduct.

Your Company's governance framework is built on the following core principles:

- **Fair and Equitable Treatment of Stakeholders**: The Company is committed to fostering constructive engagement and equitable treatment of all stakeholders.
- **Timely and Accurate Disclosure**: The Company ensures prompt and reliable disclosure of all material information to uphold transparency.
- **Diversified and Competent Board:** The Company's Board comprises experienced and diverse professionals with the requisite expertise to provide strategic guidance and effective oversight.
- **Ethical and Responsible Culture:** The Company promotes a culture of integrity, ethical behaviour, and responsible conduct across the Organisation.
- **Robust Risk Management Framework:** The Company maintains a comprehensive risk management framework, and reviews it periodically to ensure its continued effectiveness.

The Company is in compliance with the applicable provisions of Regulations 17 to 27, read with Schedule V, and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, as applicable, relating to corporate governance.

During the year, the Company complied with the applicable requirements of the Qualified Stock Broker ("QSB") framework prescribed under the relevant SEBI circulars. Further, the Company has voluntarily adopted NSE Prime norms, which prescribe elevated corporate governance standards for listed entities, and has also aligned with the enhanced governance framework prescribed by Institutional Investor Advisory Services (IiAS), to the extent feasible, thereby further strengthening its corporate governance practices.

Corporate Governance Structure

Board of Directors

- Ensures the long-term interests of stakeholders are being served
- Defines, guides and steers the Company's mission and strategic direction
- Evaluates overall performance and provides effective oversight

Board Committees

- Enable informed and objective decision-making in the best interests of the Company
- Oversees activities within their defined scope and responsibilities

Core Management Team

- Implements decisions of the Board and its Committees effectively across all functions and business units
- Provides regular updates to the Board and Committees

Succession planning

Recognising the importance of leadership continuity, the Company continued to strengthen its succession planning framework through a structured and merit-based approach. During the year, critical leadership roles and potential successors were identified across the Organisation.

Identified leaders and successor candidates underwent a comprehensive assessment process comprising scientifically validated online assessments and in-person Development Centres to evaluate leadership potential, readiness, and role fit.

The insights generated have enabled targeted development interventions, strengthened leadership bench strength, and enhanced preparedness for future leadership transitions. Through this data-driven approach, the Company remains committed to building a strong leadership pipeline, ensuring Organisational continuity, and supporting long-term business growth.

Ethics, Compliance & Employee Awareness

The Company remains committed to fostering a culture of integrity, accountability, and compliance across the Organisation. A comprehensive governance framework comprising various policies, including the Code of Conduct for Directors, Senior Management and Employees, Code of Conduct for Prevention of Insider Trading, Whistleblower Policy, Human Rights Policy, and Anti-Bribery and Anti-Corruption Policy, guides employee conduct and promotes ethical business practices.

To strengthen compliance awareness, the Company conducts mandatory annual training programmes for employees covering key regulatory, governance, and operational areas. During FY 2026, all employees successfully completed the prescribed training modules, achieving 100% coverage across areas such as Anti-Bribery and Anti-Corruption (ABAC), Anti-Money Laundering (AML) and Know Your Customer (KYC), Prevention of Sexual Harassment (POSH), Data Privacy, Information and Cyber Security, Environmental, Social and Governance (ESG), Business Responsibility and Sustainability Reporting (BRSR), Business Continuity Management System (BCMS), and Prevention of Insider Trading.

2. BOARD OF DIRECTORS

Board of Directors:

IIFL Capital is governed by a diverse and experienced Board of Directors, encompassing a broad spectrum of expertise across accounting, finance, technology, governance, and risk management. This diversity of skills and experience enables a balanced and informed approach to strategic decision-making, leadership, and oversight. The Company recognises that an independent, well-structured, and forward-looking Board is fundamental to sustaining the highest standards of corporate governance.

The Board provides robust leadership, strategic guidance, objective oversight and an independent view to the Company's management while discharging its responsibilities and ensures that the management adheres to the ethical business practices, transparency, and comprehensive disclosures which ultimately serve the long-term interests of all stakeholders along with achieving the Company's objectives and sustainable, profitable growth. The Board of Directors also ensures that the management remains accountable for achieving the Company's strategic objectives in compliance with applicable laws, regulations, and governance standards.

Structure, composition and category of Board of Directors:

Your Company's Board of Directors comprises an optimum combination of Independent and Non-Independent Directors, including an Independent Woman Director who also serves as the Chairperson of the Board, in accordance with the provisions of the Companies Act, 2013 (the "**Act**") and SEBI Listing Regulations as amended from time to time. The Board of the Company has a balanced and diverse mix of Executive and Non-Executive Directors with a majority of the Board Members comprising Independent Directors, each having a tenure of less than 10 (Ten) years with the Company. The composition of the Board reflects an appropriate blend of professionalism, knowledge, and experience, thereby ensuring effective oversight and providing strategic guidance to the Company's management.

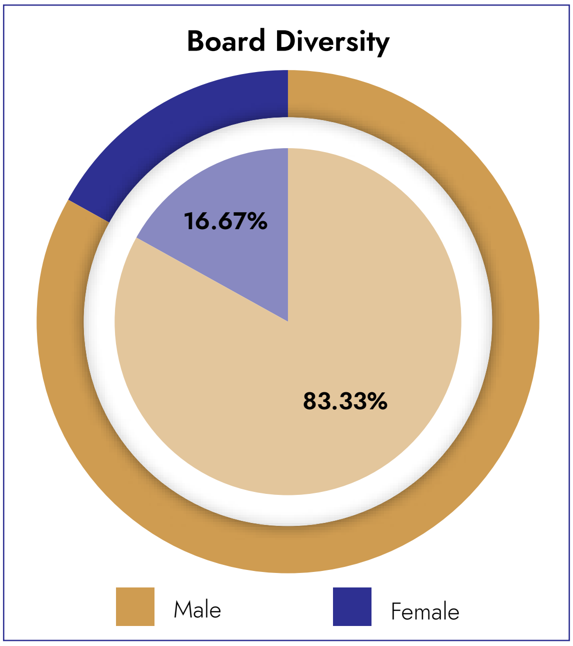
The management of your Company is entrusted in the hands of the Senior Management Personnels, spearheaded by the Managing Director. As of March 31, 2026, Mr. R. Venkataraman, Co-promoter, serves as the Managing Director. None of the other Directors of your Company are related to the Promoter group or to each other and the Company does not have material pecuniary relationships with its Non-Executive Directors.

Composition of the Board and category of the Directors as on March 31, 2026:

As on March 31, 2026, the Board comprised six (6) Directors, including four (4) Non-Executive Independent Directors (Including One Independent Woman Director serving as the Chairperson) and two (2) Executive Directors (including one Promoter Director).

The Company continues to maintain a Board composition comprising more than 50% Independent Directors, reinforcing its dedication to strong corporate governance practices. Details of the same are provided below:

Category	Name of Director	No. of Directors	% of total no. of Directors
Managing Director (Promoter)	Mr. R. Venkataraman	1	16.67
Executive Director	Mr. Narendra Deshmal Jain	1	16.67
Non-Executive Independent Directors	Mr. Anand Shailesh Bathiya	4	66.66
	Mr. Shamik Das Sharma		
	Ms. Rekha Gopal Warriar		
	Mr. Viswanathan Krishnan		
Total No. of Directors		**6**	**100**



Average Tenure of Directors (in Years):

9.5 years — Executive Directors

6.0 years — Non-Executive Independent Directors

7.17 years — Overall Board Average

Board membership criteria and selection process

The Nomination and Remuneration Committee ("NRC") is entrusted with the responsibility of reviewing and assessing the composition of the Board, as well as, identifying, evaluating and recommending suitable candidates for Board membership, based on the criteria laid down in the Nomination and Remuneration Policy and Board Diversity Policy, which are accessible on the website of the Company at www.iiflcapital.com.

Key Aspects of the Selection Process:

1. **Board Diversity and Skill Mix:**

   NRC assesses the Board's composition to ensure an appropriate balance of skills, experience, knowledge and expertise, while promoting diversity in terms of gender, educational background, professional experience, and other relevant attributes.

2. **Merit-Based Assessment:**

   Potential candidates are evaluated on the basis of their qualifications, professional experience, domain expertise, integrity, independence of judgment and their ability to contribute effectively to the Company's long-term strategy and objectives.

3. **Recommendation and Appointment Process:**

   Upon identifying a suitable candidate, NRC recommends their appointment to the Board. The Board considers the same and appoint such person as a director and recommends to the shareholders for their approval.

Directorship/ Committee Membership(s) and Core Skills/Expertise/Competencies of Directors

The Board of Directors periodically reviews and evaluates its composition to ensure an appropriate balance of skills, experience, diversity, independence, and industry knowledge. This ongoing assessment enables the Board to effectively discharge its responsibilities, support the Company's long-term strategic objectives, and uphold high standards of corporate governance. Collectively, the Directors bring a diverse range of expertise and experience across various functional and industry domains, providing valuable guidance, strategic insight, and effective oversight of the Company's operations and growth initiatives.

In compliance with SEBI Listing Regulations, the Board of Directors has identified a comprehensive set of core skills, expertise, and competencies deemed essential for the effective functioning of the Board, considering the Company's business and sector:

- Sector Knowledge
- Accounting and Finance
- Corporate Governance and Compliance
- Marketing Experience
- Leadership and Strategy Planning
- Information Technology and Cyber Security
- Stakeholders' Relationship
- Risk Management
- Environment, Social and Governance (ESG)

While all Board members contribute to the overall effectiveness of the Board through their diverse experience and perspectives, their principal areas of expertise and competencies are outlined in their respective profiles.

Profile of Directors

The brief profile of each Director of the Company, including their category of directorship, shareholding in the Company, details of directorship held in other companies (including listed entities and the nature of such directorship), committee membership/ chairpersonship in other companies, areas of expertise, qualifications, experience, and other relevant particulars, is provided below.

 Ms. Rekha Gopal Warriar Chairperson and Non-Executive Independent Director (DIN: 08152356)	**Shareholding*** Nil **Other Directorship**** 3 **Directorship in other listed company(ies) and category of directorship ##** • Creditaccess Grameen Limited – Non-Executive Independent Director • 360 One Prime Limited (Formerly known as IIFL Wealth Prime Limited) – Non-Executive Independent Director • Sun Pharma Advanced Research Company Limited – Non-Executive Independent Director **Committee Membership(s) and Chairpersonship(s) in other company(ies) ##** 4 (as Chairperson)	**Technical skills/experience/ competencies** • Sector Knowledge • Accounting and Finance • Corporate Governance and Compliance • Leadership and Strategy Planning • Stakeholders' Relationship • Risk Management • Environment, Social and Governance (ESG)

 Mr. R. Venkataraman Managing Director (DIN: 00011919)	**Shareholding*** 1,11,84,432 equity shares **Other Directorship**** 3 **Directorship in other listed company(ies) and category of directorship ##** • IIFL Finance Limited – Joint Managing Director • IIFL Home Finance Limited – Non-Executive Director • IIFL Samasta Finance Limited – Non-Executive Director **Committee Membership(s) and Chairpersonship(s) in other company(ies) ##** 3 (as Member)	**Technical skills/experience/ competencies** • Sector Knowledge • Accounting and Finance • Corporate Governance and Compliance • Marketing Experience • Leadership and Strategy Planning • Information Technology and Cyber Security • Stakeholders' Relationship • Risk Management • Environment, Social and Governance (ESG)
 Mr. Narendra Deshmal Jain Whole - Time Director (DIN: 01984467)	**Shareholding*** 1,50,000 equity shares **Other Directorship**** 3 **Directorship in other listed company(ies) and category of directorship ##** Nil **Committee Membership(s) and Chairpersonship(s) in other company(ies) ##** Nil	**Technical skills/experience/ competencies** • Sector Knowledge • Accounting and Finance • Marketing Experience • Leadership and Strategy Planning • Information Technology and Cyber Security • Stakeholders' Relationship • Risk Management
 Mr. Anand Shailesh Bathiya Non-Executive Independent Director (DIN:03084831)	**Shareholding*** Nil **Other Directorship**** 1 **Directorship in other listed company(ies) and category of directorship ##** Nil **Committee Membership(s) and Chairpersonship(s) in other company(ies) ##** 1 (as Chairperson)	**Technical skills/experience/ competencies** • Sector Knowledge • Accounting and Finance • Corporate Governance and Compliance • Leadership and Strategy Planning • Stakeholders' Relationship • Risk Management • Environment, Social and Governance (ESG)

 Mr. Shamik Das Sharma Non-Executive Independent Director (DIN: 07779526)	**Shareholding*** Nil **Other Directorship**** Nil **Directorship in other listed company(ies) and category of directorship ##** Nil **Committee Membership(s) and Chairpersonship(s) in other company(ies) ##** Nil	**Technical skills/experience/ competencies** • Sector Knowledge • Accounting and Finance • Leadership and Strategy Planning • Information Technology and Cyber Security • Stakeholders' Relationship • Risk Management
 Mr. Viswanathan Krishnan Non-Executive Independent Director (DIN: 09026252)	**Shareholding*** Nil **Other Directorship**** 1 **Directorship in other listed company(ies) and category of directorship ##** Nil **Committee Membership(s) and Chairpersonship(s) in other company(ies) ##** Nil	**Technical skills/experience/ competencies** • Sector Knowledge • Accounting and Finance • Corporate Governance and Compliance • Leadership and Strategy Planning • Information Technology and Cyber Security • Stakeholders' Relationship • Risk Management • Environment, Social and Governance (ESG)

* As on March 31, 2026

** Excludes directorship held in private limited companies, foreign companies, and companies under Section 8 of the Act as on March 31, 2026

##In accordance with Regulation 26 of the SEBI Listing Regulations as on March 31, 2026

In compliance with Regulation 26 of the SEBI Listing Regulations, none of the Directors of the Company hold membership in more than ten (10) committees or serve as Chairperson of more than five (5) committees across all listed entities in which they serve as Directors. Further, the directorship, committee membership, and committee chairpersonship held by the Directors are within the prescribed limits under the Act and SEBI Listing Regulations.

Board Meetings

The Board of Directors meet at regular intervals to review and deliberate on the Company's business strategies, operational performance, policies, financial performance of your Company and its subsidiaries, and address other statutory matters requiring its consideration and approval. In case of business exigencies, the Board's approval is taken through circular resolutions in accordance with the provisions of the Act and applicable regulatory requirements. All such circular resolutions are subsequently placed before the Board for noting and confirmation at the subsequent Board Meeting.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This enables informed deliberations and effective decision-making. Directors are also provided with the facility to participate through video conferencing or other audio-visual means in accordance with the provisions of the Act and applicable rules.

The agenda for Board Meetings, inter-alia, include an Action Taken Report on suggestion/directions arising from previous meetings, providing updates on the status of implementation. The Board may, whenever considered necessary, invite senior management personnel, subject matter experts, consultants, or other special invitees to provide insights and assist the Board in its deliberations.

During the year under review, the Board of Directors met six (6) times, with all meetings convened at intervals of less than 120 days, in compliance with the Act. The Company adheres to the applicable Secretarial Standards governing the conduct of Board meetings.

Details of Board meetings and attendance of the Directors thereat and at the previous Annual General Meeting ("AGM") is mentioned herein below:

Board Meetings Attendance											30th AGM, September 16, 2025
Sr. No.	Name of the Director	Board meetings dates						Meetings held during the tenure	Meetings attended	% of attendance	
		1	2	3	4	5	6				
		April 28, 2025	July 28, 2025	September 17, 2025	November 07, 2025	February 10, 2026	March 24, 2026				
1	Mr. R. Venkataraman	✓	✓	×	✓	✓	✓	6	5	83.33	✓
2	Mr. Narendra Deshmal Jain	✓	✓	✓	✓	×	✓	6	5	83.33	✓
3	Mr. Anand Shailesh Bathiya	✓	✓	✓	✓	✓	✓	6	6	100	✓
4	Mr. Shamik Das Sharma	✓	✓	✓	✓	✓	✓	6	6	100	✓
5	Ms. Rekha Gopal Warriar	✓	✓	✓	✓	✓	✓	6	6	100	✓
6	Mr. Viswanathan Krishnan	✓	✓	✓	✓	✓	✓	6	6	100	✓
	Meeting-wise Attendance (%)	**100%**	**100%**	**83.33%**	**100%**	**83.33%**	**100%**				**100**

Note:

- Mr. Anand Shailesh Bathiya was re-appointed as a Non-Executive Independent Director on the Board of the Company for a second term of five consecutive years, effective from September 22, 2025.
- Mr. Viswanathan Krishnan was re-appointed as a Non-Executive Independent Director on the Board of the Company for a second term of five consecutive years, effective from January 21, 2026.

All directors have 93.89% average attendance in board meetings in the past three years.

During FY 2026, the information prescribed under Regulation 17 read with Part A of Schedule II of the SEBI Listing Regulations, along with the relevant SEBI circulars applicable to QSB, were placed before the Board and its Board Committees from time to time, for its consideration, to the extent applicable, relevant and deemed appropriate by the management. This information was provided in advance through agenda papers, presentations and discussions during the meetings, or, in exceptional cases, tabled at the meetings.

Confirmations by the Independent Directors

All Independent Directors have provided their annual declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. Further, pursuant to Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have confirmed that their name are included in the databank maintained by the Indian Institute of Corporate Affairs (IICA), as applicable.

Based on the declarations received from the Independent Directors and the Board's due assessment of their veracity, in accordance with Regulation 25(9) of the SEBI Listing Regulations, the Board has formed the opinion that all Independent Directors meet the criteria of independence as specified under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, and are independent of the management. In accordance with the provisions of the Act, formal letters of appointment were issued to the Independent Directors at the time of their appointment, and the same has been disclosed on the website of the Company at https://www.iiflcapital.com/investor-relations/corporate-governance.

Directorship of Independent Directors and disclosures

In compliance with Regulation 17A of the SEBI Listing Regulations, none of the Independent Directors of the Company serve as an Independent Director in more than seven (7) listed companies. Additionally, the Managing Director and Whole-Time Director of the Company do not hold Independent Directorship in any other listed entities. Further, there was no resignation of any Independent Director prior to the completion of their respective tenure during the year. Accordingly, disclosure of detailed reasons for resignation is not applicable.

Familiarisation Programmes/ Board Training

Pursuant to Regulations 25(7) and 46 of SEBI Listing Regulations, your Company has implemented a structured familiarisation programme for its Independent Directors. The Board members are familiarised with their roles, rights and responsibilities in the Company, as well as, with the nature of industry and business model of the Company at the time of their appointment as a Director. In addition, periodic presentations are made during the Board and Committee meetings apprising the Directors on various matters, *inter-alia*, including updates on the business and operations of the Company and its major subsidiaries, industry and regulatory changes, strategic initiatives, financial performance, risk management framework, ESG practices, and the statutory duties of Independent Directors and other relevant matters. Details of the programme for familiarisation of Independent Directors are available on the Company's website and can be accessed on https://www.iiflcapital.com/investor-relations/corporate-governance.

During FY 2026, the Company, in collaboration with IiAS, conducted its third formal Board Training Programme to enable Directors to remain updated on evolving regulatory, technological, and governance developments. The programme focused on enhancing Board effectiveness through engagement with Key Managerial Personnel ("KMPs"), oversight responsibilities under the Digital Personal Data Protection Act, 2023, governance aspects of Artificial Intelligence, and emerging legal and regulatory risks relevant to Independent Directors.

Directors and Officers insurance

Pursuant to Regulation 25(10) of the SEBI Listing Regulations, the Company maintains a Directors' and Officers' Insurance Policy covering all Directors, including Independent Directors, and Officers, with coverage and insured limits commensurate with the Company's size, nature of operations, and risk profile.

3. COMMITTEES OF THE BOARD

The Board of Directors have constituted various Board Committees in accordance with the requirements of the Act, SEBI Listing Regulations, SEBI's circular prescribing enhanced obligations and responsibilities for QSB, NSE Prime norms, and the enhanced governance standards recommended by IiAS to provide focused oversight and detailed review of key functional, strategic, and governance matters. The Board Committees are established to focus on specific areas that require in-depth oversight and are approved by the Board with clearly defined scopes and responsibilities. These Board Committees play an integral role in strengthening the Company's governance framework, facilitating effective oversight, and supporting the Board in the discharge of its responsibilities. The Board committees meet at regular intervals and take appropriate actions to discharge the responsibilities delegated to them by the Board.

As on March 31, 2026, the Board constituted the following nine (9) Committees:

A. Audit Committee

B. Nomination and Remuneration Committee

C. Corporate Social Responsibility Committee

D. Stakeholders' Relationship Committee

E. Risk Management Committee

F. Finance Committee

G. ESG Committee

H. Independent Directors' Committee

I. Information Technology Committee

The Chairperson of the respective Committees, in consultation with the Company Secretary, determines the schedule of Committee meetings. The minutes of all Committee meetings are placed before the respective Committees for confirmation at their subsequent meetings and are also presented to the Board for its noting. The recommendations of the Committees are submitted to the Board for consideration and approval, wherever applicable.

Details regarding the composition, terms of reference, meetings held, and attendance of the various Committees are provided below:

A. AUDIT COMMITTEE

In compliance with Section 177 of the Act, Regulation 18 of the SEBI Listing Regulations and the enhanced governance parameters prescribed by IiAS, the Audit Committee of the Board ("**Audit Committee**") has been duly constituted and comprises only Independent Directors.

The Audit Committee is entrusted with the oversight of the Company's accounting and financial reporting processes, the audit of financial statements, and all matters relating to the appointment, independence, remuneration, and performance evaluation of both the Statutory and Internal Auditors.

In alignment with the Company's commitment to robust governance standards, the Audit Committee also convenes separate meetings, to deliberate on non-financial matters, thereby further strengthening its oversight role and enhancing its effectiveness in discharging its fiduciary responsibilities.

Composition of Audit Committee

The Audit Committee comprises of the following members as on March 31, 2026:

Sr. No.	Name of the Director	Category	Position	% of Independence
1	Mr. Anand Shailesh Bathiya	Independent Director	Chairperson	100%
2	Mr. Viswanathan Krishnan	Independent Director	Member	
3	Ms. Rekha Gopal Warriar	Independent Director	Member	

All members of the Audit Committee are financially literate and collectively possess specialised expertise in finance, taxation, and risk management enabling the Committee to effectively oversee financial reporting, ensure compliance with applicable regulations, and manage potential risks.

Meetings of Audit Committee and Attendance Thereat

The Audit Committee met eight (8) times during FY 2026, with the requisite quorum being present at all meetings. In compliance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act, the gap between any two consecutive meetings did not exceed 120 days.

The attendance of respective members at the Audit Committee meetings held during FY 2026 are as under:

Audit Committee Meetings Attendance

Sr. No.	Name of the Director	Audit Committee meetings dates								Meetings held during the tenure	Meetings attended	% of attendance
		1 April 23, 2025	2 April 28, 2025	3 July 15, 2025	4 July 28, 2025	5 October 29, 2025	6 November 07, 2025	7 January 16, 2026	8 February 10, 2026			
1	Mr. Anand Shailesh Bathiya	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100
2	Ms. Rekha Gopal Warriar	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100
3	Mr. Viswanathan Krishnan	✓	✓	✓	✓	✓	✓	✓	✓	8	8	100
	Meeting-wise Attendance (%)	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**			

The Audit Committee meetings are attended by the Chief Financial Officer of the Company as well as partners/representatives of Statutory Auditors and Internal Auditors. The Company Secretary acts as the Secretary to the Audit Committee. The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company held on September 16, 2025.

The broad terms of reference of the Audit Committee are as under:

1. Oversight of your Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of your Company;
3. Approval of payment to statutory auditors for any other services they have rendered to the Company;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    a. Matters required to be included in the Directors' responsibility statement to be provided in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;

    b. Changes, if any, in accounting policies and practices and reasons for the same;

    c. Major accounting entries involving estimates based on the exercise of judgment by the management;

    d. Significant adjustments made in the financial statements arising out of audit findings;

    e. Compliance with listing and other legal requirements relating to financial statement;

    f. Disclosure of any related party transactions; and

    g. Qualifications / modified opinions in the draft audit report.

5. Reviewing the quarterly financial statements with the management before submission to the Board for approval;

6. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;

8. Scrutiny of inter-corporate loans and investments;

9. Valuation of undertakings or assets of the Company, wherever necessary;

10. Evaluation of internal financial controls and risk management systems;

11. Monitoring the end use of funds raised through public offers and related matters, if any;

12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussing with internal auditors of any significant findings and following up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussing with statutory auditors before the commencement of the audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;

18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

19. To establish and review the functioning of the whistle blower mechanism;

20. Approval of appointment of the Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

21. Related Party Transactions: Granting approval / omnibus approval for transaction(s) with related parties, subject to conditions as may be prescribed under the Policy on Related Party Transaction of the Company or any other applicable laws, regulations, guidelines or any subsequent modification in the transactions thereof;

22. Review of

    a. Management Discussion and Analysis of financial condition and results of operations;

    b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

    c. Management letters/letters of internal control weaknesses issued by the statutory auditors;

    d. Internal audit reports relating to internal control weaknesses;

e. Appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee

f. Statement of deviations including:

   i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;

   ii. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations;

g. The utilisation of loans and/or advances from/ investment by the holding company in the subsidiary > ₹100 Crores or 10% of asset size of the subsidiary, whichever is lower, including existing loans / advances / investments;

23. To investigate into any matter in relation to the terms of reference of the Audit Committee or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of your Company;

24. Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Act or the SEBI Listing Regulations or by any other regulatory authority;

B. NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Act, Regulation 19 of the SEBI Listing Regulations and the enhanced governance parameters prescribed by IiAS, the Nomination and Remuneration Committee of the Board of Directors (**"NRC"**) has been duly constituted and comprises only Independent Directors.

NRC plays a key role in strengthening the Company's governance framework by overseeing the composition and effectiveness of the Board. NRC is also responsible for formulating and recommending criteria for the identification, selection, appointment, and remuneration of Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel, as well as overseeing succession planning.

Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of the following members as on March 31, 2026:

Sr. No.	Name of the Director	Category	Position	% of Independence
1	Mr. Shamik Das Sharma	Independent Director	Chairperson	100%
2	Mr. Anand Shailesh Bathiya	Independent Director	Member	
3	Ms. Rekha Gopal Warriar	Independent Director	Member	

The Company Secretary of the Company acts as the Secretary to the Committee.

Meetings of Nomination and Remuneration Committee and Attendance thereat

The NRC met three (3) times during FY 2026. The requisite quorum was present at all the meetings. The attendance of respective members at the NRC meetings held during FY 2026 are as under:

Nomination and Remuneration Committee Meetings Attendance

Sr. No.	Name of the Director	Nomination and Remuneration Committee meetings dates			Meetings held during the tenure	Meetings attended	% of attendance
		1	2	3			
		April 24, 2025	July 17, 2025	February 04, 2026			
1	Mr. Shamik Das Sharma	✓	×	✓	3	2	66.67
2	Ms. Rekha Gopal Warriar	✓	✓	✓	3	3	100
3	Mr. Anand Shailesh Bathiya	✓	✓	✓	3	3	100
	Meeting-wise Attendance (%)	**100**	**66.67**	**100**			

The Chairperson of NRC was present at the last Annual General Meeting of the Company held on September 16, 2025. The Company's Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees is provided in **Annexure 2** to the Directors' Report and also available on the Company's website at www.iiflcapital.com.

The broad terms of reference of Nomination and Remuneration Committee are as under:

1. Formulate criteria and manner for effective evaluation of performance of Board, its committees and individual Directors and review its implementation and compliance;
2. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees and while formulating this policy ensure that:
   i. Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
   ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
   iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
3. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
4. Suggest whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
5. Devising a policy on diversity of the Board of Directors;
6. Recommend to the Board all remuneration, in whatever form, payable to the Senior Management;
7. Administration of the Company's employee stock option schemes.

Board Evaluation Criteria and Process

Pursuant to the applicable provisions of the Act and the SEBI Listing Regulations, the annual performance evaluation of the Board, its Committees and individual Directors was conducted through a structured questionnaire covering various aspects of their functioning and effectiveness. The evaluation was carried out through a peer review mechanism, with the Director under evaluation abstaining from participating in the assessment of his or her own performance.

At the meeting of the Independent Directors held on March 18, 2026, the Independent Directors, ***inter alia***, evaluated the performance of the Non-Independent Directors, the Board as a whole and the Chairperson of the Company, and assessed the adequacy and timeliness of the flow of information between the management and the Board to enable the Board to effectively discharge its responsibilities.

Further, the performance evaluation of the Board Committees and Independent Directors was carried out by the Board, excluding the Directors being evaluated. Based on the evaluation outcome, the Board noted with appreciation the efficient functioning and constructive performance of its various Committees and considered their composition to be appropriate and effective in discharging their respective responsibilities. The assessment also recognised that the Independent Directors collectively contributed a broad spectrum of knowledge, professional expertise, and industry experience. Their meaningful participation and objective perspectives during Board and Committee deliberations were acknowledged as having played an important role in strengthening oversight, enhancing governance standards, and supporting the Company's long-term strategic objectives.

The key criteria for evaluating the performance of Independent Directors includes:

- Relevant knowledge, expertise, and industry experience;
- Maintenance of independence in accordance with Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, and absence of any conflict of interest;
- Active participation and meaningful contributions at Board and Committee meetings;
- Adherence to the applicable Code of Conduct and ethical standards;
- Exercise of objective and independent judgment in the best interest of the Company;
- Ability to raise valid concerns and constructively contribute to effective decision - making; and

- Contribution towards strengthening the Company's corporate governance framework.

The Board of Directors have expressed their satisfaction on the evaluation process and its outcome.

Remuneration of Directors

A. Remuneration to Non-Executive Independent Directors

During the financial year under review, the Non-Executive Independent Directors of the Company were remunerated as follows:

i. **Sitting Fees**:

During FY 2026 the Sitting fees were revised as under:

- ₹75,000 per meeting of the Board and the Audit Committee;
- ₹50,000 per meeting of the Risk Management Committee, Cyber Security Committee, Information Technology Committee, and Independent Director's Committee; and
- ₹30,000 per meeting of all other Committees.

ii. **Reimbursement of Expenses**:

Actual travel and out-of-pocket expenses incurred in connection with attending meetings were reimbursed, if any.

Additionally, a commission of ₹12,00,000 was paid to the Non-Executive Independent Director's respectively.

In compliance with the provisions of the Act and the SEBI Listing Regulations, the total sitting fees and commission paid to each Non-Executive Independent Director during the financial year did not exceed the prescribed limits. Your Company has not granted any employee stock options to the Independent Directors. Furthermore, none of the Non-Executive Independent Directors have any material pecuniary relationship or transactions with the Company, its promoters, its management, or its subsidiaries, which, in the judgment of the Board, may affect their independence.

Details of remuneration paid to Non-Executive Independent Directors is provided below:

(Amount in ₹)

Name of the Director	Commission	Sitting Fees	Total
Mr. Anand Shailesh Bathiya	12,00,000	16,90,000	28,90,000
Mr. Shamik Das Sharma	12,00,000	10,30,000	22,30,000
Mr. Viswanathan Krishnan	12,00,000	16,00,000	28,00,000
Ms. Rekha Gopal Warriar	12,00,000	13,30,000	25,30,000

Notes:

1. The criteria for making payment to Non-Executive Directors as specified in Nomination and Remuneration Policy of the Company is available on the website of the Company and can be accessed through the web link at https://files.iiflcapital.com/assets/Nomination_and_Remuneration_Policy_d2cd45fce3.pdf.
2. In accordance with Sections 178, 197, 198 and any other applicable provisions of the Act [including any statutory modification(s) or re-enactment(s) thereof] and SEBI Listing Regulations, and pursuant to the approval of the Board vide resolution dated May 15, 2020 and the approval of the shareholders dated June 30, 2020, your Company has made a provision for payment of commission to Independent Directors for FY 2026 of ₹17,00,000 to the Chairperson of the Board and ₹12,00,000 to other Non-Executive Independent Directors, considering their contribution to the Board/ Committees, attendance at the meeting, among other parameters.

B. Remuneration to Executive Directors

The appointment and remuneration of Executive Directors is governed by the recommendation of NRC and the resolutions passed by the Board and Shareholders of your Company.

Details of remuneration paid during FY 2026 to Executive Directors is provided below:

Particular	Mr. R. Venkataraman Managing Director	Mr. Narendra Jain Whole-Time Director
Term of Appointment	For a period of 5 years from March 22, 2025	For a period of 5 years from May 13, 2024
Salary and Allowances (₹)	6,95,84,877	1,44,88,824
Bonus (₹)	3,00,00,000	40,00,000

Particular	Mr. R. Venkataraman Managing Director	Mr. Narendra Jain Whole-Time Director
Perquisites (₹)	-	-
Minimum Remuneration	Mr. R. Venkataraman shall be entitled to minimum remuneration comprising of salary, perquisites and benefits as per the applicable provisions of Schedule V of the Act in the event of inadequacy/absence of profits.	Mr. Narendra Jain shall be entitled to minimum remuneration comprising of salary, perquisites and benefits as per the applicable provisions of Schedule V of the Act in the event of inadequacy/absence of profits.
Notice Period and Severance Fees	As per Company's Policy	As per Company's Policy
Stock Option (Exercised and allotted in no.)	Nil	During the year, 15,000 stock options were exercised and allotted.

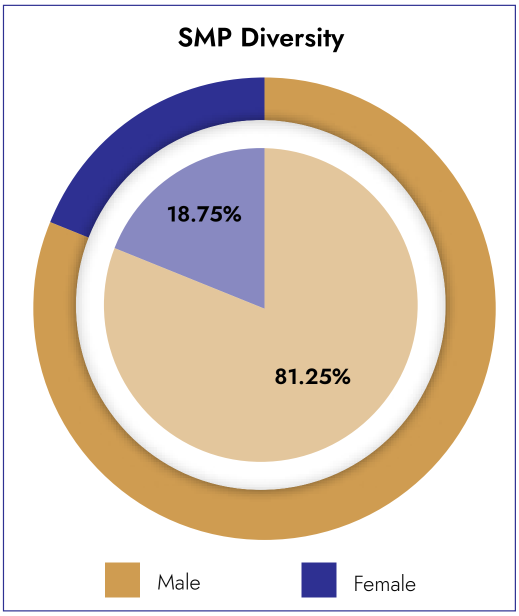
Note:

1. This does not include amount in respect of gratuity and leave entitlement as the same is not determinable.

Senior Management Personnel (SMP) of IIFL Capital Services Limited

As of March 31, 2026, the Senior Management Personnel (SMP) of IIFL Capital, excluding Executive Directors, comprises the following individuals:

1. Mr. Nemkumar H, Chief Growth Officer
2. Mr. Ronak Gandhi, Chief Financial Officer
3. Ms. Meghal Shah, Company Secretary & Head – ESG
4. Mr. Shanker Ramrakhiani, Chief Information Security Officer
5. Mr. Nipun Goel – Head, Investment Banking
6. Mr. Vasudev Jagannath, Head – Institutional Equities
7. Mr. Raghav Gupta, Joint CEO – Wealth & Securities
8. Mr. Prakash Bulusu, Joint CEO – Wealth & Securities
9. Mr. Chintan Modi, Head – Franchisee
10. Mr. Hardik Sanghavi, Chief Technology Officer (Institutional Broking)
11. Mr. Aditya Sisodia, Chief Technology Officer (Retail Broking)
12. Mr. Prasad Umarale, Chief Compliance Officer
13. Ms. Mamta Singh, Head – Legal
14. Mr. Mahesh Moopanar, Chief Risk Officer
15. Mr. Kevin Shah, Head – Internal Audit
16. Ms. Neha Nambiar, Head – Human Resources



Changes in SMP during FY 2026:

During FY 2026, consequent upon the resignation of Ms. Geetha Menon as Head – Human Resources, she ceased to be a Senior Management Personnel of the Company with effect from September 17, 2025. Ms. Neha Nambiar was appointed as Head – Human Resources and designated as a Senior Management Personnel with effect from September 17, 2025.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with Section 178(5) of the Act and Regulation 20 of the SEBI Listing Regulations, Stakeholders' Relationship Committee of the Board of Directors (**"SRC"**) has been duly constituted to oversee matters relating to the interest of the stakeholders, ensuring expeditious share transfer process and evaluating performance, efficiency and service standards of the Company's Registrar and Share Transfer Agent.

Composition of Stakeholders' Relationship Committee

The SRC comprises of the following members as on March 31, 2026:

Sr. No.	Name of the Director	Category	Position	% of Independence
1	Ms. Rekha Gopal Warriar	Independent Director	Chairperson	66.67%
2	Mr. Narendra Deshmal Jain	Whole-Time Director	Member	
3	Mr. Shamik Das Sharma	Independent Director	Member	

Ms. Meghal Shah is the Compliance Officer of your Company as per SEBI Listing Regulations and also acts as the Secretary to the Committee.

Meetings of Stakeholders' Relationship Committee and Attendance thereat

During the year under review, SRC met Once. The requisite quorum was present at the Meeting. The attendance of respective members at the SRC meeting held during FY 2026 are as under:

Stakeholders' Relationship Committee Meetings Attendance					
Sr. No.	Name of the Director	Stakeholders' Relationship Committee meetings dates 1 October 17, 2025	Meetings held during the tenure	Meetings attended	% of attendance
1	Ms. Rekha Gopal Warriar	✓	1	1	100
2	Mr. Narendra Deshmal Jain	✓	1	1	100
3	Mr. Shamik Das Sharma	✓	1	1	100
	Meeting-wise Attendance (%)	**100**			

The Chairperson of SRC was present at the last Annual General Meeting of the Company held on September 16, 2025.

The broad terms of reference of Stakeholders' Relationship Committee are as under:

1. Resolving grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Details of Investor Grievance

Your Company and its Registrar & Share Transfer Agent, MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), is committed to addressing all investor grievances received directly or through regulatory bodies such as SEBI, Stock Exchanges, and the Registrar of Companies etc. The Company has Investor Grievance Redressal Policy, which can be accessed at https://www.iiflcapital.com/investor-relations/corporate-governance

Details of the number of complaints received from investors/shareholders and attended during FY 2026 are given below:

Complaints pending as on April 01, 2025	1
Complaints received during the year	7
Complaints resolved during the year	7
Complaints pending as on March 31, 2026	1

Suspense Account and Pledge Status

In compliance with Regulation 34(3) and Schedule V, Part F of the SEBI Listing Regulations, there are no shares lying in the suspense account as of March 31, 2026. Additionally, no pledge has been created over the equity shares held by the promoters.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with the provision of Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended the Corporate Social Responsibility ("**CSR**") Committee of the Board of Directors has been duly constituted for overseeing the implementation of the CSR Policy and the execution of CSR activities undertaken by the Company.

Composition of Corporate Social Responsibility Committee

The CSR Committee comprises of the following members as on March 31, 2026:

Sr. No.	Name of the Director	Category	Position	% of Independence
1	Mr. Anand Shailesh Bathiya	Independent Director	Chairperson	100%
2	Mr. Viswanathan Krishnan	Independent Director	Member	
3	Ms. Rekha Gopal Warriar	Independent Director	Member	

Meetings of Corporate Social Responsibility Committee and Attendance thereat

During the year under review, the CSR Committee met twice. The requisite quorum was present at both meetings. The attendance of respective members at the CSR meetings held during FY 2026 are as under:

Corporate Social Responsibility Committee Meetings Attendance						
Sr. No.	Name of the Director	Corporate Social Responsibility Committee meetings dates		Meetings held during the tenure	Meetings attended	% of attendance
		July 17, 2025	March 23, 2026			
1	Mr. Anand Shailesh Bathiya	✓	✓	2	2	100
2	Mr. Viswanathan Krishnan	✓	✓	2	2	100
3	Ms. Rekha Gopal Warriar	✓	✓	2	2	100
	Meeting-wise Attendance (%)	**100**	**100**			

The broad terms of reference of the Corporate Social Responsibility Committee are as under:

1. Formulating and recommending to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
2. Recommending the amount of the expenditure to be incurred on CSR activities;
3. Instituting a transparent monitoring mechanism for implementation of the CSR activities to be undertaken by the Company;
4. Such other functions as may be entrusted to it by the Board, from time to time;

E. RISK MANAGEMENT COMMITTEE

In compliance with Regulation 21 of the SEBI Listing Regulations, SEBI Circular on enhanced obligation and responsibilities for QSBs, NSE Prime Norms and other applicable provisions, if any, the Risk Management Committee of the Board of Directors ("**RMC**") has been duly constituted to oversee the implementation of the Enterprise Risk Management ("**ERM**") Policy of the Company.

Composition of Risk Management Committee

The Risk Management Committee comprises of the following members as on March 31, 2026:

Sr. No.	Name of the Director/Member	Category	Position	% of Independence
1	Mr. Viswanathan Krishnan	Independent Director	Chairperson	75%
2	Mr. Shamik Das Sharma	Independent Director	Member	
3	Mr. Anand Shailesh Bathiya	Independent Director	Member	
4	Mr. Shanker Ramrakhiani	Chief Information Security Officer	Member	

The Company Secretary of the Company acts as Secretary to the RMC.

Meetings of Risk Management Committee and Attendance thereat

The RMC met four (4) times during FY 2026. The required quorum was present at all meetings. In compliance with Regulation 21 of the SEBI Listing Regulations the gap between any two consecutive meetings did not exceed 210 days.

The attendance of respective members at the RMC meetings held during FY 2026 are as under:

Risk Management Committee Meetings Attendance								
Sr. No.	Name of the Director/ Member	Risk Management Committee meetings dates				Meetings held during the tenure	Meetings attended	% of attendance
		1	2	3	4			
		April 17, 2025	July 17, 2025	October 17, 2025	January 21, 2026			
1	Mr. Viswanathan Krishnan	✓	✓	✓	✓	4	4	100
2	Mr. Shamik Das Sharma	✓	×	✓	✓	4	3	75
3	Mr. Anand Shailesh Bathiya	✓	✓	✓	✓	4	4	100
4	Mr. Shanker Ramrakhiani	✓	✓	✓	✓	4	4	100
	Meeting-wise Attendance (%)	**100**	**75**	**100**	**100**			

The broad terms of reference of the Risk Management Committee are as under:

1. To formulate a detailed risk management policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   (c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

F. FINANCE COMMITTEE

The Board of Directors has constituted the Finance Committee ("**FC**") to oversee and address the ongoing finance related requirements of the Company in ordinary course of business.

Composition of Finance Committee

The FC comprises of the following members as on March 31, 2026:

Sr. No.	Name of the Director/Member	Category
1	Mr. R. Venkataraman	Managing Director
2	Mr. Narendra Deshmal Jain	Whole-Time Director
3	Mr. Ronak Gandhi	Chief Financial Officer

Meetings of Finance Committee and Attendance thereat

During the year under review, FC met eleven (11) times. The requisite quorum was present at the meetings.

The attendance of respective members at the FC meetings held during FY 2026 are as under:

Finance Committee Meetings Attendance

Sr. No.	Name of the Director/ Member	Finance Committee meetings dates											Meetings held during the tenure	Meetings attended
		1	2	3	4	5	6	7	8	9	10	11		
		April 09,2025	May 07, 2025	June 11, 2025	June 20, 2025	July 02, 2025	August 25, 2025	November 07, 2025	December 12, 2025	February 01, 2026	February 24, 2026	March 27, 2026		
1	Mr. Narendra Deshmal Jain	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11	11
2	Mr. Ronak Gandhi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11	11
3	Mr. R. Venkataraman	×	✓	✓	×	×	✓	✓	✓	✓	✓	✓	11	8
	Meeting-wise Attendance (%)	**66.67**	**100**	**100**	**66.67**	**66.67**	**100**	**100**	**100**	**100**	**100**	**100**		

The broad terms of reference of the Finance Committee are as under:

1. To borrow funds for and on behalf of your Company up to the maximum amount as determined by the Board of Directors of your Company from time to time;
2. To invest funds of your Company from time to time in equity shares, preference shares, debt securities, bonds, whether listed or unlisted, secured or unsecured, fixed deposits, units of mutual fund / units of alternative investment fund, security receipts, securities, etc. taking into consideration all investment parameters up to the maximum amount as determined by the Board of Directors of the Company from time to time and also to enter into any agreements including but not limited to enter into Share Purchase Agreement, Share Subscription Agreement, Shareholders Agreement etc. as may be required to give effect to such transaction;
3. To create pledge/ hypothecate/ mortgage and/ or charge on both movable and immovable assets not exceeding the overall limit as approved by the Board from time to time;
4. To allot securities of your Company including equity shares, preference shares, debt securities, bonds, etc. from time to time;
5. To borrow funds for meeting the short/ long term requirements of funds of your Company by issuing Commercial Paper including redemption and buyback of Commercial Paper and also to list the same as per the SEBI Regulations, Term Loan from bank, etc.;
6. To avail intraday facilities from Banks/Financial Institution upto ₹2,500 Crores (Rupees Two Thousand Five Hundred Crores);
7. To offer assurances on behalf of subsidiaries, in the form of guarantee, security, undertakings, letters (including without limitation, letter of comfort), deeds, declarations or any other instruments in connection with loan availed by them from Banks, Financial Institutions, Non-Banking Financial Companies, other body corporates, etc. upto such limit, if applicable, as delegated/decided by the Board from time to time;
8. Powers relating to issuance and allotment of Debentures:
   a. To determine terms and conditions and number of debentures to be issued;
   b. Determining timing, nature, type, pricing and such other terms and conditions of the issue including coupon rate, minimum subscription, retention of over subscription, if any and early redemption thereof;
   c. To approve and make changes to the Draft Prospectus, to approve the Final Prospectus, including any corrigendum, amendments, supplements thereto, and the issue thereof;
   d. To approve all other matters relating to the issue and do all such acts, deeds, matters and things including execution of all such deeds, documents, instruments, applications and writings as it may, at its discretion, deemed necessary and desirable for such purpose including without limitation the utilisation of the issue proceeds, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient, extension of issue and/or early closure of the issue;

9. Opening and closing current / cash credit / overdraft / fixed deposit or other accounts including depository accounts with any scheduled bank and / or depository participant, authorise the officials of your Company to operate the same and to vary the existing authorisation in respect of these accounts;

10. Grant of authority to avail online payment gateway facility;

11. Issue of Power of Attorneys / Delegation Letter to the Officials of your Company;

12. Execute, sign, certify any agreement, MOU, undertaking, document, deed and other writings in relation to the above;

13. Any other incidental or other matter in the ordinary course of business, including delegation of powers in relation to the above and/or may be delegated by the Board, from time to time;

G. ESG COMMITTEE

The Board of Directors has constituted an Environmental, Social and Governance ("**ESG**") Committee to provide direction and oversight of the Company's ESG framework, initiatives and performance.

Composition of ESG Committee

The ESG Committee comprises of the following members as on March 31, 2026:

Sr. No.	Name of the Director	Category	Position	% of Independence
1	Mr. Anand Shailesh Bathiya	Independent Director	Chairperson	66.67%
2	Mr. Narendra Deshmal Jain	Whole-Time Director	Member	
3	Mr. Viswanathan Krishnan	Independent Director	Member	

Meetings of ESG Committee and Attendance thereat

During the year under review, ESG Committee met Once. The requisite quorum was present at the meeting. The attendance of respective members at the ESG Committee meeting held during FY 2026 are as under:

ESG Committee Meetings Attendance					
Sr. No.	**Name of the Director/Member**	**ESG Committee meetings dates**	**Meetings held during the tenure**	**Meetings attended**	**% of attendance**
		1			
		July 25, 2025			
1	Mr. Anand Shailesh Bathiya	✓	1	1	100
2	Mr. Narendra Deshmal Jain	✓	1	1	100
3	Mr. Viswanathan Krishnan	✓	1	1	100
	Meeting-wise Attendance (%)	**100**			

The broad terms of reference of the ESG Committee are as under:

1. Provide guidance and approve ESG strategy and roadmap;

2. Oversee Environmental factors in relation to the business operations e.g. climate, emissions, water and waste management, energy efficiency, biodiversity, etc.;

3. Oversee Social factors encompassing initiatives aimed at fostering diversity, equity and inclusion within the Organisation, ensuring fair labour practices and health and safety measures, addressing human right issues and promoting community engagement;

4. Oversee the Company's governance practices, ensuring data privacy and cyber security and transparency and accountability to stakeholders;

5. Review ESG reporting in line with various national and global sustainability/ESG indices and guidelines;

6. Overview material ESG risks, opportunities and mitigation of risks;

7. Monitor progress of ESG initiatives and their impact;

H. INDEPENDENT DIRECTORS' COMMITTEE

The Board of Directors has constituted an Independent Directors' Committee ("**ID Committee**") in accordance with the NSE Prime Norms to further strengthen the Company's corporate governance framework.

Composition of Independent Directors' Committee

The ID Committee comprises of the following members as on March 31, 2026:

Sr. No.	Name of the Director	Category
1	Mr. Anand Shailesh Bathiya	Independent Director
2	Mr. Viswanathan Krishnan	Independent Director
3	Mr. Shamik Das Sharma	Independent Director
4	Ms. Rekha Gopal Warriar	Independent Director

Meetings of Independent Directors' Committee and Attendance thereat

In compliance with the provisions of the Act, Regulation 25 of SEBI Listing Regulations and the NSE Prime Norms, the ID Committee met two (2) times during FY 2026. The requisite quorum was present at the ID Committee meetings. The attendance of respective members at the ID Committee meetings held during FY 2026 are as under:

Independent Directors' Committee Meetings Attendance

Sr. No.	Name of the Director	Independent Directors' Committee meetings dates		Meetings held during the tenure	Meetings attended	% of attendance
		1	2			
		October 17, 2025	March 18, 2026			
1	Mr. Anand Shailesh Bathiya	✓	✓	2	2	100
2	Mr. Viswanathan Krishnan	✓	✓	2	2	100
3	Ms. Rekha Gopal Warriar	✓	✓	2	2	100
4	Mr. Shamik Das Sharma	✓	✓	2	2	100
	Meeting-wise Attendance (%)	**100**	**100**			

The broad terms of reference of the Independent Directors' Committee are as under:

1. Reviewing the performance of Non-Independent Directors, the Chairman and the Board as a whole and bring an objective view in the evaluation of Board and the Management;
2. Assessing the quality, quantity and timeliness of flow of Information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties;
3. Deliberating on improving corporate credibility and governance standards and help in managing risk;
4. Bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointment and standards of conduct;
5. Satisfying themselves on the integrity of financial information and that financial controls and the risk management are robust and defensible;
6. Any other matter as may be deemed fit by the Independent Directors.

I. INFORMATION TECHNOLOGY COMMITTEE

Pursuant to the SEBI Circular dated February 06, 2023, prescribing enhanced obligations and responsibilities for QSBs, the Board of Directors has constituted the Information Technology ("IT") Committee.

During the year under review, pursuant to the SEBI Circular dated August 20, 2024 and the NSE Circular dated August 22, 2025 permitting a single committee to discharge the functions of both the Information Technology and Cyber Security Committees, the Board approved the merger of the Cyber Security Committee with the Information Technology Committee at its meeting held on November 07, 2025. Accordingly, the IT Committee is entrusted with oversight of the Company's information technology governance and cybersecurity framework in accordance with the applicable regulatory requirements.

Composition of Information Technology Committee

The IT Committee comprises of the following members as on March 31, 2026:

Sr. No.	Name of the Director/Member	Category	Position	% of Independence
1	Mr. Shamik Das Sharma	Independent Director	Chairperson	80%
2	Mr. Anand Shailesh Bathiya	Independent Director	Member	
3	Mr. Narendra Deshmal Jain	Whole-Time Director	Member	
4	Mr. Viswanathan Krishnan	Independent Director	Member	
5	Mr. Nilesh Chaudhari	External Independent Expert	Member	

Meetings of Information Technology Committee and Attendance thereat

The IT Committee met four (4) times during FY 2026. The requisite quorum was present at the said meetings. The attendance of respective members at the IT Committee meetings held during FY 2026 are as under:

Information Technology Committee Meetings Attendance								
Sr. No.	Name of the Director/ Member	Information Technology Committee meetings dates				Meetings held during the tenure	Meetings attended	% of attendance
		1	2	3	4			
		April 16, 2025	July 16, 2025	October 16, 2025	January 20, 2026			
1	Mr. Shamik Das Sharma	✓	✓	✓	×	4	3	75
2	Mr. Anand Shailesh Bathiya	✓	✓	✓	✓	4	4	100
3	Mr. Viswanathan Krishnan*	NA	NA	NA	✓	1	1	100
4	Mr. Narendra Deshmal Jain	✓	✓	✓	✓	4	4	100
5	Mr. Nilesh Chaudhary	✓	✓	✓	✓	4	4	100
6	Mr. Aditya Sisodia#	✓	✓	✓	NA	3	3	100
7	Mr. Hardik Sanghvi#	✓	✓	✓	NA	3	3	100
8	Mr. Shanker Ramrakhiani#	✓	✓	✓	NA	3	3	100
	Meeting-wise Attendance (%)	**100**	**100**	**100**	**80**			

*Mr. Viswanathan Krishnan was appointed as Member of Information Technology Committee w.e.f. November 07, 2025.

#Mr. Aditya Sisodia, Mr. Hardik Sanghavi, Mr. Shanker Ramrakhiani ceased to be a Member of Information Technology Committee w.e.f. November 07, 2025.

The broad terms of reference of the Information Technology Committee are as under:

1. To review and approve major IT and information security strategies, projects, plans;
2. To ensure that robust frameworks and processes are in place for identifying, assessing, and managing IT and cybersecurity risks;
3. To ensure that the IT Strategy aligns with the overall strategy towards accomplishment of its business objectives;
4. To oversee the implementation and periodic review of the Company's IT Policy, Information Security and Cyber Resilience Policy;
5. To review cybersecurity and information security incidents, if any, including impact assessments, root cause analyses (RCA), and remediation plans, and to monitor initiatives aimed at enhancing cyber resilience and preventing recurrence;
6. To review periodic reports on information security risk assessments, monitoring outcomes, and mitigation activities across the organisation;
7. To ensure effective oversight of the Company's Business Continuity Planning (BCP) and Disaster Recovery (DR) Management framework, including regular testing, review, and updates;
8. To review and monitor the implementation of information security awareness and training programmes across the organisation;
9. To review emerging developments, threats, or issues relating to information technology, cybersecurity, or information security, and recommend appropriate actions;
10. To monitor and ensure compliance with applicable cybersecurity laws, regulations, guidelines, and circulars, as may be issued from time to time;

11. To report periodically to the Board on the status of the IT strategy, cybersecurity initiatives, risk posture, and significant information security activities;
12. To ensure that the budgetary allocations for the IT function and Cyber Security are commensurate with the organisation's IT maturity, digital depth, threat environment, regulatory requirements and industry standards and are utilised in a manner intended for meeting the stated objectives;
13. To review, at least on half yearly basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the organisation.

As mentioned above, the Cyber Security Committee was merged with the Information Technology Committee during the year. However the details of the meetings of the Cyber Security Committee held prior to such merger, and the attendance of members thereat, are provided below:

Cyber Security Committee Meetings Attendance

Sr. No.	Name of the Director/Member	Cyber Security Committee meetings dates			Meetings held during the tenure	Meetings attended	% of attendance
		1	2	3			
		April 16, 2025	July 16, 2025	October 16, 2025			
1	Mr. Viswanathan Krishnan	✓	✓	✓	3	3	100
2	Mr. Shamik Das Sharma	✓	✓	✓	3	3	100
3	Mr. Narendra Deshmal Jain	✓	✓	✓	3	3	100
4	Mr. Nilesh Chaudhary	✓	✓	✓	3	3	100
5	Mr. Shanker Ramrakhiani	✓	✓	✓	3	3	100
6	Mr. Hardik Sanghavi	✓	✓	✓	3	3	100
7	Mr. Aditya Sisodia	✓	✓	✓	3	3	100
	Meeting-wise Attendance (%)	**100**	**100**	**100**			

4. PERIODIC REVIEW OF COMPLIANCES OF ALL APPLICABLE LAWS

Your Company follows a system whereby all the Acts, Rules and Regulations applicable to the Company are identified and compliance with such Acts, Rules and Regulations is monitored by a dedicated team on a regular basis. The regulatory inspection reports/advisory/orders, etc. are periodically examined and the necessary implementation/rectifications to the system and processes are initiated. In cases where representations, clarifications, or appeals are considered appropriate, the same are pursued before the relevant authorities, and the status of such matters is monitored periodically.

The Company also engages independent external auditors and consultants, wherever considered necessary, to verify compliance with key statutory and regulatory requirements. The findings and recommendations arising from such reviews, together with the status of implementation of corrective actions, are placed before the Audit Committee for its review. The Audit Committee also periodically reviews the audit and compliance verification plan and monitors the progress of its implementation.

In accordance with Regulation 17 of SEBI Listing Regulations compliance certificate received from the respective Functional Head confirming compliance with various laws, rules and regulations applicable to the Company is placed before the Board periodically. Further, all requisite returns, reports, and disclosures are filed with the appropriate regulatory authorities within the prescribed timelines, as and when required.

