ANNUAL REPORT
2025-26

LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED

102

YEAR

Lakshmi

FINANCE & INDUSTRIAL CORPORATION LIMITED

IMPORTANT MESSAGE TO THE SHAREHOLDERS OF THE COMPANY

- We wish to inform you that the trading of **“LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED” (LFIC)** is **under compulsory demat mode**. Company Shares are traded on National Stock Exchange of (India) Limited (NSE) with effect from 15.04.2015 (Company Symbol /Stock Code: **LFIC**). **Company ISIN No in NSDL & CDSL : INE850E01012.** Members holding shares in physical form are requested to consider converting their holdings to dematerialized form (electronic mode). Demat the shares to participate in trading through Stock Exchange.

- SEBI has amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed Companies from accepting request for transfer of securities which are held in physical form, with effect from 1st April 2019. The shareholders, who continue to hold shares in physical form even after this date, will not be able to lodge the shares with Company/its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission, transposition and Issue of Duplicate Share Certificates of securities in physical form, will be accepted by the RTA.

- Members holding shares in physical mode are requested to submit their (KYC-Form) permanent Account Number (PAN) and Bank account details (cancelled cheque of your bank account) and request registrar to update their e-mail address/ Telephone number and can nominate a person in respect of all the shares to the Prescribed Form (KYC) is annexed to this report which may be duly filled in and sent to the Company / RTA viz. M/s. Venture Capital & Corporate Investments Private Limited.

- Members holding **shares in dematerialized mode** are requested to intimate all changes pertaining to their Bank Account details. ECS / NEFT / RTGS mandates, nominations, power of attorney, change of address/ name etc. to their depository participant only and not to the Company or its Registrar and Transfer Agent. The said nominations will be automatically reflected in the Company’s records.

- The Company proposed a dividend of Rs. 2.50 per each Equity Share for the F.Y.2025-26 for the Members approval at the ensuing 102nd Annual General Meeting to be held on 29.09.2026. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The Shareholders are requested to update their PAN with the Company/ RTA M/s. Venture Capital & Corporate Investments Private Limited. (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

- No tax shall be deducted for resident individual Shareholders, if the aggregate amount of dividend to be paid for F.Y 2025-26 does not exceed Rs. 10,000/-. Tax shall be deducted at source in accordance with Section 194 of the Act @ 10%, if the amount of dividend payable exceeds Rs. 10,000/-, where PAN is available on record. Where PAN is either not available or is invalid, tax shall be deducted at source @ 20% as per Section 206 AA of the Income Tax Act,1961.

REGISTERED OFFICE OF THE COMPANY:

LAKSHMI FINANCE AND
INDUSTRIAL CORPORATION LIMITED
1st FLOOR, “SURYODAYA”
1-10-60/3, BEGUMPET, HYDERABAD-500016
Fax.No.: 040-27767793
Tel Phone: 040-27760301/27767794
E-mail: lakshmi_lfic@yahoo.com
Website: www.lakshmifinance.org.in

REGISTRARS & SHARE TRANSFER AGENTS:

VENTURE CAPITAL & CORPORATE INVESTMENTS PVT.LTD
“AURUM”, DOOR No.4-50/P-II/57/4F & 5F, PLOT No.57
4th & 5th FLOORS, JAYABHERI ENCLAVE, PHASE – II
GACHIBOWLI, HYDERABAD - 500 032.TELANGANA. INDIA.
Phone No/s.: 040-23818475 / 23868257
Email: investor.relations@vccipl.com
Website: www.vccipl.com.

Lakshmi
FINANCE & INDUSTRIAL CORPORATION LIMITED

102^{nd} Annual General Meeting

Day : TUESDAY

Date : 29^{th}, September, 2026

Time : 09:30 AM

**VENUE : "MANJEERA," Banquet Hall, 2^{nd} Floor,
Hotel The PLAZA, 6-3-870, (Tourism Plaza), Greenlands,
Begumpet, Hyderabad - 500 016, Telangana, India**

COMPANY INFORMATION

BOARD OF DIRECTORS

Dr. D.Nageswara Rao, Chairman	(DIN: 02009886)
Smt. Madhurika Nalluri Venkat (up to 28.08.2026)	(DIN: 07147974)
Sri.S.Suryanarayana	(DIN: 01951750)
Smt. Bolleni Shanti Sree	(DIN: 07092258)
Sri. K.Kapil Prasad	(DIN: 02940558)
Sri. K. Harishchandra Prasad, Managing Director	(DIN: 00012564)
Sri. Ch.Ramaprasad (From: 11.08.2025)	(DIN: 07030015)

Sri. U.Vijaya Kumar (up to 31.03.2026)
Smt. M.Madhavi Latha (From:28.05.2026)
Chief Financial Officer

Smt Deepa Gusain
Company Secretary & Compliance Officer

AUDITORS
M/s. Brahmayya & Co.,
Chartered Accountants,
Hyderabad, Telangana

INTERNAL AUDITORS
M/s. M. Bhaskara Rao & Co.,
Chartered Accountants, Hyderabad, Telangana

SECRETARIAL AUDITORS
M/s.N. Madhavi & Associates
Company Secretaries, Hyderabad, Telangana

BANKERS
- Indusind BankLtd
- Union Bank of India
- HDFC BankLtd

REGISTERED OFFICE
1st FLOOR,
"SURYODAYA",
1-10-60/3
BEGUMPET, HYDERABAD - 500 016,
TELANGANA, INDIA.
Fax.No. 040-27767793
E-mail: lakshmi_lfic@yahoo.com
Tel Phone: 040-27760301 / 27767794,
Website: www.lakshmifinance.org.in

CORPORATE IDENTITY NUMBER: (CIN)
L65920TG1923PLC000044

Demat ISIN No in NSDL & CDSL: INE 850 E0 1012

REGISTRARS & SHARE TRANSFER AGENTS:
VENTURE CAPITAL & CORPORATE INVESTMENTS PVT.LTD
"AURUM", Door No. 4-50/P-II/57/4F & 5F, Plot No. 57
4th & 5th Floor, JAYABHERI ENCLAVE Phase - II
GACHIBOWLI, HYDERABAD - 500032,
TELANGANA, INDIA.
Ph. No. 040-23818475 / 23818476
E-mail: investor.relations@vccipl.com
web: www.vccipl.com

BOARD COMMITTEES

Audit Committee

Sri. S.Suryanarayana	Chairman
Dr.D.Nageswara Rao	Member
Smt. B.Shanti Sree	Member
Sri. K.Kapil Prasad	Member
Sri. Ch.Ramaprasad	Member

Stakeholders Relationship Committee

Sri. Ch.Ramaprasad	Chairman
Sri. S.Suryanarayana	Member
Sri. K.Harishchandra Prasad	Member

Nomination and Remuneration Committee

Dr.D.Nageswara Rao	Chairman
Sri. S.Suryanarayana	Member
Sri. Ch.Ramaprasad	Member

Corporate Social Responsibility Committee

Dr.D.Nageswara Rao	Chairman
Sri. S.Suryanarayana	Member
Sri. K.Harishchandra Prasad	Member
Sri. Ch.Ramaprasad	Member

Independent Directors Committee

Dr.D.Nageswara Rao	Chairman
Sri. S.Suryanarayana	Member
Sri. Ch.Ramaprasad	Member
Smt. B.Shanti Sree	Member

Risk Management Committee

Sri. Ch.Ramaprasad	Chairman
Dr.D.Nageswara Rao	Member
Sri. S.Suryanarayana	Member
Sri. K.Harishchandra Prasad	Member

CONTENTS

NOTICE

Notice is hereby given that the 102nd Annual General Meeting of the Members of **LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED** (CIN: L65920TG1923PLC000044) will be held on **Tuesday the 29th September, 2026 at 09.30 A.M. at "Manjeera" Banquet Meeting Hall, 2nd Floor, HOTEL THE PLAZA** (Tourism Plaza / Telangana Tourism), Greenlands, Begumpet, Hyderabad-500 016 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited financial statements of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and the Auditors thereon and in this regard pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss, Notes to Accounts and Cash Flow Statement of the Company for the year ended on that date together with the Reports of the Auditors and Directors thereon laid before this Meeting, be and are hereby considered and adopted."

2. To declare a final Dividend of Rs.2.50ps (Two Rupees and Fifty Paisa) i.e., (25%) per equity share for the financial year ended March 31, 2026 and in this regard to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT as recommended by the Board of Directors of the Company, a final Dividend at the rate of Rs.2.50.ps i.e., (25%) per equity share of Rs.10/- (Rupees ten only) each fully paid-up of the Company be and is hereby declared for the financial year ended March 31, 2026 and the same be paid out of the Reserves of the Company for the financial year ended March 31, 2026."

3. To appoint a Director in place of Shri K.Kapil Prasad (DIN: 02940558), who retires by rotation and being eligible, offers himself for re-appointment and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri K.Kapil Prasad (DIN: 02940558), who retires by rotation at this Meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board
for **Lakshmi Finance & Industrial Corporation Limited**

Sd/-
K.Harishchandra Prasad
Managing Director
DIN: 00012564

Place: Hyderabad
Date: 12-08-2026

NOTES:

1. A Member entitled to attend and vote at this Meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a Member of the Company.

2. The Instrument of Proxy should however be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting. Pursuant to the provisions of Section 105 of the Companies Act,2013, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A Proxy form: MGT-11 **Annexed** is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.

3. Statement as required under Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.

4. The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd September, 2026 to 29th September, 2026 (both days inclusive) for annual closing and determining the entitlement of the shareholders for the final Dividend for 2025-26. The proposed Dividend if approved will be paid to such Members whose names appear in the Register of Members as on 22nd September, 2026.

5. A Dividend of Rs.2.50.ps. per share (25% on the face value of equity share) has been recommended by the Board of Directors for the year ended 31st March, 2026 which, if declared by the shareholders at the ensuing Annual General Meeting, shall be paid within 30 days from the date of Annual General Meeting (i.e. the date of declaration).

6. SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021(subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD-PoD-1/P/CIR/2023/37 March 16,2023, SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) and SEBI/HO/MIRSD/PoD-1/P/C/CIR/2024/81 JUNE 10, 2024 has mandated that with effect from April 1,2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including Mobile number, Bank account details and specimen Signature.

   Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their Bank Account details, NACH/ECS/NEFT/RTGS mandates, nominations, power of attorney, change of address / name etc. to their depository participant only and not to the Company or its Registrar and Transfer Agent. The said nominations will be automatically reflected in the Company's records.

7. (a) **Shareholders who have not yet surrendered the old Share Certificates representing equity shares of Rs.100/- each paid-up of your total shareholdings for exchange of new share certificates representing equity shares of Rs.10/-each paid-up for any reason may please contact Shares Department of the Company.**

   (b) **Shareholders / Legal heirs of shareholders, who have not collected / received the Bonus Shares issued by the Company in 1996 and in 2009, are requested to contact Shares Department of the Company for necessary action to obtain the unclaimed Bonus Shares.**

8. Shareholders holding shares in identical order of names in more than one folio are requested to write to the Company, enclosing their share certificates to enable the Company to consolidate their holdings in one folio to facilitate better service.

9. a). As per provisions of the Section 124 read with Section 125 of the Companies Act, 2013 the Company is required to transfer unpaid dividends remaining unclaimed and unpaid for a period of 7 years from the due date to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, the unclaimed Dividend amounts in respect of period 2017-18 have been transferred to the said fund on 13.10.2025 upon expiry of 7 years period. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company on the w ebsite of the Company at www.lakshmifinance.org.in. The said details have also been uploaded on the website of the IEPF Authority at www.iepf.gov.in

   b). The unclaimed Dividend for the year 2018-19 is due for transfer to IEPF on or before 14.09.2026. Those Members who have not en-cashed their Dividends warrants(s) for the said year and for the years mentioned below are requested to make the claims to the Company without any further delay. It may be noted that once the unclaimed Dividend is transferred to the IEPF as above, no claim shall lie against the Company in respect of any amounts which were unclaimed/unpaid for a period of 7 years from the dates they first became due for payment and no payment shall be made in respect of any such claims.

Given below are the proposed dates for transfer of the unclaimed dividend to IEPF by the Company:

Financial Year Ended	Date of Declaration of Dividend	Last date for Claiming Unpaid Dividend amount (on or before)	Last date for Transfer to IEPF
31.03.2019	09.08.2019	14.09.2026	14.10.2026
31.03.2020	29.08.2020	03.09.2027	03.10.2027
31.03.2021	26.08.2021	01.10.2028	01.11.2028
31.03.2022	28.09.2022	03.11.2029	03.12.2029
31.03.2023	09.08.2023	14.09.2030	14.10.2030
31.03.2024	22.08.2024	27.09.2031	27.10.2031
31.03.2025	27.09.2025	02.11.2032	02.12.2032

Shareholders who have not yet claimed the Dividends for the above periods are requested to contact the ***Secretarial Department at the Registered Office of the Company.***

c). Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and refund) Rules, 2016, as amended, the Company has, during financial year 2017-18, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. October 31, 2017. Accordingly Company has transferred 2,64,638 equity shares to the IEPF Authority. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed on the website of the Company at www.lakshmifinance.org.in. The said details have also been uploaded on the website of the IEPF Authority at www.iepf.gov.in.

d). Members may note that shares as well as unclaimed Dividends transferred to IEPF Authority can be claimed back from them. Concerned Members/investors/Nominee/Legal Heirs are advised to visit the website at www.iepf.gov.in or contact Company / Company’s Registrars and share Transfer agents i.e. M/s. Venture Capital & Corporate Investments Private Limited, for lodging claim for refund of shares and / or dividend from the IEPF Authority.

10. Members desiring any information as regards the accounts are requested to write to the Company at least seven days before the date of the Meeting to enable the management to keep the information ready at the Meeting.

11. The Securities & Exchange Board of India (SEBI) has made it mandatory for all Companies to use the Form ISR-1 (KYC details) Bank account and PAN number details furnished by the Depositories for depositing Dividend through Electronic Clearing Services (ECS)/NACH/NEFT / RTGS to investors where **ECS** and Bank details are available. Members may, therefore, give instructions regarding Bank Accounts in which they wish to receive Dividend, directly to their Depository Participants. The Company will not entertain any direct request from such Members for deletion of/change in such Bank details. Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to Dividend paid on shares in electronic form. Prescribed Form **ISR-1 (KYC)** is **Annexed** to this report which may be duly filled in and sent to the Company / RTA.

12. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN, Aadhar no, e-mail and Telephone No details to the Company.

14. a). Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility Prescribed **Form No.SH-13 is Annexed** to this report which may be duly filled in and sent to the Company/ RTA. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

b). SEBI has amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 to disallow listed Companies from accepting request for transfer of securities which are held in physical form, with effect from 1st April 2019. The shareholders, who continue to hold shares in physical form even after this date, will not be able to lodge the shares with Company/its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the RTA.

15. Pursuant to the requirements on the Corporate Governance under the listing regulation, the information about the Directors proposed to be appointed /re- appointed is given in the **Annexure** to the notice.

16. All the documents referred to in the Notice will be available to the Members at the Registered Office of the Company between 10.30 A.M and 12.30 P.M on all working days from the date hereof up to the date of the Meeting.