5. GENERAL BODY MEETINGS:

Annual General Meetings

The date, time and venue of the Annual General Meetings held during preceding three years and the special resolution(s) passed thereat, are as follows:

AGM	Financial Year	Date and Time	Location/Venue	Special Resolution(s) Passed
30th	FY 2025	September 16, 2025 at 11.30 A.M.	Through Video Conferencing / Other Audio Visual means	1. Re-appointing Mr. Anand Shailesh Bathiya (DIN: 03084831) as an Independent Director of the Company 2. Re-appointing Mr. Viswanathan Krishnan (DIN: 09026252) as an Independent Director of the Company 3. Approving sale/disposal of asset(s) of the material subsidiary of the Company 4. Approving offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis
29th	FY 2024	August 05, 2024 at 11.30 A.M.	Through Video Conferencing / Other Audio Visual means	1. Re-appointing Ms. Rekha Gopal Warriar (DIN: 08152356) as an Independent Director of the Company. 2. Re-appointing Mr. Narendra Deshmal Jain (DIN: 01984467) as Whole-time Director of the Company 3. Appointing Mr. Nemkumar H (DIN: 00350448) as Managing Director of the Company 4. Approving offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis
28th	FY 2023	August 31, 2023 at 11.00 A.M.	Through Video Conferencing / Other Audio Visual means	1. Approving sale/disposal/leasing of asset(s) of the material subsidiary 2. Approving offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis

Extra Ordinary General Meeting and Postal Ballot

No Extra Ordinary General Meeting ("EGM") was held during the FY ended March 31, 2026.

Post March 31, 2026, an EGM of the Members of the Company was held on June 01, 2026, to seek Members' approval for the following matters:

1. Issuance of Equity Shares by way of a Preferential Issue on a Private Placement Basis; and
2. Alteration and adoption of the Articles of Association of the Company and grant of special rights.

During FY 2026, the Members also approved the following Special Resolutions through Postal Ballot:

Sr No.	Type of Resolution(s)
01/PB/2025-26	1. Appointing Mr. R. Venkataraman (DIN: 00011919) as Managing Director of the Company
02/PB/2025-26	1. Approving increase in Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013 2. Approving increase in Limits under Section 180(1)(a) of the Companies Act, 2013

The Postal Ballot process was conducted in accordance with the applicable provisions of the Act and the rules made thereunder, the SEBI Listing Regulations, and the General Circulars issued by the Ministry of Corporate Affairs ("MCA"), including General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, and subsequent circulars, including General Circular No. 03/2025 dated September 22, 2025 (collectively referred to as the "MCA Circulars"). In accordance with the MCA Circulars, the Company conducted the Postal Ballot process exclusively through electronic voting (remote e-voting).

The Company appointed Central Depository Services (India) Limited (CDSL) to provide the electronic voting (e-voting) facility for the EGM and the Postal Ballot process. Mr. Snehal Shah, Proprietor of M/s. Snehal Shah & Associates, Practicing Company Secretaries, acted as the Scrutiniser for the EGM as well as the Postal Ballot process and ensured that the voting was conducted in a fair and transparent manner.

The Postal Ballot Notices dated April 28, 2025, and March 24, 2026, were sent electronically to the Members whose names appeared in the Register of Members/List of Beneficial Owners as on the respective cut-off dates and whose email addresses were registered with the Company, its Registrar and Share Transfer Agent, the Depository Participants, or the Depositories. The Notices contained detailed instructions for casting votes through the remote e-voting facility.

Upon completion of the e-voting period, the Scrutiniser submitted the report to the Company. Based on the Scrutiniser's Report, the results were declared, and the resolutions were passed with the requisite majority. The voting results were duly intimated to the Stock Exchanges and are available on the websites of the Company and CDSL.

As on the date of this Report, there is no proposal to pass any resolution through Postal Ballot. However, if considered necessary, the Company shall seek Members' approval through the Postal Ballot process in compliance with the applicable provisions of the Act, the SEBI Listing Regulations, and other applicable laws.

6. MEANS OF COMMUNICATION TO THE STAKEHOLDERS

(i) Financial Results

The Un-audited quarterly and half-yearly financial results are announced within forty-five days from the end of the respective quarter, and the audited annual results are declared within sixty days from the end of the financial year, in accordance with the SEBI Listing Regulations.

(ii) Publication and Intimation

Upon approval by the Board, the financial results are promptly submitted to the Stock Exchanges and published in leading newspapers in Financial Express (English), The Free Press Journal (English) and Navshakti (Marathi) within forty-eight hours of such approval.

(iii) Company Website

The Company's financial results, official press releases, and other updates are made available on its official website: www.iiflcapital.com.

(iv) Investor Presentations and Analyst Communications

Presentations made to institutional investors and analysts, along with transcripts and recordings of such calls, are filed with the Stock Exchanges within the time prescribed under the SEBI Listing Regulations. These are also simultaneously uploaded on the Company's website.

(v) Annual Report

The Annual Report, comprising the Audited Standalone and Consolidated Financial Statements, Auditors' Report, Directors' Report, Corporate Governance Report, Management Discussion and Analysis Report, and the Business Responsibility and Sustainability Report (BRSR), is circulated to all Members and other eligible stakeholders and is also available on the Company's website and the websites of the Stock Exchanges where the Company's shares are listed.

(vi) Investor Grievance Redressal – SCORES

Investor grievances are handled through SEBI's centralised web-based complaints redressal system, SCORES. Shareholders can lodge complaints directly against the Company through this platform. The Company updates the status of the complaint and the action taken, which can be viewed by the shareholder. Both the Company and shareholders can seek and provide clarifications through the SCORES system.

Go Green Initiative

As part of our commitment to environmental sustainability and responsible business practices, the Company continues to promote the "Go Green" initiative by encouraging electronic communication with its Members. In line with the applicable provisions of the Act, the SEBI Listing Regulations, and the circulars issued by the MCA and the SEBI from time to time, the Notice of the General Meeting, the Annual Report and other shareholder communications are sent electronically to the registered email addresses of the Members.

7. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting ("AGM") for the Financial Year 2026

DAY AND DATE	Wednesday, September 9, 2026
TIME	11:30 a.m.
MODE/VENUE	Through Video Conferencing / Other Audio Visual Means
FINANCIAL YEAR	April 01, 2025 to March 31, 2026

Dividend

In accordance with Regulation 43A of the SEBI Listing Regulations, the Company has formulated a Dividend Distribution Policy, which is accessible on the Company's website at https://files.iiflcapital.com/assets/Dividend_Distribution_Policy_Final_21_b61c5ee06c.pdf

During FY 2026, the Board of Directors declared the following dividend:

Dividend	Date of Declaration	Date of Payment	Percentage of Dividend on the face value of equity share	Amount Per Share
Interim Dividend	February 10, 2026	March 06, 2026	150%	3/-

This led to an outgo of ₹934 Mn. The same is considered as final dividend.

Unclaimed dividend and transfer of dividend and shares to IEPF

In accordance with Section 124 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("**IEPF Rules**"), any dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, along with the corresponding shares on which such dividends remain unclaimed for seven consecutive years or more, are required to be transferred to IEPF.

Shareholders may verify the details of unclaimed dividends and corresponding shares on the Company's website: www.iiflcapital.com under the **Investors Relation > Corporate Announcements** section.

Status of Unclaimed Dividends and Shares transferred/to be transferred to IEPF

Unclaimed Dividend Period	Status	Whether it Can Be Claimed	Claim Process
FY 2020 to FY 2026	Amount lying in the respective Unpaid Dividend Accounts	Yes	Write to RTA (MUFG Intime) using your registered email ID or submit a physical application with signature and KYC documents. RTA will verify and process the claim.

Dividend Details and Due Dates for Transfer to IEPF

Financial Year	Interim Dividend per share (in ₹)	Date of declaration of dividend	Last date for claiming unpaid dividend
2019-2020	2	February 07, 2020	March 14, 2027
2020-2021	1	March 10, 2021	April 15, 2028
2021-2022	3	January 24, 2022	March 01, 2029
2022-2023	3	January 23, 2023	February 22, 2030
2023-2024	3	March 01, 2024	April 06, 2031
2024-2025	3	February 11, 2025	March 19, 2032
2025-2026	3	February 10, 2026	March 18, 2033

Nodal Officer for IEPF Matters

Pursuant to Rule 7 of the IEPF Rules, Ms. Meghal Shah, Company Secretary, has been designated as the Nodal Officer for coordination with the IEPF Authority and verification of claims. Details of the Nodal Officer are available on the Company's website at www.iiflcapital.com.

Claim Process for Dividends/Shares Transferred to IEPF

Shareholders whose dividends or shares have been transferred to the IEPF may claim it by submitting an application in the prescribed Form IEPF-5 to the IEPF Authority. The detailed procedure for filing claims is available at: www.iepf.gov.in. No claim shall lie against the Company in respect of such transferred amounts/shares. As per IEPF Rules, only one consolidated claim can be filed by a member/claimant in a financial year.

Listing of equity shares on the stock exchanges

The Equity Shares of your Company are listed on the following stock exchanges:

Stock Exchanges
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

During FY 2026, there has been no suspension of trading in the Company's securities. The requisite listing fees for FY 2026 have been duly paid to both BSE Limited and the National Stock Exchange of India Limited.

Distribution of shareholding as on March 31, 2026

The distribution of shareholding as on March 31, 2026, is as follows:

IIFL Capital Services Limited							
Distribution Of Shareholding Based On Shares Held							
Report Type : All(NSDL+CDSL+PHYSICAL)							
SERIAL #	SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to	500	59,986	88.3043	48,64,213	1.5619
2	501	to	1,000	3,339	4.9153	25,68,713	0.8248
3	1,001	to	2,000	1,844	2.7145	27,56,315	0.8850
4	2,001	to	3,000	725	1.0673	18,38,669	0.5904
5	3,001	to	4,000	380	0.5594	13,48,061	0.4329
6	4,001	to	5,000	323	0.4755	15,11,948	0.4855
7	5,001	to	10,000	554	0.8155	4017401	1.2900
8	10,001	to	**********	780	1.1482	29,25,29,393	93.9296
Total				**67,931**	**100.0000**	**31,14,34,713**	**100.0000**

Category wise shareholding

Details of category wise shareholding as on March 31, 2026 is as follows:

Category	No. of Shares	Percentage of Holding
Promoters & Promoters Group	9,61,43,214	30.87
Alternate Investment Funds	1,35,30,149	4.34
Foreign Portfolio Investor	5,08,63,901	16.33
Financial Institution/Banks	1,883	0
Individuals and others	4,47,04,089	14.36
NBFCs registered with RBI	1,000	0
Mutual Fund	38,07,667	1.22
Hindu Undivided Family	11,55,186	0.37
Foreign Companies	8,46,41,445	27.18
NRIs	81,84,296	2.63
Investor Education and Protection Fund	26,244	0.01
Bodies Corporates	83,75,639	2.69
Total	**31,14,34,713**	**100**

Share Transfer System

Pursuant to Regulation 40(1) of the SEBI Listing Regulations, the transfer of shares of the Company will not be processed unless the shares are held in dematerialised form with a depository. Therefore, shareholders holding equity shares in physical form are strongly encouraged to convert their shares into dematerialised form. This will facilitate seamless transfer of shares and enable shareholders to actively participate in various corporate actions.

Dematerialisation of shares and liquidity

The breakup of the Company's equity shares held in physical and dematerialised form as of March 31, 2026, is as follows:

Particular	No. of Shares	% of Total
Held in electronic mode with Depositories.		
• CDSL	2,22,12,407	7.13
• NSDL	28,89,80,962	92.79
Held in physical mode	2,41,344	0.08
Total	**31,14,34,713**	**100.00**

Process of dematerialisation of shares:

Shareholders who continue to hold shares in physical form are requested to dematerialise their shares at the earliest and avail the benefits of dealing shares in demat form. For convenience of shareholders, the process of getting the shares dematerialised is given hereunder:

a) **Open a Demat Account**

Shareholders must open a demat account with a Depository Participant (DP) registered with either NSDL or CDSL.

b) **Submit Dematerialisation Request**

Shareholders should submit a duly filled Dematerialisation Request Form (DRF) along with the original share certificates to their DP

ISIN for Equity Shares

The ISIN (International Securities Identification Number) for the Company's equity shares is INE489L01022. This ISIN is common for both NSDL and CDSL.

Registrar & Transfer Agent

MUFG Intime India Pvt. Ltd

(formerly known as Link Intime India Private Limited)

C-101, 247, Lal Bahadur Shastri Marg, Gandhi Nagar,

Vikhroli West, Mumbai -400083.

Tel: 022-49186000

Email: investor.helpdesk@in.mpms.mufg.com

Outstanding GDRs/ADRs/Warrants or Convertible Instruments, Conversion Date and Likely Impact on Equity

Your Company has not issued any Global Depository Receipts (GDRs), American Depository Receipts (ADRs), or Warrants during the FY 2026. As on the date of this report, there are no outstanding GDRs, ADRs, or Warrants.

As of March 31, 2026, 11,61,257 options lapsed under the IIFL Securities Limited Employee Stock Option Scheme, 2018 ("**IIFL ESOS Scheme–2018**") and have been added back to the pool, making them available for further grants. The total number of stock options outstanding under the IIFL ESOS Scheme – 2018 as of March 31, 2026, stood at 3,77,80,027.

Each stock option, when exercised, is convertible into one equity share of the Company. Upon exercise of these options by the eligible grantees, the paid-up equity share capital of the Company will increase correspondingly, leading to a potential dilution in shareholding to that extent.

Commodity price risk or foreign exchange risk and hedging activities

Your Company provides trading facilities in both commodity derivatives and currency derivatives segments to its clients. In its capacity as a trading and clearing member, the Company may be exposed to commodity price risk and foreign exchange risk arising from clients' open positions in these markets. However, these potential risks are effectively mitigated by collecting upfront margins from clients and monitoring their positions by marking them to market. As a result of these prudent practices, the Company does not carry significant direct exposure to commodity price or foreign exchange fluctuations.

Address for correspondence

Compliance Officer	Investor Grievance	Company
Ms. Meghal Shah, Company Secretary and Compliance Officer, Office No 1, Gr Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri, Vijay Nagar, Mumbai - 400 069 Email: secretarial@iiflcapital.com	MUFG Intime India Pvt. Ltd (formerly known as Link Intime India Private Limited) C-101, 247, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai -400083. Tel: 022-49186000 Email: investor.helpdesk@in.mpms.mufg.com	Registered Office: IIFL House, Sun Infotech Park, Road No. Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400604 Email: secretarial@iiflcapital.com

Plant Location

As your Company operates in the financial services sector and is primarily engaged in wealth management, financial product distribution, broking, merchant banking and allied financial services, it does not have any manufacturing plants or production facilities.

Credit Rating obtained by your Company as on March 31, 2026

Name of the Credit Rating Agency	Credit Rating obtained in respect of various securities	Amount (₹ Mn)	Issue Date/ Revalidation	Validity of Rating	Rating
ICRA	Commercial Paper	10,500	November 27, 2025	One year from the date of the report	ICRA A1+
ICRA	Bank Facilities	2,000	November 27, 2025	One year from the date of the report	ICRA A1+
CRISIL	Commercial Paper	30,500	November 17, 2025	One year from the date of the report	CRISIL A1+
CRISIL	Bank Facilities	1,750 (Long Term) 20,250 (Short term)	November 17, 2025	One year from the date of the report	CRISIL AA-/Stable CRISIL A1+
INFOMERICS	Commercial Paper	30,500	December 12, 2025	One year from the date of the report	CRISIL A1+

8. DISCLOSURES

i. Disclosure on materially significant Related Party Transactions that may have potential conflict with the interest of the Company at large:

In compliance with Regulation 23(1) of the SEBI Listing Regulations, your Company has put in place a Policy on Related Party Transactions (RPT Policy), which has been recommended by the Audit Committee and approved by the Board of Directors. In line with the SEBI Listing Regulations and the Industry Standards on "*Minimum Information to be Provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transactions*", the RPT Policy has been updated during FY 2026. The said Policy may be accessed on the website of your Company at https://files.iiflcapital.com/assets/Related_Party_Transaction_Policy_08a864ccf4.pdf.

During FY 2026, the Company entered into material contracts/arrangements/transactions with related parties within the limits approved by the members of the Company. Details of these transactions are disclosed in the notes to the Standalone and Consolidated Financial Statements, respectively.

All related party transactions during the year were conducted on an arm's length basis and in the ordinary course of business, in accordance with the Company's RPT Policy.

Further, pursuant to Regulation 23(9) of the SEBI Listing Regulations, the Company makes disclosures of related party transactions on a consolidated basis to the stock exchanges where its securities are listed, on a half-yearly basis. These disclosures are also made available on the Company's website.

ii. **Details of non-compliance by your Company, penalties, strictures imposed on your Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets, during the last three years:**

During the year, there has been no instance of material non-compliance by your Company on any matter related to the capital markets. There have been penalties levied by the Exchanges in the ordinary course of business, and the same have been paid considering the magnitude, time and effort involved in the litigation and /or applied for review on case to case basis. Further, in the month of May 2022, SEBI passed two orders levying a penalty of ₹1 Crores each for old inspections conducted in February 2014 and March 2017. Appeals were filed before Hon'ble Securities Appellate Tribunal (SAT) against the said orders and SAT vide its order dated July 18, 2022, stayed the proceedings. Further, SAT vide its order dated December 07, 2023, passed the common order including for the other 2 pending matters in respect of same inspections and set aside the ban from taking new clients for a period of two years and reduced penalty to ₹20 Lakhs. Subsequently, appeal has been preferred by SEBI to Supreme Court which is pending.

iii. **Vigil Mechanism/Whistle Blower policy**

In accordance with Section 177(9) and (10) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has established a Vigil Mechanism/Whistle Blower Policy to enable Directors, stakeholders including individual employees and their representative bodies to report, in good faith, any unethical, unlawful, or improper practices, acts, or activities.

The mechanism provides adequate safeguards to protect whistle blowers from any form of victimisation, adverse action, or discrimination arising from such reporting. It also allows for direct access to the Chairperson of the Audit Committee in exceptional circumstances.

During FY 2026, the Company received One (1) complaint under the Whistle Blower Policy. The Company affirms that no personnel were denied access to the Audit Committee under the said mechanism.

The Whistle Blower Policy is available on the Company's website and can be accessed at https://files.iiflcapital.com/assets/Whistle_Blower_Policy_21_6845f5e625.pdf

iv. **Compliance with mandatory and non-mandatory provisions:**

The Company has complied with all the mandatory requirements of corporate governance as prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, to the extent applicable.

Status of compliance with Non-Mandatory Recommendations under SEBI Listing Regulations:

- **The Board - Maintenance of the Non-Executive Chairperson's Office:**

  During FY 2026, the office of the Chairperson was held by a Non-Executive Director. However, no separate office was maintained for the Non-Executive Chairperson.

- **Shareholder Rights**

  The quarterly and annual financial results, along with all significant information and events disclosed to the stock exchanges, are promptly uploaded on the Company's website and made accessible to all shareholders.

- **Modified opinion(s) in the Audit Report**

  The Statutory Auditor's Report on the financial statements of the Company for the year is unmodified.

- **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer**

  The Company ensures effective corporate governance by maintaining a clear separation of roles, with different individuals appointed as Chairperson and Managing Director.

- **Reporting of Internal Auditor**

  The Internal Auditor presents quarterly reports to the Audit Committee, providing updates on internal audit findings and controls.

v. **Material Subsidiaries:**

In accordance with the provisions of the SEBI Listing Regulations, your Company has formulated a Policy for determining Material Subsidiaries to provide governance framework for such subsidiaries. The said Policy is available on the website of your Company at https://files.iiflcapital.com/assets/Policy_for_determining_material_subsidiaries_7edbd88b99.pdf.

vi. Disclosure in relation to Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year	0
Number of complaints resolved during the financial year	0
Number of complaints pending at the end of the financial year	0

vii. Recommendations of the Committees:

During FY 2026, there were no instances where the Board did not accept any recommendations of its Committees that were mandatorily required to be approved by the Board.

viii. Prevention of Insider Trading:

Your Company has implemented a Code of Conduct for Prevention of Insider Trading, in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**SEBI PIT Regulations**"), as amended from time to time. This Code is designed to regulate, monitor, and report trading activities by Designated Persons and their immediate relatives in the securities of your Company and other securities, adhering to the minimum standards prescribed under Schedules B and C of the SEBI PIT Regulations.

In addition, the Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) under the SEBI PIT Regulations. This Code aims to ensure the confidentiality of UPSI, prevent its misuse, and facilitate timely, fair, and adequate public disclosure of events and developments that may impact the market price of the Company's securities. The said Code is available on your Company's website at https://files.iiflcapital.com/assets/Code_of_Practices_and_Procedures_for_Fair_Disclosure_of_Unpublished_Price_Sensitive_Information_UPSI_3ad16b9902.pdf

9. DETAILS OF UTILISATION OF FUNDS

During the FY 2026, your Company did not raise any funds through preferential allotment or qualified institutions placement (QIP). Accordingly, the disclosure requirements in this regard are not applicable.

10. SUBSIDIARY COMPANIES

Your Company has the following subsidiary companies as on the date of the report:

Sr. No.	Name of the Domestic Subsidiary
1	IIFL Facilities Services Limited*
2	IIFL Management Services Limited*
3	Livlong Insurance Brokers Limited*
4	Livlong Protection and Wellness Solutions Limited
5	IIFL Commodities Limited*
6	India Infoline Foundation* (Section 8 Company)
7	Shreyans Foundations LLP (Step down subsidiary company)
8	Meenakshi Towers LLP
9	IIFL Securities Services IFSC Limited*
10	IIFL Capital Assets Management Limited (Formerly IIFL Securities Alternate Asset Management Limited)*
11	IIFL Capital (IFSC) Limited*
	Name of the Foreign Subsidiary
12	IIFL Capital Inc.*

**Wholly-owned subsidiary*

Note: During FY 2026, IIFL Wealth (UK) Limited, a wholly owned subsidiary of the Company, was voluntarily struck off and dissolved with effect from July 22, 2025, and accordingly ceased to be a wholly owned subsidiary of the Company from July 22, 2025.

IIFL Capital (IFSC) Limited became a wholly owned subsidiary of the Company upon its incorporation, with effect from May 11, 2026.

The Audit Committee/Board periodically reviews significant developments, transactions and arrangements entered with the subsidiary companies. The Audit Committee/Board also reviews the financial statements of the subsidiary companies, including investments made by such companies. The minutes of the meetings of the Board of Directors of the subsidiary companies are periodically placed before the Board of Directors of your Company for its review and noting.

11. FEES PAID TO THE STATUTORY AUDITORS:

Total fees incurred by your Company including its subsidiaries, on a consolidated basis to the Statutory Auditors and all entities in their network / firm / network entity of which they are a part, is ₹11.67 Mn.

12. DETAILS OF LOANS AND ADVANCES IN WHICH DIRECTORS ARE INTERESTED

The disclosures of transactions of loans and advances to firms or companies in which Directors are interested are given in the Notes to the Financial Statements.

13. DISCLOSURE OF CERTAIN TYPE OF AGREEMENTS BINDING LISTED ENTITIES

During FY 2026, there was no agreement impacting management or control of the Company or imposing any restriction or creating any liability upon the Company.

14. MD/CFO CERTIFICATE

The certificate required under SEBI Listing Regulations duly signed by the Managing Director and Chief Financial Officer, was placed before the Board at its meeting held on July 23, 2026 and the same is annexed to this Report.

15. CODE OF CONDUCT

Your Company has formulated a Code of Conduct for its Board of Directors and Senior Management which is available on the website of your Company at https://www.iiflcapital.com/investor-relations/corporate-governance.

The declaration by the Managing Director, as required under Regulation 34(3) read with Schedule V (D) of the SEBI Listing Regulations, stating that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct has been obtained for FY 2026 and forms part of this Annual Report.

16. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Your Company has obtained the certificate from M/s. Rathi & Associates, Company Secretary in practice as required under SEBI Listing Regulations confirming that none of the Directors on Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority and the same is annexed to this Report.

For and on behalf of the Board

Rekha Gopal Warriar
Chairperson & Independent Director
DIN: (08152356)

Date: July 23, 2026
Place: Pune

MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE A REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors
IIFL Capital Services Limited
(Formerly known as IIFL Securities Limited)
Mumbai

We certify that

(a) We have reviewed the financial statements and the cash flow statement of IIFL Capital Services Limited (Formerly known as IIFL Securities Limited) (the Company) for the year ended March 31, 2026 and, that to the best of our knowledge and belief:

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

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

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting. We have not come across any deficiencies in the design or operation of such internal controls.

(d) We have indicated to the Auditors and the Audit Committee:

   i. Significant changes in internal control during the year, if any;

   ii. Accounting policy has been consistently applied during the year except where a newly Accounting Standard (Ind AS) is initially adopted or a revision to existing Ind AS required a change in accounting policy hitherto in use;

   iii. that there are no instances of significant fraud of which we have become aware.

R. Venkataraman
Managing Director
DIN: 00011919

Ronak Gandhi
Chief Financial Officer

Date: July 23, 2026
Place: Mumbai

DECLARATION BY MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of IIFL Capital Services Limited (Formerly known as IIFL Securities Limited), as applicable to them, for the Financial Year ended March 31, 2026.

For IIFL Capital Services Limited
R. Venkataraman
Managing Director
DIN: 00011919

Date: July 23, 2026
Place: Mumbai

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
IIFL Capital Services Limited
(Formerly known as IIFL Securities Limited)
Mumbai

We have examined the compliance of conditions of Corporate Governance by IIFL Capital Services Limited (Formerly known as IIFL Securities Limited) ('the Company'), for the financial year ended on **March 31, 2026**, as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 to the extent applicable.

The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

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

For RATHI & ASSOCIATES
COMPANY SECRETARIES

NEHA R LAHOTY
PARTNER
Membership No: F8568
COP No. 10286
UDIN: F008568H000924153
Peer Review Cert. No: 6391/2025

Date: July 23, 2026
Place: Mumbai

CERTIFICATE ON NON–DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C - Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
IIFL Capital Services Limited
(Formerly known as IIFL Securities Limited)
IIFL House, Sun Infotech Park,
Thane Industrial Area, Wagle Estate
Thane – 400604.

Sub: Certificate pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of IIFL Capital Services Limited (Formerly known as IIFL Securities Limited) (CIN: L99999MH1996PLC132983), having its registered office situated at IIFL House, Sun Infotech Park, Road No. Plot No.B-23, Thane Industrial Area, Wagle Estate, Thane, Maharashtra, India, 400604 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para C, Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge, information and based on the individual confirmations received from the Board of Directors of the Company and the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of the Director	DIN	Current Directorship Status	Date of Appointment in the Company
1.	Mr. Venkataraman Rajamani	00011919	Managing Director	13/05/2019
2.	Mr. Narendra Deshmal Jain	01984467	Whole-time director	13/05/2019
3.	Ms. Rekha Gopal Warriar	08152356	Non-Executive Independent Director	08/05/2019
4.	Mr. Shamik Das Sharma	07779526	Non-Executive Independent Director	14/01/2020
5.	Mr. Anand Shailesh Bathiya	03084831	Non-Executive Independent Director	22/09/2020
6.	Mr. Viswanathan Krishnan	09026252	Non-Executive Independent Director	21/01/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RATHI & ASSOCIATES
COMPANY SECRETARIES

NEHA R LAHOTY
PARTNER
Membership No: F8568
COP No. 10286
UDIN: F008568H000924208
Peer Review Cert. No: 6391/2025

Date: July 23, 2026
Place: Mumbai

Management Discussion and Analysis

GLOBAL ECONOMY

The global economy maintained steady growth momentum in CY 2025, supported by investment activity in advanced economies and continued expansion across Emerging Market and Developing Economies (EMDEs). Global growth was estimated at 3.4% in CY 2025. Advanced economies expanded by 1.9%, supported by technology-led investment in the United States and fiscal support in Europe, while EMDEs grew by 4.4% despite currency volatility and elevated import costs in several markets.

Global headline inflation was 4.1% in CY 2025, continuing a multi-year moderation. Global trade remained robust in CY 2025, with brisk expansion concentrated in technology-related exports, particularly semiconductors and AI-related equipment, primarily benefiting Asian manufacturing hubs.

However, the external environment became increasingly uncertain heading into CY 2026. Trade policy uncertainty remained elevated as major economies recalibrated tariff structures, raising the risk of supply chain disruptions, higher input costs and weaker cross-border trade and investment flows.

At the same time, geopolitical tensions, including the conflict involving the United States and Iran, disrupted oil supply routes and increased volatility in energy markets. Although Brent crude prices rose sharply during the period, the U.S. Energy Information Administration (EIA) expected prices to moderate through CY 2026 as supply conditions gradually normalise.

[Source: International Monetary Fund's World Economic Outlook, April 2026 | U.S. Energy Information Administration's Short-Term Energy Outlook, June 2026]

Fiscal pressures also persisted across several economies as governments balanced higher defence expenditure, energy-related support measures and fiscal consolidation objectives. Elevated fiscal deficits could increase sovereign borrowing costs and tighten global financial conditions. Energy-related cost pressures were also expected to keep global headline inflation elevated at 4.4% in CY 2026, with the trajectory dependent on geopolitical developments and the pace of normalisation in energy markets.

[Source: International Monetary Fund (IMF) World Economic Outlook, April 2026]

OUTLOOK

The International Monetary Fund (IMF) projected global growth at 3.1% in CY 2026 and 3.2% in CY 2027, assuming geopolitical tensions remain contained. However, the outlook remains below the pre-pandemic average of 3.7% (2000-2019), reflecting persistent trade policy uncertainty, geopolitical risks and fiscal pressures. A prolonged conflict could sustain elevated energy prices, delay monetary easing, widen fiscal and current account deficits, and tighten global financial conditions, with commodity-importing EMDEs remaining particularly vulnerable. Increasing protectionist measures and sector-specific tariffs may further disrupt global supply chains, constrain trade and investment flows, and reinforce geoeconomic fragmentation.

At the same time, the accelerating adoption of artificial intelligence (AI) presents a structural opportunity to improve productivity across industries and support medium-term global growth. India remains well positioned to benefit from this transition, supported by its strong technology ecosystem, competitive services sector and favourable demographic profile. Continued macroeconomic stability, regulatory reforms and infrastructure investments are expected to sustain India's growth momentum despite an uncertain global environment.

[Source: International Monetary Fund (IMF) World Economic Outlook, April 2026]

INDIAN ECONOMY

Measured against the turbulence that defined global markets in FY 2026, India's economic performance stood apart. The Indian economy grew 7.7% in FY 2026, compared to 7.1% in FY 2025 as per the new Gross Domestic Product (GDP) series with base year 2022-23. India's macroeconomic setting in FY 2026 was anchored by two structural pillars. On the demand side, Private Final Consumption Expenditure (PFCE) at constant prices grew by 7.7% in FY 2026, compared to 5.8% in FY 2025, signalling a broad-based recovery in household spending that supported both rural and urban sectors. On the supply side, Gross Value Added (GVA) expanded 7.9% in real terms, with manufacturing and services emerging as the primary growth engines. Gross Fixed Capital Formation (GFCF) growth improved to 8.2% in FY 2026, from 6.4% in FY 2025, reflecting healthy private investment alongside continued government capital expenditure.

[Source: Ministry of Statistics & Programme Implementation (MoSPI) | Second Advance Estimates of Annual GDP for FY 2025-26, February 27, 2026]

These outcomes were facilitated by two pivotal policy enablers. Firstly, the Reserve Bank of India (RBI) transitioned to a neutral policy stance after executing a cumulative 125-basis-point cut in the repo rate through the easing cycle, bringing it to 5.25% by December 2025. The RBI held the rate steady at its June 2026 meeting, citing evolving geopolitical conditions in West Asia, whilst reducing its FY 2027 GDP growth forecast to 6.3% from 6.6% set earlier. Secondly, the successful implementation of Goods and Service Tax (GST) 2.0 rationalised the tax structure into two primary slabs of 5% and 18%, effectively abolishing the 12% and 28% brackets. This reform has significantly simplified compliance and boosted consumption in key sectors such as automobiles, electronics and Fast-Moving Consumer Goods (FMCG).

[Source: RBI Monetary Policy Statement, February 2026 | Trading Economics, GDP Forecast, February, 2026]

The Indian Rupee faced significant pressure during FY 2026, depreciating sharply against the US Dollar amid sustained Foreign Portfolio Investor (FPI) outflows and the escalation of conflict in West Asia from February 2026 onwards. The Rupee was trading near ₹94.7 per US Dollar in late March 2026, a year-on-year depreciation of approximately 10.7%, the steepest since FY 2012. Despite this, inflationary pressures remained well contained. Consumer Price Index (CPI) inflation for FY 2026 averaged 2.1%, well within the RBI's target band of 2-6%, aided by a sharp decline in food prices and GST rationalisation.

[Source: RBI Monetary Policy Statement, February 2026 | Trading Economics, GDP Forecast, February, 2026]

To counter severe currency depreciation and prevent capital flight from unbalancing the capital account, the RBI and the Government of India deployed a coordinated, structural emergency intervention package:

Debt Market Access

The RBI expanded the Fully Accessible Route (FAR) to include fresh issuances of long-term 15-, 30-, and 40-year government securities (G-Secs) to capture patient, long-term global sovereign capital.

Fiscal Tax Relief

The central government removed all capital gains and interest income taxes on government securities held by FPIs, applied retrospectively from April 1, 2026.

Banking Liquidity Incentives

The RBI agreed to fully subsidise FX hedging costs for commercial banks raising fresh 3-to-5-year Foreign Currency Non-Resident [FCNR(B)] deposits until September 30, 2026.

Administrative Interventions

The package introduced a concessional FX swap facility to facilitate overseas borrowing by public sector enterprises, raised the aggregate investment ceiling for Non-Resident Indians (NRIs) in exchange-traded equities without prior Securities and Exchange Board of India (SEBI) registration, and restored the export proceeds realisation window to 9 months from the temporarily extended 15-month framework to accelerate dollar repatriation. Market analysts estimate this joint policy response has the capacity to draw in approximately US$ 40 Bn in emergency foreign capital, a scale mirroring the structural currency defense deployed during the 2013 Taper Tantrum.

Despite these capital account frictions, India's aggregate external position remained supported by adequate macroeconomic buffers. India's foreign exchange reserves stood at US$ 697.1 Bn as of April 3, 2026, representing approximately 11 months of import cover. The central bank's April 2026 Bulletin affirmed that external sector vulnerability indicators remained well-contained. Gross FDI held firm at US$ 94.5 Bn, though net FDI moderated to US$ 7.7 Bn due to a rise in outbound investment and repatriations. Total exports of goods and services rose to US$ 865.5 Bn from US$ 822.9 Bn, spearheaded by robust services exports, while merchandise shipments grew only marginally against a restrictive global trade backdrop.

[Source: RBI Weekly Statistical Supplement, April 3, 2026 | Visaverge Newsletter, April 2026]

The improving macroeconomic environment is reflected in corporate credit quality. Rating upgrades outpaced downgrades for the fifth consecutive year, with ICRA Limited reporting that the Credit Ratio (upgrades to downgrades) strengthened to 3.1x in FY 2026, compared to 2.0x in FY 2025.

[Source: ICRA Limited Credit Ratio Report, FY 2026]

Gross FDI into India remained resilient, reaching US$ 94.5 Bn in FY 2026, despite elevated global interest rates. The sustained inflows reflect global confidence in India's domestic growth trajectory and its strategic position as a primary beneficiary of global supply chain diversification efforts. However, the net FDI number was weak at US$ 7.7 Bn in FY 2026, as outbound FDI from India and repatriations rose sharply.

[Source: Institute of Chartered Accountants of India (ICAI) Portal]

The banking sector continued its fundamental improvement, with the gross Non-Performing Assets (NPAs) ratio for Scheduled Commercial Banks (SCBs) declining to 2.2% as of September 2025, the lowest in over a decade, compared to 2.3% in March 2025. This consistent improvement in asset quality was further supported by a record low level of Net Non-Performing Assets (NNPA) ratio of 0.5%. The Capital-to-Risk-Weighted Assets Ratio (CRAR) for SCBs stood at a robust 17.2% as of September 2025, well above regulatory minimums, with a Common Equity Tier 1 (CET1) ratio of 14.8%, reflecting an adequately capitalised financial system. Furthermore, the profitability of the sector was bolstered by a healthy Return on Assets (RoA) and Return on Equity (RoE), providing banks with the necessary buffers to absorb potential macroeconomic shocks and support credit expansion into productive sectors like manufacturing and infrastructure.

[Source: Financial Stability Report, December 2025]

India's exports of goods and services reached US$ 865.5 Bn in FY 2026, up from US$ 822.9 Bn in the previous fiscal year. The increase was mainly led by services exports while goods exports rose marginally, despite multiple headwinds to global trade.

[Source: DGCIS, quick estimates | RBI, Data Release]

India's Goods and Services Tax (GST) collections demonstrated the continued formalisation of the economy. Gross GST collections in FY 2026 stood at ₹22.276 Lakh Crores, an 8.3% year-on-year increase, while net collections totalled ₹19.34 Lakh Crores, a 7.1% increase. The government maintained its fiscal consolidation trajectory during FY 2026, supported by stronger tax buoyancy.

[Source: GST Council / Ministry of Finance Monthly GST Revenue Data]

On the supply side, real GVA expanded by 7.9% in FY 2026, with the secondary and tertiary sectors as the primary drivers. Manufacturing activity witnessed a steady expansion at 10.7% in FY 2026, up from 9.3% in FY 2025, sustaining double-digit momentum. Within services, Trade, Hotels, Transport, Communication and related services grew 11%. Construction expanded 7.4%. Agriculture grew 3% in FY 2026, moderating from 4.2% in FY 2025.

[Source: Press Note of GDP Estimates base year 2022-23]

The Nifty 50 and BSE SENSEX indices declined by 5.1% and 7.1%, respectively, during FY 2026, amidst heightened global volatility. Gold rose significantly to a peak of US$ ~5,600 per ounce in January 2026, with major global brokerages aligning their year-end targets to the US$ 5,400 - US$ 5,600 range. In India, this global momentum translated into a ~61% appreciation in domestic gold prices (closing the fiscal year at ₹147,450 per 10 grams). While this surge underscored a defensive investment climate domestically, the resultant increase in gold import values placed intermittent pressure on India's trade balance and currency dynamics.

[Source: Historical index data | Deccan Chronicle]

FPIs were net sellers in Indian equities throughout most of FY 2026, with total net outflows of approximately US$ 21 Bn from equity markets during the year. This was higher than the US$ 15.7 Bn outflow recorded in FY 2025. Selling was driven by a combination of elevated Indian equity valuations relative to peers, sustained Rupee depreciation, global risk-off sentiment stemming from West Asia tensions, and a perceived absence of direct AI-linked growth catalysts in India. These FPI outflows were substantially absorbed by domestic institutional investors, including mutual funds.

[Source: National Securities Depository Limited (NSDL) FPI Data | Investor Guru India website]

FY 2026 marked a significant year for India's trade architecture, characterised by the successful execution, conclusion, or enforcement of several landmark agreements. The India-UK Comprehensive Economic and Trade Agreement (CETA), signed on July 24, 2025, provides duty-free access for 99% of Indian tariff lines into the UK across sectors such as textiles, leather, gems and jewellery, marine products, and engineering goods.

In the Gulf region, India signed the Oman Comprehensive Economic Partnership Agreement (CEPA) on December 18, 2025, liberalising nearly 98% of Indian tariff lines into Oman.

Furthermore, the India-New Zealand Free Trade Agreement (FTA) was concluded in December 2025 and officially signed in April 2026, granting India zero-duty access on all goods exports.

Most notably, India and the European Union concluded their FTA on January 27, 2026, securing market access for more than 99% of Indian exports by trade value, with significant gains for textiles, apparel, leather, footwear, marine products, and agricultural commodities. Additionally, the India-EFTA Trade and Economic Partnership Agreement officially came into force on October 1, 2025, opening preferential access to Switzerland, Norway, Iceland, and Liechtenstein.

OUTLOOK

India is projected to remain the fastest-growing major economy in FY 2027. The RBI, in its April-June 2026 Monetary Policy Statement, projected India's FY 2027 real GDP growth at 6.6%, supported by sustained momentum in the services sector, the persisting impact of GST rationalisation, and healthy balance sheets across financial institutions and corporates, successfully balancing against the risks of global supply chain disruptions. Risks to this baseline projection, however, are tilted to the downside, with the ongoing West Asia conflict posing the most significant near-term threat through elevated energy prices, supply chain disruptions, and potential demand compression.

Elevated crude oil prices, higher energy costs and rising inflation could increase input costs across the economy, exert pressure on corporate earnings, influence interest rate expectations and contribute to heightened volatility in equity and debt markets. These factors may temper investment activity and delay capital deployment in the near term. Nevertheless, India's resilient macroeconomic fundamentals, expanding investor base, increasing financialisation of savings and continued digital adoption are expected to support the long-term growth of the financial services sector.

However, the outlook remains subject to external risks. Geopolitical tensions, elevated energy prices, trade policy uncertainty and slowing global growth could affect exports, capital flows and inflation. Despite these challenges, India's strong macroeconomic fundamentals, favourable demographics and reform-led policy framework position it well to sustain growth and reinforce its role as a key driver of the global economy.

[Source: RBI Press Release Display, April 2026]

Union Budget FY 2027

The Union Budget for FY 2027, presented on February 1, 2026, reinforced the government's twin objectives of fiscal prudence and investment-led growth. The fiscal deficit was targeted at 4.3% of GDP for FY 2027, declining from the revised estimate of 4.4% for FY 2026. Capital expenditure was budgeted at ₹12.22 Lakh Crores, an 11.5% increase over the FY 2026 revised estimate. The government also introduced a new fiscal anchor centred on reducing the central government debt-to-GDP ratio to approximately 55.6% in FY 2027, with a medium-term target of 50% by FY 2031. Infrastructure - roads, railways, and energy - remained the centrepiece of capital allocation, with the government also rolling out targeted schemes for manufacturing in strategic sectors including semiconductors, biopharma, and rare earths.

Private consumption is expected to remain resilient in FY 2027. The RBI projects that urban consumption will strengthen further, aided by GST rationalisation and sustained services-sector activity, while rural demand benefits from healthy agricultural conditions and a stable labour market. The full income-tax rebate for individuals earning up to ₹12 Lakhs annually, introduced in the previous year's budget, continues to provide a structural boost to discretionary spending in FY 2027.

[Source: Ministry of Finance, key features of budget, February 2026]

Tariff-Based Competitiveness

The ongoing realignment of global supply chains, accelerated by the 'China Plus One' strategy and elevated US tariff barriers against Chinese imports, presents India with a structural opportunity to capture displaced manufacturing market share. Indian sectors such as specialty chemicals, textiles and apparel, electronics, and rubber products are well placed to benefit. As China continues to pivot towards high-technology and advanced manufacturing, India can step into the space vacated in labour-intensive categories such as apparel, footwear, and electronic components. The RBI MPC noted in April 2026 that merchandise exports may benefit from recent trade agreements even as global demand moderates, a positive signal for the Company's institutional broking and investment banking clients in export-oriented sectors.

INDUSTRY OVERVIEW

Equity Markets

Indian equities underperformed emerging market peers in FY 2026, with the Nifty 50 correcting 5.1% and the BSE Sensex 7.1%, the Nifty's weakest fiscal year since FY 2020. Markets held firm through H1 FY 2026, supported by strong domestic industrial activity, a cumulative 125 bps RBI rate cut, and GST 2.0 efficiency gains. However, the escalation of the West Asia crisis in late February 2026 spiked crude prices, revived inflation anxieties, and triggered aggressive foreign selling.

The divergence against global peers was stark. South Korea led EMs with the KOSPI surging 100.4%, followed by Brazil (Bovespa +42.3%), Vietnam (VN-Index +32.9%), Turkey (BIST 100 +32.4%), Mexico (IPC +29.9%), South Africa (Top 40 +28.7%) and China (Shanghai Composite +16.7%, aided by depressed valuations).

[Source: Stock Market Index - Major World Indices Live - Investing.com]

Sectoral Trends and Market Divergence

Within the Nifty 50 universe, sectoral performance diverged sharply. Domestically focused cyclical and value-driven sectors outperformed the broader market, led by Nifty PSU Banks (+25.7%), Nifty Metals (+22.5%), and Nifty Auto (+11.6%), which were robustly insulated by capital-intensive public infrastructure spending and improving credit quality across state-owned banks. Conversely, premium valuations and slowing export pipelines weighed heavily on growth sectors, with the sharpest corrections observed in Nifty Realty (-23.5%), Nifty IT (-21.2%), and Nifty FMCG (-15.0%). At the broader capitalisation level, performance was highly disconnected; the risk-off climate drew a line between size segments, as the Nifty Midcap 100 managed a marginal gain of 1.9% while the high-beta Nifty Smallcap 100 fell 5.5%.

[Source: NSE, Historical Index Data | Kotak Factsheet]

Global Equity Hierarchy and Index Realignment

India's position within the global equity space remained unique but structurally pressured. Persistent Foreign Institutional Investor (FII) capital repatriation served as the primary macro headwind, as cross-border fund managers realigned allocations towards higher-yielding US sovereign fixed-income instruments and undervalued emerging market opportunities. While key peers like China, Brazil, and Indonesia traded at steep discounts to their 10-year historical averages, India maintained its relative valuation resilience. As of March 31, 2026, the MSCI India 1-year forward Price-to-Earnings (P/E) ratio stood at a 61% premium to the MSCI Emerging Markets Index. This premium is widely recognised as India's 'scarcity value', reflecting its underlying political stability, strong demographic dividends, and highly predictable regulatory ecosystem. However, these high entry multiples simultaneously compressed the margin of error for corporate earnings execution, keeping foreign institutional buyers selective.

Concurrently, a massive global rotation towards hardware-heavy Artificial Intelligence (AI) infrastructure and semiconductor manufacturing hubs significantly reshaped regional index positioning. Backed by explosive technology rallies, export economies like Taiwan and South Korea saw their relative market weights expand within global composites. Because the Indian equity basket remains structurally dominated by traditional financials, basic materials, and legacy IT delivery services rather than direct AI hardware manufacturing, the country experienced an index re-weighting. Consequently, India's allocation within the MSCI Emerging Markets Index fell to 12.58% in March 2026, down from its historical peak of nearly 21% in late 2024.

[Source: MSCI, Emerging Markets Index]

The Institutional Tug-of-War

The fiscal year witnessed an unprecedented structural transition defined by a formidable tug-of-war between foreign and domestic capital. FPIs heavily downsized their Indian exposure during FY 2026. FPIs registered a record monthly exit of US$ 14.2 Bn in March alone triggered by the West Asia crisis, driving the final FY 2026 net equity outflow to a staggering ~US$ 21 Bn.

[Source: MSCI, Emerging Markets Index]

Critically, this heavy systemic supply shock was robustly counter-balanced by India's maturing domestic investment ecosystem. In stark contrast to foreign capitulation, domestic capital acted as the ultimate structural anchor for the market. Leading this domestic charge, net equity mutual fund inflows crossed the ~US$ 60.5 Bn mark for the full year, comfortably surpassing the previous year's record of US$ 55.5 Bn. This internal liquidity, anchored by an unprecedented Systematic Investment Plan (SIP) run-rate that averaged ₹26,500 Crores monthly, was further reinforced by steady equity allocations from state pension systems such as the Employees' Provident Fund Organisation (EPFO) and insurance giants like Life Insurance Corporation of India (LIC), successfully absorbing the brunt of the global shockwaves. Price discovery is increasingly driven by domestic institutions, with recurring domestic inflows functioning as the marginal buyer and acting as a vital structural stabiliser during periods of global volatility.

[Source: MSCI, Emerging Markets Index | AMFI Monthly Report March 2026 & February 2026 (official PDFs); NSDL (FPI data); AMFI Monthly Note February 2026]

Retail Equity

The financialisation of domestic household savings accelerated throughout FY 2026, pushing the combined registered footprint of India's two operational securities depositories – Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL), past 22.5 Crores (225 Mn) cumulative demat accounts as of March 31, 2026. This growth represents a net addition of approximately 3.1 Lakhs new accounts within the fiscal year.

CDSL expanded its market leadership to register over 18.04 Crores demat accounts, establishing itself as the first depository in Asia to cross this operational milestone, while NSDL's total Beneficial Owner (BO) accounts reached 4.4 Crores. Although the absolute pace of new client acquisitions moderated from post-pandemic cyclical peaks, domestic brokerages recorded an increase in average ledger balances and higher regular activity rates.

Geographically, retail market participation broadened significantly into the hinterlands; states outside the historical top 10 regions accounted for 27% of the National Stock Exchange (NSE) unique investor base by the close of the fiscal year, driven by the expansion of low-cost digital brokerage interfaces into Tier-II and Tier-III urban corridors.

[Source: CDSL Q4 & FY 2026 Financial Results Disclosures | NSE India Corporate Press Registries]

Derivatives Segment De-mediation and Active User Base

The equity derivatives segment underwent a deliberate structural adjustment in FY 2026, following the SEBI Circular of October 1, 2024. Implemented in phases between November 2024 and April 2025, the reforms included: restricting each exchange to a single weekly expiry contract on its benchmark index; raising the minimum derivative contract size from ₹5-10 Lakhs to ₹15-20 Lakhs; mandating upfront collection of options premiums from buyers; and introducing intraday monitoring of position limits.

[Source: SEBI Circular SEBI/HO/MRD/TPD-1/P/CIR/2024/132, October 01, 2024]

The full-year impact of these measures was felt in FY 2026. The number of individual investors active in equity derivatives fell to 85 Lakhs in FY 2026 from 1.06 Crores in FY 2025, which is a reduction of approximately 20%. Individual investors trading in the cash market segment also declined, to 3.58 Crores from 3.77 Crores in the prior year. The compression in speculative derivatives volumes placed year-on-year pressure on retail brokerage transaction revenues. The structural intent, however, was achieved: the market shifted away from high-frequency, expiry-day speculation towards its foundational purpose of hedging and institutional risk management.

[Source: Business Today, April 23, 2026 (citing NSE active investor data for FY 2026) | IANS Live, April 14, 2026: NSE active investor base declined 7% in FY 2026]

Systematic Wealth Accumulation and the SIP Culture

The most consequential trend in FY 2026 was the continued institutionalisation of systematic investment. Between FY 2021 and FY 2026, the unique registered investor base on the NSE grew at a compound annual rate of 26.4%, crossing the 13 Crores mark on April 27, 2026 just seven months after surpassing 12 Crores in September 2025. Average monthly SIP inflows rose to ₹29,132 Crores in FY 2026, compared with ₹3,660 Crores a decade earlier, an eight-fold increase over ten years. SIP contributions averaged ₹29,132 Crores per month during FY 2026, reaching an all-time high of ₹32,087 Crores in March 2026.

[Source: AMFI Monthly Note, March 2026, Economic Times, April 2026]

During the elevated FPI outflows in H2 FY 2026, driven by the West Asia conflict and rupee depreciation, mutual funds, sustained by SIP inflows, absorbed a significant portion of the selling pressure, mitigating the index impact. Direct individual investor net equity investments, however, fell sharply to ₹33,537 Crores in FY 2026 (as of February 28, 2026) from ₹1.59 Lakh Crores in FY 2025, reflecting a more cautious stance on direct equity allocation amid extended market underperformance and geopolitical uncertainty.

[Source: NSE Retail Investor Report (FY 2026 YTD as of February 28, 2026), cited in Asianet Newsable]

Wealth Management

India's wealth management industry entered a structural inflection point in FY 2026, with the addressable market expanding rapidly even as equity market volatility moderated short-term client activity. The industry's shift from product-led distribution to objective-based advisory where relationship managers function as comprehensive financial planners rather than product salespeople, accelerated significantly during the year, driven by regulatory pressure, a maturing investor base, and growing awareness of the cost of unadvised wealth.

The Expanding Wealth Base

India's wealth management industry reached a structural inflection point in FY 2026 as the addressable market broadened both geographically and demographically. According to the Knight Frank Wealth Report 2026, India's Ultra-High-Net-Worth Individual (UHNI) population, defined as those with net assets above US$ 30 Mn, rose by 63% between 2021 and 2026 to 19,877, the sixth-largest pool globally, while the billionaire count reached 207, third behind the United States (914) and China (485), and is projected to expand a further 27% to 25,217 by 2031.

[Source: Knight Frank, The Wealth Report 2026]

Wealth creation is also extending beyond traditional corporate centres, supported by the startup ecosystems of Bengaluru, Hyderabad and Pune, with nearly half of DPIIT-recognised startups now originating from Tier-II and Tier-III cities. Alongside this, nominal GDP has risen by approximately US$ 1 Tn over the past four years and is projected to grow by a further US$ 2 Tn by 2030, steadily widening the High-Net-Worth Individual (HNI) pipeline.

[Source: PIB, DPIIT Startup Ecosystem Release, January 2026 | PIB Economic Release]

Total Professional Addressable Market Opportunities

This wealth creation remains substantially unpenetrated by professional platforms. Assets under professional management are projected to nearly double from US$ 1.1 Tn in FY 2024 to US$ 2.3 Tn by FY 2029, a US$ 1.6 Tn structural growth window, while approximately US$ 0.4 Tn of the US$ 1.1 Tn in affluent household financial wealth in early 2026 was still self-managed or informally deployed. Bernstein Research (July 2025) estimated that specialised wealth managers would expand from US$ 300 Bn in Assets Under Management (AUM) to US$ 1.6 Tn over the next decade, implying a compounded annual growth rate of approximately 18%.

[Source: Deloitte India Financial Wealth Management Analytics | Economic Times, PwC India AWM Report | Bernstein Research, July 2025, cited in Business Standard]

Portfolio Reorientation and Alternative Asset Sizing

Affluent allocations rotated clearly from physical assets such as real estate and cash deposits towards regulated alternatives. As of March 2026, SEBI had registered 1,849 Alternative Investment Funds (AIFs), with cumulative commitments of ₹15.74 Lakh Crores and net investments of ₹6.45 Lakh Crores, and domestic HNIs and family offices continue to supply the majority of incremental AIF commitments. Yield-bearing instruments consolidated as core holdings in parallel: the combined AUM of Real Estate Investment Trust (REITs) and Infrastructure Investment Trust (InvITs) crossed ₹9 Lakh Crores by late 2025, the US$ 73 Bn InvIT market is modelled to surge 3.5 times to US$ 258 Bn by 2030, and the five listed corporate REITs managed gross assets of ₹2.35 Lakh Crores.

[Source: SEBI AIF Statistics, March 2026 | Economic Times, REITs and InvITs AUM | Economic Times, Knight Frank InvIT Study | NISM Vriddhi, Issue 7, March 2026]

GIFT City as a Structuring Hub and Cross-Border Channel

GIFT City, governed by International Financial Services Centres Authority (IFSCA) under the Fund Management Regulations 2025, has solidified its position as India's premier onshore gateway for cross-border wealth, with family offices and UHNIs establishing Family Investment Funds to pool offshore assets in US dollars and accessing international markets through Category III AIFs and Portfolio Management Services (PMS). These structures enjoy complete exemptions from Securities Transaction Tax and long-term capital gains on International Financial Services Centre (IFSC) traded products, and while the minimum for privately placed Restricted Schemes remains US$ 150,000, the PMS entry threshold was lowered to US$ 75,000, broadening access for upper-HNI investors and NRIs.

[Source: IFSCA, Fund Management Regulations 2025 Notification]

Generational Realignment and Advisory Transformation

The client base is simultaneously turning generational, with Millennial and Generation Z accounts now comprising 20% of India's millionaire population under the age of 40 and prioritising digital platforms, unbundled fee structures and ESG-linked portfolios, while female investors capture greater investible surpluses and actively manage multi-generational retirement and corporate estates. These shifts are forcing institutions to pivot from transactional, commission-heavy distribution towards fee-based, objective-led planning in which advisory compensation is aligned with long-term portfolio outcomes.

[Source: Capgemini World Wealth Report Research Series]

Portfolio Management Services

The specialised Portfolio Management Services (PMS) industry, governed by a statutory minimum investment ticket size of ₹50 Lakhs per account, demonstrated structural stability during the fiscal year despite heightened global macroeconomic turbulence. According to consolidated disclosures from SEBI, total industry AUM reached ₹35.10 Lakh Crores as of March 31, 2026.

The unique affluent client base utilising these bespoke investment platforms expanded to 206,124 total active clients by the close of the financial year. This growth highlights a steady institutional shift towards organised asset management platforms as high-net-worth investors looked to navigate volatile domestic index cycles through professional stewardship.