17. The Notice of the 102nd AGM along with Annual Report for FY 2025-26, is available on the website of the Company at www.lakshmifinance.org.in, on the website of Stock Exchange i.e National Stock Exchange of India Limited at www.nseindia.com and on the website of CDSL at **www.evoting@cdslindia.com**

18. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA M/s. Venture Capital & Corporate Investments Private Limited. (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to lakshmi_lfic@yahoo.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to lakshmi_lfic@yahoo.com. The aforesaid declarations and documents need to be submitted by the shareholders by 5.00 p.m. 22ndSeptember, 2026.

CDSL E - Voting System:

THE INTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on 26th September, 2026 at 9.00 A.M and ends on 28th September, 2026 at 5.00.p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 22nd September, 2026. may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible Companies where the evoting is in progress as per the information provided by Company. On clicking the evoting 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 providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi 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 e-Voting link available on **www.cdslindia.com** home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: **https://eservices.nsdl.com** either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 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. 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 (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned 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. 1800225533
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 e-voting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting 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-timeuser follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10digit 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 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 **<LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED (EVSN:260813006)>** 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 BR/POA if any uploaded,which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- 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.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; lakshmi_lfic@yahoo.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/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 Company **email id: lakshmi_lfic@yahoo.com.**
2. For Demat shareholders, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual Meetings through Depository.

If you have any queries or issues regarding 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,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 21 09911

By Order of the Board
for **Lakshmi Finance & Industrial Corporation Limited**

Sd/-
K.Harishchandra Prasad
Managing Director
DIN: 00012564

Place: Hyderabad
Date: 12.08.2026

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING.

Disclosure Required under Section 196(4) of the Companies Act,2013 and Pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015

Name of the Director	**Sri. K.Kapil Prasad**
Date of Birth	**31.10.1983**
Date of Appointment	**07.02.2014**
Qualification	**M.S**
No of Shares held in the Company	**81,085**
Directorships held in other Companies(excluding Private Limited and Foreign Companies)	**----**
Positions held in mandatory committees of other Companies	**No**

DIRECTORS' REPORT

To,
The Members of
Lakshmi Finance & Industrial Corporation Limited

The Board of Directors have pleasure in presenting the Company's One Hundred and Two (102nd) Annual Report and the Company's Audited Financial Statements for the financial year ended March 31, 2026.

1) FINANCIAL HIGHLIGHTS:

The summarized financial results of the Company for the financial year ended March 31, 2026 are presented below:

(` in Lakhs)

Particulars	2025-26	2024-25
Gross Income	701.67	771.91
Profit before Depreciation and Tax	(105.45)	263.88
Depreciation	19.58	20.63
Profit for the year before taxation	**(125.04)**	**243.25**
Provision for Taxation	78.00	151.00
Profit/(Loss) after tax	**(47.04)**	**92.26**
Prior year taxes	1.39	(1.40)
Net Profit/(Loss) after Tax	**(48.43)**	**93.66**
Deferred tax	**(132.97)**	**(200.59)**
MAT Credit Entitlement	**-**	**(63.73)**
Profit/(Loss) for the year after Tax	**(71.45)**	**357.98**
Profit brought Forward	2,228..64	2,065.67
Total Profit available for appropriation	2,157.20	2,423.65
Dividend pertaining to previous year paid during the year	(90.00)	(120.00)
Corporate Dividend Tax	-	-----
Transfer to Reserve Fund (per RBI Guide Lines)	-	(75.00)
Balance carried over to Balance Sheet	**2,067.18**	**2,228.64**

2. OPERATIONAL PERFORMANCE

During the financial year under review, the Company operated in a challenging economic environment marked by heightened geopolitical tensions and increased volatility in the global financial markets. These developments adversely impacted capital market sentiment during the latter part of the financial year, resulting in significant fluctuations in the valuation of equity shares and mutual fund investments held by the Company.

The decline in the market indices during March 2026 led to a reduction in the fair value of the Company's investment portfolio, resulting in notional mark-to-market losses in accordance with the applicable Indian Accounting Standards (Ind AS). These losses are unrealised in nature and primarily represent changes in the carrying value of investments as at the balance sheet date.

Despite the above challenges, market sentiment improved during the course of the year, supported by strengthening of economic fundamentals and improved investor confidence. The benchmark BSE Sensex, which stood at ` 77,414.92 as on 31 March 2025, increased to ` 7,194.65 as on 31 March 2026. The Board believes that the outlook for the Economy and the capital markets remains positive, providing opportunities for sustained growth in the coming years.

The Company recorded a Gross Income of ` 701.62 lakhs during the year under review as against ` 771.91 lakhs in the previous financial year. The Profit / Loss after Tax for the year stood at ` (71.46) lakhs, after providing current tax (including MAT, wherever applicable) of ` 132.97 lakhs, as compared to a Profit / Loss after Tax of ` 357.98 lakhs in the previous year.

The decrease in the Company's financial performance was primarily attributable to the unfavourable movements in the capital markets during the year, resulting in notional loss in the value of the investment portfolio and decrease in investment income. The Company will continue to adopt a prudent investment strategy, closely monitor its portfolio, and focus on generating optimum returns through capital appreciation, dividend income and effective risk management, while maintaining a balanced investment approach.

3) DIVIDEND:

Your Company has a dividend policy that, inter alia balances the objectives appropriately rewarding shareholders and retaining capital in order to fund future growth. The Company has a consistent track record of dividend distribution to Company Shareholders. In recognition of the overall performance during the year under review, your Directors are pleased to recommend a dividend at the rate of 25% (i.e., ` 2.50.ps. per Equity Share of ` 10/- each) for the financial year 2025-26 as against 30% dividend rate in the previous year (2024-25). The proposed dividend, if approved at the 102nd Annual General Meeting by the Members, will be paid to all those Equity Shareholders whose names appear in the Register of Members as on 22.09.2026 and also to those whose names appear as beneficial owners as furnished by the National Securities Depository Limited and Central Depository Services (India) Limited. The Company has not appropriated proposed dividend from Statement of Profit and Loss for the year ended March 31, 2026. The outflow on account of the dividend payout would be ` 75.00 lakhs.

TRANSFER OF UNPAID/UNCLAIMED DIVIDEND TO IEPF:

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 and Rules, 2001, unpaid/unclaimed dividend amount of ` 8,62,276/- was transferred to Investor Education and Protection Fund on 14.10.2025 pertaining to the financial year 2018-19.

4) TRANSFER TO RESERVES:

The Company proposed to transfer a sum of ` NIL lakhs it be Reserve Fund in terms of Sec 45-1c of the RBI Act, 1934. As the Company incurred losses for the year 2025-26

5) DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

Your Company does not have any subsidiaries, associates and joint ventures

6) BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Composition of Board: The Company has an optimum combination of Executive and Non-Executive Directors. More than half of the Board of Directors are Non-Executive Directors. The Board comprises of four Independent Directors, One Executive Director, One non-Executive non Independent Director.

(ii) Board and Committee positions: None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 committees across all the Companies in which he is a Director. Necessary disclosures regarding committee positions in other public Companies as at 31st March 2026 has been made by the Directors.

(iii) Director (s) retiring by rotation: Pursuant to the provisions of section 152 of the Companies Act, 2013 (‘the Act’), the office of Directorship of Mr.K.Kapil Prasad is due for retirement by rotation at the ensuing 102nd AGM of the Company; and he being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment. His brief profile has been provided in the Explanatory Statement to the Notice of Annual General Meeting.

(iv) Key Managerial Personnel (KMP): Pursuant to the provisions of section 203 of Companies Act, 2013, the KMP of the Company as at the end of the financial year (31.03.2026) are:

(i) Shri K.Harishchandra Prasad, Managing Director;

(ii) Mr. U.Vijaya Kumar, Chief Financial Officer; and

(iii) Mrs. Deepa Gussain, Company Secretary and Compliance Officer

(v) Board’s opinion on expertise of Independent Directors

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the Management.

Changes in Directors and KMP

During the year under review, the following changes have occurred among the Directors and KMP of the Company:

- The tenure of office (2nd term) of Smt.Madhurika Nalluri Venkat, Independent Director was completed on 28.08.2025. Accordingly, she ceased to be Director pursuant to Section 149 (11) of the Companies Act, 2013.
- Shri Chalasani Rama Prasad was appointed as an Independent Director for a term of five years by the shareholders at the 101st AGM held on 27.09.2025.
- Mr. U.Vijaya Kumar, Chief Financial Officer has tendered his resignation w.e.f 31.03.2026. The Board has appointed Mrs. M.Madhavi Latha as Chief Financial Officer w.e.f 28.05.2026

7) STATEMENT ON DECLARATIONS GIVEN BY INDEPENDET DIRECTORS:

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') which have been relied on by the Company and were placed at the Board Meeting held on May 28, 2026.

8) EVALUATION OF THE BOARD'S PERFORMANCE:

In compliance with the Companies Act, 2013 and Regulation 17 (10) of SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Board Committees during the year under review.

The Board has a formal mechanism for evaluating Board's performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the Meetings and otherwise, Independent judgment, safeguarding of minority shareholders' interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of Internal Control Systems etc.

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

A separate Meeting of the Independent Directors was held on 11th February, 2026 which reviewed the performance of Non-Independent Directors, the Board as a whole Chairman and the quality of the information and follow up action is being taken on suggestions made therein.

9) POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company follows a policy on remuneration of Directors and Senior Management Employees. The Policy is approved by the Nomination and Remuneration Committee and the Board. More details on the same are given in the Corporate Governance Report.

Familiarization programme for Independent Directors

Familiarization programmes were conducted for Independent Directors to provide an updated information about the amendments in the Companies Act, Rules made thereunder, Listing Regulations and all other applicable laws. The Directors were also apprised about the business activities of the Company.

Directors and Officers Insurance ('D&O')

The provisions of Regulation 25 (10) of the Listing Regulations pertaining to 'Directors & Officers' insurance for Independent Directors are not applicable to your Company for the financial year under review.

10) NUMBER OF BOARD MEETINGS HELD:

The Board of Directors duly met 4 times during the financial year under review, on 26th May, 2025, 11th August, 2025, 13th November, 2025 and 11th February, 2026.

11) AUDIT COMMITTEE

The details pertaining to composition and term of reference of the Audit Committee Members, dates of Meeting held and attendance of the Directors are given separately in the Corporate Governance Report, which forms part of this report.

12) LISTING OF COMPANY'S SHARES:

The Company's shares are listed at The National Stock Exchange of India Limited (NSE) w.e.f. 15.04.2015 and the Annual Listing Fees for the year 2026-27 have been paid. The Company's shares are listed and traded at NSE with ISIN code 'INE 850E01012' and Stock Code is 'LFIC' with effect from 15.04.2015.

13) DEMATERIALISATION OF SHARES:

Your Company's shares have been made available for dematerialization through the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March 2026, 84.44% of the Company's shares have been dematerialized.

14) UNPAID / UNCLAIMED DIVIDEND:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website: **lakshmifinance.org.in**

The details of unclaimed dividends and shares transferred to IEPF during FY 2025 are as follows:

Financial year	Amount of unclaimed dividend transferred	Number of shares transferred
2017-18	5,81,560	-
Total	**5,81,560**	-

The Members who have a claim on above dividends and/or shares are requested to follow the below process:

1. Submit self-attested copies of documents provided in IEPF 5 helpkit, which is available on IEPF website (www.iepf.gov.in) to the Company / Registrar and Transfer Agent (RTA).
2. After verification of the aforesaid documents submitted, Company will issue an entitlement letter.
3. File Form IEPF-5 on IEPF website and send self-attested copies of IEPF-5 form along with the acknowledgement (SRN), Indemnity Bond and entitlement letter to Company.
4. On receipt of the physical documents mentioned above, Company will submit e-Verification report, for further processing by the IEPF Authority.

Members are requested to note that no claims shall lie against the Company in respect of the dividend/ shares transferred to IEPF.

The following table gives the information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's RTA:

Financial Year	Date of declaration	Last date for claiming unpaid dividend
31.03.2019	09.08.2019	14.09.2026
31.03.2020	29.08.2020	03.09.2027
31.03.2021	26.08.2021	01.10.2028
31.03.2022	28.09.2022	03.11.2029
31.03.2023	09.08.2023	14.09.2030
31.03.2024	22.08.2024	27.09.2031
31.03.2025	27.09.2025	02.11.2032

Further, the Members are hereby informed that the 7 years period for payment of the dividend pertaining to financial year 2018-2019 will expire on October 14th, 2026 and thereafter the amount standing to the credit in the said account will be transferred to the "Investor Education and Protection Fund" of the Central Government (IEPF).

15) AUDITORS:

i) Statutory Auditors:

At the Annual General Meeting held on 28.09.2022, M/s. Brahmayya & Co., Chartered Accountants, Hyderabad were appointed as Statutory Auditors of the Company to hold the office for a period of 5 years commencing from the conclusion of 98rd Annual General Meeting till the conclusion of 103rd Annual General Meeting. Accordingly, they continue to be Auditors of the Company.

The Auditors' Report for financial year 2025-26 does not contain any qualifications. The Auditors' Report is enclosed with the Financial Statements in this Annual Report.

ii) Internal Auditors:

M/s M. Bhaskara Rao & Co., Chartered Accountants, Hyderabad are the Internal Auditors of the Company and their reports are reviewed by the Audit Committee on a half-yearly basis.

iii) Secretarial Auditors:

At the 101st Annual General Meeting of the Company held on 27.09.2025, M/s. N.Madhavi & Associates, Practicing Company Secretaries, Hyderabad were appointed as **Secretarial Auditors** (Unique Code No.S2024TS964000 and Peer Review Certificate No.5479/2024) of the Company to hold office for a period of 5 years from the conclusion of 101st Annual General Meeting till the conclusion of 106th Annual General Meeting the F.Y, 2029-30. The Report of the Secretarial Auditor is annexed to this report.

16) DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting timely feedback on achievement of operational and strategic goals, compliance with policies procedure, applicable laws and regulations, and that all assets and resources are acquired are used economically.

17) DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them.

i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2025-26 and of the statement of Profit or Loss of the Company for that period.

iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. The annual accounts for the year 2025-26 have been prepared on a going concern basis.

v. That the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

vi. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and effectively mentioned under various heads of the departments which are in then reporting to the Managing Director.

18) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013

LOAN FROM DIRECTOR / RELATIVE OF DIRECTOR

During the year under review, the Company has not accepted any loan from Director(s) or their relative (s).

19) PUBLIC DEPOSITS / NBFC Regestration with RBI:

Your Company has not accepted any deposits from the public during the year under review and there are no outstanding deposits as on 31st March 2026. Further, the Company is registered with RBI as a 'Non-Banking Financial Institution without accepting public Deposits'.

Subsequently, on April 29th, 2026, the Reserve Bank of India issued Circular vide: RBI/2026-27/43;

DOR FIN REC. NO 67/03.10.001/2026-27 titled

"Reserve Bank of India (Non-Banking Financial Companies- Registration, Exemptions and Framework for Scale Based Regulation) Amendment Directions 2026. These Amendments shall come into force with effect from 1st July 2026.

Based on the said Amendments, one of the regulatory requirements for "NBFC not accepting Public deposits and not having customer interface is as under"

NBFC's not availing public funds and not having any customer interface and having asset base of less than Rs. 1,000 Crore as per the latest audited balance sheet are exempted from the provisions of section 45IA and 45IC of the RBI Act, 1934, In terms of paragraph 65 A of these Directions with effect from July 1st, 2026. Existing NBFC's not availing public funds and not having any customer interface, including those holding Certificate of Registration as Type 1 NBFC, and fulfilling the prescribed criteria for exemption, may apply to the Reserve Bank for deregistration within a period of six months i.e., by December 1st, 2026.

The Company is in the process of making on application for deregistration through PRAVAAH on the Company's letter head, complying with the said Directions. The Company is committed to complying with all the provisions and directions of the RBI Act, 1934.

20) CHANGE IN NATURE OF BUSINESS:

There is no change in the nature of business during the year under review.

21) VIGIL MECHANISM:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at **www.lakshmifinance.org.in**.

DETAILS IN RESPECT OF FRAUD REPORTED BY THE AUDITORS U/S.143(12) OF THE COMPANIES ACT, 2013

During the year under review, there was no instance of fraud, misappropriation which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

22) RELATED PARTY TRANSACTIONS:

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as **Annexure-I**.

The policy on related party transactions as approved by the Board is uploaded on the website of the Company at **www.lakshmifinance.org.in**.

23) ANNUAL RETURN:

In accordance with Section 134 (3) (a) of the Companies Act, 2013, copy of Annual Return in the prescribed Form MGT-7 is placed on the website of your Company and may be accessed at the following link: **lakshmifinance.org.in.**

24) MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report.

25) CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Your Company has taken adequate steps to adhere to all the stipulations laid down in the SEBI Listing Regulations. A report on Corporate Governance is included as a part of this Annual Report. Certificate from the Statutory Auditors of the Company M/s. Brahmayya & Co., Chartered Accountants confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI Listing Regulations is included as a part of this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The provisions of Regulation 34 (2) (f) of the SEBI Listing Regulations requiring inclusion of a Business Responsibility and Sustainability Report in the Company's Annual report is not applicable to the Company. Hence, the same is not provided.

26) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information required under section 134 (3) (m) read with Rule 8 of the Companies (Accounts) Rules, 2014, of the Companies Act, was not given as the same is not applicable owing to the nature of activities of the Company.

in foreign Currency is **Nil**.

27) CORPORATE SOCIAL RESPONSIBILITY (CSR):

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee. The Committee Comprises of four Members namely, Dr. D. Nageswara Rao, Sri. S. Suryanarayana, Sri. Ch. Ramaprasad, Independent Directors and Sri. K. Harishchandra Prasad, Managing Director. CSR Committee of the Board developed a CSR Policy and the functions of Committee include review of CSR initiatives undertaken by the Company, formation and recommendation to the Board of a CSR policy indicating the activities to be undertaken by the Company and recommendation of the amount of the expenditure to be incurred for such activities.

However, during the year under review Section 135 of the Companies Act, 2013, relating to the Corporate Social Responsibility is not applicable to the Company and hence, the same is not adopted.

28) REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is given in **Annexure-II**

29) EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

Pursuant to the provisions Sec. 134(3)(l) of the Companies Act, 2013, there were no material changes and commitments affecting financial position of the Company occurred between the end of the financial year to which this Financial Statements relate and the date of this Report.

30) RISK MANAGEMENT COMMITTEE:

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The details of Risk Management Committee and its composition are given in the Corporate Governance Report which form part of this report.

31) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints

Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the Financial Year under review:

(i) Number of complaints received: Nil

(ii) Number of complaints disposed off: Nil

(iii) Number of cases pending for more than 90 days: NA

DISCLOSURE UNDER MATERNITY BENEFIT ACT, 1961

Our Company complies with the provisions relating to the Maternity Benefit Act, 1961.

HUMAN RESOURCE

Our Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, our Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of employees is the driving force behind the Company's vision. Our Company appreciates the spirit of its dedicated employees.

DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, there were no applications made or proceedings pending in the name of Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON VALUATION AND ONE-TIME SETTLEMENT (OTS) WHILE AVAILING LOAN FROM BANKS OR FINANCIAL INSTITUTIONS

Not applicable.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed by the Central government under the provisions of Section 148 (1) of the Act are not applicable to the Company as the Company is not engaged in activities requiring maintenance of cost records.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India as applicable.

33) ACKNOWLEDGEMENTS:

Directors take this opportunity to express their thanks to various departments of the Central and State Government, Banks and Shareholders for their continued support and guidance.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all levels.

For and on behalf of the Board
LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED

	Sd/-	Sd/-
	Dr.D.NAGESWARA RAO	**K. HARISHCHANDRA PRASAD**
Place: Hyderabad	**Director**	**Managing Director**
Date: 12.08.2026	**(DIN: 02009886)**	**(DIN: 00012564)**

FORM No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026

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

To,
The Members,
Lakshmi Finance & Industrial Corporation Limited
1st Floor, Suryodaya, Begumpet,
Hyderabad – 500 016, Telangana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Lakshmi Finance & Industrial Corporation Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Lakshmi Finance & Industrial Corporation Limited Books, papers, Minute Books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, papers, Minute Books, forms and returns filed and other records maintained by Lakshmi Finance & Industrial Corporation Limited for the financial year ended on 31st March 2026 according to the provisions of:

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

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

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

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

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

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

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

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period);**

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period);**

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**

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

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period);**

(vi) Other specifically applicable laws to the Company:

  a) The EPF & Misc. Provisions Act, 1952;

  b) RBI NBFC Regulations - NBFC Acceptance of Public Deposits (Reserve Bank) Directions, 1998 and the RBI (NBFC Scale based Regulation) Directions, 2023.

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

  i) Secretarial Standards issued by The Institute of Company Secretaries of India;

  ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

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.
- there were no such specific events / actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

for M/s. N. Madhavi & Associates
Company Secretaries

Sd/-
N. Madhavi
Proprietor
M. No. A16866,
CP.No:11732

Date: 12-08-2026 UDIN: A016866H001069973
Place: Hyderabad Peer Review Cert. No: 5479/2024

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

'Annexure A'

To,
The Members,
Lakshmi Finance & Industrial Corporation Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of account 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 procedure 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 M/s. N. Madhavi & Associates
Company Secretaries

Sd/-
N. Madhavi
Proprietor
M.No. A16866
CP.No:11732
UDIN:A016866H001069973
Peer Review Cert. No: 5479/2024

Place: Hyderabad
Date: 12-08-2026

ANNEXURE-I

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. Details of contracts or arrangements or transactions not at Arm's length basis :

Sl. No	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Nil
2.	Nature of contracts/arrangements/transaction	Nil
3.	Duration of the contracts/arrangements/ transaction	Nil
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
5	Justification for entering into such contracts or arrangements or transactions	Nil
6.	Date of approval by the Board	Nil
7.	Amount paid as advances, if any	Nil
8.	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188	Nil

2. Details of contracts or arrangements or transactions at Arm's length basis:

Sl. No	Particulars	Details
1.	Name (s) of the related party	KAPIL MOTORS PVT LTD
2.	Nature of Relationship	DIRECTORS ARE INTERESTED
3.	Nature of contracts / arrangements /transaction	SERVICE AVAILED
4.	Duration of the contracts/ arrangements / transaction	ON SERVICE BASIS
5.	Salient terms of the contracts or arrangements or transaction	FOUR WHEELER SERVICES AVAILED.
6.	Justification for entering into such contracts or arrangements or transactions	ON PAR WITH MARKET
7.	Date of approval by the Board	11.08.2025
8.	Amount incurred during the year (Rupees In lakhs)	0.43

Annexure-II

Report on Managerial Remuneration
As per Section 197 of the Companies Act 2013
Read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	*Remuneration of Director / KMP for the financial year 2025-26 (in Lacs)	% of increase in Remuneration in the Financial year 2025-26	Ratio of remuneration of each Director / to median remuneration of employees
1.	K. Harishchandra Prasad (Managing Director)	100.38	(22.42)	28.34
2.	U. Vijaya Kumar (Chief Financial Officer)	15.97	10.00	4.50
3.	Smt.Deepa Gusain	3.58	8.00	7.01

* **The median remuneration of employees of the Company during the financial year:**

The median remuneration of employees ‘of the Company during the financial year was Rs. 3,54,177

ii) **The percentage of increase in the median remuneration of the employees in the financial year:**

The percentage of increase in the median remuneration of the employees in the financial year ending March 31, 2026, was (11.65.%)

iii) **The number of permanent employees on the rolls of the Company as on March 31, 2026:**

There were 9 permanent employees on the rolls of Company as on 31st March, 2026.

iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase across the organization was around 11.72%. The percentile increase in managerial remuneration is (22.42%)

In the managerial remuneration there is no HRA during the Financial Year 2025-26

Statement of particulars of employees pursuant to provisions of Rule 5 (2) of section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sl No	Name of the employee	Designation	Remuneration Per annum 2025-26 Rs.	Nature of employment	Qualification & Experience	Date of commencement of employment	Age	Last employment of such employment	% of equity shares held of the employee	Whether the employee is relative of any Director/ Manager
1.	Sri. K. Harishchandra Prasad	Managing Director	1,00,37,696	Whole time	MS,MBA 48 Years	11.05.1985	74	Amphenol,an Allied Co.,(USA)	3%	Father of Sri.K.Kapil Prasad, Director
2.	Sri.U. Vijaya Kumar**	Chief Financial Officer	15,97,037	Whole time	M.Com 40 Years	22.10.1997	63	Sri Chakra Financial Ser. Ltd.,	Nil	NA
3.	Smt.M Madahvi latha	Manager (F&A)	90,323	Whole time	C.A & ICWA 30 years	04.03.2026	56	Dr.Rao's ENT Super specialty Pvt Ltd.,	NIL	NA
4.	Sri. V.V.S.R. Murthy	Deputy Manager	5,10,663	Whole time	M.Com 37 Years	06.12.2004	62	Sidvin Financial Ser. Pvt.Ltd.,	Nil	NA
5	Sri. D. Badarinarayana	Office Assistant	3,86,266	Whole time	B.Com 27 Years	15.05.2000	59	Madhuri Moters Pvt Ltd.,	Nil	NA
.6.	Smt.Deepa Gusain	Company Secretary	3,58,412	Whole time	Company Secretary	03.02.2021	37	Nil	Nil	NA
7.	Sri.Mukiri Prasad	Driver	3,49,942	Whole time	7th Class 37 Years	01.08.2016	57	Nil	Nil	NA
8.	Ms.P. Suvarna	Office Assistant	3,33,296	Whole time	B.Com, MBA 11 Years	06.01.2016	32	Atcis Technology	Nil	NA
9.	Smt.D. PADMA	Office Assistant	3,33,296	Whole time	M.COM 14 years	20.04.2018	46	Gemini International	Nil	NA
10	Sri. D. Narasaiah	Attender	2,73,329	Whole time	7th Class 23Years	24.10.2013	53	Nil	Nil	NA

**Sri. U. Vijaya Kumar Superannuated as on 31.03.2026

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF THE ECONOMY:

The global economy during FY 2025–26 continued to face a mixed macroeconomic environment characterized by geopolitical tensions, inflationary pressures, and changing monetary policies across major economies. While global growth moderated compared to previous years, resilience in several emerging markets, easing inflation in some regions, and gradual normalization of supply chains supported economic activity.

Governments and central Banks across the world continued to adopt appropriate fiscal and monetary measures to maintain economic stability and support sustainable growth. The International Monetary Fund (IMF) has projected moderate global economic growth, supported by improving investor confidence and stable financial conditions.

The performance of the Company during the year under review decreased substantially mainly on account of the start of US – Iran war in early March 2026 and consequently the disruption resulted in unfavourable stock market conditions and energy crisis around the world. The stock market Sensex which was at 85,220 as on 31.12.2025 fell to 80,238 as on March 1st, 2026 and further decreased to 71,943 as on 31.03.2026. Consequently, the Company's valuation of investments fell in line with Sensex.

With announcement of ceasefire between US and Iran, and the consequent ease of geopolitical tensions, the world economy and the energy crisis appear to be on recovery path.

The Indian economy remained one of the fastest-growing major economies, with GDP growing around 6.5%, driven by strong domestic demand, increased public capital expenditure, robust manufacturing and services sectors, and continued policy reforms.

These factors and the present eco-system provide favourable environment for the growth of Indian economy and consequently benefit the performance of the financial services sector / stock market conditions. As on the date of this report, the stock market sensex recovered to the level of 78,500. The Company is hopeful of improved financial performance in the coming years.

INVESTMENTS:

The total investments of the Company as on March 31, 2026, amounted to **Rs. 45,21,01,696** excluding Fixed Deposits and Government Bonds of **Rs. 3,25,00,000** as compared to investments of **Rs. 48,12,12,773** excluding Fixed Deposits and Government Bonds of **Rs. 6,25,00,000** as on March 31, 2025.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has established adequate internal control systems commensurate with the nature and size of its business. These systems are designed to ensure the safeguarding of assets, accuracy and completeness of accounting records, compliance with applicable laws and regulations, and the efficient conduct of business operations.

The adequacy and effectiveness of the internal control systems are reviewed periodically. The CEO and CFO certification forming part of this Annual Report confirms the adequacy of the Company's internal control systems and procedures.

KEY FINANCIAL INDICATORS (LAST THREE YEARS):

Particulars	FY 2025–26	FY 2024–25	FY 2023–24
Equity Capital and Reserves	5,723.39	5,884.98	5,651.40
Investments	4,846.02	5,437.13	5,220.69
Gross Profit (Before Tax)	(125.03)	243.26	1,281.47
Net Profit (After Tax)	(71.45)	357.98	1,037.74
Dividend (%)	25%	30%	40%
Earnings Per Share (Rs.)	(2.32)	11.93	34.59

For and on behalf of the Board
Lakshmi Finance & Industrial Corporation Limited

Sd/-
K.HARISHCHANDRA PRASAD
MANAGING DIRECTOR
DIN:00012564

Place: Hyderabad
Date : 12.08.2026

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V(C) of the SEBI Listing Regulations)

1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that the Corporate Governance is integral to all the functions and divisions of the organization for creating value for all the stakeholders. In this competitive business environment, both the management and employees vigorously uphold the values of integrity, transparency, responsibility and accountability.

The Company's philosophy on code of governance in conducting all activities of the Company in a fair and transparent manner, enhancing stakeholders' value. Company will continue to focus on its resources, strengths and strategies for creation and safeguarding of shareholders' wealth and interest.

2. BOARD OF DIRECTORS:

(a) Composition and Category of Directors:

The composition of Board of our Company is in compliance with the requirements of Regulation 17 of the Listing Regulations. As on March 31, 2026, the Company's Board comprised of six (6) Members with an optimum combination of one (1) Executive director, one (1) Non-Executive / Non-Independent director, four (4) Independent Directors including one woman Independent Director.