[Source: SEBI Industry Statistics Portal: Assets Deployed by Registered Portfolio Managers]

Mutual Funds

The Indian Mutual Fund (MF) industry demonstrated exceptional structural strength in FY 2026, with total AUM reaching ₹73.73 Lakh Crores. This growth was not merely a result of market appreciation but was underpinned by consistent, record-breaking net inflows. The industry has successfully pivoted from being a 'market-driven' entity to a 'savings-driven' one, reflecting a permanent shift in the Indian household balance sheet from physical assets to financial ones.

[Source: Indian Mutual Fund Industry, April 2026, IBEF]

The total number of investor folios reached an all-time peak of 27.39 Crores by the close of the fiscal year. This growth was notably led by active equity-oriented and hybrid schemes. Additionally, the rise of 'Multi-Asset Allocation' funds emerged as a significant trend, as investors increasingly sought diversification across equity, debt, and gold within single, tax-efficient vehicles

[Source: AMFI Monthly Notes, March 2026]

Monthly SIP contributions surged to an SIP run-rate that averaged ₹29,132 Crores monthly across FY 2026, reaching an all-time peak of ₹32,087 Crores in March 2026. The sharp rise in the popularity of SIPs has significantly influenced market dynamics: the massive monthly inflows allow DIIs to buy stocks during periods of FII selling, preventing sharp, panic-driven corrections. The maturity of the Indian retail investor is evident in the fact that SIP cancellations remained low despite the heightened volatility of late FY 2026.

[Source: Mutual fund SIP inflows rise 8% to hit all-time high of ₹32,087 crore in March - The Economic Times | AMFI, Annual MF Report, 2025]

Even during periods of sharp market corrections, domestic investors demonstrated a 'counter-cyclical' investment approach. Instead of withdrawing capital, many retail and HNI participants utilised market dips to increase their lump sum allocations. This shift in mindset, from fearing volatility to exploiting it, indicates that the industry has achieved a level of maturity that can withstand significant global macroeconomic shocks. For the financial products distribution ecosystem, this sustained growth in the AUM base carries significant structural implications. A larger AUM pool translates into a growing trail commission pool, which forms the backbone of recurring revenue for distribution-led businesses and provides a steady income stream that is less sensitive to transactional volume fluctuations.

[Source: AMFI, Annual MF Report, 2025]

Alternative Investment Funds

Alternative Investment Funds (AIF) continued their structural expansion through FY 2026, cementing their status as a critical component of India's private capital and institutional investment ecosystem. As of March 31, 2026, cumulative investment commitments raised by the industry reached an all-time high of ₹15.74 Lakh Crores. The total number of SEBI-registered operational AIF vehicles crossed 1,849, reflecting the increasing sophistication and appetite for non-correlated alternative assets among domestic asset owners.

This rapid capital pooling was heavily driven by an institutional shift towards alternative asset classes. Domestic insurance companies, large corporate treasuries, and sophisticated family offices consistently expanded their target allocations to AIF structures as part of a broader mandate to diversify away from traditional public equities and fixed-income volatility.

[Source: SEBI Alternative Investment Funds Cumulative Industry Statistics]

Segmental Breakdown and Economic Impact

Beneath the aggregate industry growth, capital allocations remained concentrated within specific regulatory parameters tailored to distinct risk-reward mandates:

- **Category II AIFs:** Comprising private equity, venture capital, and private debt funds, this remained the dominant market segment, accounting for approximately 75% of total industry commitments. This bucket continues to function as a vital source of patient, long-term capital, supporting startup equity incubation, specialised mid-market corporate credit, and structured real estate developments.
- **Category III AIFs:** This segment experienced meaningful acceleration, with total assets crossing ₹3.11 Lakh Crores by the close of the fiscal year. Fund managers increasingly utilised these open-ended setups to deploy complex derivatives, long-short strategies, and quantitative hedging overlays to protect absolute returns against global macroeconomic headwinds.

By matching long-duration institutional capital with unlisted enterprises, infrastructure components, and distressed asset turnarounds, the AIF framework has established itself as an essential bridge for channelling domestic savings into high-impact productive sectors of the real economy.

[Source: Treelife Alternative Investment Fund Performance Monitor]

Investment Banking

Indian corporates tapped equity capital markets at a historic scale in FY 2026, raising an all-time high of ₹178,963 Crores through 112 mainboard Initial Public Offerings (IPOs) - a 10% increase over the previous record of ₹162,387 Crores raised via 78 IPOs in FY 2025, marking the first time India has recorded two consecutive years of record IPO fundraising. Financial Services and Consumer Discretionary sectors led issuances, contributing ₹558 Bn and ₹439 Bn of total funds raised respectively, with Industrials accounting for a further ₹183 Bn. Private equity-backed listings rose to 35% of total issuances, compared to 28% in FY 2025, reflecting accelerated exit activity under favourable market conditions.

The largest IPO of the year was Tata Capital's ₹15,512 Crores issue, followed by HDB Financial Services (₹12,500 Crores) and LG Electronics India (₹11,605 Crores).

[Source: PRIME Database Group, FY 2026 IPO Review, March 31, 2026 | NSE Market Pulse, March 2026 | KPMG IPOs in India FY 2026, May 2026 | Economic Survey 2026 (SME data through December 2025) | SEBI ICDR Amendment Regulations, 2025]

Insurance

The Indian insurance sector underwent a significant structural transformation in FY 2026, driven by the enactment of the landmark Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025 passed in December 2025. Advancing the central regulatory vision of 'Insurance for All by 2047', this major reform permitted 100% Foreign Direct Investment (FDI) under the automatic route (up from 74%), unlocking long-term global equity infusions and advanced underwriting technologies.

During FY 2026, New Business Premium (NBP) in the life insurance sector and Gross Direct Premium Income (GDPI) in the non-life insurance sector recorded growth of 11% and 9%, respectively, supported by GST exemption, particularly on life and health insurance premiums.

Fiscal Adjustments and Sectoral Shifts

The retail pricing model for safety-net products was optimised by major fiscal interventions implemented midway through the financial year:

Health and Life Insurance

Effective September 2025, the GST Council enacted a total GST exemption on individual life and health insurance premiums (previously taxed at 18%). This fiscal shift lowered direct premium outlays for policyholders, positioning health coverage as the fastest-growing insurance category.

Motor Insurance

Expansion inside the automotive vertical was supported by the rationalisation of GST tiers on select vehicle pools, alongside tax reductions applied to third-party commercial goods carriage policies, lower overhead risks, and improved commercial transport insurance compliance.

[Source: India Permits 100% FDI in Insurance Sector: Key Regulatory Changes and its Implications - SKV | 3.4 - Premium - Yearbook | General insurance premium grow 9% to Rs 3.36 lakh crore in FY26 - Business News | The Financial Express | Impact of GST on Insurance Premiums]

Regulatory Developments during FY 2026

- **Stock Broker Compliance Refinement:** SEBI institutionalised strict risk boundaries across domestic stock brokerages, enforcing automated client fund segregation, banning promotional assured-return schemes, and prohibiting cash transactions to prevent unrecorded leverage.
- **Standardised Unified Payments Interface (UPI) Remittance Mandate:** To eliminate unauthorised transaction paths, a SEBI circular required all market intermediaries to utilise strictly validated, standardised UPI IDs for investor fund collections.
- **Algorithmic Trading Retailing Safeguards:** SEBI extended its compliance timeline to allow brokers to build out the technology architecture needed for retail algo-trading safety blocks.
- **Merchant Banking Capital Reset:** SEBI, vide its amendment dated December 3, 2025, introduced two categories of Merchant Bankers (Category I and II), revised net worth requirements, and a defined list of permitted activities with revenue-linked conditions. The amendments also mandate segregation of non-permissible activities, restrict outsourcing of core functions such as due diligence and offer document preparation, and introduce provisions relating to principal officer appointment and data localisation.
- **Anchor Investor and KPI Standardisation:** SEBI unified Key Performance Indicator (KPI) templates inside public draft prospectuses to improve corporate transparency. Additionally, it revised the IPO Anchor Investor allocation rules to diversify long-term institutional bases across pension and insurance funds.
- **The Securities Markets Code, 2025:** Highlighted in the Economic Survey, this landmark code unified decades of fragmented securities laws, the SEBI Act (1992), Securities Contracts (Regulation) Act (1956), and Depositories Act (1996), into a single statutory book. It established Market Infrastructure Institutions (MIIs) as statutory public bodies, introduced an 8-year limitation cap on structural investigations, and limited interim ex parte regulatory orders to a maximum of 180 days.
- **DII Brokerage Fee Restrictions:** SEBI introduced statutory caps on the total transaction-brokerage fees payable by Domestic Institutional Investors (DIIs), including mutual fund houses. This compression was designed to reduce execution costs for retail unitholders, reshaping institutional broking fee pools and shifting the sector towards execution-efficiency models.

COMPANY OVERVIEW

IIFL Capital Services Limited ('IIFL Capital' or 'The Company') (formerly known as IIFL Securities Limited) is one of India's leading integrated capital markets platforms with over three decades of experience in the financial services industry. The Company provides a comprehensive range of solutions across Retail Equities, Wealth Management & Financial Products Distribution, Investment Banking, and Institutional Equities, serving a diversified domestic and global client base comprising corporates, institutional investors, sovereign wealth funds, mutual funds, insurance companies, pension funds, and HNI/UHNI clients. Leveraging its integrated platform, research-driven approach, and strong client franchise, the Company delivers end-to-end capital market and wealth management solutions. As of March 31, 2026, Distribution Assets Under Management stood at over ₹521 Bn.

Core Performance Metrics and Institutional Indicators

Net Worth	Distribution Network	Global Institutional Presence	Research Coverage	Market Capitalisation Coverage	Governance Structure
₹30.7 Bn	2,600+ partners and ~100 branches across India	Mumbai, Singapore, London, and New York	48 research professionals covering 318+ stocks across 20+ sectors	Over 72% of India's market capitalisation	>50% independent directors on the Board with separate Chairperson and Managing Director roles

Integrated Capital Markets Platform (Business Segments)

1 Retail Equities

A high-touch, research-led broking franchise catering to Affluent, HNI and UHNI clients, serving as a key engagement platform for cross-selling advisory services, investment products, and long-term wealth solutions.

The platform offers integrated cash and derivatives execution capabilities, complemented by in-depth research, investment ideas, and market intelligence. Relationship-driven client engagement is further strengthened through digital platforms that enable seamless execution, enhanced control, and comprehensive reporting.

The franchise also acts as a strategic cross-sell engine into the Wealth Management business, facilitating access to asset allocation, MFs, PMS, AIFs, fixed income products, structured solutions, and other investments.

2 Wealth Management and Financial Products Distribution

A core growth franchise positioned as an emerging wealth manager with an open-architecture distribution platform, focused on driving sticky AUM, increasing share of wallet, and generating recurring fee income across client segments.

The business offers open-architecture investment solutions across MFs, fixed income products, PMS, AIFs, and other investments, tailored to clients' financial objectives and risk profiles. Its advisory framework is supported by research-driven insights delivered through a relationship manager and investment specialist model.

The platform also operates as a closed-loop cross-sell ecosystem, converting active trading relationships into long-term wealth mandates while deepening client engagement through lending solutions, structured products, and family office-style offerings.

3 Investment Banking

The Company has demonstrated strong leadership in its Investment Banking business, successfully completing 45 transactions in FY 2026, including 31 IPOs, 2 QIPs, 1 rights issue, and several private placement transactions. IIFL Capital topped the FY 2026 IPO league tables, ranking #1 by the number of mainboard IPOs completed during the year.

The franchise continues to sustain strong business momentum, with each of the last three years delivering record investment banking performance. While IIFL Capital has established a leading Equity Capital Markets (ECM) franchise, it has also diversified its capabilities beyond capital markets through advisory and allied services. A strong focus on client relationships, unbiased advice, and consistent execution has resulted in a high level of repeat business, reflecting the strength of the Company's business model. To support future growth, IIFL Capital has continued to invest in talent, doubling team strength over the past few years.

The Investment Banking business works closely with the Institutional Equities and Wealth Management franchises to strengthen origination capabilities, enhance cross-selling opportunities, and drive follow-on transactions, block deals, and broader capital market engagements. This integrated approach enables the Company to deliver comprehensive solutions to clients while creating multiple avenues for growth across its financial services platform.

4 Institutional Equities

A comprehensive research and execution platform serving institutional investors, strengthening the IIFL Capital Group's market intelligence capabilities.

The business serves ~1,100 domestic and global institutional clients through a broad execution platform spanning Direct Market Access (DMA), algorithmic trading, high-touch execution, and block trades. The franchise is further supported by a strong derivatives and structured trading platform through its Futures & Options (F&O) desk.

Its differentiated Alternatives desk provides thematic and event-driven investment opportunities across special situations, index inclusions and exclusions, portfolio rebalancing strategies, and momentum themes. The research platform covers 318+ stocks across sectors, representing approximately 72% of India's market capitalisation, enabling deep sectoral insights and actionable market intelligence.

The Institutional Equities business also maintains active global investor engagement through conferences (UK, Hong Kong, Singapore, US) and roadshows.

STRATEGIC SCOT ANALYSIS

STRENGTHS	CHALLENGES	OPPORTUNITIES	THREATS
1. Renowned Brand • Three decades of presence in India's financial services ecosystem with strong brand equity and client trust. • Established relationships across Affluent, HNI and UHNI segments. **2. Experienced Leadership and Skilled Team** • Experienced leadership with deep expertise across capital markets, wealth management and financial services.	**1. Intense Competitive Environment** • The financial services landscape remains highly competitive, with traditional players and digital-first fintech platforms competing through differentiated offerings and cost models. • Attracting and retaining talent remains a key focus area amid industry-wide competition.	**1. Expansion of Wealth Management and Structural Shift in Domestic Savings** • India's financial landscape is witnessing a shift from traditional savings to market-linked investment avenues, supported by rising financial awareness and participation. • Increasing demand for professional advisory, multi-asset solutions and wealth management services presents a significant growth opportunity.	**1. Global Economic and Geopolitical Risks** • Geopolitical developments, inflationary pressures, interest rate movements and market volatility may impact investor sentiment and capital market activity. • Uncertainty in global markets can influence transaction pipelines and investment flows.

STRENGTHS	CHALLENGES	OPPORTUNITIES	THREATS
• Skilled team of relationship managers, research professionals and specialists enabling customised client solutions. **3. Integrated Financial Services Ecosystem** • Unified platform spanning Broking, Wealth Management, Investment Banking and Institutional Equities. • Enables deeper client engagement, cross-sell opportunities and end-to-end financial solutions. **4. Diverse Asset Classes and Tailored Investment Services** • Open-architecture platform offering equities, mutual funds, fixed income, PMS and alternative investments. • Delivers customised investment solutions aligned with client goals and risk profiles. **5. Pan-India Presence** • Extensive distribution network supported by branches, partners and digital capabilities. • Enables wider market reach and deeper client penetration across regions.	**2. Regulatory Changes** • Evolving regulatory frameworks continue to influence market participation and business dynamics. • The Company remains focused on adapting its operating model to navigate regulatory developments.	• The Company is well positioned to serve emerging and under-penetrated investor segments through its integrated platform. **2. Regulatory Enablement** • Evolving regulatory frameworks are strengthening transparency, governance and participation across financial markets. • These developments create opportunities for trusted financial institutions to expand offerings, enhance customer engagement and build scalable platforms. **3. Global Expansion** • The proposed establishment of entities in IFSC GIFT City, Singapore and Dubai is expected to strengthen the Company's presence across key global financial centres. • This enables broader access to international investors, cross-border opportunities and deeper institutional relationships. **4. AI Adoption** • Adoption of AI-led capabilities can enhance operational efficiency, analytics, risk management and customer experience. • AI-driven solutions can support scalable growth through improved advisory, personalised offerings and stronger decision-making.	**2. Cybersecurity Risks** • Increasing dependence on digital platforms heightens exposure to cyber threats and data security risks. • Continuous strengthening of cybersecurity frameworks and technology resilience remains critical to protecting client data and maintaining trust.

OPERATIONAL REVIEW

In FY 2026, the Company delivered a steady performance with consolidated revenue of ₹26,031.01 Mn compared with ₹25,674.31 Mn in FY 2025. Profit After Tax stood at ₹ 5,636.36 Mn, down 21% year-on-year (y-o-y), impacted by regulatory changes.

The Company continued to expand its Financial Products Distribution and Wealth Management business, with Assets Under Management increasing from ₹313 Bn to ₹521 Bn as of March 31, 2026. The Investment Banking division maintained strong momentum, reinforcing its position as a preferred partner for clients through consistent mandate wins and execution capabilities across IPOs, QIPs, advisory mandates and private placements. The division completed 45 transactions during FY 2026, strengthening its market presence.

FINANCIAL PERFORMANCE

(in ₹ Mn)

Particulars	FY 2026	FY 2025
Retail Equities (Brokerage, Interest & Allied Income)	11,212.03	12,325.42
Institutional Equities and Investment Banking	7,119.46	6,394.65
Financial Product Distribution	5,715.96	5,093.83
Rental Income	152.85	236.30
Total Revenue from Operations	**24,200.30**	**24,050.20**
Finance costs	2,097.38	1,800.05
Fees and commission expense	5,341.16	4,962.04
Employee benefits expenses	6,874.75	5,905.17
Depreciation, amortisation and impairment	650.74	548.81
Other expenses	3,504.06	3,212.37
Total Expenses	**18,468.09**	**16,428.44**
Operating Profit Before Tax	**5,732.21**	**7,621.76**
MTM on Investments & Others	1,830.71	1,624.11
Profit Before Tax	**7,562.92**	**9,245.87**
Provision for Tax	1,926.56	2,117.09
Profit After Tax	**5,636.36**	**7,128.78**
Other Comprehensive Income	(16.25)	(20.97)
Total Comprehensive Income (TCI)	**5,620.11**	**7,107.81**

INCOME

Segment	Key Highlights
Retail Equities (Brokerage, Interest & Allied Income)	Retail Equities comprises brokerage income, interest income from the margin funding book, interest on fixed deposits and other allied activities. Brokerage & allied income declined 16% y-o-y, primarily due to regulatory changes and market volatility. Interest income, grew 4% y-o-y, supported by the increase in margin trading funding book.
Institutional Equities and Investment Banking	Increased by 11% year-on-year (y-o-y) to ₹7,119.46 Mn, supported by strong mandate wins and execution across IPOs, QIPs, advisory mandates and private placements.
Financial Products Distribution Income	Increased by 12% y-o-y to ₹5,715.96 Mn, contributing ~22% of consolidated income. Growth was supported by expansion in assets under management which grew from ₹313 Bn to ₹521 Bn.
Other Income	Included non-core gains from real estate divestment and mark-to-market gains on investments.

EXPENSES

Segment	Key Highlights
Finance Costs	Finance costs, comprising of interest on borrowings, debt securities and other financial expenses like bank guarantee commissions, increased 17% y-o-y to ₹2,097.38 Mn, driven by higher working capital requirements and growing Margin Trade Funding book.
Fees and Commission Expense	Fees and commission expenses, including sub brokerage fees, referral fees, and related expenses, increased 8% y-o-y, primarily due to increase in cross sell pass outs.
Employee Benefits Expenses	Employee benefit expenses, comprises salaries, wages, provident fund contributions, share-based payments, staff welfare, leave encashment and gratuities, increased 16% y-o-y, mainly due to hiring for new wealth vertical and on account of ESOPs granted, including a one-time labour law impact.
Depreciation, Amortisation and Impairment	Depreciation, amortization, and impairment expenses include depreciation of property, plant, and equipment, as well as amortisation/impairment of intangible assets, increased 19% y-o-y to ₹650.74 Mn, driven by investments in technology infrastructure and expansion of branch network.
Other Expenses	Other expenses, comprising of technology, marketing, advertising, commission expenses, communication, legal and professional charges, office expenses, and electricity etc., increased 9% y-o-y.

LIQUIDITY AND CAPITAL RESOURCES

The Company maintained a strong liquidity position through operating cash flows and strategic borrowings. As of March 31, 2026, cash, bank balances and fixed deposits stood at ₹50,653.91 Mn, supporting capital expenditure and working capital requirements. The consolidated net worth of ₹30,710.72 Mn provided a strong capital base for business growth and expansion of the client Margin Trade Funding book.

SEGMENT-WISE PERFORMANCE

(in ₹ Mn)

Particulars	FY 2026	FY 2025
Segment Revenue	**26,031.01**	**25,674.31**
Capital Market Activity	22,057.20	22,290.13
Insurance Broking and Ancillary	2,847.04	2,558.35
Facilities and Ancillary	1,354.68	1,064.65
Less: Inter segment revenue	(227.91)	(238.82)
Segment Results (Profit Before Tax)	**7,562.92**	**9,245.87**
Capital Market Activity	6,319.06	8,563.56
Insurance Broking and Ancillary	217.36	305.00
Facilities and Ancillary	1,026.50	377.31

Revenue from capital market activity was virtually flat on a y-o-y basis, declining marginally from ₹22,290.13 Mn in FY 2025 to ₹22,057.20 Mn in FY 2026. The decline in broking activity was offset by growth in financial products distribution and wealth management business.

Revenue from the insurance broking and ancillary segments increased by 11% y-o-y, driven primarily by higher distribution of insurance and health products, from ₹2,558.35 Mn in FY 2025 to ₹2,847.04 Mn in FY 2026.

Revenue from the facilities and ancillary segments increased by 27% y-o-y, from ₹1,064.65 Mn in FY 2025 to ₹1,354.68 Mn in FY 2026 on account of profit booked on sale of property.

KEY FINANCIAL RATIOS

Key Ratios	FY 2026	FY 2025	Variance %
Debt-to-Equity Ratio	0.59	0.37	59%
Return on Average Net Worth	20%	33%	(39%)

Debt-to-Equity Ratio: The debt-to-equity ratio increased to 0.59 in FY 2026 from 0.37 in FY 2025, driven by higher borrowings to support business growth. The Company continues to maintain a prudent leverage profile while retaining flexibility to fund opportunities in the Margin Trade Funding segment.

Return on Average Net Worth: Return on Average Net Worth declined from 33% in FY 2025 to 20% in FY 2026, primarily due to a decline in Total Comprehensive Income.

BUSINESS OUTLOOK

Amidst the multiple macro-economic challenges that India faced in FY 2026, market activity both on the broking side and the investment banking side held up reasonably well. Mutual funds, insurance and pension funds flows remain robust, more than offsetting the selling by foreign investors. We believe that the medium- to long-term opportunity for all the business segments of our Company remains robust and accordingly we will continue to invest in capability building in our core areas of focus.

RISK MANAGEMENT AND CONCERNS

As a financial services organisation, IIFL Capital operates in a dynamic environment and is exposed to a diverse range of internal and external risks, including regulatory, operational, technology, credit, ESG, and liquidity risks. These risks have the potential to impact the Company's performance, financial position, and reputation.

To effectively manage this evolving risk landscape, the Company has established a robust Enterprise Risk Management (ERM) framework. This structured approach enables systematic identification, assessment, mitigation, and continuous monitoring of risks across the organisation. The ERM framework not only strengthens resilience but also supports informed decision-making and strategic execution.

Through its disciplined risk management practices, the Company ensures the protection of client assets, safeguards its reputation, and remains well-positioned to capitalise on emerging opportunities.

For further details, refer to the Directors' Report and 'Risk Management' section of this Annual Report.

HUMAN RESOURCES

At IIFL Capital, our people remain our most enduring competitive advantage. In an industry where talent, trust, and institutional knowledge directly determine client outcomes, investing in human capital is not merely a priority - it is a strategic imperative.

As of March 31, 2026, the Company employed 1,546 permanent employees, with women representing 25% of the workforce.

Employee experience is a cornerstone of our people strategy, underpinned by frameworks designed to develop, motivate, and retain high-calibre talent. The Company places continued emphasis on continuous learning - equipping employees with the technical depth and behavioural competencies essential for both professional excellence and personal growth. Incentivisation, career progression, and recognition are integral to our human capital philosophy, reinforcing a culture where performance is celebrated and contribution is acknowledged. Through specialised training programmes and structured development pathways, IIFL Capital has intensified its focus on attracting and retaining top-tier talent - ensuring our human capital strategy is fully aligned with our broader business growth ambitions.

The Company remains deeply committed to the holistic well-being of its employees, building a workplace that is inclusive, engaged, and future-ready.

For further details, refer to 'Human Capital' in the Narrative section.

INTERNAL CONTROLS

The Company has established an adequate and effective internal control framework commensurate with the nature, size, and complexity of its business operations. Robust processes, policies, and procedures are in place to ensure compliance with applicable laws, regulations, and statutory requirements. These frameworks are periodically reviewed and updated to align with evolving business needs and regulatory developments.

The Company maintains a comprehensive internal audit mechanism designed to evaluate the effectiveness of internal controls, safeguard assets, prevent and detect fraud and errors, ensure the accuracy and completeness of accounting records, and facilitate the timely preparation of reliable financial information.

The internal audit function regularly assesses the adequacy and effectiveness of the Company's control environment, and its findings and recommendations are reviewed by the Audit Committee. Appropriate corrective and preventive actions are undertaken by the management to strengthen systems, processes, and controls, thereby fostering operational efficiency and sound governance practices.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1. **Corporate Identity Number (CIN) of the Listed Entity:** L99999MH1996PLC132983
2. **Name of the Listed Entity:** IIFL Capital Services Limited (Formerly IIFL Securities Limited) (hereafter referred as IIFL Capital)
3. **Year of incorporation:** 1996
4. **Registered office address:** IIFL House, Sun Infotech Park, Road No. 16V, Plot No.B-23, Thane Industrial Area, Wagle Estate, Thane - 400 604
5. **Corporate address:** IIFL, Ground Floor, Hubtown Solaris, N.S. Phadke Marg, Near East West Flyover, Andheri East, Mumbai - 400 069
6. **E-mail:** secretarial@iiflcapital.com
7. **Telephone:** +91 22 41035000
8. **Website:** www.iiflcapital.com
9. **Financial year for which reporting is being done:** April 01, 2025 to March 31, 2026
10. **Name of the Stock Exchange(s) where shares are listed:** National Stock Exchange of India Limited and Bombay Stock Exchange Limited
11. **Paid-up Capital:** ₹62,28,69,426 (Rupees Sixty-two crore twenty-eight lakh sixty-nine thousand four hundred twenty-six)
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:** Ms. Meghal Shah, Company Secretary & Head – ESG, +91 22 61086300, secretarial@iiflcapital.com
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):**

    The FY 2026 BRSR is prepared on a consolidated basis covering IIFL Capital and IIFL Facilities Services Limited (a wholly-owned subsidiary of IIFl Capital).

    The FY 2025 BRSR was filed on standalone basis (i.e IIFL Capital only). Consequently, current-year figures are not directly comparable with the previous year, and year-on-year movements in certain metrics reflect this change in reporting boundary rather than operational change alone.

    Other subsidiaries have not been included in this report and will be evaluated for inclusion in future reporting cycles.
14. **Name of assurance provider:** Kirtane & Pandit LLP
15. **Type of assurance obtained:** Reasonable assurance on BRSR Core parameters

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Broking & Financial Services	Broking and depository services, distribution of financial products & investment banking	94%

The above data pertains to IIFL Capital only.

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Broking Services	6612*	70%
2	Distribution of financial products & Investment Banking	6619*	24%

The above data pertains to IIFL Capital only.

**National Industrial Classification for India 2025 (NIC 2025)*

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	NA	97	97
International	NA	1	1

This includes common branches of Group Companies where employees of the Company also work.

The Company is into financial services and does not undertake any manufacturing activity.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	36 States (including Union Territories)
International (No. of Countries)	63*

**Clients serviced in different countries for Institutional Equities business.*

b. What is the contribution of exports as a percentage of the total turnover of the entity? 1.93% (The data pertains to IIFL Capital only)

c. A brief on types of customers

IIFL Capital provides its customers with a wide range of services, including broking, financial product distribution, third-party products, and wealth solutions tailored to their various life stage needs. The Company provides investment and trading solutions to customers from various segments, including Gen-Z and young millennials, Non Resident Individuals (NRIs), self-employed professionals, corporates, High Net Worth Individuals (HNIs) and Ultra HNIs, Foreign Institutional Investors, Domestic Institutional Investors, and others, to help them achieve their financial objectives through its comprehensive platforms. The Company also provides investment banking services to corporate and institutional clients. The Company is also backed with strong research credentials and is a leading institutional broker with outstanding execution capabilities.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1553	1170	75%	383	25%
2.	Other than Permanent (E)	6	5	83%	1	17%
3.	**Total* employees (D + E)**	**1559**	**1175**	**75%**	**384**	**25%**

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

The Company does not employ or engage with 'worker', as defined in the guidance note on BRSR, issued by SEBI.

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	2	2	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	2	2	100%	0	0

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

The Company does not employ or engage with 'worker', as defined in the guidance note on BRSR, issued by SEBI.

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.66%
Key Management Personnel	5	1	20.00%

The above information pertains only for IIFL Capital as on March 31, 2026.

Key Managerial Personnel (KMP) includes Managing Director, Whole-time Director, Chief Financial Officer, Company Secretary & Chief Information Security Officer.

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2026 (Turnover rate in current FY)			FY 2025 (Turnover rate in previous FY)			FY 2024 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23%	25%	23%	23%	31%	25%	33%	40%	35%

FY 2026 data pertains to IIFL Capital and IIFL Facilities Services Limited.

The Company does not employ or engage with 'worker', as defined in the guidance note on BRSR, issued by SEBI.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	IIFL Facilities Services Limited	Subsidiary	100	Yes
2	IIFL Management Services Limited	Subsidiary	100	No
3	Livlong Insurance Brokers Limited (Formerly IIFL Insurance Brokers Limited)	Subsidiary	100	No
4	IIFL Commodities Limited	Subsidiary	100	No
5	Livlong Protection and Wellness Solutions Ltd (Formerly IIFL Corporate Services Limited)	Subsidiary	76.18	No
6	India Infoline Foundation*	Subsidiary	NA	No

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
7	Shreyans Foundations LLP	(Step down subsidiary company)	NA	No
8	Meenakshi Towers LLP	Subsidiary	NA	No
9	IIFL Securities Services IFSC Limited	Subsidiary	100	No
10	IIFL Capital Asset Management Limited (Formerly IIFL Securities Alternate Asset Management Limited)	Subsidiary	100	No
11	IIFL Wealth (UK) Limited#	Foreign Subsidiary	100	No
12	IIFL Capital Inc.	Foreign Subsidiary	100	No

**The Company is limited by guarantee and not having share capital.*

 # IIFL Wealth (UK) Limited, a wholly owned subsidiary of the Company, was voluntarily struck off and dissolved with effect from July 22, 2025. Consequently, it ceased to be a wholly owned subsidiary of the Company from that date.

VI. CSR Details

24.

i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

ii. Turnover (in ₹) 20,806.95* Mn

iii. Net worth (in ₹) 27,467.86 Mn

**Revenue from Operations*

The above data pertains to IIFL Capital only.

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. The CSR policy of the Company provides for Grievance Redressal Mechanism. https://files.iiflcapital.com/assets/CSR_Policy_9170c31e78.pdf	0	0	-	0	0	-
Shareholders & Investors	Yes. The same can be accessed at https://files.iiflcapital.com/assets/Investor_Grievance_Redressal_Policy_21_6014dfc4b3.pdf	7	1	The pending complaint has been duly resolved as on the date of the report.	29	1	The pending complaint has been duly resolved as on the date of the report.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes, Grievance Redressal Policy is in place and same can be accessed on intranet.	0	0	-	2	0	-
Customers	Yes. The Customers can reach out through https://files.iiflcapital.com/assets/General_Grievance_Redressal_Policy_21_507421ec88.pdf	2497	0	-	4364	0	-
Value Chain Partners	Yes. The Business Partners can reach out through https://files.iiflcapital.com/assets/General_Grievance_Redressal_Policy_21_507421ec88.pdf	108	0	-	344	0	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Data Privacy and Security	Risk	Rapid adoption of digitalisation across our business and operations increases the risk of any breaches in data security or privacy.	IIFL Capital upholds a stringent approach to technology and cybersecurity, supported by well-defined policies and procedures to manage incidents effectively. The Company has implemented a strong reporting and resolution framework to address potential risks. The Company has achieved ISO 27001:2022 certification for Information Security Management System.	**Positive** • Automation of several manual processes, leading to cost saving • Increased trust and credibility across all stakeholders, aiding business performance • Stronger brand image **Negative** Neglecting these areas could impact client confidence and lead to loss of revenue

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Human Capital Development	Opportunity	A welldeveloped talent pool underpins innovation, agility and longterm competitive advantage. We undertake efforts to build a congenial work environment through structured training and performance appraisal practices, thereby helping us in attracting and retaining superior talent.	Not Applicable	**Positive** • Improved productivity • Revenue growth **Negative** Upfront L&D spend (training, platforms)
3	Employee well-being and engagement	Opportunity	Engaged, healthy employees reduce turnover and absenteeism, boosting efficiency and morale. Towards this the Company undertakes several physical and mental wellbeing programmes/ initiatives.	Not Applicable	**Positive** • Lower recruitment/absentee costs • Higher output per FTE
4	Customer relationship management	Opportunity	Our comprehensive approach to provide customers with superior experiences help us build and fortify their trust. We provide quality customer relationship services and continue to upskill our people in this regard. The Company has in place robust grievance mechanism.	Not applicable	**Positive** • High NPS score • Strong rate of customer retention • Strengthened grievance mechanisms and transparent communication helps reduce Compliance risks enhance brand trust
5	Operational Eco -efficiency and Emissions	Opportunity	Effective emissions management by IIFL Capital supports sustainability goals, attracts environmentally conscious investors, and reduces climate-related financial risks. Towards this a dedicated tool has been implemented to track Scope 1, 2, and 3 emissions.	Not applicable	**Positive** • Strengthens ESG performance and corporate reputation • Enhances investor confidence • Leads to long-term cost savings through efficient resource utilisation
6	Diversity and Inclusion	Opportunity	Fostering diversity and inclusion within our Company not only nurtures innovation, creativity and a positive work culture but also extends our Company's reach in terms of talent acquisition.	Not Applicable	**Positive** • Access to wider talent pools and markets • Stronger employer brand

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Climate Change Vulnerability	Risk	Climate change has introduced significant material and reputational risks for businesses.	The Company can mitigate climate risks by strengthening regulatory compliance and avoiding greenwashing. Educating clients and ensuring operational resilience complete a strong mitigation strategy.	**Positive** • Stronger client relationships • Market differentiation • Regulatory alignment **Negative** • Physical and transition risks
8	Nondiscrimination and equal opportunity	Risk	Failure to ensure fairness can lead to litigation, reputational loss and regulatory penalties.	We have an Equal Opportunity Policy and we ensure that we provide a culture of equal opportunities and antidiscrimination within our organisation. We also have in place Employees Grievance Mechanism to address issues in relation thereto.	**Positive** • Build employee trust **Negative** • Potential fines/legal costs • Reputational damage
9	Innovation and Digitisation	Opportunity	Our focus is on leveraging the full potential of digitalisation to drive innovation across our offerings, as well as processes. Strong in-house digital capabilities have allowed us to expand our customer base and serve niche segments efficiently.	Not Applicable	**Positive** • Seamless business operation at lower cost • Improved turnover around time • Competitive edge
10	Human Rights	Risk	Upholding human rights through eradication of child & forced labor and Prevention of Sexual Harassment is not just a moral imperative but also a legal necessity.	We have Human Rights Policy in place. We do not engage with child and/or forced labor. Also, we have POSH Policy which adhere to zero tolerance to sexual harassment. Compliance with labor laws is paramount, for us.	**Positive** • Stronger social image and investor appeal **Negative** • Reputational damage • Legal action
11	Impact on local communities	Opportunity	Our community initiatives focus on inclusive growth by supporting marginalised and disadvantaged groups through education, healthcare, skill training, and other essential services—creating a meaningful impact in their lives.During FY 2026, impact assessment was conducted for the flagship CSR programme 'Sakhiyon ki Badi'.	Not Applicable	**Positive** • Strengthens community relations • Improved brand reputation • Longterm social impact.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	**P1:** Anti-Bribery and Anti- Corruption Policy Policy on Related Party Transactions Board Diversity Policy Whistle Blower Policy **P2:** Environmental, Social & Governance (ESG) Policy **P3:** Equal Opportunity Policy Nomination and Remuneration Policy **P4:** General Grievance Redressal Policy **P5:** Human Rights Policy **P6:** Environmental Policy Environmental, Social & Governance (ESG) Policy **P7:** Stakeholders Engagement – Policy **P8:** Corporate Social Responsibility Policy **P9:** Information & Cyber Security Policy (For internal stakeholders) General Grievance Redressal Policy								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	At IIFL Capital, policies aligned with the nine NGRBC principles have been reviewed and updated in line with industry practices and applicable legal requirements, ensuring compliance with all relevant laws and regulations. As part of this process, the Company engaged an independent external consultant with relevant expertise to support the review and enhancement of these policies. We coordinated with relevant internal stakeholders to incorporate their suggestions in the policies. The Company has achieved the following ISO Certification: ISO 14001:2015 Certification for Environmental Management System ISO 27001:2022 Certification for Information Security Management System ISO 22301:2019 Certification for Business Continuity Management System Policy on Prevention of Sexual Harassment at Workplace, Nomination and Remuneration Policy, Corporate Social Responsibility Policy, Anti Bribery and Anti-Corruption Policy, Whistle Blower Policy etc. are in line with the applicable national laws and guidelines.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	**A. Business Ethics :** Develop company-wide mechanisms to monitor, assess, and report non-compliance to ethical behaviour. **B. Stakeholder Satisfaction :** Reduction in Shareholders, Consumers & Value chain partners complaints **C. Data Privacy & Security :** • Designate specific personnel to address and monitor these issues. • Conduct a gap assessment based on the requirements as per Digital Personal Data Protection (DPDP) Act 2023 and Identify action points to take corrective steps. **D. Enhance Social Impact :** • Expand the reach and impact of community development initiatives, with a continued focus on aspirational districts and underserved communities. **E. Employee well-being & engagement :** • Measure engagement scores, absenteeism and wellness programme participation. • Increase spending towards employee well being. **F. Governance :** Conduct training programmes to raise awareness and build capacity around ESG issues for the Board of Directors and employees. **G. Human Capital Development :** • Strive to increase gender diversity. • Reduce employee turnover. • Increase the proportion of wages paid to female employees by strengthening gender diversity and inclusion across the workforce. **H. Environment :** • Achieve and maintain ISO 14001:2015 Environmental Management System certification.								

Disclosure Questions	P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	**A. Business Ethics :** • The existing Consequence Management System (CMS) has been reviewed and enhanced to strengthen oversight of ethical and compliance-related violations, ensuring timely and consistent corrective and disciplinary actions in accordance with the prescribed framework. **B. Stakeholder Satisfaction :** • Complaint metrics improved significantly in FY 2026, with consumer complaints reducing from 8 to nil, shareholder complaints from 29 to 7, and value chain partner complaints from 344 to 108, demonstrating enhanced effectiveness of grievance management processes. **C. Data Privacy & Security :** • Chief Information Security Officer (CISO) has been designated as Data Protection Officer. • Engaged KPMG for Gap Assessment and implementation of Digital Personal Data Protection (DPDP) Act 2023 Act. **D. Enhance Social Impact :** • CSR spending in aspirational districts increased from ₹52.25 Lakhs in FY 2025 to ₹1.97 Crores in FY 2026, demonstrating the Company's strengthened focus on driving positive social impact in underserved communities. **E. Employee well-being & engagement :** • The Company monitored employee engagement and wellbeing through periodic engagement surveys, absenteeism trends, and participation levels in wellness programmes. During the year, over 500 employees participated in mental health and wellbeing initiatives, 200+ employees attended Yoga@Work sessions, 254 Doc@Work medical consultations were facilitated, and 10 employees availed confidential EAP counselling support. Participation in other wellbeing and community initiatives, including the Environment Day Quiz and Blood Donation Drive, was also tracked to assess employee engagement and programme effectiveness. • Employee wellbeing spend increased from 0.17% of revenue in FY 2025 to 0.35% in FY 2026. **F. Governance :** • A formal Board familiarisation programme was conducted in collaboration with Institutional Investor Advisory Services (IiAS), covering key topics relating to corporate governance, regulatory developments, and emerging business trends, including value creation through Key Managerial Personnel (KMPs), compliance with the Digital Personal Data Protection (DPDP) Act, the impact of Artificial Intelligence (AI) on the financial services sector, and the legal roles, responsibilities, and duties of Independent Directors.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	G. Human Capital Development : • Gender diversity increased from 24% in FY 2025 to 25% in FY 2026. • Employee turnover improved from 25% in FY 2025 to 23% in FY 2026, reflecting the effectiveness of employee engagement, wellbeing and retention initiatives and demonstrating progress towards building a stable and committed workforce. • The proportion of wages paid to female employees increased from 10.59% in FY 2025 to 16.11% in FY 2026, reflecting continued progress in enhancing gender diversity and inclusion across the workforce. **H. Environment :** • The Company achieved ISO 14001:2015 certification and successfully completed the External Surveillance Audit in April 2026, reaffirming its commitment to environmental management and continuous improvement.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

We believe that ESG is integral to creating sustainable long-term value and strengthening stakeholder trust. During FY 2026, we enhanced the credibility and transparency of our ESG reporting through consolidated reporting and the upgrade of BRSR Core assurance from Limited Assurance to Reasonable Assurance. The Company also achieved ISO 14001:2015 certification, while our 'Strong' ESG rating from CRISIL further reflects the robustness of our sustainability, governance, and risk management practices. We made meaningful progress across key ESG priorities, including higher investment in employee wellbeing, improved employee turnover and enhanced gender diversity, and zero POSH complaints during the year. We also significantly expanded CSR spending in aspirational districts and achieved substantial reductions in consumer, shareholder and value chain partner complaints. The Company continued to uphold strong governance practices, with no reported data breach incidents and strengthened oversight of material ESG matters. These achievements reflect our commitment to responsible growth, transparency and long-term value creation for all stakeholders.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the entity has a designated ESG Committee of the Board responsible for decision-making on sustainability-related matters. The Committee provides strategic direction and oversight on the Company's ESG agenda, including the approval of the ESG strategy and roadmap. It monitors environmental factors such as climate impact, emissions, energy efficiency, and waste management; oversees social initiatives related to diversity, equity and inclusion, fair labor practices, health and safety, and community engagement; and ensures sound governance practices, including data privacy, cybersecurity, and transparency to stakeholders. The Committee also reviews ESG disclosures in line with national and global frameworks, assesses material ESG risks and opportunities, and monitors the progress and impact of ESG initiatives across the organisation. As on March 31, 2026, the ESG Committee consist of 2 independent directors and 1 whole-time director.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes. The ESG Committee, concerned Committees and Board reviews the performance against all policies under all 9 principles.									The policies of the Company are reviewed periodically/annually, as the need may be.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with the extant regulations and principles as are applicable. Except for the penalty mentioned in Principle 1, there were no material non-compliances with respect to statutory / regulatory requirements.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P6	P 7	P 8	P 9
	All policies and processes are subject to audits / reviews done internally in the Company from time to time.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: Not applicable

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	During the year, a formal Board training programme was organised in collaboration with Institutional Investor Advisory Services (IiAS). The programme covered topics such as value creation through Key Managerial Personnel (KMPs), compliance with the Digital Personal Data Protection (DPDP) Act, the impact of Artificial Intelligence (AI) on the financial services sector, and the legal responsibilities of Independent Directors. Further, the Company conducted familiarisation programmes for its Independent Directors to enhance their understanding of the Company's business, governance framework, regulatory environment, and industry landscape. Management presentations were also made at Board and Committee meetings covering business strategy, financial performance, operations, risk management, and compliance matters. Details of the familiarisation programme are available on the Company's website.	100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Key Managerial Personnel	9	During the year under review, the Key Managerial Personnel of the Company underwent the following mandatory training programmes: • Anti-Bribery and Anti-Corruption • Anti-Money Laundering and KYC • Prevention of Sexual Harassment Training • Data Privacy Awareness • Information and Cyber Security • Environmental, Social and Governance • Business Responsibility and Sustainability Reporting • Business Continuity Management System • Prevention of Insider Trading	100%
Employees other than BoD and KMPs	9	At IIFL Capital, employee learning and development is a continuous process focused on enhancing professional skills, regulatory awareness, and ethical conduct. Through instructor-led programs, Learning Management System (LMS) modules, emails, posters, and other internal communication channels, employees are regularly trained on key compliance, governance, and risk management topics. During the year under review, the employees underwent the following mandatory training programmes: • Anti-Bribery and Anti-Corruption • Anti-Money Laundering and KYC • Prevention of Sexual Harassment Training • Data Privacy Awareness • Information and Cyber Security • Environmental, Social and Governance • Business Responsibility and Sustainability Reporting • Business Continuity Management System • Prevention of Insider Trading	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred (Yes/No)**
Settlement	Principle 1	SEBI	100000/-	SEBI examined the Company's association with Tradetron and other algo platforms and, through a Show Cause Notice (SCN), alleged that IIFL Capital had integrated its API with platforms hosting strategies claiming guaranteed returns, consistent profits, or past/future performance projections. To settle the proceedings, IIFL Capital availed of SEBI's settlement scheme and paid a settlement amount of ₹1 Lakhs. SEBI passed the settlement order on March 17, 2026, and the matter stands closed.	No
Penalty	Principle 1	NSE	305,100/-	NSE, pursuant to its offsite inspection for October 2024, issued an action taken letter dated April 22, 2025, imposing a penalty of ₹305,100 for incorrect reporting of margin collection. The discrepancy was operational in nature and has been appropriately addressed.	No
Penalty	Principle 1	BSE	400,000/-	BSE imposed a penalty of ₹4 Lakhs for not transitioning all clients during a full-day Disaster Recovery (DR) drill conducted between April 2024 and June 2024.	No
Penalty	Principle 1	NSE	500,000/-	Pursuant to offsite supervision, NSE issued a Show Cause Notice dated February 10, 2023, and a Letter of Observation dated April 16, 2024. Subsequently, the Member Committee, vide order dated May 26, 2025, imposed a penalty of ₹5 Lakhs and directed the Company to discontinue facilitation of financing through NBFCs within 90 days.	No
Penalty	Principle 1	NSE	107,600/-	NSE, pursuant to its offsite inspection for January 2025, issued an action taken letter dated July 15, 2025, imposing a penalty of ₹107,600 for incorrect reporting of margin collection. The discrepancy was operational in nature and has been appropriately addressed.	No

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred (Yes/No)**
Penalty	Principle 1	NSE	500,000/-	NSE, pursuant to its offsite inspection for December 2024, issued an action taken letter dated August 29, 2025, imposing a penalty of ₹500,000 for discrepancy which were operational in nature, which has been appropriately addressed.	No
Penalty	Principle 1	NSE	259,000/-	NSE, pursuant to its offsite inspection for March 2025, issued an action taken letter dated September 30, 2025, imposing a penalty of ₹259,000 for incorrect reporting of margin collection. The discrepancy was operational in nature and has been appropriately addressed.	Yes
Penalty	Principle 1	MCX	210,200/-	MCX imposed a penalty of ₹2,10,200 on the Company in respect of certain client trades classified as abnormal/non-genuine under Exchange Circular No. MCX/S&I/324/2018 dated August 20, 2018. Penalty is recoverable from the concerned clients.	No
Penalty	Principle 1	NSE	34,29,000/-	NSE imposed a penalty of ₹34.29 Lakhs in respect of certain client transactions routed through a franchise that were classified as non-genuine under applicable NSE circulars and regulations. The penalty is recovered from the concerned franchise and clients.	No
Penalty	Principle 1	NCDEX	378,490/-	NCDEX imposed a penalty of ₹378,490 (excluding GST) on the Company due to a client's breach of prescribed Open Interest Limits. The Company has taken corrective measures to address the lapse and prevent recurrence.	No
Penalty	Principle 1	BSE	200,000/-	BSE imposed a penalty of ₹2 Lakhs pursuant to observations arising from the scrutiny of the Company's internal audit report for the half-year ended March 2025, relating to an operational gap in generating alerts for disproportionate margin exposure vis-à-vis clients' declared financial information. The issue has since been addressed.	No
Compounding fee	Not Applicable				

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Not Applicable			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/enforcement agencies/judicial institutions
NSE, pursuant to its offsite inspection for March 2025, issued an action taken letter dated September 30, 2025, imposing a penalty of ₹259,000 for incorrect reporting of margin collection.	NSE

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Company has a well -defined Anti-Bribery and Anti-Corruption Policy which sets out the Company's responsibilities, and those working for and on its behalf, in observing and upholding its position on bribery and corruption in their dealings. This Policy applies to all stakeholders, or any other person associated with IIFL Capital and who may be acting on behalf of the Company. The Policy, inter alia, provides for maintenance of books and accounts that conform to highest professional standards of accuracy and consistency that fairly reflect the Company's transactions. It also provides for maintenance of internal controls to prevent and detect potential violation of the Policy. Further, the Policy sets out the process for reporting a concern or complaint under the said Policy and the manner of dealing with the same. It also lays down the responsibilities of respective stakeholders under the Policy for its effective implementation. The Audit Committee is responsible for ensuring that this Policy complies with the Company's legal and ethical obligations, and that the employees are aware of and comply with it through regularly scheduled mandatory training and appropriate systems and controls. The Policy is available on the Company's website, here https://files.iiflcapital.com/assets/Anti_Bribery_and_Anti_Corruption_Policy_6aaeb0a20a.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2026 (Current Financial Year)		FY 2025 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Number of days of accounts payable	42	30

The increase in the number of days of account payables was primarily driven by higher trade payables during the reporting period.

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	16.61%	19.30%
	b. Number of dealers / distributors to whom sales are made	3254	3,963
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	26.37%	19.41%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2.54%	3.37%
	b. Sales (Sales to related parties / Total Sales)	2.84%	1.04%
	c. Loans &advances (Loans & advances given to related parties / Total loans & advances)*	4.81%	0.39%
	d. Investments (Investments in related parties / Total Investments made)#	26.24%	16.03%

The above data pertains to IIFL Capital.

**The increase in loans and advances to RPTs was driven by inter-corporate deposits granted to a wholly owned subsidiary for its working capital needs.*

#The increase in investments in related parties during the year was mainly on account of investment in one of the wholly owned subsidiary.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topic/Principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
The Company has conducted 243 webinars in FY 2026. These webinars were on product knowledge and different processes in which our partners were asked to avoid sharing any misleading information to end clients. Further, they were also instructed to strictly follow all compliance while placing trades on behalf of clients and also communicating information related to any products.		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The Company has Conflict of Interest Policy for Board of Directors. The Company also has a Policy on Conflict of Interest to identify and manage conflicts of interest which may arise during the course of its business activities.

Further, the Directors, on an annual basis, provide a disclosure of his/her concern or interest in any company or companies or bodies corporate, firms, or other association of individuals.

In order to manage conflict of interest the Company has adopted a strong corporate governance framework with more that 50% of the Board Members being independent. Also, the Board Committees generally comprise a majority of Independent Directors and are chaired by an Independent Director.

The Company has a separate Code of Conduct (CoC) for the Board of Directors and Senior Management Personnel whereby they are required to maintain standards of conduct and become aware of those situations where there is likely to be a potential conflict between the interest of the Company and interest of the Director / Senior Management. Further, Directors do not participate in discussion of matters where they are interested.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	Not Applicable		
Capex			

Given the nature of the Company's business operations, the direct environmental impact of its activities is relatively limited. Nevertheless, as a responsible corporate citizen, the Company remains committed to minimising its environmental footprint through the adoption of energy-efficient technologies, optimisation of resource consumption, and promotion of environmentally responsible practices across its operations.

2.

a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

b. **If yes, what percentage of inputs were sourced sustainably?**

Given the nature of the Company's business operations, this question is not directly applicable, as the Company operates in the financial services sector with limited consumption of physical inputs. However, the Company incorporates sustainability considerations into its operational and procurement practices wherever feasible. Key initiatives include the installation of solar panels at one of the offices, deployment of sensor-based LED lighting to improve energy efficiency across offices, procurement of green power for energy requirements at two offices, and achievement of LEED Gold certification for two of its office premises. While the percentage of sustainably sourced inputs is not currently tracked due to the service-oriented nature of the business, the Company remains committed to adopting resource-efficient and environmentally responsible practices across its operations.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

   (a) **Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d)Other waste**

   Given the nature of the Company's business operations, this question is not directly applicable. However, the Company is committed to responsible waste management and has implemented processes for the safe disposal and recycling of waste generated from its operations. E-waste generated across offices is disposed of through authorised recyclers and waste-handling agencies in compliance with applicable environmental regulations. The Company also promotes responsible paper usage and facilitates the recycling of paper waste through approved vendors wherever feasible. Through these initiatives, IIFL Capital continues to support environmentally responsible practices and minimize the environmental impact of its operations.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Given the nature of the Company's business, the above is not applicable.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Given the nature of our business and operations, such assessments are not applicable.					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Given the nature of our business and operations, such assessments are not applicable.		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Given the nature of our business operations, the use of recycled or reused input material in our service offerings is not applicable.		

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2026 (Current Financial Year)			FY 2025 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Given the nature of our business operations, reclaiming of products and packaging is not applicable.					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Given the nature of our business operations, reclaiming of products and packaging is not applicable.	

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E /A)	Number (F)	% (F / A)
Permanent employees											
Male	1,170	1,170	100%	1,170	100%	NA	NA	1,170	100%	1,170	100%
Female	383	383	100%	383	100%	383	100%	NA	NA	383	100%
Total	**1,553**	**1,553**	**100%**	**1,553**	**100%**	**383**	**25%**	**1,170**	**75%**	**1,553**	**100%**
Other than Permanent employees											
Male	5	Not Applicable									
Female	1	Not Applicable									
Total	**6**	**Not Applicable**									

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

Non-permanent employees are engaged on a project-specific or short-term basis and are therefore not covered under the Company's insurance schemes and other employee benefit programmes.

In addition to providing a safe and supportive work environment, the Company goes the extra mile to ensure the wellbeing of its employees extends beyond the workplace.

We understand the importance of financial security for our employees and their families. Therefore, the Company extends life insurance and Employees' Deposit Linked Insurance Scheme for Provident Fund opted employees, providing essential support in times of need.

Recognising the diverse needs of our workforce, especially women, the Company offers a range of supportive policies. These include maternity policies, adoption leaves, and compassionate leaves for medical reasons related to pregnancy. We understand the significance of enabling women to maintain a balance between their professional and personal lives at various life stages.

Moreover, we understand the challenges working parents face, which is why we have partnered with a crèche providing agency to offer childcare facilities for employees with children aged up to six years. This initiative aims to support working parents by providing a nurturing environment for their children while they focus on their professional responsibilities.

Furthermore, the Company prioritises mental well-being by providing each employee access to counseling services and mental health experts. We conduct timely webinars on mental health topics to raise awareness and provide support to our employees.

Encouraging a healthy lifestyle, the Company actively supports employees' participation in marathons, promoting physical fitness and team bonding.

Through these initiatives, the Company reaffirms its commitment to the holistic well-being and development of its employees, fostering a supportive and inclusive workplace culture.

b. Details of measures for the well-being of workers:

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Cost incurred on well- being measures as a % of total revenue of the Company	0.35%	0.17%

Note: the above data pertains to IIFL Capital only.

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	85%	NA	Y	100%	NA	Y
Gratuity	100%	NA	NA	100%	NA	NA
ESI	100%	NA	Y	100%	NA	Y
Others – please specify	-	-	-	-	-	-

The Provident Fund (PF) data presented pertains only to employees who have voluntarily opted for PF coverage.

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

The above data pertains to IIFL Capital & IIFL Facilities Services Limited.

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is firmly committed to upholding equality and human rights for all individuals, including those with disabilities. Our Equal Opportunity Policy and Human Rights Policy strictly prohibit any form of discrimination in employment matters against persons with disabilities. To ensure inclusivity and accessibility, our large corporate offices are equipped with ramps and wheelchair accessibility features. These accommodations facilitate easy movement and create a welcoming environment for differently-abled individuals, aligning with our values of diversity and inclusivity in the workplace. Further, we foster an inclusive environment where everyone feels valued and supported.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. The Company has adopted an Equal Opportunity Policy in accordance with the Rights of Persons with Disabilities Act, 2016, reaffirming its commitment to equal opportunity, non-discrimination, and an inclusive workplace for persons with disabilities. The Policy can be accessed here https://files.iiflcapital.com/assets/Equal_Opportunity_Policy_21_2f31391f63.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	100%	80%	NA	NA

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

Retention rate determines employees who have returned to work after parental leave ended and were still employed 12 months later.

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	Yes
Other than Permanent Employees	Yes

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

We have a robust Employee Grievance Redressal Policy, providing a transparent platform for employees to address concerns falling within the scope of our welfare policies. These include our Human Rights Policy, Diversity and Inclusion Policy, Equal Opportunity Policy, and Workplace Health and Safety Policy. Employees can easily raise grievances by either emailing at grievance@iiflcapital.com or addressing a letter to the Head of Human Resources for prompt resolution.