(b) The details of attendance of the Directors at the Meetings of Board and at the last Annual General Meeting ('AGM'), Directorships / chairmanships / Memberships on the Boards / Committees of other Companies are as below as on March 31, 2026:

Name of the Director	Category	Attend-ance at Board Meetings	Whether attended AGM on 27.09. 2025	Number of other Boards in which he/ she is a Director - Public Limited	Number of other Boards in which he/she is a Director - Private Limited	Number of other Board Committees in which he/she is a Member	Number of other Board Committees in which he/she is a Chairman
Smt. Madhurika Nalluri Venkat *	Independent Non –Executive Director	2	NA	1	2	2	Nil
Sri K.Harish chandra Prasad	Executive Director & Promoter	4	Yes	3	2	4	0
Sri K.Kapil Prasad	Non –executive Director & Promoter	4	Yes	NIL	3	NIL	NIL
Sri Ch.Rama Prasad **	Independent Non –Executive Director	3	Yes	Nil	0	0	0
Dr. D.Nageswara Rao	Independent Non –Executive Director	4	YES	0	4	0	0
Sri S.Surya Narayana	Independent Non –Executive Director	4	YES	3	1	3	3
Smt. Bolleni Shanti Sree	Independent Non –Executive Director	4	NO	8	0	7	1

* Completion of Tenure with w.e.f. 28.08.2025

** Appointed w.e.f. 11.08.2025

Other listed entities where Directors of the Company are Directors and the category of Directorship

Name of the Director	Directorships in other listed entities (Category of Directorships)
Dr. D. Nageswara Rao	Nil
Sri. S. Surya Narayana	1) Tierra Agrotech Limited-, Independent Non –Executive Director 2) Grandeur Products Limited - Independent Non –Executive Director 3) SSPDCL Limited , Independent Non –Executive Director
Sri K.Harishchandra Prasad	1) B N Rathi Securities Limited, Non –Executive Director, Non - Independent 2) Suryalata Spinning Mills Limited, Independent Non –Executive Director
Smt.Bolleni Shanti Sree	1) Nava Limited , Independent Non –Executive Director 2) SMS Pharmaceuticals Limited, Independent Non –Executive Director 3) Nile Limited, Independent Non –Executive Director 4) Rain Industries Limited, Independent Non –Executive Director
Sri.K.Kapil Prasad	Nil
Smt. Madhurika Nalluri Venkat *	1) Moschip Technologies Limited , Independent Non –Executive Director .
Sri.Ch.Ramaprasad**	NIL

* Completion of Tenure with w.e.f. 28.08.2025

** Appointed w.e.f. 11.08.2025

- None of the Directors on the Board is a Member in more than 10 Committees or Chairman in more than 5 Committees, across all the public Companies in which he/she is a Director.
- None of the Directors serves as an Independent Director in more than 7 Companies.

(c) Number of Meetings of the Board of Directors held and dates on which held

During the Financial Year 2025-26, four Board Meetings were held on 26.05.2025, 11.08.2025, 13.11.2025 and 11.02.2026. The gap between two Meetings did not exceed 120 days.

(d) Disclosure of relationships between Directors inter-se

Sri K.Kapil Prasad, Non-Executive Director, is the son of Sri K.Harishchandra Prasad, Managing Director of the Company.

Except for the above, none of the Directors is related to one another.

(e) Details of equity shares of the Company held by Non-executive Directors as on March 31, 2026:

Sl. No.	Name of Director	No. of shares held
1	Dr. D. Nageswara Rao	0
2	Sri S. Suryanarayana	0
4	Smt. B. Shanti Sree	0
5	Sri K.Kapil Prasad	81,085
6	Sri Ch.Ramaprasad	0

(f) Web link where details of familiarization programmes imparted to Independent Directors is disclosed

Formal familiarization programmes are conducted for Independent Directors for apprising them of their role, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc., and for providing updated knowledge of various applicable laws including the Companies Act, 2013, the rules made thereunder, SEBI Listing Regulations, Takeover code, Prohibition of Insider Trading, etc.

The details of the familiarization programmes are available on the Company's website and can be accessed at:**lakshmifinance.org.in**

(g) The Board has identified the following expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Strategy and Planning	Appreciation of long term trends, strategic choices and expertise in guiding and leading management teams to make decision in uncertain environments.
Governance	Experiencing in developing governance practices, serving the best interests of all stakeholders, maintain Board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values.

(h) Confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are Independent of the management

The Board of Directors hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are Independent of the management.

(i) Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his / her tenure along with a confirmation by such Director that there are no other material reasons other than those provided

During the financial year 2025-26, no Independent Director resigned from the Company.

3. Audit Committee:

The Company has a qualified and Independent Audit Committee which consists of Independent Directors, who provides assistance to the Board of Directors in fulfilling its responsibilities. The Audit Committee is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the Listing Regulations

The Audit Committee is empowered with functions according to the powers, scope and role as defined and prescribed under the said Regulation 18 and Section 177 of the Companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and acts in terms of reference and Directors if any given by the Board from time to time.

(a) Brief Description of terms of reference

The terms of reference of this Committee are wide enough to cover the matters specified for audit committees under Regulation 18 of the Securities and Exchange Board of India (LODR), as well as in Section 177 of the Companies Act, 2013, and are as follows:

(1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(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 Director's responsibility statement to be included in the Board's report in terms of clause (c)of sub-section (3) of Section 134 of the Companies Act, 2013;

  (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 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 statements;

  (f) Disclosure of any related party transactions;

  (g) Modified opinion (s) in the draft audit report;

(5) reviewing, with the management, the quarterly financial statements 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 utilized 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 audit process;

(8) approval or any subsequent modification of transactions of the listed entity with related parties;

(9) scrutiny of inter-corporate loans and investments;

(10) valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) evaluation of internal financial controls and risk management systems;

(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) discussion with internal auditors of any significant findings and follow 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) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) 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;

(18) to review the functioning of the whistle blower mechanism;

(19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in reference of the audit committee.

(b) Composition of Audit Committee:

As at March 31, 2026, the Audit Committee comprises of five (5) Members all of them being Non-executive Directors; and four (4) Independent Directors. The Chairperson is an Independent Director.

(c) Meetings and attendance during the year:

During the financial year ended 31st March, 2026, Four Audit Committee Meetings were held on 26.05.2025, 11.08.2025, 13.11.2025 and 11.02.2026. The details of attendance of the Members are as follows:

S.No	Name	Designation in Committee	Category of Directorship	Number of Meetings entitled to attend	No. of Meetings attended
1.	Sri S.Suryanarayana	Chairman	Independent	4	4
2.	Dr. D. Nageswara Rao	Member	Independent	4	4
3.	Smt. B. Shanti Sree	Member	Independent	4	4
4.	Smt. Madhurika Nalluri Venkat *	Member	Independent	2	2
5.	Sri.Ch.Ramaprasad **	Member	Independent	2	2
6.	Sri. K. Kapil Prasad	Member	Non-Executive / Non- Independent	4	4
7.	Sri K.Harishchandra Prasad	Member	Executive	1	1

* Completion of Tenure with w.e.f. 28.08.2025

** Appointed w.e.f. 11.08.2025

(4) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 on SEBI (LODR) of the Listing Regulation 2015, and pursuant to Section 178 of the Companies Act, 2013 comprising of 3 Non-Executive, Independent Directors.

(a) Nomination and Remuneration Policy:

1. Introduction:

Lakshmi Finance and Industrial Corporation Limited (LFIC), believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Towards this, LFIC ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively. LFIC recognizes the importance of Independent Directors in achieving the effectiveness of the Board. LFIC aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

LFIC also recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its Directors, Key Managerial Personnel keeping in view the following objectives:

a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.

b) Ensuring that the relationship of remuneration to performance is clear and meets the performance benchmarks.

2. Scope:

This policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the Independence of Directors, in case of their appointment as Independent Directors of the Company and also for recommending to the Board the remuneration of the Directors, Key Managerial Personnel.

3. Selection of Directors and determining Director's Independence

3.1 Qualifications and criteria

3.1.1 The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual Members. The objective is to have a Board with diverse background and experience that is relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board Members, the NR Committee may take into account factors, such as:

- General understanding of the Company's business dynamics, business and social perspective;
- Educational and professional background standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;

- Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose he / she concern or interest in any Company or companies or bodies corporate, firms or other association of Individuals including his / her shareholding at the first Meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other relevant laws.

3.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

3.2 Criteria of Independence

3.2.1 The NR Committee shall assess the independence of Directors at the time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4. Other Directorships / Committee Memberships

4.1 The Board Members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, Members should voluntarily limit their Directorships in other listed Public Limited Companies in such a way that it does not interfere with their role as Directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.2 A Director shall not serve as Director in more than 20 Companies of which not more than 10 shall be Public Limited Companies.

4.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

4.4 A Director shall not be a Member in more than 10 committees or act as Chairman of more than 5 committees across all Companies in which he/she holds Directorships. For the purpose of considering the limit of the committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other Companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

5. Remuneration to Executive Director, Key Managerial Personnel and Non Executive Director

5.1 Remuneration to Executive Director, Key Managerial Personnel

5.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Director of the Company within the overall limits approved by the shareholders.

5.1.2 The Board on recommendation of NR Committee shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

5.1.3 The remuneration structure to the Executive Director shall include the following components: (i) Basic Pay (ii) Perquisites and Allowances (iii) Commission (iv) Retiral benefits, (v) Annual Performance Bonus.

5.2 Remuneration to Non-Executive Directors

5.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

5.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the Meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related Commission in addition to the sitting fees.

6) a) Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board devising a policy on Board diversity.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria
- To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions, etc.
- Recommendation of fee/compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
- Payment/revision of remuneration payable to Managerial Personnel.
- While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
- The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
- Any other functions/powers/duties as may be entrusted by the Board from time to time.
- The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company, **www.lakshmifinance.org.in.**

(b) Composition of Nomination & Remuneration Committee:

As at March 31, 2026, the Nomination & Remuneration Committee comprises of three (3) Members all of them being Independent Directors.

(c) Meetings and attendance during the year:

During the financial year ended March 31, 2026, two (2) meetings were held on 11.08.2025 & 11.02.2026. The details of attendance of the Members are as follows:

S. No.	Name	Designation in Committee	Category of Directorship	Number of Meetings held	No. of the Meetings attended
1.	Smt. Madhurika Nalluri Venkat up to 11.08.2025 *	Chairman	Non-Executive & Independent	1	1
2.	Dr. D. Nageswara Rao **	Chairman	Non-Executive & Independent	2	2
3.	Sri. S. Suryanarayana	Member	Non-Executive & Independent	2	2
4.	Sri.Ch.Ramaprasad ***	Member	Non-Executive & Independent	1	1

* Ceased to be Member w.e.f. 11.08.2025,
** Appointed as Chairman w.e.f 11.08.2025
*** Appointed as Member w.e.f. 11.08.2025

C) Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee of the Board has laid down the criteria for performance evaluation of all the Directors of the Company. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

i) Role and Accountability

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to the management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

ii) Objectivity

- Non-partisan appraisal issues.
- Own recommendations given professionally without tending to majority or popular views.

iii) Leadership and Initiative

- Heading Board sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

iv) Personal Attributes

- Commitment to role and fiduciary responsibilities as a Board Member.
- Attendance and active participation.
- Proactive, strategic and lateral thinking.

Performance Evaluation

The performance evaluation of the Board as a whole as well as that of its Committees, Independent Directors and Non-Independent Directors and Chairman of the Board was done in accordance with the relevant provisions of the Companies Act, 2013, the relevant Rules made there under and the Listing Regulations relating to Corporate Governance. The NRC reviews and advises the criteria for such evaluation process and overseas the performance evaluation. Pursuant to the recommendation of the NRC, the Board has adopted a formal mechanism for evaluating the performance of its Committees, Individual Directors including the Independent Directors and Non-Independent Directors, the Chairman of the Board and the Board as a whole.

7. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee has been constituted in compliance of Regulation 20 of the SEBI (LODR) and pursuant to Section 178 of the Companies Act, 2013 comprising of 2 Non-Executive Independent Directors,1.Executive–Director.

(a) Purpose

A Stakeholders Relationship Committee of Directors was constituted to specifically look into the matters of investors' grievances such as transfer, transmission of shares, split and consolidation of investors holding, Replacement of lost/mutilated/stolen share certificates, Dematerialization of shares, Non-receipt of dividends / notices / annual reports, change of addresses etc., The main object of the Committee is to strengthen the Investors' relations.

(b) Composition of Stakeholders' Relationship Committee:

As at March 31, 2026, the Stakeholders' Relationship Committee is composed of three (3) members, comprising of two (2) Independent directors and one (1) Executive Director.

(c) Meetings and attendance during the year:

During the financial year ended 31st March, 2026, one (1) Meeting was held on 11.02.2026. The details of attendance of the Members are as follows:

Sl. No.	Name	Designation in Committee	Category of Directorship	Number of Meetings held	No. of the Meetings attended
1.	Sri Ch. Ramaprasad *	Chairman	Non-Executive & Independent	1	1
2.	Sri S. Suryanarayana	Member	Non-Executive & Independent	1	1
3.	Sri K. Harishchandra Prasad	Member	Promoter, Executive & Non- Independent Director	1	1

* Appointed w.e.f 11.08.2025

Name of the non-executive director heading the committee : Sri Ch.Ramaprasad, Independent Director

Name and designation of the Compliance Officer: Ms.Deepa Gussain, Company Secretary & Compliance Officer

Details of Shareholders' complaints:

Number of shareholders' complaints received during the financial year - 0

Number of complaints not solved to the satisfaction of shareholders – 0

Number of pending complaints – 0

8. RISK MANAGEMENT COMMITTEE

Pursuant to Regulation 21(5) of the SEBI Listing Regulations, it is not mandatory for the Company to constitute a Risk Management Committee. However, the same has been constituted for the purpose of framing and implementing risk management plan.

a) Purpose

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The details of risk management committee and its composition is given below:

b) Brief description of terms of reference:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

c) Composition of Risk management Committee:

As at March 31, 2026, the Risk Management Committee is composed of four (4) Members, comprising of three (3) Independent Directors and one (1) Executive Director.

Name	Designation	Category
Sri Ch.Ramaprasad	Chairperson	Independent Director
Sri S. Suryanarayana	Member	Independent Director
Dr. D. Nageswara Rao	Member	Independent Director
Sri K.Harishchandra Prasad	Member	Executive Director

d) Meetings and attendance during the year:

During the financial year ended 31st March, 2026, no Meeting of the Risk management Committee was held as Regulation 21 of the SEBI Listing Regulations is not applicable to the Company .

9. Corporate Social Responsibility (CSR) Committee:

i) Terms of reference:

The Committee formulates and recommend to the Board, a CSR Policy and recommend the amount of expenditure to be incurred on CSR activities Committee framed a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitor CSR policy from time to time.

At present the provisions of Section135 of the Companies Act, 2013 requiring constitution of a CSR Committee do not apply to the Company and hence, no Meetings were held during the year.

The CSR Committee of the Company consists of following Members:

Name	Designation	Category
Dr. D. Nageswara Rao	Chairperson	Non -Executive Independent Director
Sri. K. Harishchandra Prasad	Member	Executive & Non Independent Director
Sri. S. Suryanarayana	Member	Non -Executive Independent Director
Sri. Ch. Ramaprasad	Member	Non -Executive Independent Director

10. SENIOR MANAGEMENT

Particulars of senior management including the changes therein since the close of the previous financial year

Employee Name	Designation	Change
K. Harishchandra Prasad	Managing Director	-
U. Vijaya Kumar	Chief Financial Officer	Resigned w.e.f 31.03.2026
Deepa Gussain	Company Secretary & Compliance Officer	-

11. REMUNERATION OF DIRECTORS

All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the listed entity

There are no Non-Executive Director having any pecuniary relationship or transaction with the Company during the financial year under review.

Criteria of making payments to Non-Executive Directors

Company does not pay any remuneration to Non-Executive Directors except payment of the sitting fees for attending Meetings of Board and Committees.