In line with our commitment to fostering a safe and respectful workplace, the Company maintains a zero-tolerance policy towards harassment and discrimination. Our Policy for Prevention of Sexual Harassment at Workplace, aligned with the Sexual Harassment of Women at Workplace Act, 2013, aims to provide protection and redressal for complaints of sexual harassment. Employees can report grievances related to sexual harassment by emailing at posh@iiflcapital.com, with an Internal Complaints Committee dedicated to investigation and resolution.

Furthermore, our Whistleblower Policy serves as a vigilant mechanism for stakeholders, including individual employees, to report unethical or unlawful practices. Employees are encouraged to communicate concerns regarding illegal or unethical behaviour by emailing at iiflcapwhistleblower@iiflcapital.com. In exceptional cases, direct access to the Chairman of the Audit Committee is provided to ensure the integrity of the reporting process.

To strengthen awareness and accessibility of these channels, the Company regularly communicates policy provisions and reporting mechanisms through employee induction programmes, training sessions, internal communication platforms, and periodic awareness campaigns. Through these initiatives, the Company seeks to foster a culture of openness, accountability, and trust, where employees feel empowered to raise concerns without fear and contribute to a positive workplace environment.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
- Male	1170	0	0	1191	0	0
- Female	383	0	0	367	0	0

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

While IIFL Capital does not have any employee association, the Company acknowledges and respects employees' rights to freedom of association. Additionally, the Company encourages open communication and direct interaction between management and employees, fostering a positive and healthy work environment.

8. **Details of training given to employees and workers:**

Category	FY 2026 Current Financial Year					FY 2025 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1170	1170	100%	947	81%	1191	1191	100%	1191	100%
Female	383	383	100%	331	86%	367	367	100%	367	100%
Total	**1553**	**1553**	**100%**	**1278**	**82%**	**1558**	**1558**	**100%**	**1558**	**100%**

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

Training Name	Training Brief
Induction	Our induction programme - Shubharambh, is designed to familiarise new employees with the organisation's culture, values, products, processes, policies, and people, enabling a smooth transition into their roles and the organisation and meet our leaders during their initial days of joining.
Time Management	This workshop emphasises the importance of effective time management, prioritisation techniques and practical applications.
Mindmapping for Sales Excellence	This program equips Relationship Managers with effective mind-mapping techniques to organise, retain, and recall critical information such as research reports, market updates, investment themes, and key business metrics. Through visual learning frameworks, participants learn to process information more efficiently, improve retention, and enhance their ability to communicate insights clearly during client interactions.
The Office 365 Way	This interactive workshop equips participants with practical knowledge of the Office 365 suite and their business applications. Participants learn how to leverage Office 365 tools and Copilot to improve productivity and work efficiently putting AI to use.
The WMDP	While middle management development happens to be one of the focused initiatives at IIFL Capital, the Women Management Development programme aimed at supporting professional growth and aspirations of this cohort. The programme provides participants with a holistic platform for financial markets, economic trends, ESG, leadership development, executive presence and practical know how's of AI and its applications in the workplace.
Executive and Brand Building	This program is designed to help professionals strengthen their executive presence and personal brand. It covers key aspects of professional image management, including business attire, dining and wine etiquette, first impressions, communication and conversation styles, and social confidence in professional settings. The program also includes personalised one-on-one consultation sessions, enabling participants to receive tailored guidance on enhancing their executive image and overall professional impact.
Sales Pitching Excellence	This program is designed to strengthen relationship managers' ability to deliver compelling and outcome-oriented sales pitches. It covers the key elements of an effective client presentation, including structuring a persuasive narrative, understanding client needs, articulating value propositions, handling objections, and creating impactful closing statements. The learning experience is reinforced through four personalised follow-up consultation sessions, where participants receive individual feedback and coaching to refine their pitch delivery, enhance client engagement, and improve overall sales effectiveness.
Client Acquisition Toolkit	A business development-focused program that helps Relationship Managers strengthen their digital presence through LinkedIn and RM profiling while equipping them with modern client acquisition, prospecting, and engagement strategies across multiple platforms and tools to drive business growth.
FOTM - Flavour of the month	This series is aimed at assessing product knowledge and champions through structured assessments conducted monthly.

Training Name	Training Brief
Prodexcellence - The Gamified Way	ProdExcellence is a gamified learning and assessment initiative designed to reinforce knowledge through engaging, interactive challenges. The program evaluates participants on both functional expertise and aspirational competencies across a variety of business-relevant topics. By combining learning with friendly competition, quizzes, simulations, and scenario-based assessments, the initiative encourages continuous development, strengthens capability building, and promotes a culture of self-driven learning and excellence.
Ascend - The Leadership Development Journey	A comprehensive year-long leadership development program designed to strengthen the organisation's leadership pipeline and prepare high-potential talent for future leadership roles. The journey aims at combining structured learning interventions, leadership workshops, business simulations, coaching, self-reflection, and practical application opportunities to build critical leadership capabilities. Ascend reflects the organisation's commitment to nurturing future-ready leaders and ensuring long-term organisational growth through a robust succession pipeline.
Asset Class Masterclass	This comprehensive 12-week learning journey is designed to build a strong foundation in capital markets while progressively advancing participants' understanding of investment products, market frameworks, and portfolio management concepts. The programme enables employees to enhance their market knowledge, develop investment acumen, and strengthen their ability to communicate financial concepts effectively to clients.
Peer to Peer Learning	This series is aimed at identifying top performers and knowing their success stories and extracting learnings and key takeaway's for others to gain insights and thereby promoting peer to peer learning.
Excelling Basics to Professional	This program equips participants with advanced Excel capabilities to improve data management, analysis, and reporting. It covers sophisticated formulas, pivot tables, dashboards, data visualisation techniques, and automation tools, enabling employees to derive meaningful insights and make data-driven business decisions with greater efficiency.
Learning bytes	Learning Bytes is a bite-sized learning initiative designed to promote continuous learning through short, engaging stories and real-world insights on topics relevant to employees. Each session focuses on a key business, leadership, productivity, or workplace theme, translating concepts into practical takeaways and actionable learnings.
Email Etiquettes	This training focuses on best practices for professional email communication, including clarity, tone, structure, and responsiveness. Participants learn tips and tricks and how to communicate effectively and professionally with internal and external stakeholders.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1170	1170	100%	1191	1191	100%
Female	383	383	100%	367	367	100%
Total	**1553**	**1553**	**100%**	**1558**	**1558**	**100%**

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

The organisation prioritises the professional growth and career development of our employees through a structured performance appraisal process. This process, determined by the Company, ensures that all eligible employees undergo evaluation to assess their performance and progress.

Career development opportunities are abundant, with a mix of trainings, opportunities for advancement to higher roles, lateral movement, and job enhancements. We believe in providing our employees with a variety of paths to grow and excel within the organisation.

Our performance management process is meticulously structured to align with our Key Performance Indicators (KPIs). This ensures that employee efforts are directed towards achieving strategic objectives, contributing to the overall success of the organisation.

Through these initiatives, we strive to empower our employees to reach their full potential, driving both individual and organisational growth.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. At IIFL Capital, employee health, safety and wellbeing are integral to our people philosophy. As a financial services organisation, while occupational health and safety risks are relatively low, we are committed to providing a safe, healthy and secure workplace through a combination of preventive healthcare, employee wellbeing initiatives, workplace safety measures and comprehensive insurance coverage.

Our health and safety framework includes the following:

i) Mental Health & Emotional Wellbeing

The Company provides employees with access to a confidential **Employee Assistance Programme (EAP)** through **YourDOST**, offering professional counselling and emotional wellbeing support. The programme includes **24x7 access to certified psychologists**, as well as **self-assessment tools, coping strategies, and emotional wellbeing resources** to support employees in managing personal and professional challenges and enhancing overall mental wellbeing.

Throughout the year, mental health awareness initiatives, expert-led webinars and offline wellbeing sessions were conducted to promote resilience, stress management and overall psychological wellbeing.

ii) Physical Health & Preventive Care

The Company encourages preventive healthcare through a range of employee wellness initiatives, including:

- Annual Health Check-up for eligible employees.
- Doc@Work medical consultation services, providing employees with access to qualified medical practitioners.
- Health awareness campaigns, including Bone Mineral Density (BMD) check-ups, eye check-up camps, nutrition consultations and disease awareness sessions.
- Yoga@Work sessions, Step-a-thon challenges and fitness initiatives promoting healthy lifestyles and physical wellbeing.

iii) Health Insurance & Employee Benefits

All permanent employees are covered under the Company's Group Mediclaim, Group Personal Accident, and Group Term Life Insurance policies, providing financial protection and healthcare support for employees and their eligible dependents. Health insurance coverage extends to the employee, spouse, children up to 25 years of age, and either parents or in-laws, with an option to avail additional top-up coverage. Through its healthcare partner, the Company also provides 24x7 teleconsultation access to general physicians and discounted medicines, diagnostic tests, and healthcare services for employees and their eligible dependents.

iv) Workplace Safety & Emergency Preparedness

The Company maintains a safe working environment through:

- Fire safety awareness programmes and evacuation drills.
- Designated Fire Marshals across office locations.
- Compliance with applicable workplace safety regulations and emergency response protocols.

v) **Community Health & Employee Engagement**

The Company encourages employees to actively participate in initiatives that promote health, wellbeing and social responsibility, including:

- Blood Donation Drives across office locations.
- Wellness campaigns and awareness programmes throughout the year.
- Participation in fitness and health initiatives that encourage healthy habits and community engagement.

vi) **Employee Wellbeing & Continuous Improvement**

Employee wellbeing is continuously strengthened through regular engagement initiatives, feedback mechanisms and awareness programmes. Inputs received through employee listening platforms help the Company enhance its wellbeing initiatives and create a healthier, more supportive workplace.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Being a financial services company, the employees work in a low-risk environment and are not potentially exposed to any significant occupation workplace hazards. Nevertheless, IIFL Capital strives to create a conducive workplace, free of hazards and promote the health and wellbeing of its employees.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes. Any complaints under Workplace Health & Safety Policy shall be directed to Head – Human Resource / Head – Admin of the Company.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. The Company has insured its employees under the group term insurance, health insurance and accidental insurance Policies.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NA	NA
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NA	NA
No. of fatalities	Employees	NIL	NIL
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

Including in the contract workforce.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

As a financial services organisation, the Company is committed to providing a safe, healthy, and supportive work environment for all employees. The Company has established a Health and Safety at the Workplace Policy and continues to implement initiatives that promote physical, mental, and emotional well-being.

To ensure workplace safety and emergency preparedness, periodic fire safety training sessions and evacuation drills are conducted across locations, with designated fire marshals supporting emergency response efforts.

The Company adopts a proactive approach towards preventive healthcare and employee wellness through a range of initiatives. During the year, employees were provided access to annual health check-ups, bone density screening camps, eye check-up camps, and nutrition-at-office sessions aimed at promoting preventive healthcare, healthy lifestyle choices, and overall well-being.

Recognizing the importance of mental health, the Company provides employees with access to confidential counselling services through its Employee Assistance Program (EAP). Regular mental health webinars and awareness sessions are conducted to encourage open conversations around emotional well-being and build resilience in the workplace. The Company also undertook initiatives to assess employee happiness and well-being through a Happiness Score survey, enabling it to better understand employee needs and strengthen workplace engagement.

The Company remains committed to supporting the diverse wellness needs of its workforce. During the year, specialised women's wellness programmes focusing on hormonal health and overall well-being were conducted to raise awareness and encourage preventive care.

To promote physical fitness and healthy habits, employees were encouraged to participate in wellness initiatives such as stepathons and other health-focused engagement activities that foster a culture of active living and collective well-being.

Additionally, employees are covered under Group Term Insurance and Personal Accident Insurance policies, providing financial protection and support for employees and their families.

Through these initiatives, the Company continues to foster a workplace culture that prioritises safety, health, and holistic well-being, enabling employees to thrive both personally and professionally.

13. Number of Complaints on the following made by employees and workers:

	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	-	NIL	NIL	-
Health & Safety	NIL	NIL	-	NIL	NIL	-

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	All our offices are internally assessed periodically through internal audits for various aspects of health and safety measures and related working condition.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

NIL

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes. The Company provides financial and social security support to employees' families in the unfortunate event of an employee's demise. This includes benefits under Group Term Insurance, Group Personal Accident Insurance, gratuity (including in cases where the employee has not completed five years of service, as applicable), and other retiral benefits. Additionally, in the event of death or permanent incapacity during employment, eligible employee stock options are vested in accordance with the applicable scheme and policy provisions.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has established controls and review mechanisms to promote compliance with statutory obligations across its value chain. Payments to vendors are processed only after verification of applicable statutory compliance requirements, including GST-related filings and other supporting documents, wherever relevant. Internal controls, audits, and monitoring processes are in place to identify and address any compliance gaps on a timely basis.

Through these measures, the Company seeks to encourage responsible business practices and ensure compliance with applicable statutory requirements across its value chain.

3. **Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Employees	NA	NA	NA	NA

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   Yes. The Company has established processes to support employees during career transitions, including retirement and separation from employment. Employees are provided with opportunities throughout their tenure to enhance their skills and capabilities through learning and development initiatives, functional training, leadership development programmes, and continuous upskilling interventions.

5. **Details on assessment of value chain partners:**

   NIL

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   NIL

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   The Company follows a systematic approach to identify and prioritise its key stakeholder groups. The ESG Team engages with functional heads across various business verticals to obtain a comprehensive understanding of the Company's operations, business processes, and stakeholder interactions. Through detailed consultations and assessments, stakeholders who are impacted by the Company's activities or have the potential to influence the Company's performance and long-term sustainability are identified.

   The stakeholder identification process is guided by an evaluation of the nature and extent of the Company's engagement with each stakeholder group, the significance of their expectations and concerns, and the degree of their influence on business operations. Simultaneously, the Company assesses the economic, environmental, and social impacts of its activities on these stakeholders. Based on this assessment, key stakeholder groups are prioritised and their interests are incorporated into the Company's governance and decision-making processes.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

   The Company maintains ongoing engagement with its key stakeholder groups through structured and continuous communication channels to understand their expectations, concerns, and feedback. Insights gathered from these interactions support informed decision-making, strengthen stakeholder relationships, and contribute to the Company's long-term sustainable growth. Engagements are undertaken on a periodic or need-based basis, depending on the nature and materiality of the stakeholder relationship.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication ((Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Corporate website • Inbound all lines available • Digital platforms • Social media • Customer relationship managers • Customer satisfaction surveys • Media campaigns & Advertising • Knowledge seminars & events • Email	• Daily • Weekly • Monthly • Annually	To get an update on their experience working with us, their evolving needs of financial/ investing solutions and to address their grievances. Matters important to them include: • Trust • Data & cyber security • Quality of customer service • Investment in new technologies
Business Partners & Vendors	No	• One-to-one meeting with the top management • Product/process trainings for new and old partners • Industry Speak and Product Team Webinars for product updates • Channel partner meets • Conferences and Forums • Written communications	• Daily • Weekly • Monthly • Annually	To drive awareness about relevant, new and existing offerings of our Company. To align their business objectives with that of our Company and address their grievances. Matters important to them include: • Maintaining relationships • Growth opportunities • Quick and efficient payments • Quick response to queries
Employees	No	• Direct Interactions • Email, SMS, Whatsapp • Town halls • Webinars • Employee surveys • Learning & Development initiatives • Amber initiative platform • Engagement initiatives/ offsites	• Ongoing, Need basis • Weekly • Monthly • Annually	• Learning and development opportunities • Upskilling and professional capability enhancement • Career development and growth prospects • Career management and succession planning • Performance management and feedback mechanisms • Compensation and benefits structure • Employee motivation and recognition • Diversity, Equity and Inclusion (DEI) • Employee wellness, health and safety • Building a safety-conscious culture and promoting safe workplace practices • Exchange of ideas, suggestions, and innovation • Enhancing employee experience and workplace satisfaction

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication ((Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Rating Agencies & Lenders	No	• Presentations & written communications • Meetings on strategy, financial plans, risk management, & other business related updates	• Event-based	To update them about the Company's performance, take their inputs on maintaining our credit rating. Matters important to them include: • Liquidity and risk management, and risk mitigation strategies • Growth plans
Regulatory bodies & Market Infrastructure Institution (MII), Stock exchange & depository	No	• Industry associations • One-to-one meetings • Mailers/representation • Regulatory Audit	• Weekly • Event-based • Annual	• Provide regular feedback on the regulatory compliance requirements applicable to us. • Stay Informed about new & emerging regulations. Matters important include : • Regulatory Compliance • Policy Advocacy
Shareholders & Investors	No	• Annual General Meetings • Roadshows/Sector specific conferences • Investor and Analyst meets, Conference calls • Annual Reports • Investor Presentations, Quarterly Earnings Update, Company announcements • Company website • Media Releases	• Quarterly • Half-yearly • Annually • Event-based	To update them about the financial and operational performance of the Company. To respond to their queries and concerns. Matters important to them include: • Brand reputation and trust • Strong, consistent financial performance • Share price performance & dividend payment • Strong risk management mechanism • Business strategy • Governance, ethics & transparency
Communities	Yes	• CSR initiatives • Empowerment programs	• Daily • Weekly • Annually	To implement programs aimed at driving welfare, inclusive growth and equitable development of the marginalised sections within our communities. To understand their needs and initiate programs, wherever feasible. Matters important to them include: • Social & Educational empowerment/ Health/ Livelihood • Monitor, review and reporting of activities

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company maintains an ongoing stakeholder engagement process through key functions such as CSR, Marketing, Human Resources, Compliance, Finance & Accounts, and other relevant departments. These teams regularly interact with their respective stakeholder groups and consolidate key insights, concerns, and expectations. The feedback is reviewed by the ESG Team and presented to the ESG Committee, which provides strategic direction and, where required, escalates significant matters to the Board for oversight and guidance. This structured governance mechanism ensures that stakeholder perspectives are effectively integrated into the Company's decision-making processes, enabling responsive actions and fostering long-term sustainable value creation.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   In FY 2025, the Company, in collaboration with PwC, conducted a stakeholder engagement and materiality assessment to identify and prioritise key ESG issues. Consultations were undertaken with internal stakeholders (Senior Leadership Team and employees) and external stakeholders (lenders, customers, business partners, shareholders, and investors) through an online survey covering governance, environmental, and social topics.

   Based on stakeholder feedback and management inputs, material issues were categorised as High, Medium, and Low and subsequently reviewed and validated by the ESG Committee and the Board. In FY 2026, the Company established targets for 'High' materiality issues and achieved meaningful progress against these priorities. For details refer Section B of General Disclosures.

   During FY 2026, the Company voluntarily obtained reasonable assurance over its BRSR Core disclosures from Kirtane & Pandit LLP. The assurance covered detailed evaluation of ESG data, assumptions, policies, processes, and controls, with recommendations being implemented to further strengthen ESG reporting and governance practices.

   Additionally, the Company has undertaken ISO 14001:2015 certification for its Environmental Management System, resulting in a review and enhancement of environmental policies and practices, wherever required.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   IIFL Capital, through IIFL Foundation, undertakes CSR initiatives focused on fostering inclusive community development and improving the quality of life of underserved communities. During FY 2026, the Company implemented several impactful projects across education, healthcare, skill development, and social infrastructure, including:

   - **Sakhiyon Ki Baadi (Rajasthan):** Strengthened foundational literacy among girls from Scheduled Tribe (ST) and Scheduled Caste (SC) communities through IIFL Foundation's flagship education initiative.
   - **Skill Development in Kashmir:** Conducted Beauty and Wellness training programmes for youth in Baramulla, enhancing employability and livelihood opportunities for vulnerable communities.
   - **Government School Construction (Baran, Rajasthan):** Supported education infrastructure by constructing a Government School in Baran, an aspirational district.
   - **Healthcare Support (Mumbai):** Donated dialysis machines to a Hemodialysis Centre in Kandivali, enabling 100% free treatment for economically weaker patients suffering from chronic kidney diseases.
   - **School Transportation Support (Valsad, Gujarat):** Provided a school bus to facilitate safe transportation of tribal children between hostel and school.

Note: On an average 80% of beneficiaries of the activities were from marginalised & disadvantaged groups. For details of projects, refer 'Social and Relationship Capital' in the narrative section.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	Total (A)	No. employees / workers covered (B)	% (B / A)	Total (C)	No. employees / workers covered (D)	% (D / C)
Employees						
Permanent	1553	1553	100%	1558	1526	98%
Other permanent Than	6	6	100%	21	21	100%
Total Employees	**1559**	**1559**	**100%**	**1579**	**1547**	**98%**

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

The Company is steadfast in promoting and upholding human rights across its business operations, ensuring nondiscrimination on any basis, including race, color, sex, language, religion, political opinions, national or social origin, property, birth, or other status.

To reinforce this commitment, we have implemented a comprehensive Human Rights Policy, which is disseminated among employees through various channels, including social media and internal communication platforms such as intranets and mailers. This ensures awareness and understanding of our stance on human rights throughout the organisation.

Furthermore, we prioritise the prevention of sexual harassment of women at the workplace by conducting mandatory training modules for all employees. This initiative underscores our dedication to fostering a safe and respectful work environment for everyone.

The Company's Human Rights Policy and Prevention of Sexual Harassment (POSH) Policy are accessible on its website and available to all stakeholders.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2026 Current Financial Year					FY 2025 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	1,553	-	-	1,553	100%	1,558	-	-	1,558	100%
Male	1,170	-	-	1,170	100%	1,191	-	-	1,191	100%
Female	383	-	-	383	100%	367	-	-	367	100%
Other than Permanent	6	-	-	6	100%	21	-	-	21	100%
Male	5	-	-	5	100%	14	-	-	14	100%
Female	1	-	-	1	100%	7	-	-	7	100%

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in Mn)	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	2.85	1	2.53
Key Managerial Personnel	2	9.6	1	5.8
Employees other than BoD and KMP	1159	1.3	382	0.8

The above data pertains to IIFL Capital only.

The Managing Director and Whole-Time Director are Key Managerial Personnel who are covered under Board of Directors.

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Gross wages paid to females as % of total wages	16.11%	10.59%

The increase in the proportion of gross wages paid to female employees was primarily driven by the recruitment of women into senior roles increasing the diversity at these levels.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. As outlined in the Company's Human Rights Policy, the Head of Human Resources assumes responsibility for addressing any human rights-related concerns that may arise.

Additionally, a dedicated email address is provided for raising complaints under the Policy on Prevention of Sexual Harassment at the Workplace. This ensures a confidential and accessible avenue for employees to report any incidents or concerns. Furthermore, an Internal Complaints Committee has been constituted under the said Policy to handle and resolve matters in accordance with the Policy. This Committee is tasked with ensuring the fair and prompt resolution of issues related to sexual harassment at the workplace. These measures underscore our commitment to upholding human rights principles and fostering a safe and respectful work environment for all employees.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We have a robust Employee Grievance Redressal Policy, providing a transparent platform for employees to address concerns falling within the scope of our welfare policies. These include our Human Rights Policy, Diversity and Inclusion Policy, Equal Opportunity Policy, and Workplace Health and Safety Policy. Employees can easily raise grievances by either emailing at grievance@iiflcapital.com or addressing a letter to the Head of Human Resources for prompt resolution.

In line with our commitment to fostering a safe and respectful workplace, the Company maintains a zero-tolerance policy towards harassment and discrimination. Our Policy for Prevention of Sexual Harassment at Workplace, aligned with the Sexual Harassment of Women at Workplace Act, 2013, aims to provide protection and redressal for complaints of sexual harassment. Employees can report grievances related to sexual harassment by emailing at posh@iiflcapital.com, with an Internal Complaints Committee dedicated to investigation and resolution.

Furthermore, our Whistleblower Policy serves as a vigilant mechanism for stakeholders, including individual employees, to report unethical or unlawful practices. Employees are encouraged to communicate concerns regarding illegal or unethical behavior by emailing at iiflcapwhistleblower@iiflcapital.com. In exceptional cases, direct access to the Chairman of the Audit Committee is provided to ensure the integrity of the reporting process.

To ensure widespread awareness and understanding of our policies, regular communication and awareness campaigns are conducted through various employee channels such as the intranet, mailers, and WhatsApp campaigns. These initiatives aim to empower employees with knowledge and resources to uphold our shared values of integrity, respect, and accountability in the workplace.

6. Number of Complaints on the following made by employees and workers:

	FY 2026 Current Financial Year			FY 2025 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	2	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

The Company does not employ or engage any 'worker', as defined in the guidance note on BRSR, issued by SEBI.

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	2
Complaints on POSH as a % of female employees / workers	0	0.5%
Complaints on POSH upheld	0	2

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company ensures comprehensive protection against any form of unfair practice, including retaliation, threats, intimidation, or discriminatory behavior towards employees who disclose or raise concerns under the Employee Grievance Redressal Policy or the Prevention of Sexual Harassment at Workplace Policy in good faith.

Employees are safeguarded against adverse actions such as termination, suspension of service, disciplinary measures,transfer, demotion, refusal of promotion, discrimination, harassment, or biased behavior when making disclosures believed to be substantially true and without malicious intent.

Furthermore, grievances reported under the Policy on Prevention of Sexual Harassment at Workplace are handled with the utmost sensitivity and confidentiality, fostering a safe and supportive environment for employees to seek resolution and support. accountability, and trust, ensuring that grievances are addressed effectively and in accordance with applicable laws and internal policies.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Human rights requirements form a part of the Company's business agreements and contracts as and where relevant.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The Company internally monitors compliance for all relevant laws and policies pertaining to these issues. There have been no observations by local statutory/third parties in India in FY 2026.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

In FY 2026, there were no issues identified in relation to above provided list and hence no corrective action was taken.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

No business processes were required to be modified or introduced as there were no instances of grievance or complaints registered.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company conducts annual internal and external HR audits, incorporating human rights due diligence to assess adherence to ethical labour practices, employee rights, and applicable laws. This strengthens our commitment to responsible business conduct, transparency, and a safe and equitable workplace.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Company is committed to providing an inclusive and accessible environment for differently abled visitors and employees across its premises. The Corporate and other large offices of the Company are equipped with ramps to facilitate easy and safe movement for differently abled visitors. The Company continues to assess its office infrastructure on an ongoing basis and undertakes necessary modifications, wherever feasible, to enhance accessibility in line with the requirements of the Rights of Persons with Disabilities Act, 2016.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings. However, no formal assessment/examination of value chain partners has been conducted.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable, since there was no assessment conducted.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	2,380.18 GJ	2,777.17 GJ
Total fuel consumption (B)	-	-
Energy consumption Through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**2,380.18 GJ**	**2,777.17 GJ**
From non-renewable sources		
Total electricity consumption (D)	7,389.36 GJ	5,567.80 GJ
Total fuel consumption (E)	430.46 GJ	325.01
Energy consumption Through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**7,819.82 GJ**	**5,892.81 GJ**
Total energy consumed (A+B+C+D+E+F)	**10,200 GJ**	**8,669.98 GJ**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.00000048	0.00000042

Parameter	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)# (Total energy consumed / Revenue from operations adjusted for PPP)	0.0000098	0.0000087
Energy intensity in terms of physical output	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	6.54	5.49

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the FY 2026 by International Monetary Fund (IMF) for India which is 20.34 ₹/US$.

FY 2024-25 figures have been restated to reflect renewable energy consumption at two office locations based on Green Energy Certificates. Accordingly, the energy mix and Scope 2 emissions have been revised; total energy consumption remains unchanged.

Reasonable Assurance of BRSR Core has been carried out by Kirtane & Pandit LLP.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	
(iii) Third party water	16,767.04 KL	16,982.14 KL
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**16,767.04 KL**	**16,982.14 KL**
Total volume of water consumption (in kilolitres)	**3,353.41 KL**	**3,396.42 KL**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.00000016	0.00000016
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.0000032	0.0000034
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	2.15	2.15

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the FY 2026 by International Monetary Fund (IMF) for India which is 20.34 ₹/US$.

The Company's water consumption and waste water discharge have been estimated using benchmark prescribed by the Central Ground Water Authority (CGWA), as water consumption is not currently measured through dedicated water meters across all facilities. The estimation is based on a per capita water consumption norm of 45 litres per employee per working day. Additionally, it has been assumed that 20% of the water withdrawn is retained/consumed, while the remaining 80% is discharged as waste water.

To ensure consistency and comparability across reporting periods, the corresponding figures for the previous reporting year have been restated using the same estimation methodology and assumptions.

Reasonable Assurance of BRSR Core has been carried out by Kirtane & Pandit LLP.

4. **Provide the following details related to water discharged:**

Parameter		FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)			
(i)	To Surface water		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
(ii)	To Groundwater		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
(iii)	To Seawater		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
(iv)	Sent to third-parties		
-	No treatment	-	-
-	With treatment – please specify level of treatment	-	-
(v)	Others		
-	No treatment	13,413.64	13,585.72
-	With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)		**13,413.64**	**13,585.72**

Usage of water in IIFL Capital is essentially for domestic purpose like drinking and sanitation for employees. Being a financial service sector company, no effluent discharge is involved in its business activity.

Reasonable Assurance of BRSR Core has been carried out by Kirtane & Pandit LLP.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   Given the nature of industry in which the Company operates, it does not discharge huge amounts of water/liquid products. Hence this question does not applies to us.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Nox	Not Applicable		
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Given the nature of its business, air emissions other than GHG emissions are not material to the organisation; therefore, no independent assessment or evaluation of such emissions has been carried out.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	83.91 tCO_2e	58 tCO_2e
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	1,456.70 tCO_2e	1126.41 tCO_2e
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.000000073	0.000000058
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)# (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.0000015	0.0000011
Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity: (Total Scope 1 and Scope 2 emission/total number of permanent employees)		0.99	0.75

The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2026 by International Monetary Fund (IMF) for India which is 20.34 ₹/US$.

Scope 1 emissions arise from direct activities such as diesel combustion for power generation, the use of fire extinguishers in mock drills, disposal of CO_2-based extinguishers, and gas refilling during maintenance or leakage repair of air conditioning systems.

Scope 2 emissions covers electricity consumed by the organisation

FY 2024-25 figures have been restated to reflect renewable energy consumption at two office locations based on Green Energy Certificates. Accordingly, the energy mix and Scope 2 emissions have been revised; total energy consumption remains unchanged.

Reasonable Assurance of BRSR Core for has been carried out by Kirtane & Pandit LLP.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

- The corporate and registered office are powered through green-energy procurement.
- LEED certified building/office – One office in Mumbai and Gurugram.
- Installed solar panels at one of the offices.
- Treatment of e-waste in environment friendly manner.
- Focused efforts to drive digitalisation and reduce paper consumption.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	0.04	0.04
E-waste **(B)**	0.53	0.48
Bio-medical waste **(C)**		

Parameter	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Construction and demolition waste **(D)**		
Battery waste **(E)**		
Radioactive waste **(F)**		
Other Hazardous waste. Please specify, if any. **(G)**		
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	4.02	3.95
Total (A+B + C + D + E + F + G + H)	**4.59**	**4.47**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000000022	0.00000000021
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)# (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000044	0.0000000043
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	0.0029	0.0029
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	The Company has defined procedures in place to dispose off e-waste through authorised e-waste vendors. The Company receives certificate from the vendor for the same.	
(ii) Landfilling		
(iii) Other disposal operations		
Total		

#The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the FY 2026 by International Monetary Fund (IMF) for India which is 20.34 ₹/US$.

The above data pertains to IIFL Capital & IIFL Facilities Services Limited.

Reasonable Assurance of BRSR Core has been carried out by Kirtane & Pandit LLP.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Given the nature of its business, the Company does not use hazardous or toxic chemicals. The primary waste generated includes paper, plastic, and e-waste such as desktops, laptops, monitors, printers, scanners, and tablets.

The Company follows defined procedures for the safe disposal of e-waste through authorised recyclers and implements various initiatives to reduce waste and promote resource efficiency. These include access-controlled and double-sided printing, employee awareness on digital adoption, installation of paper shredders, and engagement of authorised vendors for paper recycling. The Company has also digitised key processes through digital contract notes and 100% digital client onboarding.

Further, the Company does not use single-use plastics across its offices and branches and utilises biodegradable garbage bags for waste collection and disposal, reflecting its commitment to responsible environmental management.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable, given that large part of our branches and offices are in commercial buildings.			

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Based on the nature of its business, the Company complies with applicable environmental norms.				

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

i. Name of the area – Not applicable

ii. Nature of operations - Not applicable

iii. Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

Parameter	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not applicable	
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2026 (Current Financial Year)	FY 2025 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	1791.67tCO_2e	1,536.44 tCO_2e
Total Scope 3 emissions per rupee of turnover		0.000000085	0.000000071
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		1.15	0.99

For Scope 3 emissions, the Company reports on the below categories:

Business Travel (Category 6): Covers air, rail and cab travel, with emissions estimated on a spend basis.

Employee Commuting (Category 7): Calculated based on Company's employee Commuting survey data, considering mode of transport, distance travelled and applicable emission factors.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Green Power Procurement	Green Power Procurement has been made for our Registered Office and Corporate Office.	Reduction in use of carbon intensity, conventional power and reducing carbon footprint.
2	Rain Water Harvesting and Reuse of Water Resources	The organisation has implemented several water conservation initiatives at its registered office, including a rainwater harvesting system that collected and reused approximately 4.38 Lakhs litres of water. In addition, water discharged from the Reverse Osmosis (RO) system is reused for flushing purposes, while surplus RO water is channelled into the borewell to support groundwater recharge, thereby minimising water wastage and promoting sustainable water management.	These measures reflect the organisation's commitment to sustainable water management and environmental conservation.
3	Use of energy efficient LEDs	Our offices are equipped with LED lights.	Decreased energy consumption, contributing to sustainability efforts.
4	Responsible disposal of Sanitary Napkins	The Company is disposing sanitary waste responsibly.	Promotion of environmental stewardship and community health.
5	Collection, segregation and disposal of waste	The Company follows segregation and disposal of biodegradable and non-biodegradable waste in accordance with the local municipal laws and regulations.	The organisation's responsible waste disposal practices have contributed to a positive environmental impact.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has a Business Continuity Management Policy (BCM) duly approved by the Risk Management Committee and the Board of Directors.

The purpose of the Policy is to formalise the business continuity program of the Company and to provide guidelines for developing, implementing, exercising and maintaining specific business continuity plans for the respective departments of the organisation. More importantly, the Policy seeks to provide for the recovery of critical and important processes in accordance with pre-established timeframes, restoration of the processing site and ultimately return to a permanent operating environment. BCM Policy is aligned with ISO 22301:2019 Business Continuity Management System Standard and applicable SEBI Guidelines.

The Company also has a robust Business Continuity Framework consisting of Crisis Management Team, Business Continuity Steering Committee, detailed Business Continuity Plan, Business Continuity Management Charter, IT DR Plan, Business Continuity Management Procedure, Business Impact Analysis, Risk Assessment & Business Continuity Awareness. In terms of the framework, the Business Impact Analysis is required to be updated regularly to determine the adequacy of recovery strategies. The strategies for recovery of critical and important processes are required to be updated in Business Continuity Plan. Periodic High Availability tests & IT DR Drill tests are also carried out.

Further, Technology team reviews the Disaster Recovery Plan of the Company.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Given the nature of the Company's business, there has been no adverse impact on environment and the Company also expects all its value chain partners to follow existing regulations to avoid adverse impact to the environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

No assessment with regard to environmental impact was conducted for the value chain partners.

8. How many Green Credits have been generated or procured by the listed entity?

Nil

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

   Four

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Association of National Exchanges Members of India	National
2	Bombay Stock Exchange Brokers' Forum	National
3	Commodity Participants Association of India	National
4	Data Security Council of India (DSCI)	National

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
	NIL	

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such Advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1.	Representation regarding Fit and Proper Person' Criteria - Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008 'Fit and Proper Person' Criteria	Representation sent to SEBI on suggestion regarding Fit and proper person criteria	No	NA	NA
2.	Representation regarding a. NSE Circular vide dated August 01, 2025 on Operational Guidelines for Non-Resident Indians(NRI) in F&O Segment b. NSE circular vide dated October 30, 2025, on Revision w.r.t client categories in Unique Client Code database	Representation email sent to SEBI & Industry Standards Forum (ISF)	No	NA	NA
3.	Representation regarding Modified norms for Nomination in Demat accounts and Mutual Fund Folios as prescribed under SEBI Circular No. SEBI/ HO/OIAE/OIAE_IAD-3/P/ ON/2025/01650 - Revise and Revamp Nomination Facilities in the Indian Securities Market dated January 10, 2025	Representation email sent to SEBI & Industry Standards For (ISF) on suggestion for modified norms for nomination in demat accounts and mutual fund folios, follow up on T+0 implementation	No	NA	NA

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

Although IIFL Capital's core operations do not have a direct impact on local communities, the Company actively contributes to community development through its CSR initiatives undertaken through India Infoline Foundation (IIFL Foundation), the implementing agency. IIFL Capital has a CSR policy which provides for 3-tier mechanism for raising any concerns or grievances from various stakeholders and addressing the same. The Policy can be accessed on the Company's website at https://files.iiflcapital.com/assets/CSR_Policy_21_286d8045bc.pdf

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2026 (Current Financial Year)	FY 2025 Previous Financial Year
Directly sourced from MSMEs/ small producers	10.35%	12%
Directly from within India	100%	100%

Above information pertains to IIFL Capital only.

The variation in MSME procurement reflects changes in business and procurement requirements during the year and is not indicative of any change in the Company's procurement approach.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2026 (Current Financial Year)	FY 2025 Previous Financial Year
Rural	-	-
Semi-urban	-	0.08%
Urban	1.28%	1.39%
Metropolitan	98.72%	98.53%

The above data pertains to IIFL Capital and IIFL Facilities Services Limited.

(Location has been categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan).

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Rajasthan	Baran	1,20,00,000.00
2	Rajasthan	Sirohi	33,00,000.00
3	Jammu & Kashmir	Baramulla	19,96,050.00
4	Uttarakhand	Haridwar	24,00,000.00

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)**

   Yes. The Company has a Procurement Policy that promotes inclusive and responsible sourcing by providing preference to MSMEs and other eligible suppliers, wherever feasible and aligned with business requirements.

   (b) From which marginalised /vulnerable groups do you procure?

   Vendors/suppliers that fall in the Scheduled Caste & Scheduled Tribe communities.

   (c) What percentage of total procurement (by value) does it constitute?

   10% of total procurement of IIFL Capital in relation to CSR activities undertaken through IIFL Foundation.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Sakhiyon Ki Baadi	11,705	100%
2	Construction Support to Baran School	233	100%
3	Scholarship for Students- IIT Bombay	75	100%
4	Donation of School Bus	68	100%
5	Vocational Training in Government School	240	100%

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
6	Bicycle Donation	100	100%
7	Support to Tattva University	4,200	40%
8	Lecture Hall Construction	1,000	50%
9	Donation of Dialysis Machine	1,200	100%
10	Tree Plantation#	12,932	-
11	Support to women led start-up	1,000	80%
12	Heatwave Resilience Project	8,000	100%
13	Donation of Road Sweeper Truck	20,124	70%
14	Training in Beauty and Wellness	90	100%
15	Support to athletes and para athletes	16	100%
16	Construction support to Pahari Cultural Centre	2,400	50%

**The above CSR projects are aligned with the thematic areas as per the Company's CSR Policy.*

#The number represents the number of trees planted.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has established a robust customer grievance redressal framework to ensure timely receipt, tracking, and resolution of customer complaints and feedback. Complaints and service requests can be lodged through multiple channels, including Relationship Managers (RMs), branch offices, customer service helplines, emails, web-based queries, social media platforms, letters, personal visits, chatbot services, WhatsApp services, and regulatory platforms such as SEBI, stock exchanges, and depositories.

A centralised Customer Relationship Management (CRM) system is used to record, track, and monitor all complaints and queries. Each complaint is assigned a unique case ID and is subject to an automated escalation matrix to ensure timely resolution. Dedicated customer service teams and regulatory grievance handling teams investigate and respond to complaints within prescribed turnaround timelines, with escalations to senior management where required.

The Company also provides self-service tools, including the **IIFL Capital Help** portal, **Ask IIFL Chatbot**, and **WhatsApp-based services**, enabling customers to access information, raise queries, and receive support on a 24x7 basis.

Complaints received through regulatory channels are separately tracked and monitored through a centralised database, with regular reviews of complaint status, resolution timelines, and corrective actions. Feedback and complaint trends are periodically analysed to identify process improvements and strengthen customer service mechanisms. Regular reports on customer grievances and their resolution status are reviewed by senior management, Audit Committee and the Board.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable to our products & services.
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

	FY 2026 (Current Financial Year)		Remarks	FY 2025 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL	NA	NIL	NIL	NA
Advertising	NIL	NIL	NA	NIL	NIL	NA
Cyber-security	NIL	NIL	NA	NIL	NIL	NA
Delivery of essential services	NIL	NIL	NA	NIL	NIL	NA
Restrictive Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Unfair Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Other *	0	0	NA	8	6	Alleging deficiency in service

**The complaints pertain to consumer cases.*

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes. IIFL Capital has established and implemented a comprehensive Information and Cyber Security Framework governed through its Board-approved Information and Cyber Security Policy. The framework is designed to protect the confidentiality, integrity and availability of information assets and stakeholder data through a combination of organisational, people, physical, and technological controls. It includes formal processes for cyber risk management, security governance, threat intelligence, security monitoring, incident response, vendor risk management, access control, data classification, data leakage prevention, vulnerability management, business continuity, and cyber resilience. The Policy also specifically addresses privacy and protection of personally identifiable information (PII) and requires compliance with applicable legal, regulatory, and contractual requirements, including data protection and privacy obligations.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   There were no complaints reported during the reporting period relating to advertising, delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls or penalty / action taken by regulatory authorities on safety of products / services. Accordingly no material corrective action was required to be taken by the Company in FY 2026.

   IIFL Capital has implemented a Board-approved Information and Cyber Security framework supported by robust governance, cyber risk management, SOC-based continuous monitoring, vulnerability management, data leakage prevention, access controls, vendor risk management, incident response, and privacy safeguards for customer information and personally identifiable information (PII). The framework is periodically reviewed to address evolving cyber threats and strengthen the organisation's cyber resilience posture.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches - Nil

b. Percentage of data breaches involving personally identifiable information of customers - Nil

c. Impact, if any, of the data breaches – Not applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information regarding the products and services offered by the Company is comprehensively available across several channels and platforms, ensuring transparency and ease of access for all stakeholders. These avenues include:

Official website:

Information on products and services of the Company can be accessed at www.iiflcapital.com

Mobile Application:

One Stop Shop for Smart Financial Market Investors. Available on Google Play store and Apple App. Detailed at https://www.indiainfoline.com/iifl-markets-mobile-app

Help Desk & Customer Care:

Direct support for inquiries related to products and services available at https://www.iiflcapital.com/contact-us

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Consumers are regularly informed and educated about safe and responsible usage of service through updation of information on the website of the Company and sending regular emails, SMS and notification in this regard.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Consumers are informed of any risk of disruption/discontinuation of essential services through call centre, website, emails and SMS.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

IIFL Capital follows all guidelines issued by Regulators like Securities Exchange Board of India and Association of Mutual Funds in India (AMFI) for any product solicitation. The Company takes pre-requisite approval from local and other regulatory agencies for any promotional activities thereby leading to ethical marketing and advertising practices. With respect to Mutual Funds our relationship representatives are AMFI certified to solicit the product that suits the customer. The Company follows basic code of conduct and ethics defined to solicit other wealth management products.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company measures customer satisfaction through feedback links included in written client communications and Interactive Voice Response (IVR) based feedback for call interactions. During FY 2026, the Company recorded a Customer Satisfaction Score (CSAT) of 77% demonstrating a high level of customer satisfaction with its services.

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION ON BRSR CORE IN IIFL CAPITAL SERVICES LIMITED

To,
The Board of Directors,
IIFL Capital Services Limited
Mumbai – Maharashtra, India

We ("Kirtane & Pandit LLP" or "the firm") have undertaken to perform a reasonable assurance engagement, for IIFL Capital Services Limited ("IIFLCSL" or "the Company") in respect of the agreed Sustainability Information, listed below (the "Identified Sustainability Information") pertaining to Business Responsibility and Sustainability Report Core ("BRSR Core"), as notified by SEBI vide Circular dated July 12, 2023. This Sustainability Information is as included in the Business Responsibility and Sustainability Report ("BRSR" or "the report") of the Company for the year ended March 31, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners, environmental engineers and specialists.

IDENTIFIED SUSTAINABILITY INFORMATION

Our scope of reasonable assurance consists of the BRSR Core indicators listed in the Annexure I to our report. The reporting and assurance boundary of the Report covers the performance of IIFL Capital Services Limited together with its subsidiary, IIFL Facilities Services Limited, on a consolidated basis (as disclosed in Question 13 of Section A: General Disclosure of the BRSR), that fall under the direct operational control of the Company, unless otherwise stated in the table below:

BRSR Core Indicator	Reporting & Assurance Boundary
Principle 1, Essential Indicator 8 (Number of days of accounts payable)	Reported for IIFL Capital Services Limited only (standalone), as disclosed by way of note under the respective question of the BRSR.
Principle 1, Essential Indicator 9 (Open-ness of business)	Reported for IIFL Capital Services Limited only (standalone), as disclosed by way of note under the respective question of the BRSR.

REPORTING CRITERIA

- The criteria used by the Company to prepare the Identified Sustainability Information is BRSR Core –
- Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended;
- Framework issued by SEBI Circular dated July 12, 2023.
- Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No. SEBI/HO/ CFD/PoD2/CIR/P/0155 dated November 11, 2024 (the "SEBI Master Circular");
- SEBI Press Release PR No.36/2024 dated December 18, 2024; Industry Standards on Reporting of BRSR Core as per SEBI Circular SEBI/HO/CFD/CFD-PoD- 1/P/CIR/2024/177 dated December 20, 2024; and
- SEBI Circular SEBI/HO/CFD/CFD - PoD-1/P/CIR/2025/42 dated March 28, 2025.
- Standard on Sustainability Assurance Engagements (SSAE) 3000 and SSAE 3410 issued by the Sustainability Reporting Standards Board (SRSB) of the Institute of Chartered Accountants of India (ICAI), effective March 31, 2024

Our reasonable assurance engagement was with respect to the year ended March 31, 2026 only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the report and, therefore, do not express any opinion thereon.

MANAGEMENT'S RESPONSIBILITY

The Company's Management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information on BRSR Core, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR (including BRSR Core) and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

INHERENT LIMITATIONS

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Measurement of certain amounts and BRSR Core metrics, some of which are estimates, is subject to inherent measurement uncertainty, for example, GHG emissions, water footprint, energy footprint, waste. Obtaining sufficient appropriate evidence to support our opinion does not reduce the uncertainty in the amounts and metrics.

OUR INDEPENDENCE AND QUALITY CONTROL

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and have the required competencies and experience to conduct this assurance engagement.

The firm applies Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

OUR RESPONSIBILITY

Our responsibility is to express a reasonable assurance conclusion on the Identified Sustainability Information limited to BRSR Core listed in Annexure I, based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records. Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and measurement of the Identified Sustainability Information.
- Made inquiries of the Company's Management, including those responsible for preparing the BRSR report, finance team, human resource team amongst others and those with the responsibility for managing the Company's BRSR.
- Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for managing, recording and reporting on the Identified Sustainability Information.
- Based on above understanding and the risk that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of the further procedures.
- Performed the substantive testing on a sample basis of the Identified Sustainability Information.
- Performed the analytical procedures to support the reasonableness of the data
- Assessed the records and performed the testing including re-calculations.
- Where applicable, for the Identified Sustainability Information in the BRSR, we have relied on the information in the audited standalone and consolidated financial statements of the Company for the year ended March 31, 2026 and the underlying trial balance.
- Obtained the representations from the Management.

We have also performed such other procedures as we consider necessary in the circumstances.

Exclusions:

Our assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the Company other than the Identified Sustainability Information in Annexure-I
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e. April 01, 2025 to March 31, 2026.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.
- Testing of any financial numbers.
- Data, statements, and claims already available in the public domain through Annual Report, Sustainability Report, or other sources available in the public domain.
- The Company's compliance with regulations, acts, and guidelines with respect to various regulatory agencies and other legal matters, including Companies Act, 2013, and SEBI LODR Regulations, beyond the scope of BRSR Core.

OTHER MATTER

The Company's Management is responsible for the other information. The other information comprises the information included within the BRSR other than Identified Sustainability Information and our independent assurance report dated 23-07-2026 thereon. Accordingly, previous year's information (not subject to our assurance) mentioned in the report is not comparable with the information mentioned.

Our opinion on the Identified Sustainability Information does not cover the Other information and we do not express any form of assurance thereon. In connection with our assurance engagement of the Identified Sustainability Information, our responsibility is to read the Other information and, in doing so, consider whether the Other information is materially inconsistent with the Identified Sustainability Information or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other information, we are required to report that fact. We have nothing to report in this regard

OPINION

Based on the reasonable assurance procedures we have performed in accordance with SSAE 3000 (and SSAE 3410 for GHG disclosures) and the evidence we have obtained, in our opinion, the Identified Sustainability Information of IIFL Capital Services Limited for the year ended March 31, 2026, as listed in Annexure I to this report, is prepared, in all material respects, in accordance with the Reporting Criteria as stated above. This constitutes a reasonable assurance conclusion as defined under SSAE 3000 issued by the ICAI.

RESTRICTION ON USE

Our reasonable assurance report has been prepared and addressed to the Board of Directors of IIFL Capital Services Limited at the request of the Company solely, to assist the Company in reporting on the Company's sustainability performance and activities in relation to attributes of BRSR Core (included in BRSR). Accordingly, we accept no liability to anyone, other than the Company. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For Kirtane & Pandit LLP
Chartered Accountants
Firm registration Number 105215W/W100057

Akshay B. Purandare
Partner
Membership No. 141984
Place- Mumbai
Date: July 23, 2026
UDIN: 26141984FFGZPV4298

ANNEXURE-I

BRSR Core Attributes — Reasonable Assurance FY 2026

Sustainability Information where reasonable assurance is carried out	Cross Reference to BRSR 2025-26
Number of days of accounts payable	Under Principle 1 Question 8 of Essential Indicators
Open-ness of business	Under Principle 1 Question 9 of Essential Indicators
Spending on measures towards well-being of employees	Under Principle 3 Question 1(c) of Essential Indicators
Details of safety related incidents for employees	Under Principle 3 Question 11 of Essential Indicators
Gross wages paid to female as % of wages paid	Under Principle 5 Question 3(b) of Essential Indicators
Complaints on POSH	Under Principle 5 Question 7 of Essential Indicators
Energy footprint	Under Principle 6 Question 1 of Essential Indicators
Water footprint	Under Principle 6 Question 3 of Essential Indicators
Water Discharge by destination and levels of Treatment	Under Principle 6 Question 4 of Essential Indicators
Green-house gas (GHG) footprint	Under Principle 6 Question 7 of Essential Indicators
Waste Management	Under Principle 6 Question 9 of Essential Indicators
Input Material sourced	Under Principle 8 Question 4 of Essential Indicators
Job Creation in smaller towns	Under Principle 8 Question 5 of Essential Indicators
Instances involving loss/breach of data of customers	Under Principle 9 Question 7 of Essential Indicators

INDEPENDENT AUDITOR'S REPORT

To the Members of

IIFL Capital Services Limited (Formerly known as IIFL Securities Ltd)

Report on the Audit of the Standalone Ind AS financial statements

OPINION

We have audited the standalone Ind AS financial statements of **IIFL Capital Services Limited (Formerly known as IIFL Securities Ltd),** which comprise Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its profit, 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.

EMPHASIS OF MATTER

We draw attention to Note 31(a) to the accompanying Financial Statements, describing the search conducted by Income-Tax authorities ('the department') at the premises of the Company. In the course of the proceedings, certain legal and factual matters were examined, and the Company has fully cooperated by furnishing the requisite information and documentary evidence as sought from time to time. As a prudential measure and without prejudice to its rights and contentions, the Company has paid ad-hoc taxes aggregating to ₹36.78 million and accounted for the same as expenditure during the year under "Tax Expense short/ (excess)". The post-search assessment proceedings are currently in progress, and the Company continues to extend full cooperation to the Income-tax authorities. There are no order/ demand notices at this point and thus potential impact, if any, is not ascertainable at this stage. The Management, after considering all available records and facts, is of the view that there is no material adverse impact on the financial position of the Company and no material adjustments are required to be made in the standalone financial statements of the Company.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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:

Sr No.	Key Audit Matter	Response to Key Audit Matter
1.	**Information technology (IT) systems used in financial reporting process.** The Holding company's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily. We therefore identified IT systems and controls over financial reporting as a key audit matter for the Holding Company.	Our audit procedure in response to this key audit matter inter-alia included: We obtained an understanding of the Holding Company's IT control environment relevant to the audit. We tested the design, implementation and operating effectiveness of the Holding Company's General IT controls over the key IT systems which are critical to financial reporting. We also tested key automated and manual controls and logic for system generated reports relevant to the audit that would materially impact the financial statements. In addition to above, we have also relied on the work of the internal auditors and system auditors.
2.	**Contingent Liabilities** The Company has various litigations which have been disclosed in contingent liabilty by the Company. We have considered litigations as Key Audit Matter beacause the assessment of the risks in these litigations is based on significant degree of management judgements including accounting estimates.	Our audit procedure in response to this key Audit Matter inter-alia included: Assessment of the process and relevant controls implemented to identify litigations and pending administrative proceedings. Assessment of assumptions used in the evaluation of potential legal risks performed by the legal of the Company considering the legal precedence and other rulings in similar cases. Inquiry with the legal department personnel regarding the status of the most significant disputes and perusal of the key relevant documentation. Analysis of opinion obtained by the Company from external experts, wherever available. Review of the adequacy of the disclosures in the notes to 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 Company's Annual Report but does not include the financial statements Auditors Report(s) thereon. The Company's Annual Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards specified under Sec 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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), the Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose or preparation of the financial statements.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   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 March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its managing director during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No 31 of the financial statements;

      (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note No 40 (3) of the financial statements;

      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company- Refer Note No 40 (4) of the financial statements;

      (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (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 40 (1)of the financial statements;

      (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any 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 40 (2)of the financial statements; and

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

(v) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act;

(vi) Based on our examination which included test checks and in accordance with requirements of implementation Guide on Reporting on Audit Trail under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, the Company has used accounting software for maintaining its books of accounts which has a feature of recording Audit Trail (edit log facility) and the same has operated throughout the year for all relevant transactions recorded in the software.

Further audit trail has been preserved by the company as per the statutory requirements for record retention and during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

Place: Mumbai
Date: May 04,2026

(S Nagabushanam)
(M.No.107022)
UDIN: 26107022MHZVAG5997

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in our report of even date to the members of IIFL Capital Services Limited (Formerly known as IIFL Securities Ltd) on the accounts for the year ended 31st March 2026

(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 of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) As explained to us, the company has a phased program of verification of fixed assets once in 3 years which in our opinion is reasonable considering the size of the company and nature of its fixed assets. Based on the information and the explanation given to us and on verification of the records of the Company, no material discrepancies were observed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties which are freehold and disclosed in the financial statements are held in the name of the Company.

d) According to the information and explanation given to us and records of the Company examined by us, the Company has not revalued its Property Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) According to the information and explanation 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 and accordingly, the requirements of paragraph 3(i)(e) of the Order are not applicable to the Company.

(ii) (a) The Company is not carrying on any trading or manufacturing activity. Therefore Para 3(ii)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanation given to us and records of the Company examined by us, the Company has availed working capital limits from Banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with the banks are generally in agreement with the books of accounts of the Company.

(iii) During the year, the Company has not made any investment, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, firm, Limited Liability Partnerships or any other parties except the following:-

The Company has granted unsecured loans to subsidiary Companies, during the year: -

a) According to the information and explanations given to us and records of the Company examined by us, during the year the Company has provided loans to companies, firms, Limited Liability Partnerships or any other parties as follows:

	Loans (₹ in Millions)
Aggregate amount granted /provided during the year	
- Others	119,311.82
- Subsidiaries	14,584.59
- Other related parties	3,750.00
Balance outstanding as at balance sheet date in respect of above cases	
- Others	14,453.33
- Subsidiaries	730.84
- Other related parties	NIL

During the year the Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

b) During the year the terms and conditions of the grant of all loans to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

During the year the Company has not made investments, provided guarantees, given security and granted advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

c) In respect of loan granted by the Company, where the schedule of repayment of principal and payment of interest has been stipulated, the repayments of principal amounts and receipts of interest have generally been regular.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

d) There are no amounts of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

e) There were no loans granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

f) The Company has granted loans or advances repayable on demand or without specifying any terms or period of repayment to companies or other parties. Of these following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of Section 2 of the Companies Act,2013.