Disclosures with respect to remuneration: In addition to disclosures required under the Companies Act, 2013, whether the following disclosures made

(i) all elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonus, stock options, pension etc for the FY 2025-26

Executive Director:

Name	Designation	Salary (Rs.)	Perquisites (Rs.)	Contribution to Various Funds (Rs.)	Total (Rs.)
Sri K.Harishchandra Prasad	Managing Director	84,00,000	5,65,196	20,80,500	**1,10,45,696**

Non-Executive Directors:

Name	Sitting fees (Rs.)
Sri.K.Kapil Prasad	1,00,000
Smt.Madhurika Nalluri Venkat *	60,000
Sri. S. Suryanarayana	1,40,000
Dr. D. Nageswara Rao	1,30,000
Smt. B. Shanti Sree	1,10,000
Sri Ch.Ramaprasad **	95,000

* Retired w.e.f.28.08.2025

** Appointed as Member w.e.f. 11.08.2025

(ii) Details of fixed component and performance linked incentives, along with the performance criteria: As detailed in (i) above

(iii) Service contracts, notice period, severance fees: Contract of employment was entered with Mr. K.Harishchandra Prasad, Managing Director as per the HR Policy of the Company

(iv) stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: The Company has not issued stock options to any of the Directors

12. GENERAL BODY MEETINGS:

a) Location and time where last three Annual General Meetings of the Company were held:

Financial Year ended	Location	Date & Time	Special resolution(s) passed at the AGM
31st March 2023	Kinnera Meeting Hall, Hotel the Plaza, Green Lands, Begumpet, Hyderabad-500 016	09.08.2023 / 9.30 A.M	1. Re-appointment of Sri K.Harishchandra Prasad as Managing Director
31st March 2024	Manjeera Banquet Hall, 2nd Floor, Hotel the Plaza, Green Lands, Begumpet, Hyderabad-500 016	22.08.2024 / 11.30 A.M	1. Appointment of Dr. Dukkipati Nageswara Rao (DIN: 02009886) as an Independent Director of the Company 2. Appointment of Shri. Simhadri Suryanarayana (DIN:01951750) as an Independent Director of the Company
31st March 2025	Manjeera Banquet Hall, 2nd Floor, Hotel the Plaza, Green Lands, Begumpet, Hyderabad-500 016	27.09.2025 / 9.30 A.M.	1. Appointment of Shri Chalasani Ramaprasad (DIN:07030015) as an Independent Director of the Company 2. Re-appointment of Shri K.Harishchandra Prasad as a Managing Director of the Company

b) Whether any special resolution passed last year through postal ballot – details of voting pattern

No special resolution was passed last year through postal ballot.

c) Person who conducted the postal ballot exercise

Not applicable

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

No special resolution is proposed to be conducted through postal ballot.

e) Procedure for postal ballot

Not applicable

13. MEANS OF COMMUNICATION

a) Quarterly results

The quarterly financial results of the Company are submitted to the National Stock Exchange, displayed on the website of the Company and published in two News Papers within 48 hours of approval by the Board of Directors.

b) Newspapers wherein results normally published

The results are normally published in Business Standard, English national newspaper and Navatalangana, Telugu edition i.e. vernacular language of the region where the registered office is situated.

c) Any website, where displayed

The financial results are displayed on the website of the Company viz., www.lakshmifinance.org.in

14. GENERAL SHAREHOLDER INFORMATION

(a) AGM – date, time and venue

THE 102ND AGM OF THE COMPANY WILL BE HELD ON TUESDAY, 29TH SEPTEMBER 2026 AT 09:30 A.M AT MANJEERA, BANQUERT HALL, 2ND FLOOR, HOTEL THE PLAZA, 6-3-870, (TOURISM PLAZA), GREENLANDS, BEGUMPET, HYDERABAD

(b) Financial calendar

Financial year: April 1, 2025 to March 31, 2026

Book closure dates: 23rd Sepetmeber, 2026 to 29th Sepetmeber, 2026

Dividend payment date: Within 30 days from the date of declaration at the Annual General Meeting

(c) Listing on Stock Exchanges

Name and address of the Stock Exchange where the Company's shares are listed:

National Stock Exchange (NSE) of India Limited

'EXCHANGE PLAZA' 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra(E),

Mumbai- 400051 www.nseindia.com

Stock code: **LFIC**

ISIN: **INE 850 E0 1012**

Listing fees: The Company has paid the Annual Listing fees to the NSE for the financial year 2026-27.

(d) Market Price Data:

The Company's shares are traded on the National Stock Exchange of (India) Limited.

Monthly high and low quotations and volume of equity shares traded at National Stock Exchange of (India) Limited (NSE) during the F.Y. 2025-26 are set out in the following Table:

Month	High (Rs)	Low (Rs)	Volume
April 2025	239.95	153.80	5,83,210
May 2025	239.31	182.50	4,00,088
June 2025	250.50	208.00	2,33,691
July 2025	227.38	204.00	1,98,525
August 2025	218.74	200.98	37,217
September 2025	225.99	200.01	3,10,222
October 2025	224.85	198.30	1,25,695
November 2025	215.00	190.10	36,755
December 2025	200.19	164.00	26,959
January 2026	176.00	120.40	32,378
February 2026	159.50	112.99	3,21,299
March 2026	137.92	111.00	49,009

(e) Suspension of Company's securities from trading : Not applicable

(f) Registrar & Transfer Agents:

Venture Capital and Corporate Investments Private Limited
"Aurum", Door No.4-50/P-Ii/57/4f & 5f, Plot No.57
4th & 5th Floors, Jayabheri Enclave, Phase – II
Gachibowli, Hyderabad – 500 032
Phone No/s. 040-23818475 / 23868257
Email Id: investor.relations@vccipl.com Web: www.vccipl.com

(g) Share Transfer system:

The Company has appointed Venture Capital & Corporate Investments Private Limited, Hyderabad as Registrars and Share Transfer Agents for Physical and Demat share transfer work. The Share Transfer Agents process shares sent for Transmission, two times in a month. Transmissions, which are complete in all respects, will be processed within 15 days.

(h) Distribution of shareholding as on March 31, 2026:

Shareholding (Range)	No.of Share holders	% of holders	No. of Shares	% of Shares
Upto - 500	5008	89.89	50,20,730	16.74
501 - 1000	337	6.05	2,45,201	8.17
1001 - 2000	124	2.23	1,78,263	5.94
2001 - 3000	46	0.83	1,23,497	4.12
3001 - 4000	15	0.27	53,210	1.77
4001 - 5000	12	0.22	53,785	1.79
5001 -10000	10	0.18	71,385	2.38
10001 and above	19	0.34	17,72,586	59.09
Total	**5571**	**100.00**	**30,00,000**	**100.00**
Demat mode	**4284**	**76.90**	**25,33,296**	**84.44**
Physical mode	**1287**	**23.10**	**4,66,704**	**15.56**

(i) Shareholding Pattern as on 31st March, 2026

S.No.	Category	No. of cases	Total No. Shares	% Total Equity
1.	Promoters and Promoter Group. (including NRI's & Bodies Corporates)	16	14,10,102	47.00
2.	Banks & Insurance Companies	1	900	0.03
3.	Bodies Corporate	22	10,092	0.34
4.	L L P	1	1	0
5.	HUF	55	23,256	0.78
6.	Non Resident Individuals (NRI)	40	17,540	0.58
7.	IEPF Authority	1	2,67,638	8.92
8.	Resident Individuals	5,435	12,70,471	42.35
	TOTAL	**5,571**	**30,00.000**	**100.00**

(j) Dematerialization of shares and liquidity:

The Trading in Company's Shares is permitted only in dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scrip-less trading, the Company has made necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

Share Dematerialisation Records:

The Company received and confirmed demat request for 25,33,296 (84.44%) Shares (NSDL+ CDSL) during the period from 01st January 2002 to 31st March, 2026.

The total percentage of the Shares of the Company in Dematerialized form as on 31st March, 2026 is 84.44%.

Annual Custodial Fees: The Company has paid the Annual Custodial fee to the depositories viz., CDSL and NSDL for the financial year 2026-27.

Liquidity: The Company's shares are liquid and actively traded on the National Stock Exchange

(k) Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any such instruments

(l) Commodity price risk or foreign exchange risk and hedging activities:

Not applicable

(m) Plant locations:

The Company being a Non-Banking Finance Company with investment activity, does not have any plant.

(n) Address for correspondence:

Investor Relations:

Enquiries, if any relating to shareholder accounting records, transmission of shares, change of address/Bank mandate/PAN details for physical shares, loss of share certificates etc. may be addressed to Registrars and Share Transfer Agents:

Venture Capital & Corporate Investments Private Limited

"AURUM", Door No: 4-50/P-II/57/4F & 5F, Plot No.57, 4th & 5th Floors,
Jayabheri Enclave, Phase–II, Gachibowli, Hyderabad 500032, Telangana

(or)

For any further information / clarifications in connection of Dividend Warrant revalidation and issue of duplicate Dividend Warrants, directly contact:

Deputy Manager (Secretarial Dept.)

Lakshmi Finance & Industrial Corporation Limited,
1St Floor, 1-10-60/3 "Suryodaya",Begumpet, Hyderabad-500 016.
Ph.No.040-27760301, 27767794 / 9989466529, Fax: 040-27767793,
E-mail: lakshmi_lfic@yahoo.com.

(o) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or Abroad

The Company has not issued any debt instruments or accepted any fixed deposits. Hence, not applicable

15. OTHER DISCLOSURES:

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

Details of materially significant related party transactions with its promoters, the Directors or the management, etc. are presented in the Financial Statements. All details on the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. During the F.Y 2025-26, there were no related party transactions of material nature that might have a potential conflict with the interests of the Company.

The following is the list of Company Directors and their interrelationship:

Sl.No	Name of the Director	Relationship with other Director
1.	Sri K.Harishchandra Prasad	Father of Sri.K.Kapil Prasad
2.	Sri K.Kapil Prasad	Son of Sri.K.Harishchandra Prasad
3.	Sri S. Suryanarayana	None
4.	Dr. D. Nageswara Rao	None
5.	Smt. Bolleni Shanti Sree	None
6.	Sri Ch.Ramaprasad	None

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

During the financial year ended 31st March 2025, the Company was imposed a fine of Rs. 4,54,300 including GST for non-compliance of Reg 17(1)(c) read with Regulation 3(2) of the SEBI Listing Regulations. The Company rectified the same and paid the fine so imposed.

(c) Details of establishment of vigil mechanism / whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism as defined under regulation 22 of SEBI Listing Regulations for Directors and employees to report concerns about unethical behaviour.

The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee

The Policy covers malpractices and events that take place / are suspected to have taken place; misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of funds, and other matters or activities on account of which, the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

The Whistle Blower Policy of the Company can be accessed on the website of the Company at the following link: lakshmifinance.org.in

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements of Listing Regulations; and is in the process of adoption of non-mandatory requirements.

(e) Web link where policy for determining ‘material’ subsidiaries is disclosed

The Company does not have any subsidiary and hence, policy has not been framed for determining ‘material subsidiaries’.

(f) Web link where policy on dealing with related party transactions

The Company recognizes that Related Party Transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its stockholders' best interests.

Hence, keeping in view of transactions entered by the Company with the related parties, the Board has in accordance with the Companies Act, 2013 and Regulations of the Securities Exchanges Board of India (Listing Obligations and Disclosure Regulation) 2015 adopted a policy on related party transactions to ensure high level of transparency in all its business dealings, thereby promoting good corporate governance.

The Company also has a Code of Conduct for all employees, officers and Directors of the Company, which emphasizes that all possible conflicts of interest should be avoided. Therefore, it is found appropriate to adopt a policy regarding the review and approval of Related Party Transactions in order to set forth the procedures under which certain transactions must be reviewed, approved or ratified.

The Related Party Transaction Policy of the Company is available on the website of the Company at the following link: **lakshmifinance.org.in**

(g) Disclosure of commodity price risks and commodity hedging activities

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the year under review, the Company has not raised any funds through preferential allotment or qualified institutions placement.

(i) A certificate from a Company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate Affairs or any such statutory authority

A certificate has been received from M/s. N. Madhavi & Associates, Company Secretaries, that none of the Directors on the Board of the Company has 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 statutory authority.

(j) Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year

The Board has accepted all the recommendations of the Audit Committee in respect of items of business that required recommendation of the Audit Committee for the approval of the Board,

(k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

The following fees were paid to Brahmayya & Co., Statutory Auditors:

Particulars	Amount (Rs.)
Certification Fees	59,004

(l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details are disclosed in the Directors Report forming part of the Annual Report

(m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ Companies in which Directors are interested by name and amount

No loans have been advanced to firms / Companies in which the Directors of the listed entity are interested.

(n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company does not have any subsidiaries. Hence, not applicable.

16 NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF

All the Corporate Governance requirements are complied.

17. EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED

The Company has adopted the discretionary requirements specified in Part E of Schedule II to the extent applicable, as under:

A. The Board

(i) The Company appointed Dr. D. Nageswara Rao, as Chairperson on May 28th,2026. However, no expenses were incurred or reimbursement by the Company towards maintenance of the office of the Non-Executive Chairperson during Financial year.

(ii) Woman Independent Director – This requirement is not applicable to the Company. However, the Company has appointed one woman Independent Director on the Board

B. Shareholder Rights

(i) A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders.

C. Modified opinion(s) in audit report

During the year under review, the opinion of the Auditors in thier report on the financial statements was unmodified. The Company endeavours to move towards a regime of financial statements with unmodified audit opinion.

D. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

The Company has not appointed a Chairperson. Hence, not applicable

E. Reporting of internal auditor

The Company's internal auditor reports directly to the Audit Committee.

18. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with the requirements of Corporate Governance provisions prescribed under Regulations 17 to 27and clauses (b) to (i) of regulation 46(2) of the Listing Regulations, to the extent applicable.

19. COMPLIANCE WITH CODE OF CONDUCT

Pursuant to Regulation 17(5) of the Listing Regulations, the Board of Directors have put in place a comprehensive Code of Conduct for ethical business conduct applicable to all Members of the Board of Directors and senior management of the Company.

Pursuant to Regulation 26(3) of the Listing Regulations, all the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct as on March 31, 2026. A declaration to this effect, duly signed by the Managing Director is annexed to this Report.

20. CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

Certificate from M/s. Brahmaiah & Co, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations 2015 is attached to the Directors' Report and forms part of this Annual Report.

21. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

22. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES (Information disclosed under clause 5A of paragraph A of Part A of Schedule III of Listing regulations) - Not applicable

23. CERTIFICATION BY MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) ON THE FINANCIALS

The compliance certificate on the financial statements of the Company for the year ended March 31, 2026, duly signed by the MD and CFO of the Company, pursuant to regulation 17(8) of the Listing Regulations, as per the format prescribed in Schedule II thereto and as submitted to the Board is annexed to this report.