(₹ in millions)

Particulars	All Parties	Related Parties	Promoters
Aggregate amount of loans		-	-
-Repayable on demand	119,311.82	-	-
Percentage of loans to total loans	100.00%	-	-

The Company has not granted advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to Companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

(iv) According to the information and explanations given to us and records of the Company examined by us, the company has complied with the provisions of section 185 and 186 of the Act with respect to the loans, investments, guarantees and securities made as applicable.

(v) According to the information and explanations given to us and based on our verification of the records, the Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are further 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.

(vi) According to the information and explanations given to us, in respect of the class of industry the company falls under, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act. Therefore, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and based on our verification of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, service tax, sales tax, value added tax, goods and services tax, cess and other statutory dues as applicable to the Company with the appropriate authorities. Further as explained to us, there are no undisputed statutory dues outstanding for more than six months as at March 31,2026 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 cases of non-deposit of disputed dues of sales tax or goods and services tax or duty of customs or duty of excise. However, according to the information and explanations given to us, the following dues of service tax and income tax has not been deposited by the Company on account of dispute:

Nature of the Statute	Nature of the Dispute	Amount of Tax (₹ in Millions)	Period to which amount relates	Forum where dispute is pending
Service Tax, 1994	Service Tax on FII – Brokerage	₹161.51 Outstanding out of total demand of ₹165.45	01.04.2014 to 30.09.2014	CESTAT
Income Tax Act, 1961	Income Tax	₹ Nil Outstanding out of total demand of ₹22.41.	Financial Year 2013-14	CIT (Appeal)
Income Tax Act, 1961	Income Tax	₹215.23 Outstanding out of total demand of Rs 367.99	Financial Year 2014-15	Rectification Filed
Income Tax Act, 1961	Income Tax	₹ Nil Outstanding out of total demand of ₹103.91.	Financial Year 2018-19	Intimation u/s 143(1)- Rectification Filed
Income Tax Act, 1961	Income Tax	₹ NIL Outstanding out of total demand of ₹9.51.	Financial Year 2019-20	CIT (Appeal)
Income Tax Act, 1961	Income Tax	₹50.84 Outstanding out of total demand of ₹87.18.	Financial Year 2020-21	CIT (Appeal)
Goods and Service Tax Act,2017	Goods and Service Tax-Maharashtra	₹141.5 Outstanding out of total demand of ₹148.72.	Financial Year 2019-20	Appellate Authority
Goods and Service Tax Act,2017	Goods and Service Tax- Telangana	₹3.29 Outstanding out of total demand of Rs3.61.	Financial Year 2019-20	Appellate Authority
Goods and Service Tax Act,2017	Goods and Service Tax-Tamil Nadu	₹0.93 Outstanding out of total demand of ₹0.99.	Financial Year 2020-21	Appellate Authority
Goods and Service Tax Act,2017	Goods and Service Tax-Tamil Nadu	₹0.02 Outstanding out of total demand of ₹0.02.	Financial Year 2019-20	Appellate Authority
Goods and Service Tax Act,2017	Goods and Service Tax- BH	₹0.73 Outstanding out of total demand of ₹0.81	Financial Year 2021-22	Appellate Authority
Goods and Service Tax Act,2017	Goods and Service Tax- Delhi	₹0.27 Outstanding out of total demand of ₹0.30	Financial Year 2021-22	Appellate Authority
Goods and Service Tax Act,2017	Goods and Service Tax- Uttar Pradesh	₹1.02 Outstanding out of total demand of ₹1.13	Financial Year 2021-22	Appellate Authority
Goods and Service Tax Act,2017	Goods and Service Tax-Madhya Pradesh	₹4.91 Outstanding out of total demand of ₹5.40	Financial Year 2021-22	Appellate Authority
Goods and Service Tax Act,2017	Goods and Service Tax-Gujarat	₹0.29 Outstanding out of total demand of ₹0.30	Financial Year 2021-22	Appellate Authority
Goods and Service Tax Act,2017	Goods and Service Tax-Tamil Nadu	₹0.32 Outstanding out of total demand of ₹0.34	Financial Year 2021-22	Appellate Authority

(viii) In our opinion and according to the information and explanation given to us and records of the Company examined by us, in respect of tax assessments made under the Income Tax Act, 1961, there are no transactions which have been surrendered or disclosed as income by the Company. Accordingly, there are no previously unrecorded income and related assets which have been accounted in the books of account during the year.

(ix) According to information and explanation given to us and records of the Company examined by us,

a. the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c. In our opinion, the Company has utilized the money obtained by way of term loans during the year for the purpose for which they were obtained.

d. And based on the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used long-term purposes by the Company.

e. the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, and it's associate and hence reporting on clause 3(ix)(e) of the Order not applicable.

f. the Company has not raised any loans during the year on pledge of securities held in its subsidiaries, and it's associate and hence reporting on clause 3(ix)(f) of the Order not applicable.

(x) (a) In our opinion and according to the information and explanation given to us and records of the Company examined by us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under the clause 3(x)(a) is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under the clause 3(x)(b) is not applicable.

(xi) (a) Based upon the audit procedures performed and information and explanations given by the management, we have not come across any instances of fraud by the Company or on the Company during the year.

(b) We have not filed Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, since we have not come across any instances of fraud by the Company or on the Company during the year.

(c) The Company has a whistle blower policy system in place and according to the information and explanation received, no complaints have been received by the Company during the year (and up to the date of this report).

(xii) In our Opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence clause (xii) of the order is not applicable to the Company.

(xiii) According to the information and explanation given to us and based on verification of the records and approvals of the Audit Committee, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc, as required by the applicable accounting standards.

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business;

(b) We have considered the internal audit reports for the year under audit, issued to the Company and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion and according to the information and explanations given to us and records examined by us, the Company has not entered into any non-cash transactions with Directors or persons connected with him during the year.

(xvi) (a) In our opinion and according to information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3 (xvi)(a), (b) and (c) of the order are not applicable to the Company.

(b) In our opinion and according to information and explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi)(d) of the order is not applicable to the Company.

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

(xviii) There has been no resignation of statutory auditors during the year and accordingly the requirements of Clause 3(xviii) of the Order not applicable to the Company.

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

(xx) (a) According to information and explanation given to us and records examined by us, the Company does not have other than ongoing projects. Hence reporting under clause 3(xx)(a) of the Order is not applicable.

(b) According to information and explanation given to us and records examined by us, in respect of ongoing projects, the Company has unspent Corporate Social Responsibility (CSR) amount of ₹45.05 million which has been transferred to special account in compliance with provision of sub section (6) of section 135 of the said Act.

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

Place: Mumbai
Date: May 04,2026

(S Nagabushanam)
(M.No.107022)
UDIN: 26107022MHZVAG5997

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in our report of even date to the members of IIFL Capital Services Limited (Formerly known IIFL Securities Ltd) 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 with reference to Standalone Financial Statements of IIFL Capital Services Limited (Formerly known as IIFL Securities Ltd) 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 with reference to Standalone Financial Statements 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 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to Standalone Financial Statements included obtaining an understanding of such Internal Financial Controls, 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 with reference to Standalone Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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 OVER FINANCIAL REPORTING

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 Control 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 with reference to Standalone Financial Statements and such Internal Financial Controls with reference to Standalone Financial Statements were operating effectively as at March 31, 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 **V. Sankar Aiyar & Co.,**
Chartered Accountants
(FRN 109208W)

Place: Mumbai
Date: May 04, 2026

(S Nagabushanam)
(M.No.107022)
UDIN: 26107022MHZVAG5997

STANDALONE BALANCE SHEET
AS AT MARCH 31, 2026

(₹ in Million)

Particulars	Note No.	As at March 31, 2026 Audited	As at March 31, 2025 Audited
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3	2,829.66	5,659.27
(b) Bank Balance other than (a) above	4	45,784.43	33,386.15
(c) Receivables			
(I) Trade receivables	5	478.68	352.07
(II) Other receivables	5	267.37	194.45
(d) Loans	6	15,184.17	9,344.77
(e) Investments	7	3,466.87	4,210.44
(f) Other financial assets	8	19,859.25	18,544.66
Sub-total		**87,870.43**	**71,691.81**
(2) Non-Financial Assets			
(a) Current tax assets		498.28	381.10
(b) Deferred tax assets (net)	9	43.85	92.05
(c) Property, Plant and Equipment	10	518.28	523.84
(d) Capital work-in-progress	10	-	11.27
(e) Other intangible assets	10	49.21	24.61
(f) Right-of-use assets	11	869.96	952.32
(g) Other non-financial assets	12	364.64	329.98
Sub-total		**2,344.22**	**2,315.17**
Total Assets		**90,214.65**	**74,006.98**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(I) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	13	-	0.01
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	23.66	23.16
(II) Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	1,892.60	1,560.97
(b) Debt securities	14	6,148.05	-
(c) Borrowings (other than debt securities)	15	10,750.00	8,062.50
(d) Other financial liabilities	16	43,162.83	41,582.77
Sub-total		**61,977.14**	**51,229.41**
(2) Non-Financial Liabilities			
(a) Current tax liabilities		209.84	-
(b) Provisions	17	75.86	82.35
(c) Other non-financial liabilities	18	483.95	499.84
Sub-total		**769.65**	**582.19**
(3) Equity			
(a) Equity share capital	19	622.87	619.91
(b) Other equity	20	26,844.99	21,575.47
Sub-total		**27,467.86**	**22,195.38**
Total Liabilities and Equity		**90,214.65**	**74,006.98**
See accompanying notes forming part of Standalone Financial statements	1 - 40		

As per our attached report of even date

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

For and on behalf of Board of Directors

S. Nagabushanam
Partner
Membership No.: 107022

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Place: Mumbai
Date: May 04, 2026

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

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

(₹ in Million)

Particulars	Note No.	For the year ended March 31, 2026 Audited	For the year ended March 31, 2025 Audited
1. Revenue from operations			
(a) Interest income	21	4,375.89	4,192.13
(b) Fees and commission income	22	16,431.06	16,298.94
Total revenue from operations (a+b)		**20,806.95**	**20,491.07**
2. Other income	23	1,394.33	1,093.95
3. Total income (1+2)		**22,201.28**	**21,585.02**
4. Expenses			
(a) Finance costs	24	1,981.52	1,694.95
(b) Fees and commission expense	25	4,125.99	4,035.41
(c) Employee benefits expenses	26	6,084.16	5,250.35
(d) Depreciation, amortisation and impairment	27	533.08	435.95
(e) Other expenses	28	2,580.32	2,250.00
Total expenses (a+b+c+d+e)		**15,305.07**	**13,666.66**
5. Profit before tax (3-4)		**6,896.21**	**7,918.36**
6. Tax Expense:			
(a) Current Tax	29	1,496.92	1,764.57
(b) Deferred Tax	29	53.53	124.02
(c) Short/(excess)	29	36.78	-
Total Tax Expenses (a+b+c)		**1,587.23**	**1,888.59**
7. Profit for the period (5-6)		**5,308.98**	**6,029.77**
8. Other Comprehensive Income			
(A)			
(i) Items that will not be reclassified to profit or (loss)			
a) Remeasurements of the defined benefit plans		(21.18)	(24.01)
(ii) Income tax relating to items that will not be reclassified to profit or (loss)		5.33	6.04
Subtotal (A)		**(15.85)**	**(17.97)**
(B)			
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		**-**	**-**
Other Comprehensive Income (A + B)		**(15.85)**	**(17.97)**
9. Total Comprehensive Income for the Year (7+8)		**5,293.13**	**6,011.80**
Earnings per equity share			
Basic (in ₹)	30	17.10	19.45
Diluted (in ₹)	30	16.14	18.53

See accompanying notes forming part of Standalone Financial statements 1 - 40

As per our attached report of even date

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

For and on behalf of Board of Directors

S. Nagabushanam
Partner
Membership No.: 107022

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Place: Mumbai
Date: May 04, 2026

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Particulars	For the year ended March 31, 2026 Audited	For the year ended March 31, 2025 Audited
Cash flows from operating activities		
Net profit before taxation	6,896.21	7,918.36
Adjustments for:		
Depreciation, amortisation and impairment	533.08	435.95
Interest expenses	1,981.52	1,694.95
Net loss/(gain) on termination of lease	3.28	(1.48)
Dividend income	(555.08)	(2.93)
Provision for gratuity	84.81	16.15
Provision for leave encashment	(0.21)	21.18
Provision for expenses	1,892.60	1,560.97
Employee share based payment	769.57	867.28
Interest income	(179.97)	(75.98)
Net loss/(gain) on financial instrument measured at fair value	(626.35)	(983.72)
Net loss/(gain) on sale of fixed assets	(0.14)	(0.14)
Operating profit before working capital changes	**10,799.32**	**11,450.59**
(Increase)/Decrease in other bank balances	(12,398.28)	6,776.40
(Increase)/Decrease in loan	(5,839.40)	214.51
(Increase)/Decrease in trade and other receivables	(199.53)	(144.26)
(Increase)/Decrease in other financial assets	(1,314.59)	(1,315.88)
(Increase)/Decrease in other non-financial assets	(34.66)	(107.48)
Increase/(Decrease) in trade and other payable	(1,560.48)	(1,738.31)
Increase/(Decrease) in other financial liabilities	1,516.95	(5,179.48)
Increase/(Decrease) in provisions	(6.28)	(5.76)
Increase/(Decrease) in other non-financial liabilities	(15.89)	52.66
Cash (used in)/generated from operations	**(9,052.84)**	**10,002.99**
Current tax expense	(1,441.04)	(1,865.29)
Net cash (used in)/generated from operating activities (A)	**(10,493.88)**	**8,137.70**
Cash flows from investing activities		
Purchase of Fixed Assets	(222.50)	(425.29)
Sale of Fixed Assets	3.60	5.91
Interest income	179.97	75.98
Dividend income	555.08	2.93
(Purchase)/Sale of Current Investments (net)	(0.19)	(1,326.63)
Purchase of Investment	(343.08)	(30.00)
Sale of Investment	1,713.20	14.00
Net cash generated from/(used in) investing activities (B)	**1,886.08**	**(1,683.10)**
Cash flows from financing activities		
Proceed from issuance of equity shares	143.87	163.48
Dividend paid	(934.10)	(929.50)
Increase/(decrease) in short term debt securities	6,148.05	(4,292.99)
Increase/(decrease) in short term borrowings	187.50	1,510.55
Increase/(decrease) in long term borrowings	2,500.00	1,000.00
Repayment of Lease Liabilities	(402.89)	(323.03)
Interest expenses	(1,864.24)	(1,587.89)
Net cash generated from/(used in) financing activities (C)	**5,778.19**	**(4,459.38)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(2,829.61)**	**1,995.22**
Cash and cash equivalents at the beginning of the year	5,659.27	3,664.05
Cash and cash equivalents at the end of the year	**2,829.66**	**5,659.27**

See accompanying notes forming part of Standalone Financial statements (1 - 40)

As per our attached report of even date

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

For and on behalf of Board of Directors

S. Nagabushanam
Partner
Membership No.: 107022

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Place: Mumbai
Date: May 04, 2026

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

STANDALONE STATEMENT CHANGES IN EQUTY
FOR THE YEAR ENDED MARCH 31, 2026

A. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	(₹ in Million)	No. of Shares	(₹ in Million)
At the beginning of the year	309,955,809	619.91	307,866,529	615.73
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	**309,955,809**	**619.91**	**307,866,529**	**615.73**
Add: Shares issued during the year under ESOP scheme	1,478,904	2.96	2,089,280	4.18
Closing at the end of year	**311,434,713**	**622.87**	**309,955,809**	**619.91**

B. OTHER EQUITY

(₹ in Million)

Particulars	Reserves and Surplus						Other items of Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption reserve	Securities Premium	General Reserve	Retained Earnings	Share options outstanding account		
Balance as at April 01, 2025	**670.91**	**34.00**	**1,520.99**	**27.84**	**18,395.26**	**983.69**	**(57.22)**	**21,575.47**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**670.91**	**34.00**	**1,520.99**	**27.84**	**18,395.26**	**983.69**	**(57.22)**	**21,575.47**
Transfer from/to reserve	-	-	50.36	13.00	-	(63.36)	-	-
Additions/(deletions) during the year	-	-	140.91	-	-	769.58	(15.85)	894.64
Total comprehensive income for the year	-	-	-	-	5,308.98	-	-	5,308.98
Appropriation towards dividend paid	-	-	-	-	(934.10)	-	-	(934.10)
Balance as at March 31, 2026	**670.91**	**34.00**	**1,712.26**	**40.84**	**22,770.14**	**1,689.91**	**(73.07)**	**26,844.99**
Balance as at April 01, 2024	**670.91**	**34.00**	**1,338.83**	**24.21**	**13,294.99**	**142.90**	**(39.25)**	**15,466.58**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**670.91**	**34.00**	**1,338.83**	**24.21**	**13,294.99**	**142.90**	**(39.25)**	**15,466.58**
Transfer from/to reserve	-	-	22.86	3.63	-	(26.49)	-	-
Additions/(deletions) during the year	-	-	159.30	-	-	867.28	(17.97)	1,008.62
Total comprehensive income for the year	-	-	-	-	6,029.77	-	-	6,029.77
Appropriation towards dividend paid	-	-	-	-	(929.50)	-	-	(929.50)
Balance as at March 31, 2025	**670.91**	**34.00**	**1,520.99**	**27.84**	**18,395.26**	**983.69**	**(57.22)**	**21,575.47**

See accompanying notes forming part of Standalone Financial statements (1 - 40)

As per our attached report of even date

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

For and on behalf of Board of Directors

S. Nagabushanam
Partner
Membership No.: 107022

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Place: Mumbai
Date: May 04, 2026

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

NOTE 1. CORPORATE INFORMATION:

IIFL Capital Services Limited (Formerly IIFL Securities Limited) the Company was incorporated on March 21, 1996 . The Company is in financial services spaces offering Broking, depository participant services, merchant banking, distribution of financial product and Wealth Managament besides holding investments in subsidiaries.

NOTE: 1.1 PURPOSE AND BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of The Companies Act, 2013 ("Act").

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such value in use.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

a) Key Accounting Estimates And Judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The Company makes certain judgments and estimates for valuation and impairment of financial instruments, fair valuation of employee stock options, useful life of property, plant and equipment, deferred tax assets, retirement benefit obligations and lease arrangements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

b) Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Sec 133 of the Companies Act ("the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value (refer accounting policy on financial instruments).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss for the year ended March 31, 2026, the Statement of Cash Flows for the year ended March 31, 2026 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').

c) Basis of Preparation of Standalone financial statements:

These Financial Statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards.

These Financial Statements of the Company are presented in Indian Rupees (₹) which is also the Company's functional currency.

The Financial Statements are presented in Million, except when otherwise indicated. Amount which is less than ₹0.01 million is shown as ₹0.00 million.

The Standalone financial statements for the year ended March 31, 2026 are being authorised for issue in accordance with a resolution of the Board of Directors on May 04, 2026.

NOTE 2. MATERIAL ACCOUNTING POLICIES

a) Business Combinations:

Business combinations (not involving entities under common control) are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under other equity.

b) Goodwill:

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the Company cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Company.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the Company recognises an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU. Any impairment loss on goodwill is recognised in the Statement of Profit and Loss. An impairment loss recognised on goodwill is not reversed in subsequent periods.

On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

c) Property, plant and equipment:

Measurement at recognition: An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of PPE are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of PPE separately, if the part has a cost which is significant to the total cost of that item of PPE and has useful life that is materially different from that of the remaining item.

The cost of an item of PPE comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalised if the recognition criteria are met. Expenses related to plans, designs and drawings of buildings or plant and machinery is capitalised under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life. Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefit associates with these will flow into the Company and the cost of the item can be measured reliably.

Items of Property, plant and equipment that have been retired from active use and held for disposal are stated at the lower of their net book value or net realisable value and are shown separately in the financial statements.

Gains or losses arising from disposal or retirement of tangible Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised net, within “Other Income” or “Other Expenses”, as the case maybe, in the Statement of Profit and Loss in the year of disposal or retirement.

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property as its carrying amount on the date of reclassification.

On transition to Ind AS, the Company has elected to continue with the carrying value for all of its PPE recognised as at April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

Depreciation:

Depreciation on each item of property, plant and equipment is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Significant components of assets identified separately pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated separately over their useful life.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortised over the period of lease.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition: The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of Profit and Loss when the item is derecognised.

Estimates of useful lives of property, plant and equipment

Class of assets	Useful life in years
Buildings	20
Computers	3
Electrical equipment	5
Office equipment	5
Furniture and fixures	5
Vehicles	5

For above class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation/Amortisation is charged on pro-rata on monthly basis on assets, from/upto the month of capitalisation/sale, disposal/earmarked for disposal.

Capital work in progress and Capital advances:

Cost of assets not yet ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as capital advances under Other Non-Financial Assets.

d) Intangible assets:

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalised and the related expenditure is recognised in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets with finite useful life are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Intangible assets with indefinite useful lives, that are acquired separately, are carried at cost/fair value at the date of acquisition less accumulated impairment loss, if any.

Expenditure on software development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

On transition to Ind AS, the Company has elected to continue with the carrying value for all its intangible assets as recognised as at April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

Amortisation:

Intangible Assets with finite lives are amortised on a Straight Line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Estimated useful economic life of the assets is as under:

Class of assets	Useful life in years
Software	3
Commercial rights	3

Derecognition:

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

e) Investment Property

Measurement at recognition:

Investment Property are measured on initial recognition at cost including transaction costs. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure. Directly attributable expenditure includes, for example, professional fees for legal services, property transfer taxes and other transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation:

Depreciation on each item of Investment property is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support,etc. Freehold land is not depreciated.

Derecognition:

An investment property shall be derecognised (eliminated from the balance sheet) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses arising from the retirement or disposal of investment property shall be determined as the difference between the net disposal proceeds and the carrying amount of the asset and shall be recognised in the statement of profit and loss in the period of the retirement or disposal.

The fair values of investment property is disclosed in the notes.

f) Impairment of Non-Financial Assets:

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortisation are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, If any, are recognised in the Statement of Profit and Loss and included in depreciation and amortisation expenses. After impairment (if any), depreciation/amortisation is provided on the revised carrying amount of the assets over its remaining life.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

g) Share-based payment arrangements:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Securities premium includes:

A. The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.

B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

h) Financial Instruments:

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

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Financial assets

Initial recognition and measurement:

Trade Receivables, Loans and Deposits are initially recognised when they are originated.The Company recognises a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

i) The Company business model for managing the financial asset and

ii) The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

i) Financial assets measured at amortised cost

ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

iii) Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial assets measured at amortised cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

a) The Company business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, 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 a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

This category generally applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest income over the relevant period of the financial asset.

The amortised cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

Financial instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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Interest income is recognised in profit or loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to profit or loss.

iii. Investments in equity instruments at FVTOCI:

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. Dividend from these investments are recognised in the statement of profit and loss when the Company right to receive dividends is established. As at the reporting dates, there are no equity instruments measured at FVOCI.

iv. Investments in equity instruments of subsidiaries

Investments in equity insturments of subsidiaries are carried at cost.

v. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortised cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiaries and associate , Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Statement of Profit and Loss. Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTPL. The Company has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognised under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognised in Statement of Profit & Loss. The Company recognises dividend income from such instruments in the Statement of Profit and Loss.

Reclassifications:

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described below.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a similar financial assets) is derecognised (i.e. removed from the Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognise such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognises an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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On Derecognition of a financial asset ,the difference between the carrying amount and the consideration received is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables and lease receivables

ii. Financial assets measured at amortised cost (other than trade receivables and lease receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed at i and ii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL area portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL is measured in a manner that it reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

The Company reviews its carrying value of investment carried at cost (net of impairment ,if any) annually or more frequently when there is indication for impairment.if the recoverable amount is less then its carring value then impairement loss is accounted for in the statement of profit & loss.

Financial Liabilities and equity:

Initial recognition and measurement:

The Company recognises a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

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Subsequent measurement:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When 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 the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

i) Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantages market for the asset or liability.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy that categorises into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 —inputs for assets or liabilities that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period and discloses the same.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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j) Foreign Currency Translation:

These financial statements are presented in Indian Rupees, which is the Company's functional currency.

i. Functional and presentation currencies:

Items included in the Standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in ` which is the functional and presentation currency for Company.

ii. Transactions & Balances:

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognised in the Statement Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign subsidiaries are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined.

iii) Foreign operations:

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date, and
- income and expenses are translated at average exchange rates.

On disposal of a foreign operation, the associated exchange differences are reclassified to Statement of Profit and Loss as part of the gain or loss on disposal.

k) Income Taxes:

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

i) Provision for current tax is made as per the provisions of income tax act,1961.

ii) The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

iii) Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

iv) Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

v) where there is uncertainty over income tax treatments, the Company determines the probability of the income tax authorities accepting each such tax treatment or group of tax treatments in computing the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

Deferred tax:

Deferred tax is provided using the balancesheet method on temporary differences between the tax bases of assets & liabilities & their carring amounts for financials reporting purposes as at the reporting date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

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Deferred tax liabilities are generally recognised for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction(other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognised. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognised.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilised. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognised.

The tax effects of income tax losses, available for carry forward, are recognised as deferred tax asset, when it is probable that future taxable profits will be available against which these losses can be set-off.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.Additional taxes that arise from the distribution of dividends by the Company are recognised directly in equity at the same time as the liability to pay the related dividend is recognised.

Presentation of current and deferred tax:

Current and deferred tax are recognised as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognised in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

l) Provisions and Contingencies:

The Company recognises provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.The amount recognised as a provision is the best estimate of the consideration require to settle the present obligation at the end of reporting period,taking into account the risk & uncentainties surrounding the obligation.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The Company in the normal course of its business, comes across client claims/regulatory penalties/inquiries, etc. and the same are duly clarified/address from time to time. The penalties/action if any are being considered for disclosure as contingent liability only after finality of the representation of appeals before the lower authorities.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote(based on the judgement of the management considering factors including experience with similar matters, past history, precedents, relevant and other evidence and facts specified to the matter), no provision or disclosure is made.

Contingent assets are disclosed only where an inflow of economic benefits is probable.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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m) Statement of Cash Flows :

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a noncash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses.
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of balance sheet.

n) Cash and Bank Balances:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

o) Revenue Recognition

Revenue from contracts with customers

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customers. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the contract price to the performance obligations in the contract: For contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company assesses its revenue arrangement against specific criteria to determine if it is acting as principal or agent. The Company has generally concluded that it is acting as a principal in all of its revenue arrangements.

Income from services rendered as a broker is recognised upon rendering of the services on a trade date basis, in accordance with the terms of contract. Fees for subscription based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract. Commissions from distribution of financial products are recognised upon allotment of the securities to the applicant. Commission and fees recognised as aforesaid are exclusive of goods and service tax, securities transaction tax, stamp duties and other levies by SEBI and stock exchanges.

The Company recognised revenue from various activities as follows:

i. Interest Income

Interest income is recognised using effective interest rate by considering all the contractual term of the financial instruments in estimating the cash flow.

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ii. Fees & Commission

Fees and commission income is recognised based on five step model set out in Ind AS 115.

- Brokerage income earned on secondary market operations is accounted on trade date basis.
- Investment banking & Financial Product Distribution Income is accounted on accrual basis.

iii. Other operational revenue:

Other operational revenue 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.

p) Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. If the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Company recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined contribution plans:

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into state managed retirement benefit schemes and will have no legal or constructive obligation to pay further contributions, if any, if the state managed funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Company contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate. The Company and its Indian subsidiaries operate defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees and the Company operates a Superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans: The Company recognises contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined benefit plans:

i) Gratuity scheme: The Company, operates a gratuity scheme for employees. The contribution is paid to a separate fund, towards meeting the Gratuity obligations.

Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognised in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognised representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost if any and net interest on the defined benefit liability (asset) are recognised in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognised in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

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Other Long Term Employee Benefits: Entitlements to annual leave and sick leave are recognised when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

Other Employee Benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be availed in twelve months immediately following the year in which the employee has rendered service are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits.

q) Lease accounting :

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

As a Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term.The related cash flows are classified as operating activities.

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r) Goods and Services tax input credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

s) Borrowing Cost:

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised, if any. All other borrowing costs are expensed in the period in which they occur.

t) Earning Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

u) Segment Reporting :

The Company's business is to provide capital market services in primary & secondary market. All other activities of the Company are ancillary to the main business. As such, there are no reportable segments that need to be reported separately as defined in Ind AS 108, Operating Segments.

2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Income taxes

The Company tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.Further Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases.

b. Determination of the estimated useful lives of tangible and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

c. Defined Benefit Obligation

'The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds corresponding to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. Further details are disclosed in note no 26.

d. Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

e. Impairment of financial assets

The provision for expected credit loss involves estimating the probability of default and loss given default based on the Company own experience & forward looking estimation.

f. Provision for litigations:

In estimating the final outcome of litigation, the Company applies judgment in considering factors including experience with similar matters, past history, precedents, relevant and other evidence and facts specified to the matter. Application of such judgment determines whether the Company requires an accrual or disclosure in the financial statements.

g. Fair valuation of employee share options

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model. Further details are disclosed in note no. 33.

h. Determining whether an arrangement contains a lease

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

i. Discount rate

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 3 : CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	0.80	0.93
Cheques in hand	59.59	37.68
Balances with banks :		
- In current accounts	1,513.11	4,514.82
- In client accounts	1,256.16	1,105.84
Total	**2,829.66**	**5,659.27**

NOTE 4 : BANK BALANCE OTHER THAN ABOVE

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Earmarked Bank Balances - Unclaimed Dividend	7.13	5.21
Lien marked Fixed Deposit with banks*	45,777.30	33,380.94
Total	**45,784.43**	**33,386.15**

**Company has pledged fixed deposits with banks for bank guarantee and with stock exchange for margin purpose.*

NOTE 5 : RECEIVABLES

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Trade receivables		
- Receivables considered good - unsecured	451.67	278.35
- Receivables which have significant increase in credit risk	44.68	85.37
- Receivables - credit impaired	13.61	14.81
Total (i) Gross	**509.96**	**378.53**
- Less : Impairment loss allowance	(31.28)	(26.46)
Total (i) Net	**478.68**	**352.07**
(ii) Other receivables		
- Receivables considered good - unsecured	267.37	194.45
Total (ii) Net	**267.37**	**194.45**
Total (i+ii)	**746.05**	**546.52**

a) No trade or other receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as at March 31, 2026 and March 31, 2025.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

b) No trade receivables and other receivables are interest bearing.

Trade Receivable ageing schedule

(₹ in Million)

Particulars	As at March 31, 2026						
	Unbilled	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	267.37	451.67	-	-	-	-	719.04
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	11.68	33.00		-	-	44.68
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	9.28	4.33	-	13.61
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Trade Receivable ageing schedule

(₹ in Million)

Particulars	As at March 31, 2025						
	Unbilled	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	194.45	278.35	-	-	-	-	472.80
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	22.28	63.04	0.06	-	-	85.38
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	5.95	8.85	-	14.80
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

NOTE 6 : LOANS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Loan repayable on demand		
Margin trading facility balances	14,453.33	9,308.52
Loan to related parties (Refer note 36)	730.84	36.25
Total	**15,184.17**	**9,344.77**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Loans due by Directors, Promoters or Others related parties :-

(₹ in Million)

Type of Borrower	As at March 31, 2026		As at March 31, 2025	
	Amount of loan or advance in the nature of loan outstanding	% of the total loans & advances in the nature of loan	Amount of loan or advance in the nature of loan outstanding	% of the total loans & advances in the nature of loan
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties (Refer note 36)	730.84	4.81%	36.25	0.39%

NOTE 7 : INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
I) At cost		
Investment in equity shares of Subsidairies & Associates		
- IIFL Facilities Services Limited	321.40	321.40
- IIFL Commodities Limited	111.87	111.87
- Livlong Insurance Brokers Limited	43.41	43.41
- IIFL Management Services Limited	10.00	10.00
- IIFL Wealth (UK) Limited*	-	11.20
- IIFL Capital Inc	40.29	40.29
- Livlong Protection and Wellness Solutions Limited	41.93	41.93
- IIFL Securities Services IFSC Limited	5.00	5.00
- IIFL Capital Asset Management Ltd (Formerly IIFL Securities Alternate Asset Management Ltd) ^	335.90	90.00
II) At fair value through profit or loss		
Investment in AIF		
- IIFL Fintech Fund (A Category II AIF Scheme)	672.91	679.25
- IIFL Fintech Fund - II	54.75	15.17
- IIFL India Oppotunities Fund (Formerly IIFL Securities Dynamic Fund - Class A3 (A Category III AIF scheme))	120.00	78.47
- IIFL Capital Absolute Return Fund (a Category III AIF scheme)	124.11	116.44
- IIFL Capital Credit Opportunities Fund - (Category II AIF scheme) Class C3	10.00	-
- IIFL Capital Credit Opportunities Fund - (Category II AIF scheme) Class C2	2.50	-
- Sigma venture Scheme I - (Category II AIF scheme) Class A	0.91	-
- Cedar IBSi Capital I - Class DA1	2.04	-
Investment in equity shares		
- Bombay Stock Exchange Limited	1,569.85	1,068.56

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in Mutual Fund		
- HDFC Liquid Fund - Direct Plan - Growth Option	-	105.38
- HDFC Low Duration Fund - Direct Plan - Growth	-	105.71
- ICICI Prudential Liquid Fund -Direct-Growth	-	420.24
- ICICI Prudential Savings Fund - Direct Plan - Growth	-	211.65
- Mirae Asset Liquid Fund - Direct Plan - Growth	-	314.50
- Nippon India Liquid Fund - DIRECT GROWTH PLAN - GROWTH OPTION	-	314.36
- SBI Magnum Low Duration Fund - Direct Plan - Growth	-	105.61
Total -Gross (A)	**3,466.87**	**4,210.44**
- Less: Allowance for impairment loss (B)	-	-
Total -Net (C) = (A) - (B)	**3,466.87**	**4,210.44**
- Investment outside India	40.29	51.49
- Investment in India	3,426.58	4,158.95
Total Net (C)	**3,466.87**	**4,210.44**

**IIFL Wealth (UK) Limited, a wholly owned subsidiary of the Company, was voluntarily struck off and dissolved with effect from July 22, 2025. Consequently, it ceased to be a wholly owned subsidiary of the Company from that date.*

^During the year, the Company invested ₹245.90 million in IIFL Capital Asset Management Limited, a wholly owned subsidiary, by subscribing to its rights issue of equity shares.

NOTE 8 : OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Clients receivables (net of provision)#	16,336.04	15,330.74
Exchanges receivables	412.93	32.81
Interest accrued & not due on deposits and investments	917.56	906.75
Deposit with exchanges	79.00	79.00
Margin with exchanges	1,516.68	1,814.53
Security deposit with landlords and others*	251.20	275.22
Receivable from related parties (Refer note 36)	289.14	50.97
Other financial assets	56.70	54.64
Total	**19,859.25**	**18,544.66**

#Include receivable from directors & key managerial personnel of ₹0.00 million (As at March 31,2025 ₹0.00 million) (Refer note 36)

**Include deposit with related party of ₹24.11 million (As at March 31, 2025 ₹24.11 million) & directors and its relatives Nil (As at March 31, 2025 ₹50.00 million) (Refer note 36)*

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 9 : DEFERRED TAX ASSETS (NET) (AS AT MARCH 31, 2026)

(₹ in Million)

Particulars	As at March 31, 2026			
	Opening balance	Recognised in profit or loss	Recognised in/ reclassified from OCI	Closing balance
Deferred tax assets:				
Depreciation on property, plant and equipment	134.08	(9.81)		124.27
Provisions for doubtful receivables/other financial asset (Including expected credit loss)	64.30	16.07		80.37
Lease Liabilities	41.46	9.93		51.39
Compensated absences and retirement benefits	23.45	11.76	5.33	40.54
Unrealised profit on investments	(171.24)	(81.48)		(252.72)
Total deferred tax assets	**92.05**	**(53.53)**	**5.33**	**43.85**
Deferred tax liabilities:				
Total deferred tax liabilities	**-**	**-**	**-**	**-**
Deferred tax assets (Net)	**92.05**	**(53.53)**	**5.33**	**43.85**

DEFERRED TAX ASSETS (NET) (AS AT MARCH 31, 2025)

(₹ in Million)

Particulars	As at March 31, 2025			
	Opening balance	Recognised in profit or loss	Recognised in/ reclassified from OCI	Closing balance
Deferred tax assets:				
Depreciation on property, plant and equipment	156.26	(22.18)		134.08
Provisions for doubtful receivables/other financial asset (Including expected credit loss)	59.69	4.61		64.30
Lease Liabilities	28.18	13.28		41.46
Compensated absences and retirement benefits	18.32	(0.91)	6.04	23.45
Unrealised profit on investments	(52.42)	(118.82)		(171.24)
Total deferred tax assets	**210.03**	**(124.02)**	**6.04**	**92.05**
Deferred tax liabilities:				
Total deferred tax liabilities	**-**	**-**	**-**	**-**
Deferred tax assets (Net)	**210.03**	**(124.02)**	**6.04**	**92.05**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 10 : PROPERTY, PLANT AND EQUIPMENT

Tangible Assets:

(₹ in Million)

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Vehicles	Total
Cost:						
As at April 01, 2024	**298.51**	**50.94**	**248.24**	**71.25**	**-**	**668.94**
Additions	175.08	21.81	173.12	34.23	-	404.24
Disposals/Adjustments	(12.75)	(7.16)	(19.84)	(12.41)	-	(52.16)
As at March 31, 2025	**460.84**	**65.59**	**401.52**	**93.07**	**-**	**1,021.02**
Additions	64.90	29.79	52.51	22.68	13.84	183.72
Disposals/Adjustments	(14.18)	(1.86)	(1.88)	(3.56)	-	(21.48)
As at March 31, 2026	**511.56**	**93.52**	**452.15**	**112.19**	**13.84**	**1,183.26**
Accumulated Depreciation:						
As at April 01, 2024	**256.51**	**31.39**	**77.58**	**41.44**	**-**	**406.92**
Depreciation charge for the year	66.08	8.06	51.21	11.30	-	136.65
Deductions/Adjustments	(10.37)	(7.10)	(17.43)	(11.49)	-	(46.39)
As at March 31, 2025	**312.22**	**32.35**	**111.36**	**41.25**	**-**	**497.18**
Depreciation charge for the year	81.36	13.64	70.07	18.17	2.54	185.78
Deductions/Adjustments	(12.06)	(1.61)	(1.37)	(2.94)	-	(17.98)
As at March 31, 2026	**381.52**	**44.38**	**180.06**	**56.48**	**2.54**	**664.98**

Net Book Value:

(₹ in Million)

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Vehicles	Total
As at March 31, 2025	148.62	33.24	290.16	51.82	-	523.84
As at March 31, 2026	130.04	49.14	272.09	55.71	11.30	518.28

Capital Work In Progress (CWIP) Ageing Schedule

(₹ in Million)

Capital Work In Progress	Amount in CWIP for the year March 31, 2026				
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Projects in Progess	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

There is no CWIP projects whose completion is overdue or has exceeded it's cost compared to its original plan as at March 31, 2026.

Capital Work In Progress (CWIP) Ageing Schedule

(₹ in Million)

Capital Work In Progress	Amount in CWIP for the year March 31, 2025				
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Projects in Progess	7.07	4.20	-	-	11.27
Projects temporarily suspended	-	-	-	-	-

There is no CWIP projects whose completion is overdue or has exceeded it's cost compared to its original plan as at March 31, 2025.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Other intangible assets (other than internally generated):

(₹ in Million)

Particulars	Commercial rights	Software	Total
Cost:			
As at April 01, 2024	**1,137.61**	**219.91**	**1,357.52**
Other additions	-	16.03	16.03
Deductions/Adjustments	(1,137.61)	-	(1,137.61)
As at March 31, 2025	**-**	**235.94**	**235.94**
Other additions	12.50	37.60	50.10
Deductions/Adjustments	-	-	-
As at March 31, 2026	**12.50**	**273.54**	**286.04**

(₹ in Million)

Accumulated depreciation/Impairement loss:	Commercial rights	Software	Total
As at April 01, 2024	**1,137.61**	**182.24**	**1,319.85**
Depreciation charge for the year	-	29.09	29.09
Deductions/Adjustments	(1,137.61)	-	(1,137.61)
As at March 31, 2025	**-**	**211.33**	**211.33**
Depreciation charge for the year	0.35	25.15	25.50
Deductions/Adjustments	-	-	-
As at March 31, 2026	**0.35**	**236.48**	**236.83**

Net Book Value:

(₹ in Million)

Particulars	Commercial rights	Software	Total
As at March 31, 2025	-	24.61	24.61
As at March 31, 2026	12.15	37.06	49.21

NOTE 11 : RIGHT-OF-USE ASSETS

A) Carrying value of right of use assets at the end of the reporting period by class

(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Premises	Vehicle	Total	Premises	Vehicle	Total
Balance at the beginning of the year	891.47	60.85	952.32	555.67	41.55	597.22
Additions during the year	201.89	50.15	252.04	769.57	49.43	819.00
Deletions during the year	(9.71)	(2.89)	(12.60)	(183.71)	(9.99)	(193.70)
Depreciation charged for the year	(291.53)	(30.27)	(321.80)	(250.06)	(20.14)	(270.20)
Balance at the end of the year	**792.12**	**77.84**	**869.96**	**891.47**	**60.85**	**952.32**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

B) Maturity analysis of lease liabilities

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Maturity analysis – contractual undiscounted cash flows		
- Less than one year	378.49	385.17
- One to five years	809.83	820.37
- More than five years	146.75	215.45
Total undiscounted lease liabilities at March 31	**1,335.07**	**1,420.99**
Lease liabilities included in the statement of financial position at March 31	**1,074.14**	**1,117.02**
Current lease liability	289.19	298.70
Non current lease liability	784.95	818.32

C) Amounts recognised in profit or loss

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest on lease liabilities	117.28	107.06
Expenses relating to short-term leases	25.75	23.45
Depreciation charged for the year	321.80	270.20
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	1.59	0.95
Total	**466.42**	**401.66**

D) Amounts recognised in the statement of cash flows

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Total cash outflow for leases	**402.89**	**323.03**

NOTE 12 : OTHER NON-FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expense	230.94	153.17
Capital advances	22.33	2.48
Other advances	111.37	174.33
Total	**364.64**	**329.98**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 13 : PAYABLES

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(I) Trade Payable		
- Total outstanding dues of micro enterprises and small enterprises	-	0.01
- Total outstanding dues of creditors other than micro enterprises and small enterprises	23.66	23.16
Total (I)	**23.66**	**23.17**
(II) Other Payable		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
(a) Provision for expenses	965.18	655.39
(b) Accrued salaries & bonus	922.82	899.93
(c) Others	4.60	5.65
Total (II)	**1,892.60**	**1,560.97**
Total (I)+(II)	**1,916.26**	**1,584.14**

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006.

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

(₹ in Million)

Particulars	FY 2026	FY 2025
(a) Principal amount remaining unpaid to any supplier at the year end	-	0.01
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(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) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year 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 act	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Trade Payable ageing schedule

(₹ in Million)

Particulars	Provision	Outstanding for the following periods from due date of payment as at March 31, 2026				
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	1,892.60	19.34	0.19	4.13	-	1,916.26
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

(₹ in Million)

Particulars	Provision	Outstanding for the following periods from due date of payment as at March 31, 2025				
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	0.01	-	-	-	0.01
(ii) Others	1,560.97	18.65	0.68	3.83	-	1,584.13
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

NOTE 14 : DEBT SECURITIES

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at amortised cost		
Unsecured		
Commercial Papers	6,148.05	-
Total	**6,148.05**	**-**
Debt securities in India	6,148.05	-
Debt securities outside India	-	-
Total	**6,148.05**	**-**

The rate of interest is ranging from 8.00% to 9.20% for commercial papers outstanding.

Terms of repayment : The debt securities are repayable on maturity with tenure ranging from 38 days to 365 days.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 15 : BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Loans repayable on demand (from banks & financial institution)		
- Working capital demand loan from banks	5,250.00	3,263.50
- Revolving credit facilities from Non-Banking Financial Institution	5,500.00	4,500.00
- Bank overdraft against fixed deposit	-	299.00
Total	**10,750.00**	**8,062.50**
Borrowings in India	10,750.00	8,062.50
Borrowings outside India	-	-
Total	**10,750.00**	**8,062.50**

(a) Security :

Working Capital Demand Loan (WCDL) & revolving credit facilities are secured by way of first pari-passu charge on receivables & MTF. Bank overdraft are secured against fixed deposits pledged with the banks. Refer note 34 for details of asset pledged.

(b) Tenor of repayment :

WCDL & revolving credit facilities and bank overdraft upto validity of facility.

(c) Interest Rate :

Interest rate is ranging from 8.00% to 10.25%.

NOTE 16 : OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Clients payables#	22,341.26	20,454.86
Exchange payables	19,085.95	19,423.65
Book overdraft	0.38	-
Deposits received from franchisee and others	288.46	349.48
Payable to related parties (Refer note 36)	17.82	7.87
Provision for gratuity (funded) (Refer note 26)	94.53	20.12
Lease obligation	1,074.14	1,117.02
Other payable	260.29	209.77
Total	**43,162.83**	**41,582.77**

#Include payable to directors, key managerial personnel & their relatives & other related parties of ₹0.93 million *(As at March 31, 2025 ₹1.29* million*) (Refer note 36)*

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 17 : PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for leave encashment	75.86	82.35
Total	**75.86**	**82.35**

NOTE 18 : OTHER NON-FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Income received in advance	14.72	14.93
Statutory dues (net of input credit)	469.23	484.91
Total	**483.95**	**499.84**

NOTE 19 : EQUITY SHARE CAPITAL

a. The Authorised, Issued, Subscribed and Paid up Share Capital:

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised Share Capital		
At the beginning of the year	1,000.00	1,000.00
Add: Increase in authorised share capital		
Closing at the end of year	1,000.00	1,000.00
Issued, Subscribed and Paid-up Share Capital		
311,434,713 Equity Shares of ₹2 each fully paid up (309,955,809 Equity Shares of ₹2 each fully paid up)	622.87	619.91

b. Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	(₹ in Million)	No. of Shares	(₹ in Million)
Equity Shares				
At the beginning of the year	309,955,809	619.91	307,866,529	615.73
Add: Shares issued during the year under ESOP scheme	1,478,904	2.96	2,089,280	4.18
Closing at the end of year	**311,434,713**	**622.87**	**309,955,809**	**619.91**

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 ₹2/- each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

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. The distribution will be in proportion to the number of equity shares held by shareholders.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

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

The List of the shareholders having more than 5% shareholdings are as under:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	% of holding in the class	No. of Shares	% of holding in the class
Equity share of ₹2 each fully paid up				
FIH Mauritius Investments Limited	84,641,445	27.18%	84,641,445	27.31%
Nirmal Bhanwarlal Jain	46,964,282	15.08%	46,964,282	15.15%

e. Other details of equity shares for a period of five years immediately preceding March 31, 2026

(i) In FY 2021, 17,000,394 equity shares bought back for an aggregate amount of ₹866.82 million. Consequently the paid-up equity share capital had reduced by ₹34.00 million.

f. Shares reserved for issue under options and contracts/commitments for sale of shares/disinvestments, including the terms and amount, Refer Note 33 for details of shares reserved for issue under Employees Stock Option Plan of the Company.

g. Shareholding of Promoters

S. No.	Promoter name	As at March 31, 2026			As at March 31, 2025		
		No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
1	Nirmal Bhanwarlal Jain	46,964,282	15.08%	(0.47%)	46,964,282	15.15%	(0.67%)
2	Madhu N Jain	12,075,000	3.88%	(0.47%)	12,075,000	3.90%	(0.67%)
3	Venkataraman Rajamani	11,184,432	3.59%	(0.47%)	11,184,432	3.61%	(0.67%)
4	Mansukhlal Jain & Pritesh Mehta (in their capacity as Trustee of Nirmal Madhu Family Private Trust)	10,000,000	3.21%	(0.47%)	10,000,000	3.23%	(0.67%)
5	Aditi Avinash Athavankar (in the capacity as Trustee of Kalki Family Private Trust)	9,000,000	2.89%	(0.47%)	9,000,000	2.90%	(0.67%)
6	Aditi Athavankar	200,000	0.06%	(0.47%)	200,000	0.06%	(0.67%)
7	Orpheus Trading Pvt Ltd	4,019,500	1.29%	32.49%	3,019,500	0.97%	(0.67%)
8	Ardent Impex Pvt Ltd	2,700,000	0.87%	(0.47%)	2,700,000	0.87%	(0.67%)
Total		**96,143,214**	**30.87%**		**95,143,214**	**30.69%**	

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

NOTE 20 : OTHER EQUITY

(₹ in Million)

Particulars	Reserves and Surplus							
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Share options outstanding account	Other items of Other Comprehensive Income	Total
Balance as at April 01, 2025	**670.91**	**34.00**	**1,520.99**	**27.84**	**18,395.26**	**983.69**	**(57.22)**	**21,575.47**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**670.91**	**34.00**	**1,520.99**	**27.84**	**18,395.26**	**983.69**	**(57.22)**	**21,575.47**
Transfer from/to reserve	-	-	50.36	13.00	-	(63.36)	-	-
Additions/(deletions) during the year	-	-	140.91	-	-	769.58	(15.85)	894.64
Total comprehensive income for the year	-	-	-	-	5,308.98	-	-	5,308.98
Appropriation towards dividend paid	-	-	-	-	(934.10)	-	-	(934.10)
Balance as at March 31, 2026	**670.91**	**34.00**	**1,712.26**	**40.84**	**22,770.14**	**1689.91**	**(73.07)**	**26,844.99**
Balance as at April 01, 2024	**670.91**	**34.00**	**1,338.83**	**24.21**	**13,294.99**	**142.90**	**(39.25)**	**15,466.58**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**670.91**	**34.00**	**1,338.83**	**24.21**	**13,294.99**	**142.90**	**(39.25)**	**15,466.58**
Transfer from/to reserve	-	-	22.86	3.63	-	(26.49)	-	-
Additions/(deletions) during the year	-	-	159.30	-	-	867.28	(17.97)	1,008.62
Total comprehensive income for the year	-	-	-	-	6,029.77	-	-	6,029.77
Appropriation towards dividend paid	-	-	-	-	(929.50)	-	-	(929.50)
Balance as at March 31, 2025	**670.91**	**34.00**	**1,520.99**	**27.84**	**18,395.26**	**983.69**	**(57.22)**	**21,575.47**

Footnotes: Nature and purpose reserves

i) **Capital reserves :** Capital reserve was created due to slump sale transaction and as per the Composite Scheme of Arrangement.

ii) **Capital Redemption Reserve:** Nominal value of the shares cancelled through buyback is transferred to Capital Redemption Reserve.

iii) **Securities premium :** Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.

iv) **General Reserve:** This reserve can be distributed/utilised by the Company, in accordance with the Companies Act, 2013.

v) **Retained earnings :** The balance in retained earnings primarily represents the net profit after payment of dividend and transfer to reserves.

vi) **Share options outstanding account :** This reserve is created on account of ESOP granted by the Company.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

NOTE 21 : INTEREST INCOME

(₹ in Million)

Particulars	FY 2026	FY 2025
Interest on deposits with banks	2,362.02	2,657.25
Interest on margin funding facility	2,013.87	1,534.88
Total	**4,375.89**	**4,192.13**

NOTE 22 : FEES AND COMMISSION INCOME

(₹ in Million)

Particulars	FY 2026	FY 2025
Retail Equities (Retail brokerage & related income)	6,836.94	8,138.05
Institutional Equities and Investment Banking	7,119.46	6,394.65
Financial Products Distribution Income	2,474.66	1,766.24
Total	**16,431.06**	**16,298.94**

NOTE 23 : OTHER INCOME

(₹ in Million)

Particulars	FY 2026	FY 2025
Gain/(Loss) on financial assets measured at fair value through Profit & Loss account		
- Realised	194.17	129.01
- Unrealised	432.19	854.71
Gain/(loss) on termination on lease	(3.28)	1.48
Interest Income on		
- Inter corporate deposit	179.97	71.47
- Investment	-	4.51
Dividend income#	555.08	2.93
Gain on derecognisation of property, plant and equipment	0.14	0.14
Infrastructure support income	21.12	23.90
Other income	14.94	5.80
Total	**1,394.33**	**1,093.95**

#During the year, Company has received dividend of ₹550.60 million (PY ₹ Nil million) from subsidiaries (Refer note 36).

NOTE 24 : FINANCE COST MEASURED AT AMOTISED COST

(₹ in Million)

Particulars	FY 2026	FY 2025
Interest on borrowings	842.59	775.43
Interest on debt securities	598.60	379.07
Interest on lease	117.28	107.06
Other borrowing cost	423.05	433.39
Total	**1,981.52**	**1,694.95**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 25 : FEES AND COMMISSION EXPENSE

(₹ in Million)

Particulars	FY 2026	FY 2025
Sub brokerage expense and Referral fees	3,782.87	3,717.81
Others	343.12	317.60
Total	**4,125.99**	**4,035.41**

NOTE 26 : EMPLOYEE BENEFITS EXPENSES

(₹ in Million)

Particulars	FY 2026	FY 2025
Salaries and wages	5,088.64	4,218.31
Contribution to provident and other funds	103.51	78.10
Share based payments (Refer note 33)	760.67	883.00
Staff welfare expenses	46.74	33.61
Gratuity*	84.81	16.15
Leave encashment	(0.21)	21.18
Total	**6,084.16**	**5,250.35**

**The Government of India had consolidated 29 existing labor laws into four comprehensive codes (the Code on Wages, the Code on Social Security, the Industrial Relations Code, and the Occupational Safety, Health and Working Conditions Code), most of which became effective from November 21, 2025. The incremental impact on employee benefit obligations resulting from the change in law amounting to ₹61 million was accounted during the year, in accordance with Ind AS 19.*

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:

A Defined Benefit Plans:

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in Million)

Particulars	FY 2026	FY 2025
Defined Benefit Obligation at beginning of the year	**239.92**	**204.11**
Interest cost	17.57	14.68
Current service cost	20.95	15.47
Past services cost	61.04	-
Liability transferred In/acquisitions	0.05	2.28
(Liability transferred out/divestments)	(1.32)	(1.73)
(Benefit paid directly by the Employer)	(0.31)	-
(Benefit paid from the fund)	(20.95)	(20.24)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(10.55)	10.09
Actuarial (gains)/losses on obligations - due to experience	24.97	15.26
Defined Benefit Obligation at year end	**331.37**	**239.92**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(ii) Reconciliation of opening and closing balances of fair value of Plan Assets

(₹ in Million)

Particulars	FY 2026	FY 2025
Change in the fair value of plan assets		
Fair value of plan assets at beginning of the year	**219.80**	**194.70**
Interest income	14.75	14.00
Contributions by the employer	30.00	30.00
Expected return on plan assets (excluding interest)	(6.76)	1.34
Assets transferred in/acquisitions	-	-
(Benefit paid from the fund)	(20.95)	(20.24)
Fair value of Plan Assets at the end of the year	**236.84**	**219.80**

(iii) Amount Recognised in the Balance Sheet

(₹ in Million)

Particulars	FY 2026	FY 2025
(Present Value of Benefit Obligation at the end of the year)	(331.37)	(239.92)
Fair value of Plan Assets at the end of the year	236.84	219.80
Net (liability)/Asset recognised in the balance sheet (surplus/(deficit))	(94.53)	(20.12)

(iv) Expenses recognised during the year

(₹ in Million)

Particulars	FY 2026	FY 2025
In Income statement		
Current service cost	20.95	15.47
Net interest cost	2.82	0.68
Past service cost	61.04	-
Expense recognised in the Statement of Profit and Loss under " Employee benefits expenses"	**84.81**	**16.15**
In other comprehensive income		
Actuarial (gains)/Losses on obligation for the period	14.42	25.35
Return on plan assets, excluding interest income	6.76	(1.34)
Net (income)/expense for the year recognised in OCI	**21.18**	**24.01**

(v) Balance sheet reconciliation

(₹ in Million)

Particulars	FY 2026	FY 2025
Opening net liability	**20.12**	**9.41**
Expenses Recognised in Statement of Profit or Loss	84.81	16.15
Expenses Recognised in OCI	21.18	24.01
Net Liability/(Asset) Transfer In	0.05	2.28
Net (Liability)/Asset Transfer Out	(1.32)	(1.73)
(Benefit Paid Directly by the Employer)	(0.31)	-
(Employer's Contribution)	(30.00)	(30.00)
Net liability/(asset) recognised in the balance sheet	**94.53**	**20.12**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(vi) Investment Details :

(₹ in Million)

Particulars	FY 2026	FY 2025
Category of assets		
Insurance fund	236.84	219.80
Total	**236.84**	**219.80**

(vii) Actuarial assumptions

(₹ in Million)

Particulars	FY 2026	FY 2025
Expected return on plan assets	7.16%	6.71%
Rate of discounting	7.16%	6.71%
Rate of salary increase	5.00%	5.00%
Rate of employee turnover	For service 4 years and below 31.00% p.a. & thereafter 6.00% p.a.	For service 4 years and below 31.00% p.a. & thereafter 6.00% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

(a) The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.