24. OTHER AUDITS

a) Pursuant to Sec 204 of the Companies Act, 2013, M/s. N.Madhavi & Associates, Company Secretaries have conducted a Secretarial Audit of the Company for the year 2025-26 and issued the Secretarial Audit Report, which forms part of the Directors' Report.

b) Pursuant to Reg. 76 of the SEBI (Depositories and Participants) Regulations, 2018, 'Reconciliation of Share Capital Audit' is carried out by M/s. N.Madhavi & Associates, Company Secretaries on a quarterly basis, to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit also confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

For and on behalf of the Board
LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED

	Sd/-	Sd/-
	Dr. D.Nageswara Rao	**K.Harishchandra Prasad**
Place: Hyderabad	**Director**	**Managing Director**
Date: 12.08.2026	**(DIN:02009886)**	**(DIN: 00012564)**

To,
The Members of
Lakshmi Finance and Industrial Corporation Limited

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

Pursuant to Regulation 26 and Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board Members and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board and made effective from 01.04.2011. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

for **LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED**

Sd/-
K. HARISHCHANDRA PRASAD
MANAGING DIRECTOR
DIN No:00012564

Place: Hyderabad
Date: 12.08.2026.

CERTIFICATE BY CEO/CFO UNDER REGULATION 17 (8)

In relation to the Audited Financial Accounts of the Company as at March 31, 2026, we hereby certify that

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement nor omit any material fact nor 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 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 year which are fradulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

  - there are no significant changes in internal control over financial reporting during the year and that the same have been disclosed in the notes to the financial statements.
  - there are no significant changes in accounting policies during the year .
  - there are no frauds of which we are aware, that involves management or other employees who have a significant role in the Company's internal control system.

		Sd/-
	Sd/-	**K.Harishchandra Prasad**
Place: Hyderabad	**M.Madhavi Latha**	**Managing Director**
Date: 28.05.2026.	**Chief Financial Officer**	**DIN No:00012564**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Lakshmi Finance & Industrial Corporation Limited
1st Floor, Suryodaya, Begumpet,
Hyderabad – 500 016, Telangana

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Lakshmi Finance & Industrial Corporation Limited having CIN L65920TG1923PLC000044 and having registered office at 1st Floor, Suryodaya, Begumpet, Hyderabad – 500 016, Telangana (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority**.**

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	MR. HARISHCHANDRA PRASAD KANURI	00012564	01/04/2013
2	MR. KAPIL PRASAD KANURI	02940558	07/02/2014
3	MR. SURYANARAYANA SIMHADRI	01951750	27/05/2024
4	DR. NAGESWARA RAO DUKKIPATI	02009886	22/08/2024
5	MRS. SHANTI SREE BOLLENI	07092258	08/11/2024
6	MR. RAMAPRASAD CHALASANI	07030015	11/08/2025

Ensuring the eligibility of 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 M/s. N. Madhavi & Associates
Company Secretaries
Sd/-
Madhavi
Proprietor
M No. A16866
CP.No:11732
UDIN:A016866H001069995
Peer Review Cert. No: 5479/2024

Date: 12.08.2026
Place: Hyderabad

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED, HYDERABAD.

We have examined the compliance of conditions of Corporate Governance by LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED, Hyderabad, for the year ended on 31st March, 2026, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as per the Listing Agreement entered into by the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to the review of the procedures and implementation thereof as adopted by the Company for ensuring compliance of the conditions of the Corporate Governance as stipulated in the said Clause. 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 based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement for the year ended March 31, 2026.

We further state that such compliance 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 Brahmayya &Co.,
Chartered Accountants
Firms' Registration Number: 000513S.

Sd/-
(P.CHANDRAMOULI)
Partner
Membership Number: 025211
UDIN: 26025211VGLYBS4536

Place : Hyderabad
Date : 12.08.2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED, HYDERABAD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2026, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information(herein after 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 the accounting principles generally accepted in India including the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS), of the state of affairs of the Company as at March 31, 2026, its profit, the total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (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 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 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.

Key Audit Matters

Key Audit Matters (KAM') are those matters that, in our professional judgement, were of the 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

KAM Title

Deferred Tax Assets

KAM Description

As per Ind AS 12 on 'Income Taxes', the Company has recognised deferred tax assets in respect of deductible temporary differences. However, the deferred tax asset has not been recognised for unused tax losses as the utilisation of deferred tax assets is dependent on the Company's ability to generate future taxable profits sufficient to utilise tax losses before they expire. We determined this to be a key audit matter due to the inherent limitations in estimation and uncertainty in forecasting the amount and timing of future taxable profits and the utilisation of tax losses.

Management is of the opinion that utilisation of the deferred tax assets arising from unused tax losses mainly depends on future taxable income generated by the Company. The future taxable income projections contain estimates and tax strategies which may be significantly impacted by changes in the Regulations, industrial scenario, the business, and market conditions. Hence, not recognised the deferred tax asset on unused tax losses.

Our Response

Our audit procedures included, among others, evaluating the future estimated business projections and projected tax computations prepared by the Company to assess the recognition and measurement of the current tax and deferred tax assets and liabilities and evaluate the compliance with the tax legislation. We paid attention to the long-term forecasts and critically assessed the assumptions and judgments underlying these forecasts by considering the historical accuracy of forecasts and the sensitivity of the profit forecasts. We assessed the adequacy, and the level of estimation involved.

KAM Title

Unused MAT Credit

KAM Description

The Company is not recognizing such MAT Credit Entitlement in respect of Tax paid on book profits in earlier years as the utilisation of MAT Credit Entitlement is dependent on the company's ability to generate future normal taxable profits sufficient to utilise the available MAT Credit before they expire which depends on the country's fiscal policies to be announced in future years. We determined this to be a key audit matter due to the inherent limitations in estimation and uncertainty in forecasting the amount and timing of future taxable profits, changes in fiscal policies and utilisation of MAT credit.

Management is of the opinion that utilisation of the MAT credit mainly depends on future taxable income generated by the Company. The future taxable income projections contain estimates and tax strategies which may be significantly impacted by changes in the regulations, industrial scenario, the business, and its markets and therefore has not recognised the MAT credit entitlement.

Our Response

Our audit procedures included, among others, evaluating the projected tax computations prepared by the Company to assess the recognition and measurement of the current tax and evaluate the compliance with the tax legislation. We paid attention to the long-term forecasts and critically assessed the assumptions and judgments underlying these forecasts by considering the historical accuracy of forecasts and the sensitivity of the profit forecasts. We assessed the adequacy, and the level of estimation involved.

Other Information

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

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 such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those 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 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 Standards on Auditing, 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 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 an 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the 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 of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '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.

   (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, the statement of Changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the Books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 31st March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B."

   (g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its Managing Director during the year is in accordance with the provisions of Section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact on its financial position.

      ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

vi. Based on our examination, the Company has used accounting software for maintaining its Books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operated throughout the year for all transactions recorded in the accounting software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention

for BRAHMAYYA & CO;
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(P. CHANDRAMOULI)
Partner
Membership Number: 025211
UDIN: 26025211VGLYBS4536

Place : Hyderabad
Date : May 28, 2026

Annexure - A to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the Members of LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED, HYDERABAD, for the year ended March 31, 2026.

1. a. A. The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

   B. The Company does not have any Intangible assets. Therefore, the provisions of paragraph 3 (i)(a)(B) of the Order are not applicable.

   b. As explained to us, the management has physically verified the Property, Plant and Equipment during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. According to the information and explanations given to us no discrepancies were noticed 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 are held in the name of the Company except that Pattadar Pass Books in respect of Land admeasuring 23.93 Acres situated at Adoni, Kurnool Dist., (A.P.) are yet to obtained in the name of the Company.

   d. The Company did not revalue its Property, Plant and Equipment (including the right of use assets) or intangible assets during the year. Therefore, the provisions of paragraph 3 (i)(d) of the Order are not applicable.

   e. According to the information and explanations given to us and on our verification of records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988. (45 of 1988) and rules made thereunder.

2. a. The Company does not have any inventory during the year. Therefore, the provisions of paragraph 3 (ii) of the Companies (Auditor's Report) Order 2020 are not applicable to the Company.

   b. The Company did not obtain any working capital limits during the year. Therefore, the provisions of paragraph 3 (ii) (b) of the Order are not applicable.

3. The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year. However, the Company has made investments in other parties, during the year, in respect of which:

   a. The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year. Therefore, the provisions of paragraph 3 (iii) (a) of the Order are not applicable.

   b. In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest.

   c. As the Company has not provided any loans or advances in the nature of loans to any other entity during the year, the provisions of paragraph 3 (iii)(c), (d), (e) and (f) of the Order are not applicable.

4. The Company has not given any loans or made any investments or given any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Therefore, the provisions of paragraph 3 (iv) of the Order are not applicable.

5. The Company has not accepted any deposits and also there were no amounts which are deemed to be the deposits. Hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, do not apply to this Company.

6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of 148 section of the Companies Act, 2013 for the activities of the Company.

7. a. According to the records, the Company is generally regular in depositing undisputed statutory dues including Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues with the appropriate authorities and there were no arrears of statutory dues as at March 31, 2026 for a period of more than six months from the date they became payable.

   b. According to the records of the Company and the information and explanations given to us, there were no statutory dues referred to in subclause (a) and have not been deposited on account of any dispute.

8. According to the information and explanations given to us and based on our verification, there were no transactions which are not recorded in the Books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Therefore, the provisions of paragraph 3 (ii) (b) of the Order are not applicable.

9. As the Company has no borrowings, the provisions of paragraph 3 (ix) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

10. a. The Company did not raise any money by way of an initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of paragraph 3 (x) (a) of the Order are not applicable.

    b. The Company has not made any Preferential allotment or Private placement of shares or convertible debentures during the year. Therefore, the provisions of paragraph 3 (x) (b) of the Order are not applicable.

11. a. According to the information and explanations given to us, we report that during the year, the management of the Company has not come across any fraud and consequently 3(xi)(a) are not applicable.

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

    c. According to the information and explanations given to us and based on our verification, during the year, the Company has not received any Whistle-blower complaints. Therefore, the provisions of paragraph 3 (xi)(c) of the Order are not applicable.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3(xii) of the Order are not applicable

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. a. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business;

    b. We have considered the reports of the Internal Auditors for the period under audit.;

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with them. Therefore, the provisions of paragraph 3 (xv) of the Order are not applicable.

16. a. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934, and such registration has been obtained.

    b. The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from Reserve Bank of India as per Reserve Bank of India Act,1934. Therefore, the provisions of paragraph 3(xvi)(b) of the Order are not applicable.

    c. The Company is a not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of paragraph 3(xvi)(c) of the Order are not applicable.

    d. The Group has no Core Investment Company (CIC). Therefore, the provisions of paragraph 3 (xvi) (d) of the Order are not applicable.

17. The Company has not incurred any cash losses in the financial year and also in the immediately preceding financial year.

18. There is no resignation of statutory auditors during the year. Therefore, the provisions paragraph 3 (xviii) of the Order are not applicable.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of Meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We 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.

20. The Provisions of Section 135 of the Companies Act ,2013 relating to Corporate Social Responsibility are not applicable to the Company. Therefore, the provisions of paragraph 3(xx) of the Order are not applicable.

for BRAHMAYYA & CO;
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(P. CHANDRAMOULI)
Partner
Membership Number: 025211
UDIN:26025211VGLYBS4536

Place : Hyderabad
Date : May 28, 2026

Annexure – B to the Auditors' Report

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 financial statements of LAKSHMI FINANCE & INDUSTRIAL CORPORATION LIMITED, HYDERABAD ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Meaning of Internal Financial Controls with reference to financial statements:

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at 31 March 2026, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

for BRAHMAYYA & CO;
Chartered Accountants
Firm's Registration Number: 000513S

Sd/-
(P. CHANDRAMOULI)
Partner
Membership Number: 025211
UDIN:26025211VGLYBS4536

Place : Hyderabad
Date : May 28, 2026

BALANCE SHEET AS AT MARCH 31, 2026

Amount in ` lakhs

PARTICULARS	NOTES	As at 31.03.2026	As at 31.03.2025
ASSETS			
Financial Assets			
Cash and Cash equivalents	**04**	180.53	226.03
Bank Balances other than above	**05**	633.23	207.26
Investments	**06**	4,846.02	5,437.13
Other Financial Assets	**07**	23.18	29.71
		5,682.96	**5,900.13**
Non - Financial Assets			
Current Tax Assets (net)		-	58.07
Deferred Tax Asset (net)	**08**	225.97	92.95
Investment Property	**09**	48.06	49.07
Property, Plant and Equipment	**10**	23.90	41.83
Other Intangible Assets	**11**	0.09	0.21
Other Non - Financial Assets	**12**	0.93	0.93
		298.95	243.06
TOTAL ASSETS		**5,981.91**	**6,143.19**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables			
Trade Payables	**13**		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1.76	1.73
Other Payables	**14**		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises		2.55	2.61
Other Financial Liabilities	**15**	86.26	100.55
		90.57	104.89
Non - Financial Liabilities			
Current Tax Liability (net)		0.11	-
Provisions	**16**	154.78	142.55
Other Non - Financial Liabilities	**17**	13.05	10.77
		167.94	153.32
EQUITY			
Equity Share Capital	**18**	300.00	300.00
Other Equity	**19**	5,423.40	5,584.98
		5,723.40	5,884.98
Contingent Liabilities and Commitments	**20**		
TOTAL LIABILITIES AND EQUITY		**5,981.80**	**6,143.19**
NOTES FORMING PART OF FINANCIAL STATEMENTS	**01 - 43**		

per our report of even date
For Brahmayya & Co.,
Chartered Accountants
Firm's Registration Number: 000513S
Sd/-
P.CHANDRAMOULI
Partner
Membership Number: 025211

Place:Hyderabad
Date : May 28, 2026

for and on behalf of the Board
Sd/-
K.HARISHCHANDRA PRASAD
Managing Director
Sd/-
S. SURYANARAYANA
Director
Sd/-
M. MADHAVI LATHA
Chief Financial Officer
Sd/-
DEEPA GUSAIN
Company Secretary

STATEMENT OF PROFILT AND LOSS AS AT MARCH 31, 2026

Amount in ` lakhs

PARTICULARS	NOTES	For the Year ended 31.03.2026	For the Year ended 31.03.2025
Revenue from operations			
Interest Income	**21**	70.40	69.55
Dividend Income		178.66	170.84
Net gain on sale of financial instruments		395.73	476.16
Rental Income from Investment Property		52.30	52.82
		697.09	769.37
Other Income	**22**	4.58	2.55
TOTAL INCOME		**701.67**	**771.92**
EXPENSES			
Finance Cost	**23**	2.73	3.91
Employee Benefits Expenses	**24**	179.14	189.23
Net Loss on Fair Value Changes		593.66	279.01
Depreciation	**25**	19.58	20.63
Other Expenses	**26**	31.59	35.88
TOTAL EXPENSES		**826.70**	**528.66**
PROFIT BEFORE TAX		**(125.03)**	**243.26**
TAX EXPENSE			
Current Tax			
Relating to current year		78.00	151.00
Relating to earlier years		1.39	(1.40)
		79.39	149.60
Deferred tax liability /(Asset)			
On Temporary Differences		(132.97)	(200.59)
MAT Credit Entitlement		-	(63.73)
Total Tax Expenses		**(53.58)**	**(114.72)**
PROFIT FOR THE YEAR AFTER TAX		**(71.45)**	**357.98**
OTHER COMPREHENSIVE INCOME	**27**		
Items that will not be reclassified subsequently to profit or loss		(0.18)	(6.10)
Income tax relating to items that will not be reclassified to profit or loss		0.05	1.70
		(0.13)	**(4.40)**
Total Comprehensive Income for The Year		**(71.58)**	**353.58**
EARNINGS PER EQUITY SHARE OF ` 10/-EACH			
Basic and diluted	**28**	(2.38)	11.93
NOTES FORMING PART OF FINANCIAL STATEMENTS	**1-43**		

per our report of even date
For Brahmayya & Co.,
Chartered Accountants
Firm's Registration Number: 000513S
Sd/-
P.CHANDRAMOULI
Partner
Membership Number: 025211