(b) The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.

(viii) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade ,expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting year , while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(₹ in Million)

Particulars	FY 2026	FY 2025
Projected Benefit Obligation on Current Assumptions	**331.37**	**239.92**
Delta Effect of +1% Change in Rate of Discounting	(21.78)	(16.81)
Delta Effect of -1% Change in Rate of Discounting	24.65	19.09
Delta Effect of +1% Change in Rate of Salary Increase	18.06	15.18
Delta Effect of -1% Change in Rate of Salary Increase	(17.50)	(14.20)
Delta Effect of +1% Change in Rate of Employee Turnover	6.08	3.73
Delta Effect of -1% Change in Rate of Employee Turnover	(6.68)	(4.13)
Weighted Average Duration of the Projected Benefit Obligation	8.00	8.00

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Investment risk :- The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk :- A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity 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 in the life expectancy of the plan participants will increase the plan's liability.

Salary risk :- The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(ix) Maturity Analysis of the Benefit Payments: From the Fund

(₹ in Million)

Particulars	FY 2026	FY 2025
1st Following Year	40.13	22.25
2nd Following Year	28.08	19.70
3rd Following Year	26.78	19.71
4th Following Year	27.01	19.18
5th Following Year	30.74	19.79
Sum of Years 6 To 10	131.66	98.41
Sum of Years 11 and above	331.57	241.64

B. Defined Contribution Plans:

The Company have recognised the following amounts as an expense in the Statement of Profit and Loss:

(₹ in Million)

Particulars	FY 2026	FY 2025
Contribution to provident fund	72.87	53.27
Contribution to ESIC	0.14	0.27
Contribution to labour welfare fund	0.11	0.12
Contribution to EPS	15.07	15.71
Contribution to NPS	15.32	8.73
Total	**103.51**	**78.10**

NOTE 27 : DEPRECIATION, AMORTISATION AND IMPAIRMENT

(₹ in Million)

Particulars	FY 2026	FY 2025
Depreciation on property, plant and equipment	185.78	136.65
Depreciation on right of use asset	321.80	270.20
Amortisation of intangible assets (including impairement provision)	25.50	29.10
Total	**533.08**	**435.95**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

NOTE 28 : OTHER EXPENSES

(₹ in Million)

Particulars	FY 2026	FY 2025
Communication expense	121.30	75.53
Corporate social responsibility expenses (Refer note 32)	98.46	50.72
Directors commission & sitting fees	11.26	9.47
Exchange, Custodian and Statutory Charges	106.02	112.16
Provision for Expected credit loss	64.93	20.06
Franking, Bank charges & Infrastructure support charges	31.47	28.48
Legal and professional charges	331.21	324.60
Marketing, Advertisement and commission expenses	307.07	487.83
Office expenses	112.48	92.07
Printing and stationery & Postage and courier	22.84	20.01
Rent, electricity, rates & taxes, insurance	38.03	45.70
Repairs & Maintenance	15.58	13.14
Remuneration to Auditors :		
- As auditors - Statutory Audit	4.80	4.79
- Certification work and other matters	0.03	0.20
- Out of pocket expenses	0.70	0.17
Technology expenses	1,132.30	823.15
Travelling & conveyance and Meeting, Seminar & subscription	180.27	134.97
Miscellaneous expenses	1.57	6.95
Total	**2,580.32**	**2,250.00**

NOTE 29 : INCOME TAX

Amount Recognised in profit or loss

(₹ in Million)

Particulars	FY 2026	FY 2025
Current tax expenses		
Current year	1,496.92	1,764.57
Changes in estimates related to prior years	36.78	-
Deferred tax expenses		
Origination and reversal of temporary differences	53.53	124.02
Total	**1,587.23**	**1,888.59**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

Reconciliation of effective tax rates :

(₹ in Million)

Particulars	FY 2026	FY 2025
Profit before tax	6,896.21	7,918.36
Tax using domestic tax rates	25.168%	25.168%
Tax amount	1,735.64	1,992.89
Tax effect of :		
Non-deductible expenses	28.67	12.73
Income Tax Interest	0.10	0.05
Tax on Eliminated Income		
Dividend	(139.70)	(0.74)
Others	(1.20)	(1.73)
Income taxable at different rate	(103.20)	(87.21)
Adjustment in respect of current income tax of prior year	36.78	-
Recognition of previously unrecognised deductible temporary differences	30.14	(27.40)
Total Income Tax Expense	**1,587.23**	**1,888.59**
Effective tax rate	**23.02%**	**23.85%**

NOTE 30 : EARNINGS PER EQUITY SHARE

Particulars	FY 2026	FY 2025
Face value of equity shares in ₹ fully paid up	2.00	2.00
BASIC		
Profit after tax as per statement of profit and loss (₹ in Million)	5,308.98	6,029.77
Weighted average number of equity shares outstanding	310,522,309	308,938,881
Basic EPS In ₹	**17.10**	**19.45**
DILUTED		
Weighted average number of equity shares for computation of basic EPS	310,522,309	308,938,881
Add: Potential equity shares on account conversion of Employees Stock Options	18,352,890	15,387,583
Weighted average number of equity shares for computation of diluted EPS	328,875,199	324,326,464
Diluted EPS In ₹	**16.14**	**18.53**

NOTE 31 : CAPITAL, OTHER COMMITMENTS AND CONTINGENT LIABILITIES AT BALANCE SHEET DATE

Capital and other commitment

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Capital commitment	20.41	79.26
(ii) Other commitment	391.50	85.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Contingent Liabilities

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) In respect of Income tax demands (see note (a)	173.28	120.21
(ii) In respect of Service tax & GST demands (see note (b))	327.06	309.35
(iii) Bank guarantees (see note (c))	20,390.50	12,673.20
(iv) In respect of Legal case	224.48	319.34
Total	**21,115.32**	**13,422.10**

Notes :

(a) Amount paid under protest with respect to income tax demand ₹69.80 million (As at March 31,2025 ₹44.80 million)

The Income-tax Department had conducted a search under Section 132 of the Income-tax Act, 1961 at the registered office and certain other premises of the Company in January 2025. In the course of the proceedings, certain legal and factual matters were examined, and the Company has fully cooperated by furnishing the requisite information and documentary evidence as sought from time to time. On receipt of notice under Section 158BC of the Act, the Company filed return for the block period from April 01, 2018 to February 03, 2025. As a prudential measure and without prejudice to its rights and contentions, the Company has paid an ad-hoc amount of Income tax aggregating to ₹36.78 million and accounted for the same as expenditure under "Tax Expense - short/excess". The assessment proceedings are currently in progress, and the Company continues to extend full cooperation to the Income-tax authorities. The Company has not received any orders/demand notices till date of signing of BS. The Management, after considering all available records and facts, is of the view that there would not be any material adverse impact on the financial position of the Company and hence no material adjustments are required to be made in the financial statements of the Company.

(b) Amount paid under protest with respect to service tax & GST demand ₹12.20 million (As at March 31,2025 ₹9.48 million)

(c) Bank Guarantees given as collateral to various stock exchange against fixed deposits of ₹10,195.25 million (Previous year ₹6,336.60 million).

(d) SEBI vide its order dated June 19, 2023 prohibited the Company from onboarding new clients for a period of two years in respect of its business as a stock broker consequent to certain findings of SEBI inspections with respect to segregation of client funds and own funds for different periods from April 2011 to 2017. Securities Appellate Tribunal (SAT). vide its order dated December 07, 2023 has set aside the aforesaid order. SEBI has preferred appeal before the Hon'ble Supreme Court and the same is pending.

NOTE 32 : CORPORATE SOCIAL RESPONSIBILITY

During the period ended March 31, 2026 the Company has spent ₹65.31 million (Previous year ₹50.72 million) out of the total amount of ₹110.36 million (Previous year ₹83.54 million) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility [CSR]. Unspent amount of ₹33.15 million for the previous year for ongoing projects has been spent during current year.

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Amount required to be spent by the Company during the year	110.36	83.87
Amount of expenditure incurred (including previous year shortfall)	98.46	50.72
Unspent amount for ongoing project	45.05	33.15
Total of previous years shortfall	-	-
Reason for shortfall	Pertains to ongoing projects	Pertains to ongoing projects
Details of related party transactions	Contributed to India Infoline Foundation ₹98.46 million	Contributed to India Infoline Foundation ₹50.72 million

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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The Company undertakes the following activities in the nature of Corporate social responsibility (CSR):

a) Promoting quality education among children and women, especially of girls from marginalized and vulnerable communities through supplementary classes aiming to reintegrate them into formal schools.

b) Ensuring easy and safe access to education in rural and remote region. Also, supporting infrastructural development in the government school in aspirational district.

c) Promoting education through comprehensive scholarships for needy students that reduce financial barriers and enable academic continuity.

d) Promoting livelihood and entrepreneurship opportunities through job-oriented training and hands-on exposure, especially for youth in aspirational districts.

e) Promoting gender equality, empowering women and taking measures to reduce inequalities faced by socially and economically backward groups through Entrepreneurship development program.

f) Ensuring safety and healthcare for sanitation workers by equipping them with advance technological assistance.

g) Promoting environmental sustainability and biodiversity enhancement through afforestation initiatives using innovative ecological techniques.

h) Enhancing climate resilience and community preparedness through integrated heat action planning and sustainable infrastructure initiatives.

i) Promoting healthcare by providing medical equipment and technological support towards community level health facilities and infrastructure development in medical institutions that are bridging gaps in healthcare service delivery.

j) Upgradation of community infrastructure by installing safety measures, improving accessibility and well-being opportunities.

k) Promoting preservation of cultural heritage through the development of dedicated community institutions.

l) Promoting sports through training and support for athletes and para-athletes through advanced training, equipment access, and comprehensive preparatory support.

NOTE 33 : SHARE BASED PAYMENTS

a) The details of Employee Stock Option Schemes are as under:

Particulars	ESOP 2018
Method of Accounting	Fair Value
Vesting Plan	Options granted would vest over a period of four years subject to a minimum period of one year or three years from the date of grant of options as per the terms & conditions of Grant
Exercise Period	Seven years from the date of grant
Grant Date	October 30, 2019, January 07, 2021, October 08, 2021, January 18, 2024, May 17, 2024, May 28, 2024, June 14, 2024, November 19, 2024, January 27, 2025, April 24, 2025, July 17, 2025, September 29, 2025 and February 04, 2026
Grant Price (₹ per share)	₹30.85, ₹49.00, ₹99.40, ₹2.00, ₹164.40, ₹189.45, ₹306.35, ₹242.35, ₹247.94, ₹328.85, ₹273.80 and ₹315.25

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b) Movement of options during the year ended March 31, 2026 of ESOP 2018 Scheme

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
Outstanding as on April 01, 2025	**38,111,909**	**2.00 - 306.35**	**146.91**	**5.81**
Granted during the year	2,308,279	247.94 - 328.85	294.60	-
Forfeited during the year	(699,972)	2.00 - 306.35	129.73	-
Expired during the year	(461,285)	30.85 - 164.40	80.34	-
Exercised during the year	(1,478,904)	30.85 - 306.35	97.28	-
Outstanding as on March 31, 2026	**37,780,027**	**2.00 - 328.85**	**159.00**	**5.02**
Exercisable as on March 31, 2026	**9,211,944**	**30.85 - 306.35**	**157.24**	**4.45**

c) (i) Movement of options during the year ended March 31, 2025 of ESOP 2019 (Demerger Scheme)

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
Outstanding as on April 01, 2024	**12,000**	**218.71**	**218.71**	**0.08**
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Expired during the year	(12,000)	218.71	218.71	-
Exercised during the year	-	-	-	-
Outstanding as on March 31, 2025	**-**	**-**	**-**	**-**
Exercisable as on March 31, 2025	**-**	**-**	**-**	**-**

c) (ii) Movement of options during the year ended March 31, 2025 of ESOP 2018 Scheme

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
Outstanding as on April 01, 2024	**11,230,396**	**2.00 - 99.40**	**44.45**	**5.21**
Granted during the year	29,473,568	2.00 - 306.35	178.71	-
Forfeited during the year	(428,675)	2.00 - 242.35	49.50	-
Expired during the year	(74,100)	30.85 - 99.40	93.29	-
Exercised during the year	(2,089,280)	30.85 - 99.40	66.72	-
Outstanding as on March 31, 2025	**38,111,909**	**2.00 - 306.35**	**146.91**	**5.81**
Exercisable as on March 31, 2025	**2,840,293**	**30.85 - 99.40**	**77.80**	**2.19**

Fair Value Methodology:

The fair value of the shares are measured using Black scholes formula. Measurement inputs include share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, dividend yield, expected volatility .

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Key Assumptions used in Black-Scholes model for calculating fair value as on the date of grant are as follows:

Particulars	ESOP 2018				
	FY 2026				
	February 04, 2026	September 29, 2025	July 27, 2025	April 24, 2025 (Grant A)	April 24, 2025 (Grant B)
Stock price (₹)	315.25	273.80	328.85	247.94	247.94
Volatility	54.46%	53.93%	53.90%	54.45%	54.66%
Risk-free Rate	6.23%	6.13%	6.01%	6.17%	6.22%
Exercise price (₹)	315.25	273.80	328.85	247.94	247.94
Time to Maturity (Years)	5.00	5.00	5.00	5.00	7.00
Dividend yield	2.48%	2.48%	2.48%	2.48%	2.66%
Weighted Average Value (₹)	120.65	103.63	123.97	94.67	101.70

Particulars	FY 2025					
	January 27, 2025 (Grant B)	January 27, 2025 (Grant A)	November 19, 2024	June 14, 2024	May 28, 2024	May 17, 2024
Stock price (₹)	242.35	242.35	306.35	219.93	189.45	164.40
Volatility	52.23%	53.76%	50.00%	50.00%	50.00%	50.00%
Risk-free Rate	6.72%	6.72%	6.87%	7.11%	7.15%	7.20%
Exercise price (₹)	2.00	242.35	306.35	189.45	189.45	164.40
Time to Maturity (Years)	5.00	5.00	5.00	5.00	5.00	5.00
Dividend yield	3.02%	2.92%	3.34%	3.34%	3.34%	3.34%
Weighted Average Value (₹)	213.24	90.41	106.72	86.42	66.12	57.46

Stock Price: The Market price on NSE on the date of grant has been considered for the purpose of Option valuation.

Volatility: The daily volatility of the stock prices on NSE, over a period prior to the date of grant, corresponding with the expected life of the Options has been considered to calculate the fair value.

Risk-free rate of return: The risk-free rate being considered for the calculation is the India Government Bond Generic Bid Yield with a maturity about equal to the expected life of the options.

Exercise Price: Price of each specific grant has been considered.

Time to Maturity: Time to Maturity/Expected Life of Options is the period for which the Company expects the Options to be live. The minimum life of a stock option is the minimum period before which the Options cannot be exercised and the maximum life is the period after which the Options cannot be exercised.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for the earlier financial years preceding the date of the grant. The dividend yield for the year is derived by dividing the dividend per share by the average price per share of the respective period.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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NOTE 34 : ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for borrowings are:

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
Receivable & Loan	21,500.00	19,000.00
Fixed deposit	550.00	653.50
Investments	2,167.46	3,236.03
Total assets pledged as security	**24,217.46**	**22,889.53**

NOTE 35 : FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's risk management policy is approved by the board committee.

The Company has adopted the 'three lines-of-defence' (3 LOD) model wherein management control at the business entity level is the first line of defence in risk management. Various risk control and compliance oversight functions, established by the management are the second line of defence. Finally, the third line comprises the internal audit/assurance function. All three lines play a distinct role within Company wider governance framework.

The Company is exposed to market risk, credit risk, liquidity risk etc. The Company senior management oversees the management of these risks. The Company senior management is overseen by the audit committee with respect to risks and facilitates appropriate financial risk governance framework for the Company. Financial risks are identified, measured and managed in accordance with the Company policies and risk objectives. The Board of Directors reviews and agrees policies for managing key risks, which are summarised below.

35 A. 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, derivative financial instruments, other balances with banks, loans and other receivables and other financial asset.

35 A.1. CREDIT QUALITY ANALYSIS

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

(₹ in Million)

Particulars	As at March 31, 2026			
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade receivables	451.67	44.68	13.61	509.96
Less : Impairment loss allowance	-	(17.67)	(13.61)	(31.28)
Carrying amount	**451.67**	**27.01**	**-**	**478.68**
Other financial assets	19,849.94	113.41	132.48	20,095.83
Less : Impairment loss allowance	-	(104.10)	(132.48)	(236.58)
Carrying amount	**19,849.94**	**9.31**	**-**	**19,859.25**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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(₹ in Million)

Particulars	As at March 31, 2025			
	Financial Assets where loss allowance measured at 12-month ECL	**Financial assets for which credit risk has increased significantly and credit not impaired**	**Financial assets for which credit risk has increased significantly and credit impaired**	**Total**
Trade receivables	278.35	85.37	14.81	378.53
Less : Impairment loss allowance	-	(11.65)	(14.81)	(26.46)
Carrying amount	**278.35**	**73.72**	**-**	**352.07**
Other financial assets	18,531.67	56.76	131.86	18,720.29
Less : Impairment loss allowance	-	(43.77)	(131.86)	(175.63)
Carrying amount	**18,531.67**	**12.99**	**-**	**18,544.67**

Movement of ECL (Trade receivable and other financial assets)

(₹ in Million)

Particulars	**Financial assets for which credit risk has increased significantly and credit not impaired**	**Financial assets for which credit risk has increased significantly and credit impaired**	**Total**
April 01, 2024	**12.10**	**171.85**	**183.95**
Increase/(decrease) net	43.32	(25.18)	18.14
March 31, 2025	**55.42**	**146.67**	**202.09**
Increase/(decrease) net	66.35	(0.58)	65.77
March 31, 2026	**121.77**	**146.09**	**267.86**

35 A.2. COLLATERAL HELD

The Company holds collateral of securities and other credit enhancements against its credit exposures.

35 B. LIQUIDITY RISK

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities and maintaining availability of standby funding through an adequate line up of committed credit facilities. It uses a range of products mix to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the Company's cash flow position and ensures that the Company is able to meet its financial obligation at all times including contingencies.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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The table below analyse the Company financial liability into relevant maturity companying based on their contractual maturity. The amount disclosed in the table are the contractual undiscounted cash flows. Balance due within 1 year equals their carrying balances as the impact of discounting is not significant.

As at March 31, 2026

(₹ in Million)

Particulars	Total	Up to 1 year	1-5 years	5-10 years	More than 10 years
Trade & other payable	1,916.26	1,916.26	-	-	-
Commercial paper	6,148.05	6,148.05	-	-	-
Working capital demand loan & revolving credit facilities	10,750.00	7,250.00	3,500.00	-	-
Other financial liabilities	43,423.76	42,178.73	1,098.28	146.75	-
Total liabilities	**62,238.07**	**57,493.04**	**4,598.28**	**146.75**	**-**

As at March 31, 2025

(₹ in Million)

Particulars	Total	Up to 1 year	1-5 years	5-10 years	More than 10 years
Trade & other payable	1,584.14	1,584.14	-	-	-
Bank overdraft	299.00	299.00	-	-	-
Working capital demand loan & revolving credit facilities	7,763.50	6,763.50	1,000.00	-	-
Other financial liabilities	41,886.74	40,501.52	1,169.77	215.45	-
Total liabilities	**51,533.38**	**49,148.16**	**2,169.77**	**215.45**	**-**

35 C. MARKET RISK

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

The Company manages market risk through a treasury department, which evaluate and exercises control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by senior management and the Audit/Investment committee. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limit and policies.

35 C.1. INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate change does not affects significantly short term borrowing and current investment therefore the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's Non current investment.

Company business is volatile and hence borrowings are done bases on requirement, generally borrowings are done for short term and are on market based interest rate.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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The following table shows sensitivity analysis for impact on interest cost.

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Commercial Papers	6,148.05	-
Bank overdraft	-	299.00
Working capital demand loan & revolving credit facilities	10,750.00	7,763.50
Total	**16,898.05**	**8,062.50**
Weighted average interest rate	9.22%	9.47%
Annualised interest cost	1,557.74	763.63

Sensitivity analysis for impact on interest cost.

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Increase in 1% change in ROI	168.98	80.63
Decrease in 1% change in ROI	(168.98)	(80.63)

35 C.2. FAIR VALUE SENSITIVITY ANALYSIS FOR FIXED-RATE INSTRUMENTS

The Company's fixed-rate financial liabilities are carried at amortised cost. Therefore, a change in interest rates at the reporting date would not affect profit or loss, since neither the carrying amount nor the future cash flows will fluctuate.

35 C.3. EXPOSURE TO CURRENCY RISKS

The Company is operating internationally and is exposed to foreign exchange risk arising form foreign currency transaction. Below is table showing net gap between foreign asset and liability.

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency in Million	₹ in Million	Foreign currency in Million	₹ in Million
Foreign Currency Assets				
US$	0.32	28.73	0.11	9.10
GBP	0.00	0.28	0.01	1.28
EURO	0.02	2.29	-	-
Foreign Currency Liabilities				
US$	0.18	17.30	0.09	7.87
GBP	-	-	-	-
EURO	-	-		
Net Gap				
US$	0.14	11.42	0.02	1.23
GBP	0.00	0.28	0.01	1.28
EURO	0.02	2.29	-	-

Sensitivity :

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

The effect of upward movement of 5% in the exchange rate increase in the profit/reserve by ₹0.70 million (Previous year ₹0.13 million) and downward movement of 5% will reduce profit/reserve by ₹0.70 million (Previous year ₹0.13 million) for FY 2026.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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35 C.4. EXPOSURE TO PRICE RISK

The Company exposure to price risk arising from investment held by the Company and is classified in the balance sheet through fair value through profit & loss account. Company has majorly invested in Equity, Mutual Fund and Alternate Investment Funds under various scheme and its exposure.

(₹ in Million)

Particulars	Mutual Fund	Equity Shares (Other than Subsidiary)	Alternate Investment Funds	Total
Market Value as on March 31, 2026	-	1,569.85	987.22	2,557.07
Market Value as on March 31, 2025	1,577.46	1,068.56	889.33	3,535.35

Sensitivity

The effect of upward movement of 5% in the price affects the projected net income by ₹127.85 milllion (₹176.77 milllion for previous year) and for forward downward movement of 5% the projected net loss will be ₹127.85 milllion (₹176.77 milllion for previous year) for FY 2026.

35 D. CAPITAL MANAGEMENT

The Company's objective when managing capital are to

- Safeguard their ability to continue as going concern, so that they can continue to provide returns for the share holders and benefits for other stake holders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using debt equity ratio.

The Company's strategy is to maintain gearing ratio as per industry norms. The gearing ratio is as follows :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Total debt	16,898.05	8,062.50
Cash & cash equivalent (excluding client bank balance)	(1,513.92)	(4,515.74)
Net debt	**15,384.13**	**3,546.76**
Total equity	27,467.86	22,195.38
Net debt to equity	**0.56**	**0.16**

35 E. FAIR VALUES OF FINANCIAL INSTRUMENTS

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

— Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

— Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

— Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

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Subjective estimate - The valuation of level 3 financial instruments held at fair value through profit or loss or through other comprehensive income may be misstated due to the application of valuation techniques which often involve the exercise of judgement and the use of assumptions and estimates. A subjective estimate exists for instruments where the valuation method uses significant unobservable inputs which is principally the case for level 3 financial instruments. The estimate measurement of fair value is more judgemental in respect of Level 3 assets, these are valued based on models that use a significant degree of non-market-based unobservable inputs.

Observable prices or model inputs are usually available in the market for listed debt and equity securities. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

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.

35 E.1. FAIR VALUE OF FINANCIAL INSTRUMENTS - FINANCIAL INSTRUMENT BY CATEGORY

(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Fair Value through Profit or loss	Amortised Cost	Carrying Value	Fair Value through Profit or loss	Amortised Cost	Carrying Value
Financial Asset						
Cash and cash equivalents	-	2,829.66	2,829.66	-	5,659.27	5,659.27
Bank Balance other than above	-	45,784.43	45,784.43	-	33,386.15	33,386.15
Receivables						
(I) Trade receivables	-	478.68	478.68	-	352.07	352.07
(II) Other receivables	-	267.37	267.37	-	194.45	194.45
Loans	-	15,184.17	15,184.17	-	9,344.77	9,344.77
Investments						
- Equity Shares	1,569.85	909.80	2,479.65	1,068.56	675.09	1,743.65
- Alternate Investment Fund	987.22	-	987.22	889.33	-	889.33
- Mutual Fund	-	-	-	1,577.46	-	1,577.46
Other financial assets	-	19,859.25	19,859.25	-	18,544.66	18,544.66
Total	**2,557.07**	**85,313.36**	**87,870.43**	**3,535.35**	**68,156.46**	**71,691.81**
Financial Liabilities						
Trade payables	-	23.66	23.66	-	23.17	23.17
Other payables	-	1,892.60	1,892.60	-	1,560.97	1,560.97
Debt securities	-	6,148.05	6,148.05	-	-	-
Borrowings (Other than debt securities)	-	10,750.00	10,750.00	-	8,062.50	8,062.50
Other financial liabilities	-	43,162.83	43,162.83	-	41,582.77	41,582.77
Total	**-**	**61,977.14**	**61,977.14**	**-**	**51,229.41**	**51,229.41**

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35 E. 2. FAIR VALUE HIERARCHY - FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

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.

(₹ in Million)

Financial instruments measured at fair value - recurring fair value measurements	As at March 31, 2026			
	Level 1	Level 2	Level 3	Total
Equity instruments	1,569.85	-	-	1,569.85
Alternate Investment Funds	-	-	987.22	987.22
Total Assets	**1,569.85**	**-**	**987.22**	**2,557.07**

(₹ in Million)

Financial instruments measured at fair value - recurring fair value measurements	As at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Equity instruments	1,068.56	-	-	1,068.56
Mutual Funds	1,577.46	-	-	1,577.46
Alternate Investment Funds	-	-	889.33	889.33
Total Assets	**2,646.02**	**-**	**889.33**	**3,535.35**

35 E. 3. VALUATION METHODOLOGIES OF FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised.

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, other receivables, balances other than cash and cash equivalents and trade payables.

(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Carrying Value	Fair Value	Fair Value Hierarchy	Carrying Value	Fair Value	Fair Value Hierarchy
Assets						
Cash and cash equivalents	2,829.66	2,829.66	-	5,659.27	5,659.27	-
Bank Balance other than above	45,784.43	45,784.43	-	33,386.15	33,386.15	-
Receivables						
(I) Trade receivables	478.68	478.68	-	352.07	352.07	-
(II) Other receivables	267.37	267.37	-	194.45	194.45	-
Loans	15,184.17	15,184.17	-	9,344.77	9,344.77	-
Security deposit with landlord	211.29	175.92	Level 3	231.54	194.56	Level 3
Security deposit others	39.91	39.91	-	57.86	57.86	-
Other financial asset	19,608.05	19,608.05	-	18,255.26	18,255.26	-
Total Assets	**84,403.56**	**84,368.19**	**-**	**67,481.37**	**67,444.39**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Carrying Value	Fair Value	Fair Value Hierarchy	Carrying Value	Fair Value	Fair Value Hierarchy
Liabilities						
Trade payables	23.66	23.66	-	23.17	23.17	-
Other payables	1,892.60	1,892.60	-	1,560.97	1,560.97	-
Debt securities	6,148.05	6,148.05	-	-	-	-
Borrowings (Other than debt securities)	10,750.00	10,750.00	-	8,062.50	8,062.50	-
Security deposit others	288.46	288.46	-	358.10	358.10	-
Other financial liabilities	42,874.37	42,874.37	-	41,224.67	41,224.67	-
Total Liabilities	**61,977.14**	**61,977.14**	**-**	**51,229.41**	**51,229.41**	**-**

35 E. 4. MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE:

(₹ in Million)

Particulars	Alternate Investment fund	Total
Balances as at April 01, 2025	**889.33**	**889.33**
Purchase	97.18	97.18
Sale/Redemption of financial instrument	(29.73)	(29.73)
Total gain/(losses) recognised in profit and loss	30.45	30.45
Balances as at March 31, 2026	**987.23**	**987.23**

(₹ in Million)

Particulars	Alternate Investment fund	Total
Balances as at April 01, 2024	**718.40**	**718.40**
Purchase	30.00	30.00
Sale/Redemption of financial instrument	(67.56)	(67.56)
Total gain/(losses) recognised in profit and loss	208.49	208.49
Balances as at March 31, 2025	**889.33**	**889.33**

35 E. 5. MEASUREMENT OF FAIR VALUE

The fair values of Investments in Equity share and Bonds is based on last traded price and Alternate Investment Fund, Mutual Funds is based on the net asset value (NAV) as stated by the issuers of these alternate asset funds in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of alternate asset fund and the price at which issuers will redeem such units from the investors.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

The table which shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used is as follows:

Type	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value Change in discount rate by 500 basis points would increase /(decrease) as below
Financial Assets:				
Investment in Alternate Investment Funds	Alternate Investment Fund is based on the net asset value (NAV) as stated by the issuers of these alternate asset funds in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of alternate asset fund and the price at which issuers will redeem such units from the investors.	Not Applicable	Not Applicable	Not Applicable
Investment in Debt Instrument	These indicates thinly traded/non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
Investment in Preference shares/Equity share	These indicates thinly traded/non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
Deposit Given	Discounted cash flow technique- The fair value is estimated considering net present value calculated using discount rates derived from quoted prices of similar instruments with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Discount Rate	6.05% - 6.40% (Previous year 6.00% - 6.75%) based on SBI FD rate for respective period of deposit	Not Applicable
Financial Liabilities:				
Deposit	Discounted cash flow technique- The fair value is estimated considering net present value calculated using discount rates derived from quoted prices of similar instruments with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Not Applicable	Not Applicable	Not Applicable

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 36 : RELATED PARTY TRANSACTION

(A) As Per IND AS 24, the disclosures of transaction with the related parties are given below:

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Nature of relationship	Name of party #
Directors & their relatives	Mr. R. Venkataraman– Managing Director (w.e.f. March 22, 2025)
	Mr. Nemkumar H – Managing Director (w.e.f. May 15, 2024 till March 21, 2025)
	Mr. Narendra Jain - Whole Time Director
	Mr. Anand Bathiya - Independent Director
	Mr. Viswanathan Krishnan - Independent Director
	Mrs. Rekha Warriar - Independent Director (appointed as Chairperson of the Board w.e.f. March 22, 2025)
	Mr. Shamik Das Sharma - Independent Director
	Mrs. Aditi Athavankar (wife of Mr. R. Venkataraman)
Subsidiaries Company	IIFL Facilities Services Limited
	IIFL Management Services Limited
	IIFL Commodities Limited
	IIFL Capital Asset Management Limited (Formerly IIFL Securities Alternate Asset Management Limited)
	IIFL Securities Services IFSC Limited
	Livlong Insurance Brokers Limited
	Livlong Protection and Wellness Solutions Limited
	IIFL Capital Inc
	IIFL Wealth (UK) Limited*
	India Infoline Foundation (a section 8 Company)
	Meenakshi Towers LLP
Step Down Subsidiaries	Shreyans Foundation LLP
Other Related Parties	IIFL Finance Limited
	IIFL Home Finance Limited
	5paisa Capital Limited
	IIHFL Sales Limited (Step-Down Subsidiary of IIFL Finance Limited)
	360 ONE Wam Limited (Formerly known as IIFL Wealth Management Limited) (Ceased to be a Related Party w.e.f. July 11, 2024)
	360 One Prime Limited (Formerly IIFL Wealth Finance Limited) (Ceased to be a Related Party w.e.f. July 11, 2024)
	360 One Asset Management Limited (Ceased to be a Related Party w.e.f. July 11, 2024)
	360 One Distribution Services Limited (Formerly IIFL Wealth Distribution Services Limited) (Ceased to be a Related Party w.e.f. July 11, 2024)
	IIFL Fintech Private Limited (Formerly known as IIFL Open Fintech Private Limited)
	IIFL Samasta Finance Limited
	Orpheus Trading Private Limited
	Mogra Real Estate Development Private Limited
	Ardent Impex Private Limited
	FIH Mauritius Investments Limited
	Mr. Nirmal Jain - Promoter
	Mrs. Madhu Jain - (wife of Mr. Nirmal Jain)

#The above list includes related parties with whom transactions have been carried out during the year.

**IIFL Wealth (UK) Limited, a wholly owned subsidiary of the Company, was voluntarily struck off and dissolved with effect from July 22, 2025. Consequently, it ceased to be a wholly owned subsidiary of the Company from that date.*

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(B) Significant Transactions with Related Parties

(₹ in Million)

Nature of transaction	FY 2026	FY 2025
Brokerage Income/Delayed Payin Charges, etc. :-		
a) Subsidiaries		
IIFL Facilities Services Limited	0.13	4.75
IIFL Management Services Limited	0.85	0.02
Livlong Protection and Wellness Solutions Limited	0.00	0.00
b) Other Related Parties		
IIFL Finance Limited	2.28	0.40
360 One Prime Limited	-	0.68
IIFL Home Finance Limited	0.01	0.01
Mr. Nirmal Jain	4.30	2.54
Mrs. Madhu Jain	2.38	0.88
Ardent Impex Private Limited	0.00	0.02
Orpheus Trading Private Limited	0.25	0.02
FIH Mauritius Investments Limited	-	23.80
c) Directors & their relatives , Key Managerial Personnel		
Mrs. Aditi Athavankar	0.01	0.01
Mr. R. Venkataraman	0.91	0.35
Mr. Nemkumar H	-	0.36
Mr. Narendra Jain	0.00	0.01
Interest Income - Inter Corporate Deposit/Others :-		
a) Subsidiaries		
Livlong Protection and Wellness Solutions Limited	-	7.83
IIFL Commodities Limited	4.36	3.80
IIFL Management Services Limited	153.28	28.22
IIFL Facilities Services Limited	1.76	31.62
Meenakshi Towers LLP		
b) Other Related Parties		
IIFL Finance Limited	20.57	-
Distribution Income:-		
a) Subsidiaries		
IIFL Capital Asset Management Limited	15.80	-
IIFL Management Services Limited	-	7.83
Livlong Protection and Wellness Solutions Limited	0.20	0.51

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Nature of transaction	FY 2026	FY 2025
b) Other Related Parties		
IIFL Finance Limited	377.97	-
360 One Asset Management Limited	-	25.32
360 One Prime Limited	-	7.80
IIFL Samasta Finance Limited	-	16.08
FIH Mauritius Investments Limited	-	37.50
IIFL Home Finance Limited	6.50	24.81
Director's Remuneration:-		
Mr. R. Venkataraman	100.41	58.60
Mr. Narendra Jain	19.31	17.54
Mr. Nemkumar H	-	173.19
Nature of transaction		
Director's commission/Sitting Fees:-		
Mr. Anand Bhatiya	2.89	2.58
Mrs. Rekha Warriar	3.03	2.40
Mr. Viswanathan Krishnan	2.80	2.57
Mr. Shamik Das Sharma	2.23	2.09
Dividend Income:-		
a) Subsidiaries		
IIFL Wealth (UK) Limited	0.60	-
IIFL Facilities Services Limited	550.00	-
Interest Expenses on Inter Corporate Deposit:-		
a) Subsidiaries		
IIFL Facilities Services Limited	10.60	-
b) Other Related Parties		
IIFL Home Finance Limited	13.87	-
Corporate Social Responsibility Expenses:-		
a) Subsidiary		
India Infoline Foundation	98.46	50.72
Rent Expenses:-		
a) Subsidiaries		
IIFL Facilities Services Limited	48.23	82.58
b) Director or their relatives		
Mrs. Aditi Athavankar	-	2.40

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Nature of transaction	FY 2026	FY 2025
Marketing & Commission & Brokerage/Technology expenses :-		
a) Subsidiaries		
IIFL Capital Inc	147.66	183.63
b) Other Related Parties		
360 One Distibution Services Limited	-	0.44
Inter Corporate Deposit Taken :-		
a) Subsidiaries		
IIFL Facilities Services Limited	1,380.00	-
b) Other Related Parties		
IIFL Home Finance Limited	2,500.00	-
IIFL Samasta Finance Limited	1,000.00	-
Inter Corporate Deposit Taken & Repaid :-		
a) Subsidiaries		
IIFL Facilities Services Limited	1,380.00	-
b) Other Related Parties		
IIFL Home Finance Limited	2,500.00	-
IIFL Samasta Finance Limited	1,000.00	-
Inter Corporate Deposit Given : -		
a) Subsidiaries		
IIFL Facilities Services Limited	100.00	1,824.50
IIFL Management Services Limited	14,480.00	4,550.00
IIFL Commodities Limited	4.59	5.25
Livlong Protection and Wellness Solutions Limited	-	70.00
b) Other Related Parties		
IIFL Finance Limited	3,750.00	-
Inter Corporate Deposit Given & Received Back : -		
a) Subsidiaries		
IIFL Facilities Services Limited	100.00	2,188.50
IIFL Management Services Limited	13,790.00	4,550.00
Livlong Protection and Wellness Solutions Limited	-	70.00
b) Other Related Parties		
IIFL Finance Limited	3,750.00	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Nature of transaction	FY 2026	FY 2025
Deposit Received Back :-		
a) Subsidiaries		
IIFL Facilities Services Limited	-	55.31
b) Director or their relatives		
Mrs. Aditi Athavankar	50.00	-
Allocation/Reimbursement of expenses Paid :-		
a) Subsidiaries		
IIFL Facilities Services Limited	12.10	16.06
b) Other Related Parties		
IIFL Home Finance Limited	10.04	8.63
IIFL Finance Limited	33.63	28.11
5paisa Capital Limited	3.44	15.76
Allocation/Reimbursement of expenses Received :-		
a) Subsidiaries		
Livlong Protection and Wellness Solutions Limited	6.86	6.44
IIFL Capital Asset Management Limited	0.25	-
IIFL Management Services Limited	3.56	0.76
India Infoline Foundation	0.04	-
b) Other Related Parties		
IIFL Finance Limited	58.65	74.22
IIFL Home Finance Limited	15.89	37.20
5paisa Capital Limited	9.07	21.77
IIHFL Sales Limited	0.00	0.03
IIFL Fintech Private Limited	0.01	0.01
Others Paid :-		
a) Subsidiaries		
IIFL Facilities Services Limited	-	4.97
IIFL Capital Asset Management Limited	1.92	0.03
IIFL Commodities Limited	0.01	0.01
IIFL Management Services Limited	0.20	0.02
Livlong Insurance Brokers Limited	0.02	0.02
b) Other Related Parties		
IIFL Finance Limited	0.21	0.62
5paisa Capital Limited	0.31	0.25
IIFL Home Finance Limited	0.07	1.16

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

	Nature of transaction	FY 2026	FY 2025
	Others Received:-		
	a) Subsidiaries		
	IIFL Facilities Services Limited	1.91	9.27
	IIFL Management Services Limited	0.24	2.48
	Livlong Protection and Wellness Solutions Limited	-	0.00
	India Infoline Foundation	-	0.32
	IIFL Capital Inc.	4.55	2.56
	Livlong Insurance Brokers Limited	-	0.52
	IIFL Capital Asset Management Limited	4.39	1.47
	IIFL Securities Services IFSC Limited	0.82	0.73
	b) Other Related Parties		
	IIFL Finance Limited	0.28	0.73
	5paisa Capital Limited	0.39	0.49
	IIFL Home Finance Limited	0.01	1.03
	Purchase of Investment:-		
	a) Subsidiaries		
	IIFL Capital Asset Management Limited	245.90	-
	Sale of Investment:-		
	a) Subsidiaries		
	IIFL Wealth (UK) Limited*	17.50	-
(C)	**Closing Balance**		
	Sundry Payable:-		
	a) Subsidiaries		
	IIFL Capital Inc	17.30	7.87
	IIFL Commodities Limited	0.00	0.00
	IIFL Facilities Services Limited	0.52	-
	b) Director & their relatives, Key Managerial Persons		
	Mr. R. Venkataraman	0.08	0.00
	Mr. Narendra Jain	0.00	-
	Mr. Nemkumar H	-	0.03
	Mr. Nirmal Jain	0.65	1.18
	Mrs. Madhu Jain	0.19	0.08
	Sundry Receivable:-		
	a) Subsidiaries		
	IIFL Facilities Services Limited	-	5.95
	IIFL Management Services Limited	0.16	0.31
	India Infoline Foundation	7.55	33.15

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Nature of transaction	FY 2026	FY 2025
Livlong Protection and Wellness Solutions Limited	1.34	2.61
IIFL Securities Services IFSC Limited	5.33	4.51
IIFL Capital Asset Management Limited	18.12	0.61
Livlong Insurance Brokers Limited	-	0.55
b) Other Related Parties		
IIFL Alternate Assets Advisors Limited		
IIFL Home Finance Limited	2.34	0.00
IIFL Finance Limited	252.12	0.35
5paisa Capital Limited	2.19	2.92
Orpheus Trading Private Limited	-	0.00
Ardent Impex Private Limited	0.00	0.00
Inter Corporate Deposit Given:-		
a) Subsidiaries		
IIFL Management Services Limited	690.00	-
IIFL Commodities Limited	40.84	36.25
Security Deposit Given:-		
a) Subsidiaries		
IIFL Facilities Services Limited	24.11	24.11
b) Director & their relatives		
Mrs. Aditi Athavankar	-	50.00
Investment in equity shares of subsidairies:-		
IIFL Facilities Services Limited	321.40	321.40
IIFL Commodities Limited	111.87	111.87
Livlong Insurance Brokers Limited	43.41	43.41
IIFL Management Services Limited	10.00	10.00
IIFL Wealth (UK) Limited	-	11.20
IIFL Capital Inc	40.29	40.29
Livlong Protection and Wellness Solutions Limited	41.93	41.93
IIFL Securities Services IFSC Limited	5.00	5.00
IIFL Capital Asset Management Limited (Formerly IIFL Securities Alternate Asset Management Limited)	335.90	90.00

Note:

**IIFL Wealth (UK) Limited, a wholly owned subsidiary of the Company, was voluntarily struck off and dissolved with effect from July 22, 2025. Consequently, it ceased to be a wholly owned subsidiary of the Company from that date.*

^During the year, the Company invested ₹245.90 million in IIFL Capital Asset Management Limited, a wholly owned subsidiary, by subscribing to its rights issue of equity shares.

i) *Amount is less than ₹0.01 million, hence shown ₹0.00 million, wherever applicable.*

ii) *As the future liability for retirement and other employee benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to directors and key managerial personnel is not included above.*

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

NOTE 37 : DISCLOSURE AS PER IND AS -108 "SEGMENT REPORTING"

The Company's business is to provide capital market services in primary & secondary market. All other activities of the Company are ancillary to the main business. As such, there are no reportable segments that need to be reported separately as defined in Ind AS 108, Operating Segments.

NOTE 38 : THE TABLE BELOW SHOWS AS ANALYSIS OF ASSETS AND LIABILITIES ANALYSED ACCORDING TO WHEN THEY ARE EXPECTED TO BE RECOVERED OR SETTLED.

(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
(1) Financial Assets						
(a) Cash and cash equivalents	2,829.66	-	2,829.66	5,659.27	-	5,659.27
(b) Bank Balance other than above	45,736.29	48.14	45,784.43	33,378.77	7.38	33,386.15
(c) Receivables						
(I) Trade receivables	478.68	-	478.68	352.07	-	352.07
(II) Other receivables	267.37	-	267.37	194.45	-	194.45
(d) Loans	14,453.33	730.84	15,184.17	9,308.52	36.25	9,344.77
(e) Investments	1,569.85	1,897.02	3,466.87	2,646.02	1,564.42	4,210.44
(f) Other financial assets	19,542.29	316.96	19,859.25	18,252.00	292.66	18,544.66
Sub-total	**84,877.47**	**2,992.96**	**87,870.43**	**69,791.10**	**1,900.71**	**71,691.81**
(2) Non-Financial Assets						
(a) Current tax assets (net)	498.28	-	498.28	381.10	-	381.10
(b) Deferred tax assets (net)	-	43.85	43.85	-	92.05	92.05
(c) Property, Plant and Equipment	-	518.28	518.28	-	523.84	523.84
(d) Capital work-in-progress	-	-	-	11.27	-	11.27
(e) Other intangible assets	-	49.21	49.21	-	24.61	24.61
(f) Right-of-use assets	-	869.96	869.96	-	952.32	952.32
(g) Other non-financial assets	360.57	4.07	364.64	323.81	6.17	329.98
Sub-total	**858.85**	**1,485.37**	**2,344.22**	**716.18**	**1,598.99**	**2,315.17**
Total Assets	**85,736.32**	**4,478.33**	**90,214.65**	**70,507.28**	**3,499.70**	**74,006.98**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES						
(1) Financial Liabilities						
(a) Payables						
(I) Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	0.01	-	0.01
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	23.66	-	23.66	23.16	-	23.16
(II) Other payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,892.60	-	1,892.60	1,560.97	-	1,560.97
(b) Debt securities	6,148.05	-	6,148.05	-	-	-
(c) Borrowings (Other than debt securities)	7,250.00	3,500.00	10,750.00	7,062.50	1,000.00	8,062.50
(d) Other financial liabilities	42,089.43	1,073.40	43,162.83	40,415.05	1,167.72	41,582.77
Sub-total	**57,403.74**	**4,573.40**	**61,977.14**	**49,061.69**	**2,167.72**	**51,229.41**
(2) Non-Financial Liabilities						
(a) Current tax liabilities	209.84	-	209.84	-	-	-
(b) Provisions	13.67	62.19	75.86	13.56	68.79	82.35
(c) Other non-financial liabilities	483.95	-	483.95	499.84	-	499.84
Sub-total	**707.46**	**62.19**	**769.65**	**513.40**	**68.79**	**582.19**
(3) Equity						
(a) Equity share capital	-	622.87	622.87	-	619.91	619.91
(b) Other equity	-	26,844.99	26,844.99	-	21,575.47	21,575.47
Sub-total	**-**	**27,467.86**	**27,467.86**	**-**	**22,195.38**	**22,195.38**
Total Liabilities and Equity	**58,111.20**	**32,103.45**	**90,214.65**	**49,575.09**	**24,431.89**	**74,006.98**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 39 : DISCLOSURE OF FINANCIAL RATIOS

Additional regulatory information required under (WB)(xvi) of Division III of Schedule III amendment, disclosure of rations, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

NOTE 40 : OTHER DISCLOSURE UNDER SCHEDULE - III

1) No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3) The Company does not have any long-term contracts including derivative contracts for which there are any material forseeable losses.

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

5) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

6) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

7) During the year, the Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

8) There are no transactions which have not been recorded in the books of accounts and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9) The quarterly returns/statements of current assets filed by the Company,with banks from whom borrowings have been availed on the the basis of security of current assets,are in agreement with the books of account.

10) There are no charges or satisfaction yet to be registered with the registrar of companies beyond the statutory period.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

11) The Company does not have layers beyond the number prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

12) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

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

For and on behalf of Board of Directors

S. Nagabushanam
Partner
Membership No.: 107022

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Place: Mumbai
Date: May 04, 2026

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of IIFL Capital Services Limited (Formerly known as IIFL Securities Ltd)

Report on the Audit of the Consolidated Ind AS Financial Statements

OPINION

We have audited the accompanying consolidated Ind AS financial statements of **IIFL Capital Services Limited (Formerly known as IIFL Securities Ltd)** (hereinafter referred to as the 'Holding Company") and its subsidiary LLPs, and subsidiary Companies (Holding Company and its subsidiary LLPs and subsidiary companies together referred to as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2026, the consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and the consolidated Cash Flows statement for the year then ended, and notes to the consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, of consolidated profit, of consolidated total comprehensive income, of consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the 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.

EMPHASIS OF MATTER

We draw attention to Note 37 to the accompanying consolidated financial statements, describing the search conducted by Income-Tax authorities ('the department') at the premises of the Group in January 2025. In the course of the proceedings, certain legal and factual matters were examined, and the Group have fully cooperated by furnishing the requisite information and documentary evidence as sought from time to time. On receipt of notice under Section 158BC of the Act, the Holding and Subsidiary Company filed return for the block period from April 01, 2018 to February 03, 2025. As a prudential measure and without prejudice to its rights and contentions, the Group on consolidated basis have paid an ad-hoc amount of Income tax aggregating to ₹274.22 million and accounted for the same as expenditure during the quarter under "Tax Expense - Short/(Excess)". Subsequent to above, two subsidiaries have received demand of ₹563.08 million vide order dated April 22, 2026 for the block period April 01, 2018 to February 03, 2025. The respective companies are in the process of filling appeal against the said order. In case of holding company, the assessment proceedings are currently in progress, and the Holding Company continues to extend full cooperation to the Income-tax authorities. The Holding Company has not received any orders/demand notices till date. The Management, after considering all available records and facts, is of the view that there would not be any material adverse impact on the financial position of the group and hence no material adjustments are required to be made in the financial statements of the group.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the 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:

Sr No.	Key Audit Matter	Response to Key Audit Matter
1.	**Information technology (IT) systems used in financial reporting process.** The Holding company's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily. We therefore identified IT systems and controls over financial reporting as a key audit matter for the Holding Company.	We obtained an understanding of the Holding Company's IT control environment relevant to the audit. We tested the design, implementation and operating effectiveness of the Holding Company's General IT controls over the key IT systems which are critical to financial reporting. We also tested key automated and manual controls and logic for system generated reports relevant to the audit that would materially impact the financial statements. In addition to above, we have also relied on the work of the internal auditors and system auditors.
2.	**Contingent Liabilities** The Group has various litigations which have been disclosed in contigent liability by the Group. We have considered litigations as Key Audit Matter because the assessment of the risks in these litigations is based on significant degree of management judgments including accounting estimates.	Our audit procedure in response to this key Audit Matter inter-alia included: • Assessment of the process and relevant controls implemented to identify litigations and pending administrative proceedings. • Assessment of assumptions used in the evaluation of potential legal risks performed by the legal of the Company considering the legal precedence and other rulings in similar cases. • Inquiry with the legal departments personnel regarding the status of the most significant disputes and perusal of the key relevant documentation. • Analysis of opinion obtained by the Company from external experts, wherever available. • Review of the adequacy of the disclosures in the notes to the financial statements.
3	**Assessment of Carrying Value of Investment Property, Property, Plant and Equipment** The group has Investment Property and Property, Plant and Equipment which are measured at Cost less accumulated depreciation and accumulated impairment loss if any. Though the group measures investment property using cost-based measurement, fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has experience in the category of the investment property being valued. The Property, Plant and Equipment held by the group is represented by realty properties. In assessing whether the properties are impaired, the group uses the fair value of the properties as determined by valuers. The carrying value of investment property and property, plant and Equipment are considered to be key audit matter as, if the same were to be impaired, it would have significant impact on the reported profit and balance sheet position of the group.	Our audit procedures included the following: • Understanding, evaluating and validating the design and operating effectiveness of controls for identification and assessment of any potential impairment, including determining the carrying amount. • Assessed the appropriateness of the fair valuation carried out by management by involving valuation experts for the purpose of impairment assessment. • Evaluated the adequacy of the disclosures made in the standalone financial statements. Based on the above procedures performed, we noted that the measurement of the Investment Property and Property, Plant and Equipment at carrying cost is reasonable.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report but does not include the financial statements Auditors Report(s) thereon. The Holding Company's Annual Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies and Management of the LLPs included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies and Management of the LLPs included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis

of accounting unless the management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies and Management of the LLPs included in the Group are responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the financial statements 1 wholly owned subsidiary company in India and 1 wholly owned subsidiary company outside India whose Financial Statements reflect Group's share of total assets of ₹859.40 million as at March 31, 2026, Group's share of total revenue of ₹1,072.47 million for year ended March 31, 2026, Group's share of total net profit/(loss) of ₹75.69 million for the year ended March 31, 2026, Group's share of Total Comprehensive Income of ₹75.90 million for year ended March 31, 2026 and the Group's share of net cash outflow of ₹12.57 million for the year ended March 31, 2026, as considered in the Consolidated Financial Statement. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of those subsidiary LLPs, and subsidiary companies, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary LLPs and subsidiary companies, is based solely on the reports of the other auditors.

The Consolidated Financial Statements include the unaudited financial statements of one subsidiary outside India, which cease to be subsidiary on July 22,2025 whose financial statements reflect Group's share of total assets of ₹ Nil million as at March 31,2026, Group's share of total revenue of ₹ Nil and Group's share of total net loss after tax of ₹0.74 million for the year ended March 31,2026, Group's share of total comprehensive income of ₹0.74 million for year ended March 31, 2026 and the Group's share of net cash outflow of ₹ (17.47) million for the year ended March 31, 2026, as considered in the consolidated financial statement. These Unaudited Financial Statements have been furnished to us by the management of the said subsidiary and our opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such Unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the management, these Financial Statements are not material to the Group.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements certified by the management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of internal financial controls over financial reporting of the Companies incorporated in India and included in the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding Company and its subsidiary companies incorporated in India to its managing director during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 37 to the consolidated financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses Refer Note 46(iii) to the consolidated financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies incorporated in India Refer Note 46(iv) to the consolidated financial statements;

iv. (a) The respective Managements of the Holding Company, its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, its subsidiaries

("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries Refer Note 46(i) to the consolidated financial statements.;

(b) The respective Managements of the Holding Company, its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company, its subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its subsidiaries shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries Refer Note 46(ii) to the consolidated financial statements.; and

(c) In our opinion and based on the audit procedures we have considered reasonable and appropriate in the circumstances performed by us on the Holding Company, its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividend declared and paid by the Group during the year and until the date of this report is in compliance with Section 123 of the Act.

vi. Based on our examination, which included test checks, performed by us on the Company and its subsidiaries incorporated in India which are audited by us and based on the Audit Report of one wholly owned subsidiary audited by other auditors, and in accordance with requirements of implementation Guide on Reporting on Audit Trail under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, the Companies in the Group have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further audit trail has been preserved by the company as per the statutory requirements for record retention and during the course of our audit we did not come across any instance of audit trail feature being tampered with.

2. With respect to the matters specified in paragraphs 3 (xxi) and 4 of the Companies (Auditor's Report Order, 2020 (the "Order"/"CARO") issued by Central Government in terms of Section 143(11) of the Act, to be included in the Auditors report, according to the information and explanation given to us, and based on the CARO report issued by us for the Holding Company and five subsidiaries and one subsidiary audited by another auditor which are companies incorporated in India, included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no material qualifications or adverse remarks in these CARO reports.

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

Place: Mumbai
Date: May 04,2026

(S Nagabushanam)
(M.No.107022)
UDIN: 26107022YXNERI8935

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in our report of even date to the members of IIFL Capital Services Limited (Formerly known as IIFL Securities Ltd) on the consolidated 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 Capital Services Limited (Formerly known as IIFL Securities Ltd)** (hereinafter referred to as "the Holding Company") and its subsidiary companies incorporated in India (hereinafter collectively referred to as "the Group") as of March 31, 2026, which are companies incorporated in India, as of that date

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

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

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies which are incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026 based on the internal control over financial reporting criteria established by the 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 **V. Sankar Aiyar & Co.,**
Chartered Accountants
(FRN 109208W)

Place: Mumbai
Date: May 04,2026

(S Nagabushanam)
(M.No.107022)
UDIN: 26107022YXNERI8935

CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2026

(₹ in Million)

Particulars	Note No.	As at March 31, 2026 Audited	As at March 31, 2025 Audited
ASSETS			
1. Financial Assets			
(a) Cash and cash equivalents	3	4,247.65	6,121.96
(b) Bank balance other than (a) above	4	46,406.26	33,979.71
(c) Receivables			
(I) Trade receivables	5	623.42	454.32
(II) Other receivables	5	577.61	450.08
(d) Loans	6	14,453.33	9,308.52
(e) Investments	7	3,898.25	4,859.00
(f) Other financial assets	8	20,066.34	18,912.30
Sub-total		**90,272.86**	**74,085.89**
2. Non-Financial Assets			
(a) Current tax assets		699.70	438.19
(b) Deferred tax assets (net)	9	223.15	228.59
(c) Investment property	10	765.79	765.79
(d) Property, Plant and Equipment	11	1,274.40	2,192.59
(e) Capital work-in-progress	11	12.35	16.85
(f) Other intangible assets	12	90.69	62.71
(g) Assets held for sale	13	123.68	-
(h) Right of use asset	14	822.08	858.04
(i) Other non-financial assets	15	1,294.93	909.75
Sub-total		**5,306.77**	**5,472.51**
Total Assets		**95,579.63**	**79,558.40**
LIABILITIES AND EQUITY			
LIABILITIES			
1. Financial Liabilities			
(a) Payables			
(I) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	16	-	0.01
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	16	48.12	31.41
(II) Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	16	2,380.80	2,192.50
(b) Debt securities	17	6,148.05	-
(c) Borrowings (other than debt securities)	18	12,060.82	9,372.26
(d) Other financial liabilities	19	43,289.84	41,670.45
Sub-total		**63,927.63**	**53,266.63**
2. Non-Financial Liabilities			
(a) Current tax liabilities		226.96	61.48
(b) Provisions	20	95.16	100.67
(C) Other Non-Financial Liabilities	21	619.16	1,029.66
Sub-total		**941.28**	**1,191.81**
3. Equity			
(a) Equity share capital	22	622.87	619.91
(b) Other equity	23	30,034.25	24,452.37
(c) Non controlling interest	24	53.60	27.68
Sub-total		**30,710.72**	**25,099.96**
Total Liabilities and Equity		**95,579.63**	**79,558.40**
See accompanying notes forming part of the consolidated financial statements	1 - 46		

As per our attached report of even date

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

For and on behalf of Board of Directors

S. Nagabushanam
Partner
Membership No.: 107022

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Place: Mumbai
Date: May 04, 2026

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
1. Revenue from operations			
(a) Interest income	25	4,375.89	4,192.13
(b) Rental income		152.85	236.30
(c) Fees and commission income	26	19,671.56	19,621.77
Total revenue from operations (a+b+c)		**24,200.30**	**24,050.20**
2. Other income	27	**1,830.71**	**1,624.11**
3. Total income (1+2)		**26,031.01**	**25,674.31**
4. Expenses			
(a) Finance costs	28	2,097.38	1,800.05
(b) Fees and commission expense	29	5,341.16	4,962.04
(c) Employee benefits expenses	30	6,874.75	5,905.17
(d) Depreciation, amortisation and impairment	31	650.74	548.81
(e) Other expenses	32	3,504.06	3,212.37
Total expenses (a+b+c+d+e)		**18,468.09**	**16,428.44**
5. Profit before tax (3-4)		**7,562.92**	**9,245.87**
6. Tax expense:			
(a) Current Tax	33	1,641.03	1,985.25
(b) Deferred Tax	33	11.31	131.84
(c) Short/excess	33	274.22	-
Total tax expense (a+b+c)		**1,926.56**	**2,117.09**
7. Profit for the period (5-6)		**5,636.36**	**7,128.78**
Attributable to:			
Owners of the Company		5,613.48	7,123.38
Non controlling interest		22.88	5.40
8. Other Comprehensive Income			
(A)			
(i) Items that will not be reclassified to profit or loss			
a) Remeasurements of the defined benefit plans		(21.72)	(27.93)
(ii) Income tax relating to items that will not be reclassified to profit or loss		5.47	6.96
Subtotal (A)		**(16.25)**	**(20.97)**
(B)			
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		**-**	**-**
Other Comprehensive Income (A+B)		**(16.25)**	**(20.97)**
9. Total Comprehensive Income for the period (7+8)		**5,620.11**	**7,107.81**
Attributable to:			
Owners of the Company		5,597.23	7,102.41
Non controlling interest	24	22.88	5.40
Earnings per equity share			
Basic (in ₹)	34	18.08	23.06
Diluted (in ₹)	34	17.07	21.89
See accompanying notes forming part of the consolidated financial statements	1 - 46		

As per our attached report of even date

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

For and on behalf of Board of Directors

S. Nagabushanam
Partner
Membership No.: 107022

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Place: Mumbai
Date: May 04, 2026

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flows from operating activities		
Net profit before taxation	7,562.92	9,245.87
Adjustments for:		
Depreciation, amortisation and impairment	650.74	548.81
Interest expenses	2,097.38	1,800.05
Foreign exchange fluctuation	7.45	3.72
Net loss/(gain) on termination of lease	(1.96)	(0.69)
Employee share based payment	770.39	868.01
Provision for gratuity	102.61	19.15
Provision for leave encashment	3.66	28.70
Provision for expenses	2,380.79	2,192.50
Dividend income	(35.33)	(2.93)
Interest income	(210.16)	(95.99)
Net (gain)/loss on financial instrument	(626.33)	(1,049.61)
Net (gain) on sale of fixed assets	(906.65)	(444.91)
Operating profit before working capital changes	**11,795.51**	**13,112.68**
(Increase)/decrease in other bank balances	(12,398.28)	6,776.40
(Increase)/decrease in loans	(5,144.81)	(144.24)
(Increase)/decrease in trade and other receivables	(296.62)	(270.09)
(Increase)/decrease in other financial assets	(1,154.04)	(1,577.72)
(Increase)/decrease in other non-financial assets	(385.18)	(89.70)
Increase/(decrease) in trade and other payable	(2,175.79)	(2,363.66)
Increase/(decrease) in other financial liabilities	1,494.78	(5,170.85)
Increase/(decrease) in provisions	(9.18)	(6.72)
Increase/(decrease) in non-financial liabilities	(410.49)	475.26
Cash (used in)/generated from operations	**(8,684.10)**	**10,741.36**
Current tax expense	(2,011.69)	(2,032.44)
Net cash (used in)/generated from operating activities (A)	**(10,695.79)**	**8,708.92**
Cash flows from investing activities		
Purchase of fixed assets	(283.46)	(481.88)
Sale of fixed assets	1,623.37	994.70
Redemption/(Investment) of fixed deposit	(28.27)	(163.55)
Interest income	210.16	95.99
Dividend income	35.33	2.93
Sale/(Purchase) of Current Investment (net)	(304.48)	(2,029.35)
Purchase of Investment	(158.64)	(202.50)
Sale of Investment	2,050.16	14.00
Net cash generated from/(used in) investing activities (B)	**3,144.17**	**(1,769.66)**
Cash flows from financing activities		
Proceed from issuance of equity shares	143.87	163.48
Dividend paid	(934.10)	(929.50)
Increase/(decrease) in short term debt securities	6,148.05	(4,292.99)
Repayment of long term borrowings	(486.48)	(539.35)
Increase in long term borrowings	2,500.00	1,000.00
Increase/(decrease) in short term borrowings	675.03	1,666.12
Repayment of lease liabilities	(387.06)	(262.04)
Interest expenses	(1,985.04)	(1,708.74)
Change in Minority Interest	3.04	2.93
Net cash generated from/(used in) financing activities (C)	**5,677.31**	**(4,900.09)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(1,874.31)**	**2,039.17**
Cash and cash equivalents at the beginning of the year	6,121.96	4,082.79
Cash and cash equivalents at the end of the year	**4,247.65**	**6,121.96**

See accompanying notes forming part of the consolidated financial statements (1 - 46)

As per our attached report of even date

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

For and on behalf of Board of Directors

S. Nagabushanam
Partner
Membership No.: 107022

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Place: Mumbai
Date: May 04, 2026

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

A. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
At the beginning of the year	309,955,809	619.91	307,866,529	615.73
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	**309,955,809**	**619.91**	**307,866,529**	**615.73**
Add: Shares issued during the year under ESOP Scheme	1,478,904	2.96	2,089,280	4.18
Closing at the end of year	**311,434,713**	**622.87**	**309,955,809**	**619.91**

B. OTHER EQUITY

(₹ in Million)

Particulars	Reserves and Surplus					Share options outstanding account	Other items of other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Total
	General reserve	Capital redemption reserve	Capital reserve	Securities premium	Retained earnings				
Balance as at April 01, 2025	**487.04**	**34.00**	**660.72**	**1,521.66**	**20,797.67**	**985.69**	**(63.86)**	**29.45**	**24,452.37**
Changes in Equity Share Capital due to prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**487.04**	**34.00**	**660.72**	**1,521.66**	**20,797.67**	**985.69**	**(63.86)**	**29.45**	**24,452.37**
Total comprehensive income for the year	-	-	-	-	5,613.48	-	(16.25)	-	5,597.22
Appropriation towards dividend paid	-	-	-	-	(934.10)	-	-	-	(934.10)
Transfer to/from reserves	13.00	-	-	50.36	-	(63.36)	-	-	-
Other additions	0.01	-	-	140.91	-	770.39	-	7.45	918.76
Balance as at March 31, 2026	**500.05**	**34.00**	**660.72**	**1,712.93**	**25,477.05**	**1,692.71**	**(80.11)**	**36.90**	**30,034.25**
Balance as at April 01, 2024	**483.41**	**34.00**	**660.72**	**1,339.50**	**14,603.79**	**144.17**	**(42.89)**	**25.73**	**17,248.43**
Changes in Equity Share Capital due to prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**483.41**	**34.00**	**660.72**	**1,339.50**	**14,603.79**	**144.17**	**(42.89)**	**25.73**	**17,248.43**
Total comprehensive income for the year	-	-	-	-	7,123.38	-	(20.97)	-	7,102.41
Appropriation towards dividend paid	-	-	-	-	(929.50)	-	-	-	(929.50)
Transfer to/from reserves	3.63	-	-	22.86	-	(26.49)	-	-	-
Other additions	0.00	-	-	159.30	-	868.01	-	3.72	1,031.03
Balance as at March 31, 2025	**487.04**	**34.00**	**660.72**	**1,521.66**	**20,797.67**	**985.69**	**(63.86)**	**29.45**	**24,452.37**

See accompanying notes forming part of the consolidated financial statements (1 - 46)

As per our attached report of even date

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

For and on behalf of Board of Directors

S. Nagabushanam
Partner
Membership No.: 107022

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Place: Mumbai
Date: May 04, 2026

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 1. CORPORATE INFORMATION:

The financial statements comprise financial statements of IIFL Capital Services Limited (formerly known as IIFL Securities Ltd) ("the Holding Company") and its subsidiaries (collectively, the group) for the year ended March 31, 2026.

IIFL Capital Services Limited (formerly known as IIFL Securities Ltd) ("the Company") was incorporated on March 21, 1996. The Company is in financial services spaces offering equity, currency and commodity broking, depository participant services, merchant banking and distribution of financial products besides holding investments in subsidiaries. The group business also consist of other financial services, facilities & ancillary services and insurance broking services & ancillary services which are carried out by separate subsidiaries of the Company.

Information on other related party relationships of the group is provided in note 44.

NOTE: 1.1 PURPOSE AND BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below,the relevant provisions of The Companies Act, 2013 ("Act").

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such value in use in Ind AS 36.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

a) Key Accounting Estimates And Judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. The Group makes certain judgments and estimates for valuation and impairment of financial instruments, fair valuation of employee stock options, useful life of property, plant and equipment, deferred tax assets, retirement benefit obligations and lease arrangements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

b) Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Sec 133 of the Companies Act ("the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value (refer accounting policy on financial instruments).

Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, the Statement of Cash Flows for the year ended March 31, 2026 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements' or 'financial statements'). All the accounting policies adopted by the Group have been consistently applied in all the financial years presented in these financial statements.

c) Basis of Preparation of financial statements:

These Financial Statements of the Group are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards. The Financial Statements are presented in million, except when otherwise indicated. Amount which is less than ₹0.01 million is shown as ₹0.00 million.

The Consolidated financial statements for the year ended March 31, 2026 are being authorised for issue in accordance with a resolution of the directors on May 04, 2026.

d) List of Subsidiaries Consolidated

The individual Balance Sheet as at March 31, 2026, Statement of Profit and Loss and cash flow statement for the year ended March 31, 2026 of following subsidiaries are included in consolidation:

Name of the entity	Country of Incorporation	% of holding and voting power either directly or indirectly through subsidiary	
		As at March 31, 2026	As at March 31, 2025
IIFL Commodities Limited	India	100%	100%
IIFL Management Services Limited	India	100%	100%
Livlong Insurance Brokers Limited (Formerly known as IIFL Insurance Brokers Limited)	India	100%	100%
IIFL Facilities Services Limited	India	100%	100%
IIFL Securities Services IFSC Limited	India	100%	100%
Livlong Protection and Wellness Solutions Limited (Formerly known as IIFL Corporate Services Limited)	India	76%	78%
IIFL Capital Inc.	United States of America	100%	100%
IIFL Wealth (UK) Limited*	United Kingdom	NA	100%
Shreyans Foundation LLP	India	99%	99%
Meenakshi Towers LLP	India	100%	100%
IIFL Capital Asset Management Limited (formerly as IIFL Securities Alternate Asset Management Limited)	India	100%	100%

**IIFL Wealth (UK) Limited, a wholly owned subsidiary of the Company, was voluntarily struck off and dissolved with effect from July 22, 2025. Consequently, it ceased to be a wholly owned subsidiary of the Company from that date.*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

NOTE 2. MATERIAL ACCOUNTING POLICIES

a) Basis of consolidation

i) Subsidiaries

Company consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and subsidiaries as disclosed in Note 45. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. Non-controlling interests, which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

ii) Associates and joint ventures

An associate is an entity over which the Group has significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

The Group's investments in its associate and joint venture are accounted for under the equity method. Under the equity method the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognise the loss as 'Share of profit of a joint venture' in the consolidated statement of profit or loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

b) Business Combinations:

Business combinations (not involving entities under common control) are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonies accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under other equity.

c) Goodwill:

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

d) Property, Plant & Equipment (PPE)

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The group identifies and determines cost of each part of an item of PPE separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of PPE comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalised if the recognition criteria are met. Expenses related to plans, designs and drawings of buildings or plant and machinery is capitalised under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognised in the Statement of Profit and Loss as and when incurred.

Gains or losses arising from disposal or retirement of tangible Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised net, within "Other Income" or "Other Expenses", as the case maybe, in the Statement of Profit and Loss in the year of disposal or retirement.

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property as its carrying amount on the date of reclassification.

On transition to Ind AS, the Group has elected to continue with the carrying value for all of its PPE recognised as at April 01, 2017 measured as per the previous GAAP and use that varying value as the deemed cost of the PPE.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Depreciation:

Depreciation on each item of property, plant and equipment is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Significant components of assets identified separately pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated separately over their useful life.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortised over the period of lease.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Estimates of useful lives of property, plant and equipment

Class of assets	Useful life in years
Buildings	20
Computers	3
Electrical equipment	5
Office equipment	5
Furniture and fixtures	5
Vehicles	5

For the above class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Depreciation/Amortisation is charged on pro-rata on monthly basis on assets, from/upto the month of capitalisation/sale, disposal/earmarked for disposal.

Derecognition: The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of Profit and Loss when the item is derecognised.

Capital work in progress and Capital advances:

Cost of assets not yet ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Capital Advance under Other Non-Financial Assets.

e) Intangible assets:

Measurement at Recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalised and the related expenditure is recognised in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets with finite useful life are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Intangible assets with indefinite useful lives, that are acquired separately, are carried at cost/fair value at the date of acquisition less accumulated impairment loss, if any.

Expenditure on software development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

On transition to Ind AS, the Group has elected to continue with the carrying value for all its intangible assets as recognised as at April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

Amortisation:

Intangible Assets with finite lives are amortised on a Straight Line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Estimated useful economic life of the assets is as under:

Class of assets	Useful life in years
Commercial Rights	3
Other Intangible assets	Remaining useful life of base asset
Software	3

Derecognition:

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

f) Investment Property

Measurement at Recognition:

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent to initial recognition, investment property are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Depreciation on investment property has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group. Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has experience in the category of the investment property being valued.

On transition to Ind AS, the Group has elected to continue with the carrying value for all investment property as recognised in its IGAAP financials as deemed cost at the transition date of April 01, 2017.

Depreciation:

Depreciation on each item of Investment property is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support,etc. Freehold land is not depreciated.

Derecognition:

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

g) Impairment of Non-Financial Assets:

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortisation are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, If any, are recognised in the Statement of Profit and Loss and included in depreciation and amortisation expenses. After impairment (if any), depreciation/amortisation is provided on the revised carrying amount of the assets over its remaining life.

Impairment losses are reversed in the consolidated Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

h) Assets held for sale:

The Group classifies assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

Assets held for sale and disposal groups are measured at the lower of their carrying amount or the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, Plant and Equipment and Intangible Assets once classified as held for sale are not depreciated or amortised.

i) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Financial assets

Initial recognition and measurement:

Trade Receivables, Loans and Deposits are initially recognised when they are originated. The Group recognises a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

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Subsequent measurement:

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

i) The Group business model for managing the financial asset and

ii) The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:

i) Financial assets measured at amortised cost

ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

iii) Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial assets measured at amortised cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

a) The Group business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, 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 a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

This category generally applies to cash and bank balances, trade receivables, loans and other financial assets of the Group. Such financial assets are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest income over the relevant period of the financial asset.

The amortised cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

Financial instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to profit or loss.

iii. Investments in equity instruments at FVTOCI:

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. Dividend from these investments are recognised in the statement of profit and loss when the Group's right to receive dividends is established. As at reporting date, there are no equity instruments measured at FVOCI.

iv. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortised cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Group excluding investments in subsidiaries associate and joint venture, Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Statement of Profit and Loss. Further, the Group, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTPL. The Group has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognised under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognised in Statement of Profit & Loss. The Group recognises dividend income from such instruments in the Statement of Profit and Loss.

Reclassifications:

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Group's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on Modification and derecognition of financial assets described below.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a similar financial assets) is derecognised (i.e. removed from the Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Group neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognise such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognises an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

The Group applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables and lease receivables

ii. Financial assets measured at amortised cost (other than trade receivables and lease receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)"

In case of trade receivables and lease receivables, the group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed at i and ii above), the group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL is measured in a manner that it reflects unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

The group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised. Further, the group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

Financial Liabilities and equity:

Initial recognition and measurement:

The Group recognises a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

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In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Consolidated Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement:

All financial liabilities are initially recognised at fair value net of transaction cost that are attributable to the separate liabilities. All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When 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 the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

j) Fair Value:

The group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantages market for the asset or liability.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy that categorises into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities.

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Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 —inputs for assets or liabilities that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period and discloses the same.

k) Foreign Currency Translation:

These financial statements are presented in Indian Rupees, which is the Group's functional currency.

i. Functional and presentation currencies:

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in ₹ which is the functional and presentation currency for Group.

ii. Transactions & Balances:

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognised in the Statement Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign subsidiaries are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined.

iii. Group's foreign operations:

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date, and
- income and expenses are translated at average exchange rates.

On disposal of a foreign operation, the associated exchange differences are reclassified to Statement of Profit and Loss as part of the gain or loss on disposal.

l) Income Taxes:

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

i) Provision for current tax is made as per the provisions of the Income Tax Act 1961.

ii) The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

iii) Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

iv) Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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v) where there is uncertainty over income tax treatments, the Group determines the probability of the income tax authorities accepting each such tax treatment or group of tax treatments in computing the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

Deferred tax:

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets & liabilities & their carrying amounts for financials reporting purposes as at the reporting date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit in the countries where the group operates and generates taxable income.

Deferred tax liabilities are recognised for all taxable temporary differences except :

(a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transition, affects neither the accounting profit or loss;

(b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

(a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The tax effects of income tax losses, available for carry forward, are recognised as deferred tax asset, when it is probable that future taxable profits will be available against which these losses can be set-off.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the respective Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Presentation of current and deferred tax:

Current and deferred tax are recognised as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognised in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

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m) Provisions and Contingencies:

The Group recognises provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The Group in the normal course of its business, comes across client claims/regulatory penalties/inquiries, etc. and the same are duly clarified/addressed from time to time. The penalties/action if any are being considered for disclosure as contingent liability only after finality of the representation of appeals before the lower authorities.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote(based on the judgement of the management considering factors including experience with similar matters, past history, precedents, relevant and other evidence and facts specified to the matter), no provision or disclosure is made.

Contingent assets are disclosed only where an inflow of economic benefits is probable.

n) Statement of Cash Flows :

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses.
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of balance sheet.

o) Cash and bank balances :

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

p) Revenue Recognition

Revenue from contracts with customers

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customers. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the contract price to the performance obligations in the contract: For contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

The group assesses its revenue arrangement against specific criteria to determine if it is acting as principal or agent. The group has generally concluded that it is acting as a principal in all of its revenue arrangements.

The group recognised revenue from various activities as follows:

i. Interest Income

Interest income is recognised using effective interest rate by considering all the contractual term of the financial instruments in estimating the cash flow.

ii. Fees & Commission

Fees and commission income is recognised based on five step model set out in Ind AS 115.

a. Brokerage income earned on secondary market operations is accounted on trade date basis.

b. Income related with advisory activities, Investment banking, Financial Product Distribution Income in respect of other heads is accounted on accrual basis.

iii. Rental Income

Lease income is recognised in the statement of profit and loss net of indirect taxes, if any. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where-

(i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.; or

(ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

iv. Other operational revenue

Other operational revenue 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.

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract.

Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Amounts retained by the customers until the satisfactory completion of the contracts are recognised as receivables.

q) Share-based payment arrangements:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

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When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Securities premium includes:

A. The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.

B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

r) Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service. If the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Group recognises the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined contribution plans:

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into state managed retirement benefit schemes and will have no legal or constructive obligation to pay further contributions, if any, if the state managed funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Groups contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate. The Company and its Indian subsidiaries operate defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees and the Group operates a Superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans: The Group recognises contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Group during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined benefit plans:

Gratuity scheme: The Group, operates a gratuity scheme for employees. The contribution is paid to a separate fund, towards meeting the Gratuity obligations.

Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognised in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognised representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost if any and net interest on the defined benefit liability (asset) are recognised in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognised in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

Other Long Term Employee Benefits: Entitlements to annual leave and sick leave are recognised when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Group determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

s) Lease accounting :

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group considers whether (i) the contract involves the use of identified asset; (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Group has right to direct the use of the asset.

As a Lessee

The group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee, or if group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Group recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

As a lessor

Leases for which the Group is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of use asset arising from the head lease.

t) Goods and Services tax input credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

u) Borrowing Cost:

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised, if any. All other borrowing costs are expensed in the period in which they occur.

v) Segment Reporting :

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

w) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognised prospectively in the statement of profit and loss in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Income taxes

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

b. Determination of the estimated useful lives of assets (tangible assets, intangible assets and investment property)

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

c. Defined Benefit Obligation

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds corresponding to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. Further details are disclosed in note 30.

d. Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

e. Impairment of financial assets

The provision for expected credit loss involves estimating the probability of default and loss given default based on the Group own experience & forward looking estimation.

f. Provision for litigation

In estimating the final outcome of litigation, the Group applies judgment in considering factors including experience with similar matters, past history, precedents, relevant and other evidence and facts specified to the matter. Application of such judgment determines whether the Group requires an accrual or disclosure in the financial statements.

g. Fair valuation of employee share options

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model. Further details are disclosed in note 43.

h. Determining whether an arrangement contains a lease

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

i. Discount rate

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

NOTE 3 : CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	0.81	0.94
Cheques in hand	59.59	37.68
Balance with banks		
- In current accounts	2,681.08	4,977.50
- In client accounts	1,256.17	1,105.84
- In deposit account with original maturity less than 3 months	250.00	-
Total	**4,247.65**	**6,121.96**

NOTE 4 : BANK BALANCE OTHER THAN ABOVE

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(I) Earmarked Balance with bank - Unclaimed dividend	7.13	5.21
(II) Fixed Deposit with banks		
- Lien Marked*	46,313.35	33,852.09
- Other deposit	85.78	122.41
Total	**46,406.26**	**33,979.71**

**Group has pledged fixed deposits with the banks for bank guarantee and with the stock exchange for margin purpose.*

NOTE 5 : RECEIVABLES

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(I) Trade receivables		
- Receivables considered good - unsecured	594.37	353.21
- Receivables which have significant increase in credit risk	50.16	135.52
- Receivables - credit impaired	187.12	167.05
Total (I)- Gross	**831.65**	**655.78**
- Less: Allowance for credit loss	(208.23)	(201.46)
Total (I)- Net	**623.42**	**454.32**
(II) Other receivables		
- Unbilled considered good - unsecured	577.61	450.08
Total (II)- Gross	**577.61**	**450.08**
- Less: Allowance for credit loss	-	-
Total (II)- Net	**577.61**	**450.08**
Total (I+II)	**1,201.03**	**904.40**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(a) No trade or other receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as on March 31, 2026 and March 31, 2025.

(b) No trade receivables and other receivables are interest bearing.

(c) Ageing schedule for Trade receivables is as under:

(₹ in Million)

Particulars	As at March 31, 2026						
	Unbilled	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	577.61	587.25	7.12	-	-	-	1,171.98
(ii) Undisputed Trade Receivables - considered doubtful	-	13.46	34.75	1.95	-	-	50.16
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	4.28	19.38	11.11	152.35	187.12
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-

(₹ in Million)

Particulars	As at March 31, 2025						
	Unbilled	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	450.08	353.21	-	-	-	-	803.29
(ii) Undisputed Trade Receivables - considered doubtful	-	62.61	72.84	0.07	-	-	135.52
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	3.01	38.70	16.88	108.46	167.05
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

NOTE 6 : LOANS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
At Amortised cost		
Loans repayable on demand		
- Margin trading facility balances	14,453.33	9,308.52
Total - Gross	**14,453.33**	**9,308.52**
- Less: Impairment loss allowance	-	-
Total - Net	**14,453.33**	**9,308.52**

(I) Details of loans that are repayable on demand or without specifying any terms or period of repayment:-

(₹ in Million)

Type of Borrower	As at March 31, 2026			As at March 31, 2025		
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding
Promoters	-	-	-	-	-	-
Directors	-	-	-	-	-	-
KMPs	-	-	-	-	-	-
Related Parties	-	-	-	-	-	-

NOTE 7 : INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
At fair value through profit and loss ((i) + (ii) + (iii) + (iv))	**3,945.75**	**4,906.50**
Mutual Funds (i)	**244.57**	**1,651.41**
- HDFC Liquid Fund - Direct Plan - Growth Option	-	105.38
- HDFC Low Duration Fund - Direct Plan - Growth	-	105.71
- ICICI Prudential Liquid Fund - Direct Plan - Growth	175.68	483.08
- ICICI Prudential Savings Fund - Direct Plan - Growth	-	211.65
- Mirae Asset Liquid Fund - Direct Plan - Growth	-	314.50
- Nippon India Liquid Fund - DIRECT GROWTH PLAN - GROWTH OPTION	-	314.36
- SBI Magnum Low Duration Fund - Direct Plan - Growth	-	105.62
- Kotak Multicap Fund Direct Growth	1.13	-
- Nippon India Multi Cap Fund Growth Plan Growth Option	1.31	-
- Parag Parikh Flexi Cap Fund - Regular Plan Growth	0.75	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
- HDFC Focused Fund - Regular Plan - Growth	0.71	-
- SBI Focused Fund - Regular Plan - Growth	0.82	-
- SBI PSU Fund - Regular Plan - Growth	0.90	-
- Nippon India - ETF	63.27	11.11
Alternate Investment Funds (ii)	**1,007.77**	**907.49**
- 360 One Special Opportunities Fund – Series 4 Category II AIF Scheme - Class A1 (formally known as "IIFL Special Opportunities Fund – Series 4 Category II AIF Scheme")	0.72	4.87
- IIFL Fintech Fund - II	57.28	15.17
- IIFL Fintech Fund - Category II AIF Scheme (formally known as "IIFL Securities Capital Enhancer Fund")	690.20	692.54
- IIFL India Opportunities Fund (Formerly IIFL Securities Dynamic Fund - Class A3 (A Category III AIF scheme))	120.00	78.47
- IIFL Capital Credit Opportunities Fund - (Category II AIF scheme)	12.50	-
- Sigma venture Scheme I - (Category II AIF scheme) Class A	0.91	
- Cedar IBSi Capital I - Class DA1	2.04	
- IIFL Capital Absolute Return Fund (a Category III AIF scheme) (formerly IIFL Derivatives Advantage Fund)	124.12	116.44
Equity shares (iii)	**2,472.91**	**1,886.62**
- BSE Limited	1,569.85	1,068.56
- Unlisted Equity	903.06	818.06
Debt fund (iv)	**220.50**	**460.98**
- IIFL FINANCE LIMITED Liquid Gold Series 17 Series B PTC 31DEC2025	22.90	-
- IIFL FINANCE LIMITED SR PDI 1 9.90 PP NCD	40.09	-
- IIFL FINANCE LIMITED SR 35 OP A-I 9.25 NCD 30DC32	7.81	-
- Optional Convertible Debenture	47.50	392.50
- Piramal - India REIT Fund Scheme V	-	5.07
- Cube Highways Trust InvIT	102.20	-
- National Highways Authority of India (NHAI) InvIT	-	63.41
Total - Gross	**3,945.75**	**4,906.50**
- Less: Impairment loss allowance	(47.50)	(47.50)
Total - Net	**3,898.25**	**4,859.00**
- Investments outside India	-	-
- Investments in India	**3,898.25**	**4,859.00**
Total - Net	**3,898.25**	**4,859.00**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 8 : OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Clients receivables (net of provisions)#	16,336.04	15,330.74
Exchanges receivables	412.98	32.86
Margin with exchange	1,516.68	1,814.53
Deposit with exchange	108.33	108.33
Security deposit with landlords and others (net of provisions)*	260.24	434.40
Interest accrued on deposits and investments	963.08	992.90
Receivable from related parties (Refer note 44)	272.73	41.47
Other financial assets	196.26	157.07
Total	**20,066.34**	**18,912.30**

#Include receivable from directors & key managerial personnel of ₹0.00 (As at March 31, 2025 ₹0.00) (Refer note 44)

**Include deposit with directors and its relatives of ₹ NIL million (As at March 31, 2025 ₹50.00 million) (Refer note 44)*

NOTE 9 : DEFERRED TAX ASSETS (NET) (AS AT MARCH 31, 2026)

(₹ in Million)

Particulars	As at March 31, 2026				
	Opening balance	Recognised in profit or loss	Other addition/ deletion	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:					
Depreciation on property, plant and equipment	138.90	(9.82)	-	-	129.08
Business loss carry forwards	14.59	2.30	-	-	16.89
Expenses deductible in future years	5.37	(0.28)	0.40	-	5.49
Provisions for doubtful receivables/other financial asset (Including expected credit loss)	172.64	16.43	-	-	189.07
Lease liability	39.75	9.17	-	-	48.92
Compensated absences and retirement benefits	31.35	16.85	-	5.47	53.67
Minimum alternate tax carry-forward	9.48	-	-	-	9.48
Unrealised profit on investments	(195.27)	(60.19)	-	-	(255.46)
Others	11.78	14.23	-	-	26.01
Total deferred tax assets	**228.59**	**(11.31)**	**0.40**	**5.47**	**223.15**
Deferred tax liabilities:					
Total deferred tax liabilities	**-**	**-**	**-**	**-**	**-**
Deferred tax assets (Net)	**228.59**	**(11.31)**	**0.40**	**5.47**	**223.15**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 9 : DEFERRED TAX ASSETS (NET) (AS AT MARCH 31, 2025)

(₹ in Million)

Particulars	As at March 31, 2025				
	Opening balance	Recognised in profit or loss	Other addition/ deletion	Recognised in/reclassified from OCI	Closing balance
Deferred tax assets:					
Depreciation on property, plant and equipment	162.16	(23.26)	-	-	138.90
Business loss carry forwards	14.59	-	-	-	14.59
Expenses deductible in future years	7.30	(2.08)	0.15	-	5.37
Provisions for doubtful receivables/other financial asset (Including expected credit loss)	152.70	19.94	-	-	172.64
Lease liability	27.08	12.67	-	-	39.75
Compensated absences and retirement benefits	20.72	3.67	-	6.96	31.35
Minimum alternate tax carry-forward	9.48	-	-	-	9.48
Unrealised profit on investments	(54.15)	(141.12)	-	-	(195.27)
Others	13.44	(1.66)	-	-	11.78
Total deferred tax assets	**353.32**	**(131.84)**	**0.15**	**6.96**	**228.59**
Deferred tax liabilities:					
Total deferred tax liabilities	**-**	**-**	**-**	**-**	**-**
Deferred tax assets (Net)	**353.32**	**(131.84)**	**0.15**	**6.96**	**228.59**

NOTE 10 : INVESTMENT PROPERTY

(₹ in Million)

Particulars	Land/Building	
	As at March 31, 2026	As at March 31, 2025
As at April 01	**799.77**	**799.77**
(Deductions)/Adjustments during the year	-	-
Cost as at March 31	**799.77**	**799.77**
Amortisation		
As at April 01	**(33.98)**	**(33.98)**
(Deductions)/Adjustments during the year	-	-
As at March 31	**(33.98)**	**(33.98)**
Net Block	**765.79**	**765.79**

(i) Amounts recognised in profit or loss for investment properties

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Rental income	-	-
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	-	-
Depreciation	-	-
Profit from investment properties	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(ii) Fair value

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment properties	1,749.00	1,490.15

Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties, where such information is not available, the group consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence
- ready reckoner value/guideline rate as obtained from registrar department; or
- The valuation report obtained from a registered valuer as defined under rule 2 of Companies (Registered Valuer and Valuation) Rules, 2017.

NOTE 11 : PROPERTY, PLANT AND EQUIPMENT(AS AT MARCH 2026)

(₹ in Million)

Particulars	As at March 31, 2026								
	Land/ Leasehold Land	Buildings (including land)	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Total
Cost									
As at April 01, 2025	**588.96**	**1,817.79**	**638.57**	**86.25**	**120.79**	**44.61**	**501.68**	**0.69**	**3,799.34**
Additions	-	-	56.49	15.08	42.94	11.54	74.35	13.84	214.24
Deductions/adjustments	(572.71)	(476.19)	(77.49)	(12.26)	(23.07)	(8.33)	(18.31)	-	(1,188.36)
As at March 31, 2026	**16.25**	**1,341.60**	**617.57**	**89.07**	**140.66**	**47.82**	**557.72**	**14.53**	**2,825.22**
Depreciation									
As at April 01, 2025	**4.06**	**758.93**	**340.28**	**49.95**	**82.75**	**23.18**	**346.97**	**0.63**	**1,606.75**
Depreciation for the year	0.34	89.47	75.34	12.51	17.26	7.88	86.18	2.54	291.52
Deductions/adjustments	-	(218.92)	(73.75)	(11.40)	(20.86)	(7.52)	(15.00)	-	(347.45)
Upto March 31, 2026	**4.40**	**629.48**	**341.87**	**51.06**	**79.15**	**23.54**	**418.15**	**3.17**	**1,550.82**
WDV as at March 31, 2026	**11.85**	**712.12**	**275.70**	**38.01**	**61.51**	**24.28**	**139.57**	**11.36**	**1,274.40**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 11 : PROPERTY, PLANT AND EQUIPMENT(AS AT MARCH 2025)

(₹ in Million)

Particulars	As at March 31, 2025								
	Land/ Leasehold Land	Buildings (including land)	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Total
Cost									
As at April 01, 2024	**691.59**	**2,484.09**	**534.06**	**81.92**	**145.90**	**35.37**	**336.35**	**0.69**	**4,309.97**
Additions	-	-	176.41	21.24	26.44	17.15	181.62	-	422.86
"Deductions/ adjustments"	(102.63)	(666.30)	(71.90)	(16.91)	(51.55)	(7.91)	(16.29)	-	(933.49)
As at March 31, 2025	**588.96**	**1,817.79**	**638.57**	**86.25**	**120.79**	**44.61**	**501.68**	**0.69**	**3,799.34**
Depreciation									
As at April 01, 2024	**3.72**	**865.26**	**351.56**	**57.19**	**119.60**	**24.34**	**283.64**	**0.63**	**1,705.94**
Depreciation for the year	0.34	127.30	56.33	9.22	11.65	4.60	74.63	-	284.07
Deductions/adjustments	-	(233.63)	(67.61)	(16.46)	(48.50)	(5.76)	(11.30)	-	(383.26)
Upto March 31, 2025	**4.06**	**758.93**	**340.28**	**49.95**	**82.75**	**23.18**	**346.97**	**0.63**	**1,606.75**
WDV as at March 31, 2025	**584.90**	**1,058.86**	**298.29**	**36.30**	**38.04**	**21.43**	**154.71**	**0.06**	**2,192.59**

Note :-

**Amount is less than ₹0.01, hence shown ₹0.00 million.*

(a) Capital work in progress ₹12.35 million (as at March 31, 2025 ₹16.85 million) pertains to assets not yet capitalised.

(b) Refer to note 41 for assets given on pledge.

(c) Ageing Schedule of Capital Work in Progress

(₹ in Million)

Particulars	As at March 31, 2026					As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	12.35	-	-	-	12.35	12.65	4.20	-	-	16.85
Projects Temporarily Suspended	-	-	-	-	-	-	-	-	-	-

(d) There is no CWIP projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2026 (Nil as at March 31, 2025).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

NOTE 12 : OTHER INTANGIBLE ASSETS

(₹ in Million)

Particulars	Commercial Rights		Software		Total	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
As at April 01	**-**	**1,137.61**	**311.61**	**256.33**	**311.61**	**1,393.94**
Other additions	12.50	-	61.79	55.28	74.29	55.28
(Deductions)/Adjustments during the year	-	(1,137.61)	-	-	-	(1,137.61)
Cost as at March 31	**12.50**	**-**	**373.40**	**311.61**	**385.90**	**311.61**
Amortisation/Impairment						
As at April 01	**-**	**1,137.61**	**248.90**	**206.25**	**248.90**	**1,343.86**
Amortisation/Impairment for the year	0.35	-	45.96	42.65	46.31	42.65
(Deductions)/Adjustments during the year	-	(1,137.61)	-	-	-	(1,137.61)
As at March 31	**0.35**	**-**	**294.86**	**248.90**	**295.21**	**248.90**
Net Block	**12.15**	**-**	**78.54**	**62.71**	**90.69**	**62.71**

NOTE 13 : ASSETS HELD FOR SALE

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Building	123.68	-
Total	123.68	-

NOTE 14 : RIGHT OF USE ASSET

A) Carrying value of right of use assets at the end of the reporting period by class

(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Premises	Vehicle	Total	Premises	Vehicle	Total
Balance at the beginning of the year	**789.21**	**68.83**	**858.04**	**316.51**	**51.91**	**368.42**
Additions during the year	263.13	54.03	317.16	726.01	53.08	779.09
Deletions during the year	(35.73)	(4.48)	(40.21)	(55.43)	(11.95)	(67.38)
Depreciation charge for the year	(278.66)	(34.25)	(312.91)	(197.88)	(24.21)	(222.09)
Balance at the end of the year	**737.95**	**84.13**	**822.08**	**789.21**	**68.83**	**858.04**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

B) Maturity analysis of lease liabilities

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Maturity analysis – contractual undiscounted cash flows		
- Less than one year	353.72	338.69
- One to five years	793.04	745.35
- More than five years	146.75	215.45
Total undiscounted lease liabilities at March 31	**1,293.51**	**1,299.49**
Lease liabilities included in the statement of financial position at March 31	**1,017.19**	**1,016.91**
Current lease liability	275.26	245.18
Non current lease liability	741.93	771.73

C) Amounts recognised in profit or loss

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest on lease liabilities	112.35	91.31
Depreciation charge for the year	312.91	222.09
Expenses relating to short-term leases	25.75	24.01
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	1.59	0.94
Total	**452.60**	**338.35**

D) Amounts recognised in the statement of cash flows

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Total cash outflow for leases	387.06	262.04

NOTE 15 : OTHER NON-FINANCIAL ASSET

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory input credit	39.72	41.65
Prepaid expense	246.18	162.44
Capital advance	464.92	445.19
Other advances	175.23	246.03
Other non-financial assets	368.88	14.44
Total	**1,294.93**	**909.75**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 16 : PAYABLES

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(1) Trade Payable		
- Total outstanding dues of micro enterprises and small enterprises	-	0.01
- Total outstanding dues of creditors other than micro enterprises and small enterprises	48.12	31.41
Total (1)	**48.12**	**31.42**
(2) Other Payable		
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
(a) Unbilled - Provision for expenses	1,444.16	1,263.95
(b) Accrued salaries & bonus	926.91	901.99
(c) Others	9.73	26.56
Total (2)	**2,380.80**	**2,192.50**
Total (1+2)	**2,428.92**	**2,223.92**

Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

(₹ in Million)

Particulars	FY 2026	FY 2025
(a) Principal amount remaining unpaid to any supplier at the year end	-	0.01
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(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) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year 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 Act	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Ageing schedule for Trade payables is as under:

(₹ in Million)

Particulars	As at March 31, 2026					
	Provision	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
OTHERS	2,380.80	43.79	0.19	4.14	-	2,428.92
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

(₹ in Million)

	As at March 31, 2025					
	Provision	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	0.01	-	-	-	0.01
OTHERS	2,192.50	26.90	0.68	3.83	-	2,223.91
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

NOTE 17 : DEBT SECURITIES

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Unsecured		
Commercial papers	6,148.05	-
Total	**6,148.05**	**-**
Debt securities in India	6,148.05	-
Debt securities outside India	-	-
Total	6,148.05	-

The rate of interest is ranging from 8.00% to 9.20% for commercial papers outstanding.

Terms of repayment: The debt securities are repayable on maturity with tenure from 38 days to 365 days.

NOTE 18 : BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
(a) Loans repayable on demand		
- Bank overdraft	316.44	519.77
- Working capital demand loan from banks	5,250.00	3,263.50
- Revolving credit facilities from Non-Banking Financial Institution	5,891.87	4,500.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(b) Term Loan		
- Loan from Bank	602.51	1,088.99
Total	**12,060.82**	**9,372.26**
Borrowings in India	12,060.82	9,372.26
Borrowings outside India	-	-
Total	**12,060.82**	**9,372.26**

(a) Security :

(i) Working capital demand loan (WCDL), revolving credit facilities are secured by way of first pari-passu charge on receivables & MTF. Bank overdraft are secured against fixed deposits pledged with the banks. Refer note 41 for details of asset pledged.

(ii) The term loan from bank is secured by hypothecation of immovable properties owned by IIFL Facilities Services Limited (a wholly owned subsidiary).

(b) Tenor of repayment :

(i) WCDL and revolving credit facilities and bank overdraft upto validity of facility.

(ii) The term loan from bank is repayable in 68 monthly installment.

(c) Interest Rate :

Interest rate is ranging from 6.84% to 10.50%.

NOTE 19 : OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Clients payables*	22,341.26	20,454.86
Exchanges payables	19,091.07	19,428.55
Deposits received from franchisee, tenant and others#	340.04	443.14
Book overdraft	0.38	-
Provision for gratuity (Refer note 30)	123.85	28.86
Payable to related parties (Refer note 44)	88.85	78.99
Lease obligation	1,017.19	1,016.91
Other payable	287.20	219.14
Total	**43,289.84**	**41,670.45**

**Includes payable to director, key managerial personnel & their relatives and other related parties ₹0.92 million (March 31, 2025 ₹1.29 million) (Refer note 44)*

#Includes deposit from related party of ₹39.82 million (March 31, 2025 ₹39.82 million) (Refer note 44)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 20 : PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for leave encashment and other provisions	95.16	100.67
Total	**95.16**	**100.67**

NOTE 21 : OTHER NON-FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Income received in advance	14.72	14.93
Statutory dues	505.58	519.17
Advances received from customers	98.86	495.56
Total	**619.16**	**1,029.66**

NOTE 22 : EQUITY SHARE CAPITAL

a. The Authorised, Issued, Subscribed and Paid up Share Capital:

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised Share Capital		
At the beginning of the year	1,000.00	1,000.00
Add: Increase in authorised share capital	-	-
Closing at the end of year	**1,000.00**	**1,000.00**
Issued, Subscribed and Paid-up Share Capital		
311,434,713 Equity Shares of ₹2 each fully paid up (309,955,809 Equity Shares of ₹2 each fully paid up)	622.87	619.91

b. Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	(₹ in Million)	No. of Shares	(₹ in Million)
Equity Shares				
At the beginning of the year	309,955,809	619.91	307,866,529	615.73
Add: Shares issued during the year under ESOP Scheme	1,478,904	2.96	2,089,280	4.18
Closing at the end of year	**311,434,713**	**622.87**	**309,955,809**	**619.91**

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 ₹2/- each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

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. The distribution will be in proportion to the number of equity shares held by shareholders.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

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

The list of shareholders to whom the shares to be issued under the Composite Scheme of Arrangement having more than 5% shareholdings are as under:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity share of ₹2 each fully paid up				
FIH Mauritius Investments Ltd.	84,641,445	27.18%	84,641,445	27.31%
Mr. Nirmal Bhanwarlal Jain	46,964,282	15.08%	46,964,282	15.15%

e. Other details of equity shares for a period of five years immediately preceding March 31, 2026

(i) In FY FY 2021, 17,000,394 equity shares bought back for an aggregate amount of ₹866.82 million. Consequently the paid-up equity share capital had reduced by ₹34.00 million.

f. Shares reserved for issue under options and contracts/commitments for sale of shares/disinvestments, including the terms and amount, refer note 43 for details of shares reserved for issue under Employee Stock Option Plan of the Company.

g. Details of Shareholding of Promoters of the Company:

Promoter name	As at March 31, 2026			As at March 31, 2025		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
Nirmal Bhanwarlal Jain	46,964,282	15.08%	(0.47%)	46,964,282	15.15%	(0.67%)
Madhu N Jain	12,075,000	3.88%	(0.47%)	12,075,000	3.90%	(0.67%)
Venkataraman Rajamani	11,184,432	3.59%	(0.47%)	11,184,432	3.61%	(0.67%)
Mansukhlal Jain & Pritesh Mehta (in their capacity as Trustee of Nirmal Madhu Family Private Trust)	10,000,000	3.21%	(0.47%)	10,000,000	3.23%	(0.67%)
Aditi Avinash Athavankar (in the capacity as Trustee of Kalki Family Private Trust)	9,000,000	2.89%	(0.47%)	9,000,000	2.90%	(0.67%)
Aditi Athavankar	200,000	0.06%	(0.47%)	200,000	0.06%	(0.67%)
Orpheus Trading Private Limited	4,019,500	1.29%	32.49%	3,019,500	0.97%	(0.67%)
Ardent Impex Private Limited	2,700,000	0.87%	(0.47%)	2,700,000	0.87%	(0.67%)
Total	**96,143,214**	**30.87%**		**95,143,214**	**30.69%**	

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 23 : OTHER EQUITY

(₹ in Million)

Particulars	Reserves and Surplus								
	General reserve	Capital redemption reserve	Capital reserve	Securities premium	Retained earnings	Share option outstanding account	Other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Total
Balance as at April 01, 2025	**487.04**	**34.00**	**660.72**	**1,521.66**	**20,797.67**	**985.69**	**(63.86)**	**29.45**	**24,452.37**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	**-**
Restated balance at the beginning of the current reporting period	**487.04**	**34.00**	**660.72**	**1,521.66**	**20,797.67**	**985.69**	**(63.86)**	**29.45**	**24,452.37**
Total comprehensive income for the year	-	-	-	-	5,613.48	-	(16.25)	-	**5,597.22**
Appropriation towards dividend paid	-	-	-	-	(934.10)	-	-	-	**(934.10)**
Transfer to/from reserves	13.00	-	-	50.36	-	(63.36)	-	-	**-**
Other additions	0.01	-	-	140.91	-	770.39	-	7.45	**918.76**
Balance as at March 31, 2026	**500.05**	**34.00**	**660.72**	**1,712.93**	**25,477.05**	**1,692.71**	**(80.11)**	**36.90**	**30,034.25**
Balance as at April 01, 2024	**483.41**	**34.00**	**660.72**	**1,339.50**	**14,603.79**	**144.17**	**(42.89)**	**25.73**	**17,248.43**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	**-**
Restated balance at the beginning of the current reporting period	**483.41**	**34.00**	**660.72**	**1,339.50**	**14,603.79**	**144.17**	**(42.89)**	**25.73**	**17,248.43**
Total comprehensive income for the year	-	-	-	-	7,123.38	-	(20.97)	-	**7,102.41**
Appropriation towards dividend paid	-	-	-	-	(929.50)	-	-	-	**(929.50)**
Transfer to/from reserves	3.63	-	-	22.86	-	(26.49)	-	-	**-**
Other additions	0.00	-	-	159.30	-	868.01	-	3.72	**1,031.03**
Balance as at March 31, 2025	**487.04**	**34.00**	**660.72**	**1,521.66**	**20,797.67**	**985.69**	**(63.86)**	**29.45**	**24,452.37**

Footnotes : Nature and purpose of reserves

i) General reserve : This reserve can be distributed/utilised by the Company, in accordance with the Companies Act, 2013.

ii) Capital Redemption Reserve: Nominal value of the shares cancelled through buyback is transferred to Capital Redemption Reserve.

iii) Capital reserves : Capital reserve is created due to Composite Scheme of Arrangement

iv) Securities premium : Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.

v) Retained earnings : The balance in retained earnings primarily represents the surplus after payment of dividend and transfer to reserves.

vi) Share options outstanding account : This reserve is created on account of ESOP granted by the Company.

vii) Exchange difference on translation of foreign operations: For the purpose of consolidation of subsidiaries with the financial statement of the holding company, income and expense are translated at average rates and assets and liabilities are stated at closing rate. Use of such different rates for translation give rise to exchange differences which is accumulated in foreign currency translation reserve.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

NOTE 24 : NON CONTROLLING INTEREST

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the Beginning of the year	27.68	19.35
Profit/(loss) during the year	22.88	5.40
Subsidiary shares issued by exercise of ESOP	3.04	2.93
Total	**53.60**	**27.68**

NOTE 25 : INTEREST INCOME

(₹ in Million)

Particulars	FY 2026	FY 2025
Interest on margin funding facility	2,013.87	1,534.88
Interest on deposits with banks	2,362.02	2,657.25
Total	**4,375.89**	**4,192.13**

NOTE 26 : FEES AND COMMISSION INCOME

(₹ in Million)

Particulars	FY 2026	FY 2025
Retail brokerage & related income	6,836.14	8,133.29
Institutional equities & Investment banking	7,119.46	6,394.65
Financial Products Distribution Income	5,715.96	5,093.83
Total	**19,671.56**	**19,621.77**

In the following table, Income from contracts with customers in the scope of Ind AS 115 is disaggregated by major type of services. The table also includes a reconciliation of the disaggregated income with the group reportable segments.

FY 2026	Capital Market Activity	Insurance Broking & Ancillary	Facilities & Ancillary	Total
Retail brokerage & related income	**6,984.78**	**-**	**-**	**6,984.78**
Institutional equities & Investment banking	7,119.46	-	-	7,119.46
Financial Products Distribution Income	2,937.77	2,794.20	-	5,731.97
Less : - Inter segment	-	-	-	(164.65)
Total fee and commission income (a)	**17,042.01**	**2,794.20**	**-**	**19,671.56**
Rental Income	-	-	230.78	230.78
Less : - Inter segment	-	-	-	(77.93)
Total rental income (b)	**-**	**-**	**230.78**	**152.85**
Contractual revenue from operations (a + b)	**17,042.01**	**2,794.20**	**230.78**	**19,824.41**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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FY 2025	Capital Market Activity	Insurance Broking & Ancillary	Facilities & Ancillary	Total
Retail brokerage & related income	8,321.68	-	-	8,321.68
Institutional equities & Investment banking	6,394.65	-	-	6,394.65
Financial Products Distribution Income	2,470.74	2,520.82	110.60	5,102.16
Less : - Inter segment	-	-	-	(196.73)
Total fee and commission income (a)	**17,187.08**	**2,520.82**	**110.60**	**19,621.77**
Rental Income	-	-	350.35	350.35
Less : - Inter segment	-	-	-	(114.05)
Total rental income (b)	**-**	**-**	**350.35**	**236.30**
Contractual revenue from operations (a + b)	**17,187.08**	**2,520.82**	**460.95**	**19,858.07**

NOTE 27 : OTHER INCOME

(₹ in Million)

Particulars	FY 2026	FY 2025
Gain/(loss) on financial assets measured at fair value through Profit & Loss account		
- Realised	208.76	190.82
- Unrealised	427.15	858.80
Interest income on		
- Investment	80.56	58.05
- Inter corporate deposit	81.90	-
- Fixed deposits	46.05	35.97
- Income tax refund	1.65	1.97
Gain/(loss) on termination on lease	1.96	0.69
Gain on derecognition of property, plant and equipment	906.60	445.01
Infrastructure support income	17.61	21.12
Dividend income	35.33	2.93
Other income	23.14	8.75
Total	**1,830.71**	**1,624.11**

NOTE 28 : FINANCE COSTS MEASURED AT AMORTISED COST

(₹ in Million)

Particulars	FY 2026	FY 2025
Interest on borrowings	963.48	896.31
Interest on debt securities	598.60	379.07
Interest on lease	112.35	91.31
Other finance expense	422.95	433.36
Total	**2,097.38**	**1,800.05**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 29 : FEES AND COMMISSION EXPENSE

(₹ in Million)

Particulars	FY 2026	FY 2025
Sub brokerage expense and referral fees	5,124.97	4,836.41
Others	216.19	125.63
Total	**5,341.16**	**4,962.04**

NOTE 30 : EMPLOYEE BENEFITS EXPENSES

(₹ in Million)

Particulars	FY 2026	FY 2025
Salaries and wages	5,805.16	4,813.18
Contribution to provident and other funds	126.82	97.25
Share based payments (Refer note 43)	766.19	889.37
Staff welfare expenses	70.31	57.52
Gratuity*	102.61	19.15
Leave encashment	3.66	28.70
Total	**6,874.75**	**5,905.17**

**The Government of India had consolidated 29 existing labour laws into four comprehensive codes (the Code on Wages, the Code on Social Security, the Industrial Relations Code, and the Occupational Safety, Health and Working Conditions Code), most of which became effective from November 21, 2025. The incremental impact on employee benefit obligations resulting from the change in law amounting to ₹71.68 million was accounted during the year, in accordance with Ind AS 19.*

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:

A. Defined benefit plans:

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in Million)

Particulars	FY 2026	FY 2025
Defined benefit obligation at beginning of the year	**266.85**	**224.00**
Interest cost	19.66	16.14
Current service cost	27.13	18.15
Past services cost	71.68	-
Liability transferred In/acquisitions	3.59	5.12
(Liability transferred out/divestments)	(3.75)	(5.09)
(Benefit Paid directly by the employer)	(0.85)	-
(Benefit paid from the fund)	(21.31)	(20.97)
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(13.99)	11.09
Actuarial (gains)/losses on obligations - due to experience	28.18	18.41
Defined benefit obligation at period end	**377.19**	**266.85**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(ii) Reconciliation of opening and closing balances of fair value of plan assets

(₹ in Million)

Particulars	FY 2026	FY 2025
Change in the fair value of plan assets		
Fair value of plan assets at beginning of the year	**236.32**	**210.58**
Interest income	15.86	15.14
Contributions by the employer	30.00	30.00
Expected return on plan assets (excluding interest)	(7.53)	1.57
(Benefit paid from the fund)	(21.31)	(20.97)
Fair value of plan assets at the end of the period	**253.34**	**236.32**

(iii) Amount recognised in the balance sheet

(₹ in Million)

Particulars	FY 2026	FY 2025
(Present value of benefit obligation at the end of the period)	**(377.19)**	**(266.85)**
Fair value of Plan Assets at the end of the year/period	253.34	236.32
Net (liability)/asset recognised in the balance sheet (surplus/(deficit))	(123.85)	(30.53)

(iv) Expenses recognised during the period

(₹ in Million)

Particulars	FY 2026	FY 2025
In income statement		
Current service cost	27.13	18.15
Net interest Cost	3.80	1.00
Past service cost	71.68	-
Expense recognised in the Statement of Profit and Loss under " Employee benefits expenses"	**102.61**	**19.15**
In other comprehensive income		
Actuarial (gains)/losses on obligation for the period	14.19	29.50
Return on plan assets, excluding interest income	7.53	(1.57)
Net (income)/expense for the period recognised in OCI	**21.72**	**27.93**

(v) Balance sheet reconciliation

(₹ in Million)

Particulars	FY 2026	FY 2025
Opening net liability	**30.53**	**13.42**
Expenses recognised in statement of profit or loss	102.61	19.15
Expenses recognised in OCI	21.72	27.93
Net liability/(asset) Transfer In	3.59	5.12
Net (liability)/asset Transfer Out	(3.75)	(5.09)
(Benefit paid directly by the employer)	(0.85)	-
(Employer's contribution)	(30.00)	(30.00)
Net liability/(asset) recognised in the balance sheet	**123.85**	**30.53**

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(vi) Investment Details :

(₹ in Million)

Particulars	FY 2026	FY 2025
Category of assets		
Insurance fund	253.34	236.32
Total	**253.34**	**236.32**

(vii) Actuarial assumptions

(₹ in Million)

Mortality Table (IALM)	FY 2026	FY 2025
Expected return on plan assets	7.16% - 7.27%	6.71% - 6.73%
Rate of discounting	7.16% - 7.81%	6.61% - 6.98%
Rate of salary increase	5% - 9%	5% - 9%
Rate of employee turnover	For service 4 years and below 28% - 49% p.a. & thereafter 1% - 6% p.a.	For service 4 years and below 28% - 49% p.a. & thereafter 1% - 6% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

(a) The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.