Place:Hyderabad
Date : May 28, 2026

for and on behalf of the Board
Sd/-
K.HARISHCHANDRA PRASAD
Managing Director
Sd/-
S. SURYANARAYANA
Director
Sd/-
M. MADHAVI LATHA
Chief Financial Officer
Sd/-
DEEPA GUSAIN
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. Equity Share Capital

Amount in ` lakhs

	Particulars	As at March 31,2026	As at March 31,2025
i.	At the beginning of the year	300.00	300.00
ii.	Changes in Equity Share Capital due to prior period errors	-	-
iii.	Restated balance at the beginning of the year	300.00	300.00
iv.	Changes in Equity Share Capital during the year	-	-
v.	**Balance at the end of the year**	**300.00**	**300.00**

B. Other Equity

Amount in ` lakhs

	Particulars	Capital Reserve	Securities Premium	General Reserve	Reserve Fund as per RBI guidelines	Retained Earnings	OCI - Actuarial Gain(Loss)	Total
I.	**Balance as at April 01, 2024**	**503.52**	**6.48**	**1,225.00**	**1,574.10**	**2,065.67**	**(23.37)**	**5,351.40**
	Transfer to retained earnings	-	-	-	-	357.98	-	357.98
	Other Comprehensive income for the year	-	-	-	-	-	(4.40)	(4.40)
	Transfer to Reserve Fund as per RBI guidelines	-	-	-	-	(75.00)	-	(75.00)
	Transfer from retained earnings	-	-	-	75.00	-	-	75.00
	Dividends	-	-	-	-	(120.00)	-	(120.00)
II.	**Balance as at April 01, 2025**	**503.52**	**6.48**	**1,225.00**	**1,649.10**	**2,228.65**	**(27.77)**	**5,584.98**
	Transfer to retained earnings	-	-	-	-	(71.45)	-	(71.45)
	Other Comprehensive income for the year	-	-	-	-	-	(0.13)	(0.13)
	Transfer to Reserve Fund as per RBI guidelines	-	-	-	-	-	-	-
	Transfer from retained earnings	-	-	-	-	-	-	-
	Dividends	-	-	-	-	(90.00)	-	(90.00)
III.	**Balance as at March 31, 2026**	**503.52**	**6.48**	**1,225.00**	**1,649.10**	**2,067.20**	**(27.90)**	**5,423.40**

per our report of even date
For Brahmayya & Co.,
Chartered Accountants
Firm's Registration Number: 000513S
Sd/-
P.CHANDRAMOULI
Partner
Membership Number: 025211

Place:Hyderabad
Date : May 28, 2026

for and on behalf of the Board
Sd/-
K.HARISHCHANDRA PRASAD
Managing Director
Sd/-
S. SURYANARAYANA
Director
Sd/-
M. MADHAVI LATHA
Chief Financial Officer
Sd/-
DEEPA GUSAIN
Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

	PARTICULARS	For the Year ended 31.03.2026	For the Year ended 31.03.2025
I.	**Cash flow from operating activities:**		
	Profit before tax	(125.03)	243.26
	Add: Other Comprehensive Income before Tax	(0.18)	(6.10)
		(125.21)	237.16
	Adjustment for non-cash transactions:		
	Depreciation and amortization expenses	19.58	20.63
	Deferred Rental Income	(0.44)	(0.44)
	Fair Value gain/loss on Investments	593.66	279.01
	Provision for doubtful recovery written back	-	(1.56)
		487.59	**534.80**
	Adjustment for investing and financing activities:		
	Interest Income:		
	From Bank deposits and others	(70.40)	(69.55)
	On Financial Assets	(0.09)	(0.08)
	Dividends Received	(178.66)	(170.84)
	Profit / loss on Sale of Investments	(395.73)	(476.16)
	Interest Expense on Rental Deposit	0.61	0.56
	Interest Expense on Lease Liability	2.12	3.35
		(642.15)	**(712.72)**
	Adjustment for changes in working capital:		
	Decrease / (increase) in other financial assets	(0.05)	9.12
	Decrease / (increase) in other non financial assets	-	9.71
	Decrease / (increase) in Other Bank Balances	(425.97)	(46.59)
	(Decrease) / Increase in trade payables	0.02	0.27
	(Decrease) / Increase in Other payables	(0.05)	0.91
	(Decrease) / Increase in other financial liabilities	(1.51)	(6.11)
	(Decrease) / Increase in other non financial liabilities	2.71	5.25
	(Decrease) / Increase in provisions	12.24	20.60
		(412.61)	**(6.84)**
	Cash generated from operations	**(567.17)**	**(184.76)**
	Less: Direct taxes paid (net of refunds)	(21.22)	(144.21)
	Net cash flow from operating activities (I)	**(588.39)**	**(328.97)**
II.	**Cash flows from investing activities**		
	Purchase of fixed assets	(0.52)	(1.32)
	Purchase of Investments	(5,384.28)	(3,931.76)
	Sale of Investments	5,777.46	3,912.47
	Dividend Received	178.36	171.79
	Interest Income received	77.38	65.12
	Net cash flow from/ (used in) investing activities (II)	**648.40**	**216.30**
III.	**Cash flows from financing activities**		
	Lease payments Debited to Lease Liabilities	(16.47)	(16.75)
	Dividend Paid	(89.04)	(123.40)
		(105.51)	**(140.15)**
IV.	**Net (decrease)/increase in cash and cash equivalents (I + II + III)**	**(45.50)**	**(252.82)**
	Cash and cash equivalents at the beginning of the period	226.03	478.85
V.	**Cash and cash equivalents at the end of the year**	**180.53**	**226.03**
VI.	**Components of cash and cash equivalents:**		
	Cash on hand	0.07	0.25
	With Banks:		
	On Current Account	180.46	225.78
	Total cash and cash equivalents (Refer Note 4)	**180.53**	**226.03**

per our report of even date
For Brahmayya & Co.,
Chartered Accountants
Firm's Registration Number: 000513S
Sd/-
P.CHANDRAMOULI
Partner
Membership Number: 025211

Place:Hyderabad
Date : May 28, 2026

for and on behalf of the Board
Sd/-
K.HARISHCHANDRA PRASAD
Managing Director
Sd/-
S. SURYANARAYANA
Director
Sd/-
M. MADHAVI LATHA
Chief Financial Officer
Sd/-
DEEPA GUSAIN
Company Secretary

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

1. Corporate Information:

The Company is a Public Limited Company listed on the National Stock Exchange of India (NSE) and is a Non - Deposit Accepting, Non - Banking Finance Company (NBFC) registered as an Investment Company with the Reserve Bank of India engaged in the business of investment in Equity Shares, Mutual Funds and Other Securities.

2. Basis of Preparation and Presentation:

The Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss, the Statement of Cash Flows 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 financial statements)

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Act applicable for Non-Banking Finance Companies (“NBFC”). 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 have been prepared on historical cost basis, except for financial instruments which have been measured at fair value at the end of each reporting period, as required by relevant Ind AS and as explained in the accounting policies mentioned below. The Company’s functional and reporting currency is Indian National Rupee (INR).

The accounting Policies applied by the Company are consistent with those used in the prior periods, unless otherwise stated elsewhere in these financial statements.

These financial statements were approved by the Board of Directors and authorised for Issuance in their Meeting held on MAY 28, 2026.

3. Material Accounting policies:

a) Significant accounting estimates, assumptions, and judgements:

The preparation of Company’s financial statements requires management to make accounting estimates, assumptions and judgements that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures of contingencies at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation of 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. The assumptions and estimates made by the Company are based on parameters available/prevailing when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i. Business Model Assessment

Classification and measurement of financial assets depend on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. Monitoring is part of the Company’s continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

there has been a change in business model and so a prospective change to the classification of those assets.

ii. Defined Benefit Plans:

The present value of the gratuity obligation is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, rate of increment in salaries and mortality rates. Due to complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All the assumptions are reviewed at each reporting date.

iii. Fair Value measurement:

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques i.e., the DCF model. The inputs to these models are taken from observable markets.

iv. Contingencies:

Management judgement is required for estimating the possible inflow / outflow of resources, if any, in respect of contingencies / claims / litigations against the Company / by the Company as it is not possible to predict the outcome of pending matters with accuracy.

v. Property, Plant and Equipment:

Based on internal technical assessment, the management has adopted the useful life and residual value of its Property, Plant and Equipment. Management believes that the assigned useful lives and residual value are reasonable.

vi. Income Taxes:

Management judgment is required for the calculation of provision for income taxes and deferred tax assets/liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets/liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

vii. Lifetime Expected Credit Loss on Trade and Other Receivables:

Trade and Other Receivables do not carry any interest and are stated at their transaction value as reduced by lifetime expected credit losses (“LTECL”). Management has evaluated LTECL for different class of its trade and other receivables as follows:

Particulars	Up to 1 Year	1-2 years	2-3 years	Beyond 3 years
Expected loss Rate (%)	0.00	50.00	100.00	Write off

b) Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

The Company adopted cost model as its accounting policy in recognition of the property, Plant and Equipment and recognises the transaction value as the cost.

Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Capital work in progress includes cost of property, plant, and equipment under installation/under development as at the balance sheet date.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset (calculated as

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the Books of account and the carrying value if any is charged to Statement of Profit and Loss.

Assets costing five thousand rupees or less are fully depreciated in the year of purchase.

Depreciation on Property, Plant and Equipment is provided based on the useful lives of the assets as estimated by the Management, which are in line with Schedule II to the Companies Act, 2013

Estimated useful life of the assets are as follows:

Type of the Asset	Method of Depreciation	Useful life considered (Years)
Buildings	WDV	60
Office Equipment	WDV	5
Furniture and Fittings	WDV	10
Vehicles	WDV	8-10
Computers	WDV	3
Air Conditioners	WDV	5
Right of Use Asset	SLM	Lease Period

c) Investment Property:

Property that was held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When a part of investment property is replaced, the original carrying amount of the replaced part is derecognised.

Where applicable, Investment properties are depreciated using the written down value method over their estimated useful lives. The useful life of buildings, classified as investment property, is considered as 60 years as estimated by the Management.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their use. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit and loss in the period of derecognition.

d) Impairment of non-financial assets:

i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset’s net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

ii. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exists or have decreased. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

e) Leases:

The determination of whether an agreement 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 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 or assets, even if that right is not explicitly specified in an arrangement.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Classification on inception of lease:

a. Operating lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases.

b. Finance Lease:

A lease is classified as a financial lease where the lessor transfers substantially all the risks and rewards incidental to the ownership of the leased item.

Accounting of Operating leases:

a. Where the Company is the lessee:

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for Cancellable leases. For remaining leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the period of the lease. In case the escalation in operating lease payments is in line with the expected general inflation rate then the lease payments are charged to statement of profit and loss instead of straight-line method.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease period.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

b. where the Company is the lessor:

Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Initial direct costs such as legal costs, brokerage costs, etc., are added to the carrying amount of the leased asset and recognised as an expense over the lease term.

f) Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

Specifically, the following basis is adopted for various sources of income:

i. Interest Income

Interest Income is recognised on a time proportion basis taking into account the outstanding amount and the rate applicable.

ii. Dividend Income

Dividend income is recognized when the right to receive payment is established and no significant uncertainty as to collectability exists.

iii. Income from Investments

Profit/loss earned on sale of investments is recognised on a settlement date basis. Profit or loss on sale of investments is determined on the basis of weighted average cost method. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

g) Borrowing Costs:

Borrowing costs 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 as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h) Retirement and other employee benefits:

i. Employer's contribution to Provident Fund, which is in the nature of defined contribution scheme, is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

ii. The Company operates a gratuity plan which is in the nature of defined benefit obligation. The Company's liability is provided based on independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 on "Employee Benefits".

iii. Gratuity liability is considered as post-employment benefit expense as per Ind AS -19. Accordingly, re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the statement of changes in equity and in the balance sheet.

iv. Accumulated leaves, which are expected to be utilised within the next twelve months, are treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

i) Earnings Per Share:

Basic earnings per share are calculated by dividing the profit 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 profit 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.

j) Provisions:

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provisions.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognised as a finance cost.

k) Contingencies:

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statement of balance sheet and is disclosed as a contingent asset or contingent liability. Possible outcomes on obligations/rights, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent assets or contingent liabilities.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

l) Taxes on Income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax includes taxes to be paid on the profit earned during the year and for the prior periods.

Deferred income taxes are provided based on the balance sheet approach considering the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company write-off the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-off is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

m) Prior period items:

In case prior period adjustments are material in nature the Company prepares the restated financial statement as required under Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". In case of immaterial items pertaining to prior periods shown under respective items in the Statement of Profit and Loss.

n) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and at Bank, deposits held at call with Banks, other short-term highly liquid investment with original maturities of three months or less that are readily convertible to a known amount of cash which are subject to an insignificant risk of changes in value and are held for short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding Bank overdrafts as they are considered an integral part of the Company's cash management.

o) 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 Assets:

a. Initial recognition and measurement:

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, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b. Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in to following categories

a. Debt instruments at amortised cost

b. Debt Instruments at fair value through profit and loss (FVTPL)

c. Equity instruments at fair value through profit and loss (FVTPL)

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

a. Debts Instruments at amortised cost:

A 'Debt Instrument' is measured at the amortised cost if both the following conditions are met:

i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

b. Debt Instruments at Fair value through profit and loss (FVTPL):

As per the Ind AS 101 and Ind AS 109, the Company is permitted to designate the previously recognised financial asset at initial recognition irrevocably at fair value through profit and loss on the basis of fact and circumstances that exists on the date of transition to Ind AS. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of Profit and Loss.

c. Equity instruments at fair value through profit and loss (FVTPL):

Equity instruments in the scope of Ind AS 109 are measured at fair value. The classification is made on initial recognition and is irrevocable. Subsequent changes in the fair values at each reporting date are recognised in the Statement of Profit and Loss.

c. Derecognition:

A financial asset or where applicable, a part of a financial asset is primarily derecognised when:

a. The rights to receive cash flows from the asset have expired, or

b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

d. Impairment of financial assets:

In accordance with Ind AS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial instruments.