(b) The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the group policy for plan assets management.

(viii) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(₹ in Million)

Particulars	FY 2026	FY 2025
Projected benefit obligation on current assumptions	**(377.19)**	**(266.85)**
Delta effect of +1% change in rate of discounting	(26.76)	(19.93)
Delta effect of -1% change in rate of discounting	29.86	22.39
Delta effect of +1% change in rate of salary increase	21.45	17.66
Delta effect of -1% change in rate of salary increase	(20.68)	(16.45)
Delta effect of +1% change in rate of employee turnover	6.67	3.77
Delta effect of -1% change in rate of employee turnover	(7.04)	(4.19)
Weighted average duration of the projected benefit obligation	15	13

These plans typically expose the group to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

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Investment risk :- The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk :- A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity 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 in the life expectancy of the plan participants will increase the plan's liability.

Salary risk :- The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(ix) Maturity analysis of the benefit payments: from the fund

(₹ in Million)

Particulars	FY 2026	FY 2025
1st following year	47.04	24.56
2nd following year	30.59	20.69
3rd following year	28.24	20.91
4th following year	28.51	20.24
5th following year	32.28	20.86
6 to 10 years	142.66	104.87
Year 11 and above	445.95	303.14

B. Defined contribution plans:

The subsidiary companies have recognised the following amounts as an expense in the Statement of Profit and Loss:

(₹ in Million)

Particulars	FY 2026	FY 2025
Contribution to Provident Fund	88.12	65.25
Contribution to ESIC	0.18	0.33
Contribution to Labour Welfare Fund	0.19	0.19
Contribution to EPS	20.63	20.63
Contribution to NPS	17.70	10.85
Total	**126.82**	**97.25**

NOTE 31 : DEPRECIATION, AMORTISATION AND IMPAIRMENT

(₹ in Million)

Particulars	FY 2026	FY 2025
Depreciation on property, plant and equipment	291.52	284.07
Depreciation on right of use asset	312.91	222.09
Amortisation of intangible asset	46.31	42.65
Total	**650.74**	**548.81**

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NOTE 32 : OTHER EXPENSES

(₹ in Million)

Particulars	FY 2026	FY 2025
Communication expense	125.99	79.95
Corporate social responsibility expenses (Refer note 39)	110.57	63.51
Directors commission & sitting fees	11.94	10.00
Exchange, Custodian and statutory charges	69.13	122.37
Expected credit loss	70.07	132.26
Franking charges and Bank Charges	31.56	28.65
Legal and professional charges	624.15	549.36
Marketing, advertisement and commission expenses	652.40	802.59
Office expenses	197.90	177.28
Rent, electricity, rates & taxes, insurance	106.71	91.70
Repairs & maintenance	52.70	32.26
Remuneration to auditors		
- As auditors - Statutory Audits	10.79	11.98
- Certification work and other matters	0.10	0.64
- Out of pocket expenses	0.78	0.22
Technology expenses	1,193.15	870.37
Travelling and conveyance and Meeting seminar & subscription	203.53	161.69
Miscellaneous expenses	42.59	77.54
Total	**3,504.06**	**3,212.37**

NOTE 33 : INCOME TAX

Amount recognised in profit or loss

(₹ in Million)

Particulars	FY 2026	FY 2025
Current tax expenses		
Current year	1,641.03	1,985.25
Changes in estimates related to prior years	274.22	-
Deferred tax expenses		
Origination and reversal of temporary differences	11.31	131.84
Total	**1,926.56**	**2,117.09**

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Reconciliation of effective tax rates :

(₹ in Million)

Particulars	FY 2026	FY 2025
Profit before tax	7,562.92	9,245.87
Tax using domestic tax rates	25.168%	25.168%
Tax amount	1,903.44	2,327.00
Tax effect of :		
Non-deductible expenses	57.12	16.02
Differential Tax Treatment	(2.78)	(2.61)
Income taxable at different rate	(330.93)	(196.94)
Adjustment in respect of current income tax of prior years	274.22	-
Differential rate in subsidiaries and associates	(0.28)	1.07
Loss on which DTA is not created	1.33	3.27
Tax-exempt income		
- Dividend	(1.13)	(0.74)
- Others	(1.20)	(1.73)
Recognition of previously unrecognised deductible temporary differences	26.77	(28.25)
Total income tax expense	**1,926.56**	**2,117.09**
Effective Tax Rate	**25.47%**	**22.90%**

NOTE 34 : EARNINGS PER EQUITY SHARE

Particulars		FY 2026	FY 2025
Face value of equity shares in ₹ fully paid up		2.00	2.00
BASIC			
Profit after tax as per statement of profit and loss (₹ in Million)	**A**	5,613.48	7,123.38
Weighted average number of equity shares outstanding	**B**	310,522,309	308,938,881
Basic EPS In ₹	**A/B**	**18.08**	**23.06**
DILUTED			
Weighted average number of equity shares for computation of basic EPS		310,522,309	308,938,881
Add: Potential equity shares on conversion of Employees Stock Options		18,352,890	16,404,511
Weighted average number of equity shares for computation of diluted EPS	**C**	328,875,199	325,343,392
Diluted EPS In ₹	**A/C**	**17.07**	**21.89**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 35: MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
1. Financial Assets						
(a) Cash and cash equivalents	4,247.65	-	4,247.65	6,121.96	-	6,121.96
(b) Bank balance other than (a) above	46,184.08	222.18	46,406.26	33,966.21	13.50	33,979.71
(c) Receivables						
(I) Trade receivables	623.42	-	623.42	454.32	-	454.32
(II) Other receivables	577.61	-	577.61	450.08	-	450.08
(d) Loans	14,453.33	-	14,453.33	9,308.52	-	9,308.52
(e) Investments	2,908.46	989.79	3,898.25	3,624.67	1,234.33	4,859.00
(f) Other financial assets	19,770.01	296.33	20,066.34	18,629.36	282.94	18,912.30
Sub-total	**88,764.56**	**1,508.30**	**90,272.86**	**72,555.12**	**1,530.77**	**74,085.89**
2. Non-Financial Assets						
(a) Current tax assets	-	699.70	699.70	-	438.19	438.19
(b) Deferred tax assets (net)	-	223.15	223.15	-	228.59	228.59
(c) Investment property	-	765.79	765.79	-	765.79	765.79
(d) Property, Plant and Equipment	-	1,274.40	1,274.40	-	2,192.59	2,192.59
(e) Capital work-in-progress	12.35	-	12.35	16.85	-	16.85
(f) Other intangible assets	-	90.69	90.69	-	62.71	62.71
(g) Assets held for sale	123.68	-	123.68	-	-	-
(h) Right of use asset	-	822.08	822.08	-	858.04	858.04
(i) Other non-financial assets	814.65	480.28	1,294.93	430.84	478.91	909.75
Sub-total	**950.68**	**4,356.09**	**5,306.77**	**447.69**	**5,024.82**	**5,472.51**
Total Assets	**89,715.24**	**5,864.39**	**95,579.63**	**73,002.81**	**6,555.59**	**79,558.40**
LIABILITIES AND EQUITY						
LIABILITIES						
1. Financial Liabilities						
(a) Payables						
(I) Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	0.01	-	0.01
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	48.12	-	48.12	31.41	-	31.41

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(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(II) Other payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,380.80	-	2,380.80	2,192.50	-	2,192.50
(b) Debt securities	6,148.05	-	6,148.05	-	-	-
(c) Borrowings (other than debt securities)	8,047.47	4,013.35	12,060.82	7,401.59	1,970.67	9,372.26
(d) Other financial liabilities	42,430.43	859.41	43,289.84	40,725.38	945.07	41,670.45
Sub-total	**59,054.87**	**4,872.76**	**63,927.63**	**50,350.89**	**2,915.74**	**53,266.63**
2. Non-Financial Liabilities						
(a) Current tax liabilities	226.96	-	226.96	61.48	-	61.48
(b) Provisions	16.23	78.93	95.16	18.94	81.73	100.67
(c) Other non-financial liabilities	619.16	-	619.16	1,029.66	-	1,029.66
Sub-total	**862.35**	**78.93**	**941.28**	**1,110.08**	**81.73**	**1,191.81**
3. Equity						
(a) Equity share capital	-	622.87	622.87	-	619.91	619.91
(b) Other equity	-	30,034.25	30,034.25	-	24,452.37	24,452.37
(c) Non controlling interest	-	53.60	53.60	-	27.68	27.68
Sub-total	**-**	**30,710.72**	**30,710.72**	**-**	**25,099.96**	**25,099.96**
Total Liabilities and Equity	**59,917.22**	**35,662.41**	**95,579.63**	**51,460.97**	**28,097.43**	**79,558.40**

NOTE 36: FINANCIAL RISK MANAGEMENT

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's risk management policy is approved by the audit committee.

The Group adopts the 'three lines-of-defence' (3 LOD) model wherein management control at the business entity level is the first line of defence in risk management. Various risk control and compliance oversight functions, established by the management are the second line of defence. Finally, the third line comprises the internal audit/assurance function. All three lines play a distinct role within Group wider governance framework.

The Group is exposed to market risk, credit risk, liquidity risk etc. The Group senior management oversees the management of these risks. The Group senior management is overseen by the audit committee with respect to risks and facilitates appropriate financial risk governance framework for the Group. Financial risks are identified, measured and managed in accordance with the Group policies and risk objectives. The Board of Directors reviews and agrees policies for managing key risks, which are summarised below.

36 A.1. CREDIT RISK

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. Credit risk arises primarily from financial assets such as trade receivables, investments, derivative financial instruments, other balances with banks, loans and other receivables and other financial asset.

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Credit quality analysis

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

(₹ in Million)

Particulars	As at March 31, 2026			
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade receivables	594.37	50.16	187.12	831.65
Less : Impairment loss allowance	-	(21.11)	(187.12)	(208.23)
Carrying amount	**594.37**	**29.05**	**-**	**623.42**
Other financial assets	20,056.70	113.74	366.79	20,537.23
Less : Impairment loss allowance	-	(104.10)	(366.79)	(470.89)
Carrying amount	**20,056.70**	**9.64**	**-**	**20,066.34**

(₹ in Million)

Particulars	As at March 31, 2025			
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade receivables	353.21	135.52	167.05	655.78
Less : Impairment loss allowance	-	(34.41)	(167.05)	(201.46)
Carrying amount	**353.21**	**101.11**	**-**	**454.32**
Other financial assets	18,898.99	57.08	211.68	19,167.75
Less : Impairment loss allowance	-	(43.77)	(211.68)	(255.45)
Carrying amount	**18,898.99**	**13.31**	**-**	**18,912.30**

Movement of ECL (Trade receivable and other financial assets)

(₹ in Million)

Particulars	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
April 01, 2024	**12.44**	**396.09**	**408.53**
Increase/(decrease) net	65.75	(17.36)	48.39
March 31, 2025	**78.19**	**378.73**	**456.92**
Increase/(decrease) net	47.02	175.18	220.20
March 31, 2026	**125.21**	**553.91**	**679.12**

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36 A.2. COLLATERAL HELD

The group holds collateral of securities and other credit enhancements against its credit exposures.

36 B. LIQUIDITY RISK

Liquidity risk arises from the group inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities and maintaining availability of standby funding through an adequate line up of committed credit facilities. It uses a range of products mix to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the group cash flow position and ensures that the group is able to meet its financial obligation at all times including contingencies.

The table below analyse the groups financial liability into relevant maturity grouping based on their contractual maturity. The amount disclosed in the table are the contractual undiscounted cash flows. Balance due within 1 year equals their carrying balances as the impact of discounting is not significant.

(₹ in Million)

Particulars	As at March 31, 2026				
	Total	Up to 1 year	1-5 years	5-10 years	More than 10 years
Trade & other payable	2,428.92	2,428.92	-	-	
Loan from Bank	602.51	91.84	437.61	73.06	-
Bank overdraft	316.44	316.44	-	-	-
Working capital demand loan and revolving credit facilities	11,141.87	7,641.87	3,500.00	-	-
Commercial papers	6,148.05	6,148.05	-	-	-
Other financial liabilities	43,566.16	42,166.65	1,252.76	146.75	-
Total liabilities	**64,203.95**	**58,793.77**	**5,190.37**	**219.81**	**-**

(₹ in Million)

	As at March 31, 2025				
	Total	Up to 1 year	1-5 years	5-10 years	More than 10 years
Trade & other payable	2,223.92	2,223.92	-	-	-
Loan from Bank	1,088.99	118.32	599.82	370.85	-
Bank overdraft	519.77	519.77	-	-	-
Working capital demand loan and revolving credit facilities	7,763.50	6,763.50	1,000.00	-	-
Commercial papers	-	-	-	-	-
Other financial liabilities	41,953.03	40,329.43	1,408.14	215.46	-
Total liabilities	**53,549.21**	**49,954.94**	**3,007.96**	**586.31**	**-**

36 C. MARKET RISK

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

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36 C.1 INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate change does not affects significantly short term borrowing and current investment therefore the group exposure to the risk of changes in market interest rates relates primarily to the group long-term debt and non current investment.

The following table shows sensitivity analysis for impact on interest cost of borrowings on variable interest rate.

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Bank overdraft	316.44	519.77
Commercial papers	6,148.05	-
Term Loan from Bank	602.51	1,088.99
Working capital demand loan and revolving credit facilities	11,141.87	7,763.50
Total	**18,208.87**	**9,372.26**
Weighted average interest rate	9.17%	9.42%
Annualised interest cost	1,670.48	883.13

Sensitivity analysis for impact on interest cost

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Increase in 1% change in ROI	182.09	93.72
Decrease in 1% change in ROI	(182.09)	(93.72)

36 C.2. EXPOSURE TO CURRENCY RISKS

The group is operating internationally and is exposed to foreign exchange risk arising from foreign currency transaction. Below is table showing net gap between foreign asset and liability.

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency in Million	₹ in Million	Foreign currency in Million	₹ in Million
Foreign currency assets				
US$	2.17	203.49	2.12	180.37
GPB	0.00	0.29	0.17	18.73
EURO	0.02	2.30	-	-
Foreign currency liabilities				
US$	0.38	35.62	0.55	46.38
GPB	-	-	0.01	1.00
EURO	-	-	-	-
Net gap				
US$	1.79	167.87	1.57	133.99
GPB	0.00	0.29	0.16	17.73
EURO	0.02	2.30	-	-

The effect of upward movement of 5% in the exchange rate increase the profit/reserve by ₹8.52 million (previous year ₹7.59 million) and downward movement of 5% will reduce profit/reserve by ₹8.52 million (previous year ₹7.59 million) for FY 2026.

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36 C.3 EXPOSURE TO PRICE RISK

The group exposure to price risk arising from investment held by the group and is classified in the balance sheet through fair value through profit & loss account. Group has majorly invested in Alternate Investment Funds and Debt Funds under various scheme and its exposure.

(₹ in Million)

Particulars	Equity Shares	Mutual Funds/ETF	Alternate Investment Funds	Debt Fund	Total
Market value as on March 31, 2026	2,472.91	244.57	1,007.77	173.00	3,898.25
Market value as on March 31, 2025	1,886.62	1,651.41	907.49	413.48	4,859.00

The effect of upward movement of 5% in the price affects the income by ₹194.91 million (Previous Year ₹242.95 million) and downward movement of 5% will reduce profits by ₹194.91 million (Previous Year ₹242.95 million) for FY 2026.

36 D. CAPITAL MANAGEMENT

The group's objective when managing capital are to

- Safeguard their ability to continue as going concern, so that they can continue to provide returns for the share holders and benefits for other stake holders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The group monitors capital using debt equity ratio.

The group strategy is to maintain gearing ratio as per industry norms. The gearing ratio is as follows

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Total debt	18,208.87	9,372.26
Cash & cash equivalent (excluding client bank balance)	(2,931.89)	(4,978.44)
Net debt	**15,276.98**	**4,393.82**
Total equity	30,710.72	25,099.96
Debt to Equity	**0.50**	**0.18**

36 E. FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

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Subjective estimate - The valuation of level 3 financial instruments held at fair value through profit or loss or through other comprehensive income may be misstated due to the application of valuation techniques which often involve the exercise of judgement and the use of assumptions and estimates. A subjective estimate exists for instruments where the valuation method uses significant unobservable inputs which is principally the case for level 3 financial instruments. The estimate measurement of fair value is more judgemental in respect of Level 3 assets, these are valued based on models that use a significant degree of non-market-based unobservable inputs. Observable prices or model inputs are usually available in the market for listed debt and equity securities. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

Fair value is the price that would be received to sell an asset or paid to transfer an liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The following table shows an analysis of financial instruments recorded at Fair value hierarchy:

(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Fair Value through Profit or loss	Amortised Cost	Carrying Value	Fair Value through Profit or loss	Amortised Cost	Carrying Value
Financial Assets						
Cash and cash equivalents	-	4,247.65	4,247.65	-	6,121.96	6,121.96
Bank balance other than above	-	46,406.26	46,406.26	-	33,979.71	33,979.71
Receivables						
(I) Trade receivables	-	623.42	623.42	-	454.32	454.32
(II) Other receivables	-	577.61	577.61	-	450.08	450.08
Loans	-	14,453.33	14,453.33	-	9,308.52	9,308.52
Investments						
- Equity Shares	2,472.91	-	2,472.91	1,886.62	-	1,886.62
- Mutual Fund	244.57	-	244.57	1,651.41	-	1,651.41
- Debt Instruments	173.00	-	173.00	413.48	-	413.48
- Alternate Investment Fund	1,007.77	-	1,007.77	907.49	-	907.49
Other financial assets	-	20,066.34	20,066.34	-	18,912.30	18,912.30
Total	**3,898.25**	**86,374.61**	**90,272.86**	**4,859.00**	**69,226.89**	**74,085.89**
Financial Liabilities						
Trade payables	-	48.12	48.12	-	31.42	31.42
Other payables	-	2,380.80	2,380.80	-	2,192.50	2,192.50
Debt securities	-	6,148.05	6,148.05	-	-	-
Borrowings (other than debt securities)	-	12,060.82	12,060.82	-	9,372.26	9,372.26
Other financial liabilities	-	43,289.84	43,289.84	-	41,670.45	41,670.45
Total	**-**	**63,927.63**	**63,927.63**	**-**	**53,266.63**	**53,266.63**

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36 E. 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.

(₹ in Million)

Financial instruments measured at fair value - recurring fair value measurements	Recurring fair value measurement as at March 31, 2026			
	Level 1	Level 2	Level 3	Total
Mutual fund	244.57	-	-	244.57
Equity instruments	1,569.85	903.06	-	2,472.91
Debt Instruments	173.00	-	-	173.00
Alternate investment funds	-	-	1,007.77	1,007.77
Total Assets	**1,987.42**	**903.06**	**1,007.77**	**3,898.25**

(₹ in Million)

Financial instruments measured at fair value - recurring fair value measurements	Recurring fair value measurement as at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Mutual fund	1,651.41	-	-	1,651.41
Equity instruments	1,068.56	818.06	-	1,886.62
Debt Instruments	63.41	-	350.07	413.48
Alternate investment funds	-	-	907.49	907.49
Total Assets	**2,783.38**	**818.06**	**1,257.56**	**4,859.00**

36 E. 2. VALUATION METHODOLOGIES OF FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

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

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, balances other than cash and cash equivalents, Trade receivables, other receivables, and trade payables

(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Carrying Value	Fair Value	Fair Value Hierarchy	Carrying Value	Fair Value	Fair Value Hierarchy
Assets						
Cash and cash equivalents	4,247.65	4,247.65	-	6,121.96	6,121.96	-
Bank balance other than above	46,406.26	46,406.26	-	33,979.71	33,979.71	-
Receivables						
(I) Trade receivables	623.42	623.42	-	454.32	454.32	-
(II) Other receivables	577.61	577.61	-	450.08	450.08	-
Loans	14,453.33	14,453.33	-	9,308.52	9,308.52	-
Security Deposit with landlords	202.52	166.36	Level 3	218.31	183.96	Level 3

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(₹ in Million)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Carrying Value	Fair Value	Fair Value Hierarchy	Carrying Value	Fair Value	Fair Value Hierarchy
Security Deposit with others	56.05	56.05	-	216.09	216.09	-
Other financial assets	19,807.76	19,807.76	-	18,477.90	18,477.90	-
Total Assets	**86,374.60**	**86,338.44**		**69,226.89**	**69,192.54**	
Liabilities						
Trade payables	48.12	48.12	-	31.42	31.42	-
Other payables	2,380.80	2,380.80	-	2,192.50	2,192.50	-
Debt securities	6,148.05	6,148.05	-	-	-	-
Borrowings (other than debt securities)	12,060.82	12,060.82	-	9,372.26	9,372.26	-
Security Deposit from tenants	44.46	36.67	Level 3	93.62	84.63	Level 3
Security Deposit from others	323.75	323.75	-	349.53	349.53	-
Other financial liabilities	42,921.63	42,921.63	-	41,227.30	41,227.30	-
Total Liabilities	**63,927.63**	**63,919.84**		**53,266.63**	**53,257.64**	

36 E. 3. MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

(₹ in Million)

Particulars	Debt	Alternate Investment Fund	Total
Balances as at April 01, 2024	**225.22**	**735.96**	**961.18**
Purchase	172.50	30.00	202.50
Sale/redemption	(0.15)	(71.10)	(71.25)
Total gain/losses recognise in profit or loss	(47.50)	212.63	165.13
Balances as at March 31, 2025	**350.07**	**907.49**	**1,257.56**
Purchase	-	99.51	99.51
Sale/redemption	(345.66)	(30.51)	(376.17)
Total gain/losses recognise in profit or loss	(4.41)	31.28	26.87
Balances as at March 31, 2026	**-**	**1,007.77**	**1,007.77**

36 E. 4. MEASUREMENT OF FAIR VALUE

The fair values of Investments in Equity share and Bonds is based on last traded price and Alternate Investment Fund, Mutual Funds is based on the net asset value (NAV) as stated by the issuers of these alternate asset funds in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of alternate asset fund and the price at which issuers will redeem such units from the investors.

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The table which shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used is as follows:

Type	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value Change in discount rate by 500 basis points would increase/(decrease) as below
Financial Assets:				
Investment in non convertible debentures	These indicates thinly traded/non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
Investment in Alternate Investment Funds	Alternate Investment Fund is based on the net asset value (NAV) as stated by the issuers of these alternate asset funds in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of alternate asset fund and the price at which issuers will redeem such units from the investors.	Not Applicable	Not Applicable	Not Applicable
Investment in Preference shares/Equity share	These indicates thinly traded/non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
Deposit Given	Discounted cash flow technique- The fair value is estimated considering net present value calculated using discount rates derived from quoted prices of similar instruments with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Discount Rate	6.05% - 6.40% (Previous year 6.00% - 6.75%) based on SBI FD rate for respective period of deposit	Not Applicable
Financial Liabilities:				
Non convertible debentures	These indicates thinly traded/non traded securities as defined in SEBI Regulations and Guidelines and the fair value is estimated considering the valuation declared by fund houses for respective instruments during every reporting date.	Not Applicable	Not Applicable	Not Applicable
Deposit	Discounted cash flow technique- The fair value is estimated considering net present value calculated using discount rates derived from quoted prices of similar instruments with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Discount Rate	6.05% - 6.40% (Previous year 6.00% - 6.75%) based on SBI FD rate for respective period of deposit	Not Applicable

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NOTE 37: CAPITAL AND OTHER COMMITMENTS AT BALANCE SHEET DATE:

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Capital commitment	20.41	80.77
(ii)	Other commitment	399.20	85.00

NOTE 38: CONTINGENT LIABILITIES:

The Group is subject to legal proceedings and claims which have arisen in the ordinary course of the business. The Group's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Group's financial position.

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	In respect of income tax demands (see note 1)	951.99	256.91
(ii)	In respect of Service tax/MVAT/GST demands (see note 2)	403.15	340.33
(iii)	Bank guarantees (see note 3)	20,391.50	12,674.20
(iv)	In respect of other legal case	224.68	319.34

Notes :

1) Amount paid under protest with respect to income tax demand ₹118.30 million (March 31, 2025 ₹93.22 million)

   The Income-tax Department had conducted a search under Section 132 of the Income-tax Act, 1961 at the registered office and certain other premises of Holding company and its subsidiaries (Group) in January 2025. In the course of the proceedings, certain legal and factual matters were examined, and the Group have fully cooperated by furnishing the requisite information and documentary evidence as sought from time to time. On receipt of notice under Section 158BC of the Act, the Holding and Subsidiary Company filed return for the block period from April 01, 2018 to February 03, 2025. As a prudential measure and without prejudice to its rights and contentions, the Group on consolidated basis have paid an ad-hoc amount of Income tax aggregating to ₹274.22 million and accounted for the same as expenditure during the year under "Tax Expense - short (excess)".

   Subsequent to above, two subsidiaries have received demand of ₹563.08 million vide order dated April 22, 2026 for the block period April 01, 2018 to February 03, 2025. The respective companies are in the process of filling appeal against the said order. Same has been considered in the contingent liabilites as of March 31, 2026.

   In case of holding company the assessment proceedings are till the date of balance sheet, and the Holding Company continues to extend full cooperation to the Income-tax authorities. The Holding Company has not received any orders/demand notices till date of the balance sheet.

   The Management, after considering all available records and facts, is of the view that there would not be any material adverse impact on the financial position of the group and hence no material adjustments are required to be made in the financial statements of the group.

2) Amount paid under protest with respect to service tax/MVAT/GST demand ₹14.93 million (March 31, 2025 ₹11.19 million)

3) Bank Guarantees given as collateral for margins to various stock exchanges against fixed deposit of ₹10,195.25 million (Previous Year ₹6,336.60 million). Bank Guarantee given to Pollution Board against Fixed Deposit of ₹1.00 million (Previous Year ₹1.00 million)

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4) SEBI vide its order dated June 19, 2023 prohibited the holding company from onboarding new clients for a period of two years in respect of its business as a stock broker consequent to certain findings of SEBI inspections with respect to segregation of client funds and own funds for different periods from April 2011 to 2017. Securities Appellate Tribunal (SAT). vide its order dated December 07, 2023 has set aside the aforesaid order. SEBI has preferred appeal before the Hon'ble Supreme Court and the same is pending.

5) IIFL Commodities Limited ("IICL"), one of the subsidiaries, was a member of National Spot Exchange Limited (NSEL) till 2013. NSEL had defaulted in its settlement obligations to investors including pay-out of ₹2,795.4 million to IICL's Clients who traded on the Exchange Platform till July 2013. The matter has been under investigation by EOW, ED, SEBI, SFIO as well as other investigating authorities/Courts and is currently pending before such authorities/courts.

   In the writ petition filed by one of the clients of IICL, before the Bombay High Court, an affidavit was filed by the Principal Secretary, Home Department, Government of Maharashtra before the High Court to the effect that "the Government has decided to attach the properties of brokers only to the extent of the brokerage/commission received by them, by following due process of law and that they will issue notification for attachment of the concerned properties of IICL". Pursuant to the same, the Company deposited ₹3.34 million and notification was issued by the Home Department, Government of Maharashtra on April 04, 2024 attaching the said amount.

   Accordingly, considering the aforesaid affidavit and the fact, the subsidiary is of the view that the said matter will not have any financial implications on the Company.

6) In the matter of order of land purchased by the IIFL Facilities Services Ltd (a subsidiary) and Shreyans Foundation LLP (also a subsidiary) from CSI Trust, Madurai, Hon'ble Madras High Court, Madurai Bench vide its order dated April 28, 2025 allowed the writ petitions filed by the subsidiaries and set aside the impugned order passed by the Commissioner of Land Administration, Chennai for re-possession of land consequent to public notices of encroachment. Division Bench of the High Court of Judicature at Madras vide its order dated August 28, 2025 passed interim order against the Single Bench order referred above without giving opportunity of being heard. The subsidiaries filed special leave petition with Supreme Court which has vide its order dated September 15, 2025 directed the High Court to decide the appeal after giving opportunity of being heard. The possession of the land has not been taken over by the Tamil Nadu Government. The matter is presently pending before High Court.

NOTE 39: CORPORATE SOCIAL RESPONSIBILITY

During the year the Group spent ₹110.57 million (previous year ₹63.51 million) out of the total amount of ₹122.48 million (previous year ₹96.66 million) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility [CSR]. Unspent amount of ₹33.15 million for the previous year for ongoing projects has been spent during current year.

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Amount required to be spent by the Company during the year	122.48	96.66
Amount of expenditure incurred (including previous year shortfall)	110.57	63.51
Shortfall at the end of the year	45.05	33.15
Total of previous years shortfall	-	-
Reason for shortfall	Pertains to ongoing projects	Pertains to ongoing projects
Details of related party transactions	Contributed to India Infoline Foundation ₹110.57 million	Contributed to India Infoline Foundation ₹63.51 million

The Company undertakes the following activities in the nature of Corporate social responsibility (CSR):

a) Promoting quality education among children and women, especially of girls from marginalised and vulnerable communities through supplementary classes aiming to reintegrate them into formal schools.

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b) Ensuring easy and safe access to education in rural and remote region. Also, supporting infrastructural development in the government school in aspirational district.

c) Promoting education through comprehensive scholarships for needy students that reduce financial barriers and enable academic continuity.

d) Promoting livelihood and entrepreneurship opportunities through job-oriented training and hands-on exposure, especially for youth in aspirational districts.

e) Promoting gender equality, empowering women and taking measures to reduce inequalities faced by socially and economically backward groups through Entrepreneurship development program.

f) Ensuring safety and healthcare for sanitation workers by equipping them with advance technological assistance.

g) Promoting environmental sustainability and biodiversity enhancement through afforestation initiatives using innovative ecological techniques.

h) Enhancing climate resilience and community preparedness through integrated heat action planning and sustainable infrastructure initiatives.

i) Promoting healthcare by providing medical equipment and technological support towards community level health facilities and infrastructure development in medical institutions that are bridging gaps in healthcare service delivery.

j) Upgradation of community infrastructure by installing safety measures, improving accessibility and well-being opportunities.

k) Promoting preservation of cultural heritage through the development of dedicated community institutions.

l) Promoting sports through training and support for athletes and para-athletes through advanced training, equipment access, and comprehensive preparatory support.

NOTE 40: DISCLOSURE OF RATIOS

Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

NOTE 41: ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for borrowings are:

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
First charge		
Receivables & Loans	21,500.00	19,000.00
Fixed Deposit	1,031.38	1,051.63
Investments	3,070.53	3,236.03
Non-financial assets		
First charge		
Land and buildings	377.09	1,118.03
Total assets pledged as security	**25,979.00**	**24,405.69**

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NOTE 42: DISCLOSURE AS PER IND AS -108 "SEGMENT REPORTING":

Considering the nature of the business of the Group, the management has classified its segments based on Management Approach under Ind AS 108 as below:

Business Segment		Principal activities
i)	Capital market activity	Capital Market and other related activities including distribution of financial services spaces offering capital market services such as equity/currency/commodity broking, depository participant services, merchant banking business and third party financial product distribution services.
ii)	Insurance broking and ancillary	Insurance broking and wellness services
iii)	Facility & ancillary	Facilities and ancillary services includes rental income from properties and other ancillary services.

As at March 31, 2026

(₹ in Million)

Particulars			Capital Market Activity	Insurance Broking & Ancillary	Facilities & Ancillary	Total
I	**Segment revenue**					
	a	External	22,057.20	2,847.04	1,354.68	26,258.92
		Inter segment revenue				(227.91)
		Total revenue				**26,031.01**
II	**Results**					
	a	Segment result	6,319.06	217.36	1,026.50	7,562.92
		Less : - Unallocated				-
		Profit before tax				**7,562.92**
	b	Interest income	4,467.04	43.12	75.90	4,586.06
		Add : - Unallocated				-
		Net interest income				**4,586.06**
	c	Interest expense	1,996.31	26.17	74.90	2,097.38
		Add : - Unallocated				-
		Net Interest expense				**2,097.38**
	d	**Current tax**				**1,926.56**
	e	**Net profit after tax**				**5,636.36**
III	**Segment assets**		90,053.11	1,424.29	3,179.37	94,656.77
	Add : - Unallocated corporate assets					922.86
	Net assets					**95,579.63**
IV	**Segment liabilities**		62,889.51	1,020.17	732.27	64,641.95
	Add : - Unallocated corporate liabilities					226.96
	Net liabilities					**64,868.91**
V	**Capital expenditure**		235.38	36.67	16.48	**288.53**
VI	**Depreciation**		513.40	56.38	80.96	**650.74**

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As at March 31, 2025

(₹ in Million)

Particulars			Capital Market Activity	Insurance Broking & Ancillary	Facilities & Ancillary	Total
I	**Segment revenue**					
	a	External	22,290.13	2,558.35	1,064.65	25,913.13
		Inter segment revenue				(238.82)
		Total revenue				**25,674.31**
II	**Results**					
	a	Segment result	8,563.56	305.00	377.31	9,245.87
		Less : - Unallocated				-
		Profit before tax				**9,245.87**
	b	Interest income	4,201.50	30.64	55.98	4,288.12
		Add : - Unallocated				-
		Net interest income				**4,288.12**
	c	Interest expense	1,666.05	15.68	118.32	1,800.05
		Add : - Unallocated				-
		Net Interest expense				**1,800.05**
	d	**Current tax**				**2,117.09**
	e	**Net profit after tax**				**7,128.78**
III	**Segment assets**		73,800.15	1,271.01	3,820.46	78,891.62
	Add : - Unallocated corporate assets					666.78
	Net assets					**79,558.40**
IV	**Segment liabilities**		52,214.71	935.89	1,246.36	**54,396.96**
	Add : - Unallocated corporate liabilities					61.48
	Net liabilities					**54,458.44**
V	**Capital expenditure**		420.65	45.20	12.29	**478.14**
VI	**Depreciation**		343.19	66.40	139.22	**548.81**

NOTE 43 : SHARE BASED PAYMENTS

a) The details of Employee Stock Option Schemes are as under:

Particulars	ESOP 2018
Method of Accounting	Fair Value
Vesting Plan	Options granted would vest over a period of four years subject to a minimum period of one year or three years from the date of grant of options as per the terms & conditions of Grant
Exercise Period	Seven years from the date of grant
Grant Date	October 30, 2019, January 07, 2021, October 08, 2021, January 18, 2024, May 17, 2024, May 28, 2024, June 14, 2024, November 19, 2024, January 27, 2025, April 24, 2025, July 17, 2025, September 29, 2025 and February 04, 2026
Grant Price (₹ per share)	₹30.85, ₹49.00, ₹99.40, ₹2.00, ₹164.40, ₹189.45, ₹306.35, ₹242.35, ₹247.94, ₹328.85, ₹273.80 and ₹315.25

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b) (i) **Movement of options during the year ended March 31, 2026 of ESOP 2018 Scheme**

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
Outstanding as on April 01, 2025	**38,111,909**	**2.00 - 306.35**	**146.91**	**5.81**
Granted during the year	2,308,279	247.94 - 328.85	294.60	-
Forfeited during the year	(699,972)	2.00 - 306.35	129.73	-
Expired during the year	(461,285)	30.85 - 164.40	80.34	-
Exercised during the year	(1,478,904)	30.85 - 306.35	97.28	-
Outstanding as on March 31, 2026	**37,780,027**	**2.00 - 328.85**	**159.00**	**5.02**
Exercisable as on March 31, 2026	**9,211,944**	**30.85 - 306.35**	**157.24**	**4.45**

c) (i) **Movement of options during the year ended March 31, 2025 of ESOP 2019 Scheme (Demerger Scheme)**

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
Outstanding as on April 01, 2024	**12,000**	**218.71**	**218.71**	**0.08**
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Expired during the year	(12,000)	218.71	218.71	-
Exercised during the year	-	-	-	-
Outstanding as on March 31, 2025	**-**	**-**	**-**	**-**
Exercisable as on March 31, 2025	**-**	**-**	**-**	**-**

c) (ii) **Movement of options during the year ended March 31, 2025 of ESOP 2018 Scheme**

Particulars	Options Outstanding	Range of exercise price (in ₹)	Weight average exercise price (in ₹)	Weight average remaining contractual life (Years)
Outstanding as on April 01, 2024	**11,230,396**	**2.00 - 99.40**	**44.45**	**5.21**
Granted during the year	29,473,568	2.00 - 306.35	178.71	-
Forfeited during the year	(428,675)	2.00 - 242.35	49.50	-
Expired during the year	(74,100)	30.85 - 99.40	93.29	-
Exercised during the year	(2,089,280)	30.85 - 99.40	66.72	-
Outstanding as on March 31, 2025	**38,111,909**	**2.00 - 306.35**	**146.91**	**5.81**
Exercisable as on March 31, 2025	**2,840,293**	**30.85 - 99.40**	**77.80**	**2.19**

d) **Fair Value Methodology:**

The fair value of the shares are measured using Black Scholes formulae. Measurement inputs include share price on measurement date, exercise date of the instrument, exercise price, expected life, risk free interest rate, dividend yield, expected volatility.

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Key Assumptions used in Black-Scholes model for calculating fair value as on the date of grant are as follows:

Particulars	ESOP 2018				
	Current Year				
	February 04, 2026	September 29, 2025	July 27, 2025	April 24, 2025 (Group A)	April 24, 2025 (Group A)
Stock price (₹)	315.25	273.80	328.85	247.94	247.94
Volatility	54.46%	53.93%	53.90%	54.45%	54.66%
Risk-free Rate	6.23%	6.13%	6.01%	6.17%	6.22%
Exercise price (₹)	315.25	273.80	328.85	247.94	247.94
Time to Maturity (Years)	5.00	5.00	5.00	5.00	7.00
Dividend yield	2.48%	2.48%	2.48%	2.48%	2.66%
Weighted Average Value (₹)	120.65	103.63	123.97	94.67	101.70

Particulars	Previous Year					
	January 27, 2025 (Grant B)	January 27, 2025 (Grant A)	November 19, 2024	June 14, 2024	May 28, 2024	May 17, 2024
Stock price (₹)	242.35	242.35	306.35	219.93	189.45	164.40
Volatility	52.23%	53.76%	50.00%	50.00%	50.00%	50.00%
Risk-free Rate	6.72%	6.72%	6.87%	7.11%	7.15%	7.20%
Exercise price (₹)	2.00	242.35	306.35	189.45	189.45	164.40
Time to Maturity (Years)	5.00	5.00	5.00	5.00	5.00	5.00
Dividend yield	3.02%	2.92%	3.34%	3.34%	3.34%	3.34%
Weighted Average Value (₹)	213.24	90.41	106.72	86.42	66.12	57.46

Stock Price: Market price on NSE on the date of grant has been considered for the purpose of Option valuation.

Volatility: The daily volatility of the stock prices on NSE, over a period prior to the date of grant, corresponding with the expected life of the Options has been considered to calculate the fair value.

Risk-free rate of return: The risk-free rate being considered for the calculation is the India Government Bond Generic Bid Yield with a maturity about equal to the expected life of the options.

Exercise Price: Price of each specific grant has been considered.

Time to Maturity: Time to Maturity/Expected Life of Options is the period for which the Company expects the Options to be live. The minimum life of a stock option is the minimum period before which the Options cannot be exercised and the maximum life is the period after which the Options cannot be exercised.

Expected dividend yield: Expected dividend yield has been calculated as an average of dividend yields for the four financial years preceding the date of the grant. The dividend yield for the year is derived by dividing the dividend per share by the average price per share of the respective period.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

NOTE 44: RELATED PARTIES DISCLOSURES

(i) List of related parties where control exists:

Nature of Relationship	Name of the related party
Director and its Relatives	Mr. R. Venkataraman– Managing Director (w.e.f. March 22, 2025)
	Mr. Nemkumar H – Managing Director (w.e.f. May 15, 2024 till March 21, 2025)
	Mr. Narendra Jain - Whole Time Director
	Mr. Anand Bathiya - Independent Director
	Mr. Viswanathan Krishnan - Independent Director
	Mrs. Rekha Warriar - Independent Director (appointed as Chairperson of the Board w.e.f. March 22, 2025)
	Mr. Shamik Das Sharma - Independent Director
	Mrs. Aditi Athavankar (wife of Mr. R. Venkataraman)
Subsidiary	India Infoline Foundation (a section 8 Company)
Other Related Parties	IIFL Finance Limited
	IIFL Home Finance Limited
	5paisa Capital Limited
	360 ONE Wam Limited (Ceased to be a Related Party w.e.f. July 11, 2024)
	360 One Prime Limited (Ceased to be a Related Party w.e.f. July 11, 2024)
	360 One Asset Management Limited (Ceased to be a Related Party w.e.f. July 11, 2024)
	360 One Distribution Services Limited (Ceased to be a Related Party w.e.f. July 11, 2024)
	IIFL Open Fintech Private Limited
	India Infoline Employee Trust
	IIFL Samasta Finance Limited
	IIHFL Sales Limited (Step-Down Subsidiary of IIFL Finance Limited)
	Mogra Real Estate Development Private Limited
	Orpheus Trading Private Limited
	Ardent Impex Private Limited
	FIH Mauritius Investments Limited
	Mr. Nirmal Jain - Promoter
	Mrs. Madhu Jain (wife of Mr. Niraml Jain - Promoter)

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(ii) Transactions during the year with related parties:

(₹ in Million)

Nature of transactions	FY 2026	FY 2025
Brokerage income/Delayed payin charges, etc:		
a) Director and its relatives		
Mr. R. Venkataraman	0.91	0.35
Mrs. Aditi Athavankar	0.01	0.01
Mr. Narendra Jain	0.00	0.01
Mr. Nemkumar H	-	0.36
b) Other related parties		
Mr. Nirmal Jain	4.30	2.54
Mrs. Madhu Jain	2.38	0.88
IIFL Finance Limited	2.28	0.40
360 One Prime Limited	-	0.68
IIFL Home Finance Limited	0.01	0.01
Ardent Impex Pvt Ltd	0.00	0.02
Orpheus Trading Pvt Ltd	0.25	0.02
FIH Mauritius Investments Ltd	-	23.80
Interest income on inter corporate deposit/others :		
a) Other related parties		
IIFL Finance Limited	20.57	-
Interest Income on Investment :		
a) Other related parties		
IIFL Finance Limited	4.34	-
Distribution Income:		
a) Other related parties		
IIFL Finance Limited	377.97	-
360 One Asset Management Limited	-	25.32
360 One Prime Limited	-	7.80
IIFL Samasta Finance Limited	-	16.08
IIFL Home Finance Limited	6.50	24.81
FIH Mauritius Investments Ltd	-	37.50
India Infoline Foundation	-	0.15
Rent income:		
a) Other related parties		
IIFL Finance Limited	54.81	54.56
IIFL Home Finance Limited	3.15	27.08
5 Paisa Capital Limited	21.06	22.29

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(ii) Transactions during the year with related parties:

(₹ in Million)

Nature of transactions	FY 2026	FY 2025
Rent expense:		
a) Director and its relatives		
Mrs. Aditi Athavankar	-	2.40
Interest expenses on inter corporate deposits:		
a) Other related parties		
IIFL Home Finance Limited	13.87	-
Distribution fees:		
a) Other related parties		
360 One Prime Limited		
IIFL Finance Limited	989.11	816.82
360 One Distibution Services Limited	-	0.44
IIFL Samasta Finance Limited	1.12	0.82
Corporate Social Responsibility Expenses:		
a) Subsidiaries		
India Infoline Foundation	109.39	66.60
Director's Remuneration:-		
Mr. R. Venkataraman	100.41	84.51
Mr. Narendra Deshmal Jain	19.31	17.54
Mr. Nemkumar H	-	173.19
Director's commission/sitting fees:		
Mrs. Rekha Warriar	3.03	2.40
Mr. Shamik Das Sharma	2.23	2.09
Mr. Viswanathan Krishnan	2.80	2.57
Mr. Anand Bhatiya	2.89	2.58
Deposit - Taken:		
a) Other related parties		
IIFL Finance Limited	-	2.99
Deposit - Repaid:		
a) Other related parties		
IIFL Home Finance Limited	-	11.82
Deposit - Received back:		
a) Director's and its relatives		
Mrs. Aditi Athavankar	50.00	-
Inter corporate deposit taken:		
a) Other related parties		
IIFL Samasta Finance Limited	1,000.00	
IIFL Home Finance Limited	2,500.00	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(ii) Transactions during the year with related parties:

(₹ in Million)

Nature of transactions	FY 2026	FY 2025
Inter corporate deposit taken and repaid:		
a) Other related parties		
IIFL Samasta Finance Limited	1,000.00	
IIFL Home Finance Limited	2,500.00	-
Inter corporate deposit given:		
a) Other related parties		
IIFL Finance Limited	3,750.00	-
Inter corporate deposit given and received back:		
a) Other related parties		
IIFL Finance Limited	3,750.00	-
Allocation/Reimbursement of expenses paid:		
a) Other related parties		
IIFL Finance Limited	40.93	32.20
IIFL Home Finance Limited	16.56	13.77
IIFL Samasta Finance Limited	-	2.07
5paisa Capital Limited	5.84	15.76
Allocation/Reimbursement of expenses received:		
a) Other related parties		
IIFL Finance Limited	76.82	91.75
IIFL Open Fintech Private Limited	0.01	0.04
IIFL Home Finance Limited	24.84	50.25
360 One Prime Limited	-	0.05
IIHFL Sales Limited	0.00	0.03
5paisa Capital Limited	22.27	36.90
b) Subsidiaries		
India Infoline foundation	0.04	
Others paid:		
a) Other related parties		
IIFL Finance Limited	1.88	2.14
IIFL Home Finance Limited	0.07	6.10
5paisa Capital Limited	0.31	0.26
IIFL Open Fintech Private Limited	-	0.06
Others Received:		
a) Other related parties		
IIFL Finance Limited	0.50	0.93
India Infoline Employee Trust	0.04	0.60
IIFL Home Finance Limited	0.01	1.03
5paisa Capital Limited	0.40	0.49

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(ii) Transactions during the year with related parties: (₹ in Million)

Nature of transactions		FY 2026	FY 2025
b)	**Subsidiaries**		
	India Infoline foundation	0.17	0.49
Purchase of investment:			
a)	**Other related parties**		
	IIFL Finance Limited	1,348.20	-
Sale of investment			
a)	**Director**		
	Mr. R. Venkataraman	-	20.40

(iii) Balance outstanding (₹ in Million)

Nature of transactions		As at March 31, 2026	As at March 31, 2025
Sundry Payable:			
a)	**Other related parties**		
	IIFL Finance Limited	-	75.70
	IIFL Samasta Finance Limited	-	0.19
	IIFL Home Finance Limited	-	2.82
	Mr. Nirmal Jain	0.65	1.18
	Mrs. Madhu Jain	0.19	0.08
b)	**Director's and its relatives**		
	Mr. R. Venkataraman	0.08	0.00
	Mr. Nemkumar H	-	0.03
	Mr. Narendra Jain	0.00	-
Sundry Receivable:			
a)	**Other related parties**		
	IIFL Finance Limited	146.99	-
	5paisa Capital Limited	10.30	7.34
	IIFL Home Finance Limited	2.46	-
	IIFL Open Fintech Private Limited	-	0.00
	IIHFL Sales Limited	-	0.00
	Ardent Impex Pvt Ltd	0.00	0.00
	Orpheus Trading Pvt Ltd	-	0.00
	India Infoline Employee Trust	0.91	0.60
b)	**Subsidiaries**		
	India Infoline Foundation	7.55	33.32

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(iii) Balance outstanding

(₹ in Million)

Nature of transactions	**As at March 31, 2026**	**As at March 31, 2025**
Security deposit taken :		
a) Other related parties		
IIFL Home Finance Limited	3.08	3.08
5paisa Capital Limited	9.80	9.80
IIFL Finance Limited	26.94	26.94
Security deposit given :		
a) Director's and its relatives		
Mrs. Aditi Athavankar	-	50.00
Investment in non-convertible debentures/market linked debenture :		
a) Other related parties		
IIFL Finance Limited	70.80	-

Note:

Amount is less than ₹0.01 million, hence shown ₹0.00 million, wherever applicable.

NOTE 45 : SUMMARY OF CONSOLIDATION

a) Enterprises consolidated as subsidiary in accordance with Indian Accounting Standard 110 - Consolidated Financial Statements.

Sr. No.	**Name of subsidiaries**	**Country of Incorporation**	**Proportion of ownership interest**	
			March 31, 2026	**March 31, 2025**
1	Livlong Insurance Brokers Limited	India	100.00%	100.00%
2	IIFL Management Services Limited	India	100.00%	100.00%
3	IIFL Facilities Services Limited	India	100.00%	100.00%
4	IIFL Commodities Limited	India	100.00%	100.00%
5	IIFL Capital Inc.	USA	100.00%	100.00%
6	IIFL Wealth (UK) Limited*	UK	NA	100.00%
7	Livlong Protection and Wellness Solutions Limited	India	76.18%	78.11%
8	IIFL Securities Services IFSC Limited	India	100.00%	100.00%
9	IIFL Capital Asset Management Limited (Formerly known as IIFL Securities Alternate Asset Management Limited)	India	100.00%	100.00%
10	Meenakshi Towers LLP	India	100.00%	100.00%
11	Shreyans Foundation LLP	India	99.00%	99.00%

**IIFL Wealth (UK) Limited, a wholly owned subsidiary of the Company, was voluntarily struck off and dissolved with effect from July 22, 2025. Consequently, it ceased to be a wholly owned subsidiary of the Company from that date.*

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

b) Additional information, as required under schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiaries and associates.

As at March 31, 2026

Particulars	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss (including exceptional items)		Share in Other Comprehensive Income		Share in Total Comprehensive Income (including exceptional items)	
	As % of consolidated Net Assets	(₹ in Million)	As % of consolidated Profit or Loss	(₹ in Million)	As % of consolidated Other Comprehensive Income	(₹ in Million)	As % of consolidated Total Comprehensive Income	(₹ in Million)
Parent								
IIFL Capital Services Limited (formerly known as IIFL Securities Ltd)	89.45%	27,470.95	94.19%	5,308.98	97.49%	(15.85)	94.18%	5,293.14
Subsidiaries								
Indian								
1 Livlong Insurance Brokers Limited	1.51%	462.69	1.20%	67.46	(1.33%)	0.22	1.20%	67.67
2 IIFL Management Services Limited	1.26%	388.25	(1.62%)	(91.56)	0.59%	(0.10)	(1.63%)	(91.65)
3 IIFL Facilities Services Limited	8.52%	2,615.34	13.45%	757.91	(1.30%)	0.21	13.49%	758.12
4 IIFL Commodities Limited	0.25%	75.91	0.79%	44.39	-	-	0.79%	44.39
5 Livlong Protection and Wellness Solutions Limited	0.52%	158.86	1.73%	97.45	3.06%	(0.50)	1.73%	96.95
6 IIFL Securities Services IFSC Limited	0.00%	(0.21)	(0.01%)	(0.65)	-	-	(0.01%)	(0.65)
7 IIFL Capital Asset Management Limited (Formerly known as IIFL Securities Alternate Asset Management Limited)	0.92%	282.41	(0.16%)	(9.29)	1.49%	(0.24)	(0.17%)	(9.53)
8 Meenakshi Towers LLP	(0.28%)	(84.91)	(0.13%)	(7.36)	-	-	(0.13%)	(7.36)
9 Shreyans Foundation LLP	(0.06%)	(19.68)	(0.07%)	(3.74)	-	-	(0.07%)	(3.74)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Particulars	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss (including exceptional items)		Share in Other Comprehensive Income		Share in Total Comprehensive Income (including exceptional items)	
	As % of consolidated Net Assets	(₹ in Million)	As % of consolidated Profit or Loss	(₹ in Million)	As % of consolidated Other Comprehensive Income	(₹ in Million)	As % of consolidated Total Comprehensive Income	(₹ in Million)
Foreign								
1 IIFL Capital Inc.	0.50%	154.25	0.15%	8.23	-	-	0.15%	8.23
2 IIFL Wealth (UK) Limited*	-	-	0.01%	0.74	-	-	0.01%	0.74
Elimination	(2.58%)	(793.14)	(9.51%)	(536.20)	-	-	(9.54%)	(536.20)
Total	**100.00%**	**30,710.72**	**100.00%**	**5,636.36**	**100.00%**	**(16.25)**	**100.00%**	**5,620.11**

**IIFL Wealth (UK) Limited, a wholly owned subsidiary of the Company, was voluntarily struck off and dissolved with effect from July 22, 2025. Consequently, it ceased to be a wholly owned subsidiary of the Company from that date.*

NOTE 46: OTHER DISCLOSURE

i) No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iii) The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

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

v) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

vi) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

vii) During the year, the Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

viii) There are no transactions which have not been recorded in the books of accounts and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) There are no charges or satisfaction yet to be registered with the registrar of companies beyond the statutory period.

x) The Company does not have layers beyond the number prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

xi) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

As per our attached report of even date

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

S. Nagabushanam
Partner
Membership No.: 107022

Place: Mumbai
Date: May 04, 2026

For and on behalf of Board of Directors

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

ANNEXURE-A TO THE CONSOLIDATED FINANCIAL STATEMENTS

FORM AOC-I

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(₹ in Million)

Sr. No.	Particulars	IIFL Management Services Limited	IIFL Facilities Services Limited	IIFL Com-modities Limited	Livlong Insurance Brokers Limited	Livlong Protection and Wellness Solutions Limited	IIFL Capital Inc.	IIFL Wealth (UK) Limited	Meenakshi Towers LLP	Shreyans Foundation LLP	IIFL Securities Services IFSC Limited	IIFL Capital Asset Management Limited
1	Share Capital	2.81	90.00	95.00	10.00	51.13	40.29	-	0.10	1.00	5.00	126.89
2	Other Equity	385.44	2,525.34	(19.09)	452.69	107.74	113.96	-	(85.01)	(20.68)	(5.21)	155.52
3	Total Assets	2,680.99	3,373.37	200.94	669.67	957.81	189.72	-	0.74	45.94	7.58	353.71
4	Total Liabilities	2,292.74	758.02	125.03	206.98	798.95	35.47	-	85.65	65.61	7.79	71.30
5	Investments	991.89	103.19	-	175.68	68.89	-	-	-	-	-	2.55
6	Total Turnover	435.15	1,354.65	10.93	924.62	1,922.42	147.85	-	-	0.03	-	135.73
7	Profit/(loss) before tax	(69.60)	1,022.07	44.39	85.37	132.00	10.87	0.74	(7.36)	(3.74)	(0.65)	(12.30)
8	Provision for taxation (including deferred tax)	21.95	264.16	-	17.91	34.54	2.64	-	-	-	-	(3.01)
9	Profit/(loss) after tax	(91.56)	757.91	44.39	67.46	97.45	8.23	0.74	(7.36)	(3.74)	(0.65)	(9.29)
10	Total Comprehensive Income	(91.65)	758.12	44.39	67.67	96.95	8.23	0.74	(7.36)	(3.74)	(0.65)	(9.53)
11	Exchange Rate	-	-	-	-	-	93.86	123.75	-	-	-	-
12	Reporting Currency	₹	₹	₹	₹	₹	US$	GBP	₹	₹	₹	₹
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-
14	% of share holding	100	100	100	100	76.18	100	100	100	99	100	100

Notes:

1. **All subsidiaries have common year end of March 31, 2026 hence no additional information under Section 129(3) read with rule 5 has been disclosed.**

2. **Names of subsidiaries which are yet to commence operations:**

   IIFL Securities Services IFSC Limited

3. **IIFL Wealth (UK) Limited, a wholly owned subsidiary of the Company, was voluntarily struck off and dissolved with effect from July 22, 2025. Consequently, it ceased to be a wholly owned subsidiary of the Company from that date.**

PART "B": ASSOCIATES

(₹ in Million)

Sr. No.	Name of Associate	NA
1	Latest Audited Balance Sheet Date	-
	Date of acquisition	-
2	Shares of Associate/Joint Ventures held by the Company on the year end	-
	No	-
	Amount of Investment in Associates/Joint Venture	-
	Extend of Holding %	-
3	Description of how there is significant influence	-
4	Reason why the associate/joint venture is not consolidated	-
5	Networth attributable to Shareholding as per latest audited Balance Sheet	-
6	Profit/(loss) for the year	
	i. Considered in Consolidation	-
	ii. Not Considered in Consolidation	-

For and on behalf of Board of Directors

R. Venkataraman
Managing Director
(DIN: 00011919)

Narendra Jain
Whole Time Director
(DIN: 01984467)

Place: Mumbai
Date: May 04, 2026

Ronak Gandhi
Chief Financial Officer

Meghal Shah
Company Secretary

NOTES

NOTES

IIFL Capital Services Limited
(Formerly known as IIFL Securities Limited)
CIN:L99999MH1996PLC132983
Regd. Office: IIFL House, Sun Infotech Park, Road No. 16V,
Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane - 400 604
Tel: (91-22) 3929 4000/4103 5000
Email: secretarial@iiflcapital.com
Website: www.iiflcapital.com