Expected credit loss 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.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

The expected credit loss allowance or reversal recognised during the period is recognised as income or expense, as the case may be, in the statement of profit and loss. In case of balance sheet, it is shown as an adjustment from the specific financial asset

Financial liabilities:

a. Initial recognition and measurement:

At initial recognition, all financial liabilities are recognised at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

b. Subsequent measurement:

i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss. The Company does not designate any financial liability at fair value through profit or loss.

ii. Financial liabilities at amortised cost:

Amortised cost, in the case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with an effective interest rate. Effective interest rate amortisation is included as finance costs in the statement of profit and loss. Financial liability with maturity of less than one year is shown at transaction value.

c. Derecognition:

Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Reclassification:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

p) Fair Value Measurement:

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

- in the principal market for such asset or liability, or
- in the absence of a principal market, in the most advantageous market which is accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

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 categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a. Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

b. Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurements is directly or indirectly observable.

c. Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) **Recent pronouncements:**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified an amendment to Ind AS – 1 Presentation of Financial statements which is applicable with effect from April 1, 2026. The Company has reviewed the new pronouncement and is of the opinion that the said amendment is not applicable to the Company.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

Sl. NO	PARTICULARS	As at 31.03.2026	As at 31.03.2025
04	**CASH AND CASH EQUIVALENTS:**		
	Cash on Hand	0.07	0.25
	Balances with Banks:		
	in Current accounts	180.46	225.78
	TOTAL	**180.53**	**226.03**
05	**BANK BALANCES:**		
	Other Bank Balances:		
	in un paid dividend accounts	58.23	57.26
	in Deposit accounts with maturity of more than 3 months		
	and less than 15 months	575.00	150.00
	TOTAL	**633.23**	**207.26**
06	**INVESTMENTS:**		
	(in India)		
	At Fair Value through Profit and Loss (FVTPL)		
	Investments in Mutual Funds	3,613.08	3,699.16
	Investments in Equity Instruments	886.44	1,112.97
	At amortised cost		
	Investments in public Deposits with NBFCs	150.00	200.00
	Investments in Government Bonds	125.00	375.00
	Investments in NCDs	50.00	50.00
	At cost (un quoted)		
	Investments in Equity Instrument	21.50	-
	TOTAL	**4,846.02**	**5,437.13**
07	**OTHER FINANCIAL ASSETS:**		
	Security Deposits		
	with Others	2.44	2.35
	Rent Receivable	2.11	2.05
	Interest Receivable	17.45	24.43
	Dividend Receivable	1.18	0.88
	TOTAL	**23.18**	**29.71**
08	**DEFERRED TAX ASSETS / (LIABILITIES) (NET)**		
	Asset / Liability:		
	Fair value of financial assets/(liabilities)	184.81	59.63
	Difference in WDV of fixed assets	(2.43)	(6.80)
	Other disallowances	43.59	40.12
	TOTAL	**225.97**	**92.95**
09	**INVESTMENT PROPERTY:**		
	Land at cost	27.02	27.02
		27.02	27.02
	Cost of buildings given on operating leases	92.80	92.81
	Less: accumulated depreciation	71.76	70.76
		21.04	22.05
	TOTAL	**48.06**	**49.07**

10 PROPERTY, PLANT AND EQUIPMENT

Amount in ` lakhs

Sl. NO	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 01.04.2025	ADDITIONS	DEDUCTIONS	AS AT 31.03.2026	UP TO 31.03.2025	FOR THE YEAR	ON DEDUCTIONS	UP TO 31.03.2026	AS AT 31.03.2026	AS AT 31.03.2025
1	Furniture and Fixtures	0.47	-	-	0.47	0.44	-	-	0.44	0.03	0.03
2	Vehicles	34.90	-	-	34.90	23.72	3.23	-	26.95	7.95	11.18
3	Office Equipment:										
	Own use	2.25	-	-	2.25	2.06	0.04	-	2.10	0.15	0.19
	Given on Lease	8.53	-	-	8.53	7.92	-	-	7.92	0.61	0.61
4	Air conditioners	0.36	0.52	-	0.88	0.34	0.23	-	0.57	0.31	0.02
5	Computers	3.14	-	-	3.14	2.30	0.47	-	2.77	0.37	0.84
6	Right of Use Asset	43.44	-	-	43.44	14.48	14.48	-	28.96	14.48	28.96
	Total	**93.09**	**0.52**	**-**	**93.61**	**51.26**	**18.45**	**-**	**69.71**	**23.90**	**41.83**
	Previous year	**48.58**	**44.51**	**-**	**93.09**	**31.82**	**19.44**	**-**	**51.26**	**41.83**	**16.76**

11 OTHER INTANGIBLE ASSETS

Amount in ` lakhs

Sl. NO	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 01.04.2025	ADDITIONS	DEDUCTIONS	AS AT 31.03.2026	UP TO 31.03.2025	FOR THE YEAR	ON DEDUCTIONS	UP TO 31.03.2026	AS AT 31.03.2026	AS AT 31.03.2025
1	Structured Digital										
	Database Software	0.18	-	-	0.18	0.14	0.04	-	0.18	-	0.04
	Accounting Software	0.25	-	-	0.25	0.08	0.08	-	0.16	0.09	0.17
	Total	**0.43**	**0.18**	**-**	**0.43**	**0.22**	**0.12**	**-**	**0.34**	**0.09**	**0.21**
	Previous year	**0.18**	**0.25**	**-**	**0.43**	**0.08**	**0.14**	**-**	**0.22**	**0.21**	**0.10**

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

Sl. NO	PARTICULARS	As at 31.03.2026	As at 31.03.2025
12	**OTHER NON - FINANCIAL ASSETS:**		
	Balances with Statutory Authorities	0.21	0.21
	Prepaid Expenses	0.72	0.72
	TOTAL	**0.93**	**0.93**
13	**TRADE PAYABLES* (refer Note: 36)**		
	Related Parties	0.16	0.19
	Others	1.60	1.54
	TOTAL	**1.76**	**1.73**
	*represents undisputed dues outstanding for less than one year from due date of Payment		
14	**OTHER PAYABLES:**		
	Due to Others	2.55	2.61
	TOTAL	**2.55**	**2.61**
15	**OTHER FINANCIAL LIABILITIES:**		
	Security deposits	11.51	10.91
	Unclaimed Dividends	58.23	57.27
	Salaries and Wages payable	0.82	2.33
	Lease Liability	15.70	30.04
	TOTAL	**86.26**	**100.55**
16	**PROVISIONS:**		
	Provision for employee benefits:		
	Provision for Gratuity (refer No:34)	140.01	128.49
	Provision for Compensated absences	14.77	14.06
	TOTAL	**154.78**	**142.55**
17	**OTHER NON - FINANCIAL LIABILITIES:**		
	Deferred Rental Income	1.15	1.57
	Withholding Taxes payable	8.77	6.46
	Statutory dues payable	3.13	2.74
	TOTAL	**13.05**	**10.77**

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

Sl. NO	PARTICULARS	As at 31.03.2026	As at 31.03.2025
18	**EQUITY SHARE CAPITAL:**		
	AUTHORISED:		
	6,000,000 Equity Shares of ` 10/- each	600.00	600.00
	TOTAL	**600.00**	**600.00**
	ISSUED ,SUBSCRIBED AND PAID - UP:		
	3,000,000 Equity Shares of ` 10/- each Fully paid up:	300.00	300.00
	TOTAL	**300.00**	**300.00**

a. Rights attached to equity Shares:

The Company has only one class of equity shares having a par value of ` 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Reconciliation of the shares outstanding at the beginning and at the end of year:

	In no. of Shares		
	At the Beginning and at the end of the Year	300.00	300.00
	In value of Shares		
	At the Beginning and at the end of the Year	300.00	300.00

c. Details of Shareholders holding more than 5% shares in the Company:

	Unijolly Investments Company Limited - in Nos	-	2.96
	- in %	-	9.87
	Healthy Investments Limited - in Nos	-	2.17
	- in %	-	7.24
	KLN and KP Trust - in Nos	2.09	2.09
	- in %	6.98	6.98
	Kanuri Investment and Exim LLP - in Nos	5.13	-
	- in %	17.11	-

d. Details of Shareholding of promoters:

Equity Shares:

S.No	Promoter name	No.of Shares		No.of Shares		% Change during the year
		31.03.2026	31.03.2025	31.03.2026	31.03.2025	
1.	Kanuri Invest and Exim LLP	5,13,400	-	17.11	-	
2.	Unijolly Investments Company Limited	-	2,96,060	-	9.87	-100.00%
3.	Healthy Investments Limited	-	2,17,340	-	7.24	-100.00%
4.	KLN And KP Trust	2,09,300	2,09,300	6.98	6.98	-
5.	K L N Holdings Private Limited	1,06,280	1,06,280	3.54	3.54	-
6.	K Rama Krishna Prasad	1,04,640	1,04,640	3.49	3.49	-
7.	K.Harishchandra Prasad	90,000	90,000	3.00	3.00	-
8.	K. Kapil Prasad	81,085	81,085	2.70	2.70	-
9.	K. Vidya Devi	64,362	64,362	2.15	2.15	-
10.	Challa Shantha Prasad	45,000	45,000	1.50	1.50	-
11.	Mommaneni Radha	45,000	45,000	1.50	1.50	-
12.	K. Jyothi	37,061	37,061	1.24	1.24	-
13.	Kanuri Jagadish Prasad	32,752	32,752	1.09	1.09	-
14.	K.Satyavathi	27,150	27,150	0.91	0.91	-
15.	K.L.N.Aditya	26,666	26,666	0.89	0.89	-
16.	Arun Prasad Kanuri	26,666	26,666	0.89	0.89	-
17.	Ram Mohan Mummaneni	440	440	0.01	0.01	-
18.	Rajendra Prasad Challa	300	300	0.01	0.01	-
		14,10,102	14,10,102	47.01	47.01	

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

Sl. NO	PARTICULARS	As at 31.03.2026	As at 31.03.2025
19	**OTHER EQUITY**		
	Capital Reserves		
	Balance at the beginning and at the end of the year	503.52	503.52
	Securities Premium		
	Balance at the beginning and at the end of the year	6.48	6.48
	General Reserve		
	Balance at the beginning and at the end of the year	1,225.00	1,225.00
	Reserve Fund as per RBI guidelines:		
	Balance at the beginning of the year	1,649.10	1,574.10
	Add: Additions during the year	-	75.00
	Balance at the end of the year	1,649.10	1,649.10
	Surplus in Statement of Profit and Loss		
	Balance at the beginning of the year	2,228.65	2,065.67
	Add: Profit after tax transferred from Statement of Profit and Loss	(71.45)	357.98
	Amount available for appropriation	2,157.20	2,423.65
	Appropriations:		
	Reserve Fund as per RBI guidelines	-	(75.00)
	Dividend paid on Equity Capital	(90.00)	(120.00)
	Closing Balance	2,067.20	2,228.65
	Other Comprehensive Income		
	On acturial Gain/(loss) on post employment benefits		
	At the beginning of the year	(27.77)	(23.37)
	Transferred from the statement of Profit and loss	(0.13)	(4.40)
	At the end of the year	(27.90)	(27.77)
	TOTAL	**5,423.40**	**5,584.98**
20	**CONTINGENT LIABILITIES AND COMMITMENTS**	**NIL**	**NIL**
21	**INTEREST INCOME:**		
	On financial assets measured at amortised Cost		
	Interest on: Debentures	-	0.03
	Interest on: UPPCL NCD'S/Bonds	29.04	43.55
	Interest on: Public Deposits with NBFCs	21.50	14.35
	Interest on deposits with Banks	19.86	11.62
	TOTAL	**70.40**	**69.55**
22	**OTHER INCOME:**		
	Interest Received - Income Tax	4.04	-
	- Others	0.01	-
	Interest Income on Financial Assets	0.09	0.08
	Others		
	Deferred Rental Income	0.44	0.44
	Provision for doubtful recovery written back	-	1.56
	Misc Receipts	-	0.47
	TOTAL	**4.58**	**2.55**

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

Sl. NO	PARTICULARS	For the Year ended 31.03.2026	For the Year ended 31.03.2025
23	**FINANCE COSTS**		
	On financial liabilities measured at FVTPL		
	Interest on rental deposit	0.61	0.56
	Interest on Lease Liability	2.12	3.35
	TOTAL	**2.73**	**3.91**
24	**EMPLOYEE BENEFITS EXPENSE:**		
	Salaries, Wages and Bonus	134.79	148.86
	Contribution to Provident and Other Funds	25.13	23.14
	Staff Welfare Expenses	5.48	4.39
	Gratuity	13.74	12.84
	TOTAL	**179.14**	**189.23**
25	**DEPRECIATION AND AMORTISATION EXPENSE:**		
	Depreciation on Plant,Property and Equipment	18.45	19.44
	Amortisation of Intangible Assets	0.12	0.14
	Depreciation on Investment property	1.01	1.05
	TOTAL	**19.58**	**20.63**
26	**OTHER EXPENSES:**		
	Rates, and taxes and energy Charges	4.42	4.11
	Communications	1.39	1.09
	Printing and Stationery	2.75	2.91
	Advertisement and Publicity	0.37	0.46
	Insurance	0.37	0.50
	Travelling and Conveyance	1.29	0.95
	Vehicle Maintenance	1.58	1.85
	Legal and Professional Charges	5.72	6.22
	Payments to Auditors		
	as auditors	1.77	1.77
	for certification	0.59	0.65
	Repairs and Maintenance to:		
	Rented Buildings	0.43	-
	Other Assets	0.02	0.48
	Own Buildings	3.36	0.53
	General Charges	7.53	12.80
	Irrecoverable rent written off	-	1.56
	TOTAL	**31.59**	**35.88**

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

Sl. NO	PARTICULARS	For the Year ended 31.03.2026	For the Year ended 31.03.2025
27	**OTHER COMPREHENSIVE INCOME:**		
	Acturial Gain/(Losses) on Gratuity Expense for the year	(0.18)	(6.09)
	Deferred Taxes on above	0.05	1.70
	TOTAL	**(0.13)**	**(4.39)**
28	**EARNINGS PER SHARE:**		
	Net Profit / (loss) for the year attributable to Equity Shareholders	(71.45)	357.98
	Weighted average number of equity Shares of ` 10/each	30,00,000	30,00,000
	Earnings per Share (Basic and Diluted)	**(2.38)**	**11.93**

29 ANALYTICAL RATIOS:

Sl. No	Ratio	Period	Numerator in ` lakhs	Denominator in ` lakhs	Current period	Previous Period	% of Variance	Reason for Variance
1	Capital to risk- weighted assets Ratio (CRAR)	2026	258.51	5,723.40	0.05			
		2025	258.21	5,884.98		0.04	2.94%	NA
2	Tier I CRAR	2026	5,723.40	5,255.55	1.09			
		2025	5,884.98	5,190.72		1.13	-3.95%	NA

Note: Items included in numerator and denominator

Sl. No	Ratio	Numerator	Denominator
1	CRAR	Out side Liabilities	Net owned Funds
2	Tier I CRAR	Capital Funds	Risk Adjusted Assets

30. Out of 70.85 acres of land costing ` 11.59/- situated at Adoni, Kurnool Dist., (A.P.), the Company is in the process of obtaining Pattadar pass Books in respect of 23.93 acres in its favour. As the land is not in the possession, the Company has initiated proceedings before RDO / Civil Court,Adoni, Kurnool Dist. to regain the possession from trespassers.

31. The Management has initiated steps to evaluate the quality of all its receivables as at the year end and found all of them to be standard and there are no Non-Performing Assets in accordance with the prudential norms issued by Reserve Bank of India.

32. In the absence of convincing evidence that the Company will pay normal Income Tax within the specified period, the Minimum Alternative Tax (MAT) credit is not recognized as at the year-end in the Books of accounts. The total amount of such credit is ` 139.30 lakhs/- and the situation shall be reviewed at each Balance Sheet date.

33. The dividends declared by the Company are based on the profits available for distribution as reported in the financial statements of the Company. The Board of Directors of the Company has proposed a final dividend of ` 2.5/- per share in respect of the year ended March 31, 2026, subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of ` 75.00 lakhs.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

34. Movements in Provisions:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Gratuity: (Refer Note: 35 also)		
At the beginning of the year	128.49	109.55
Charge for the year	13.92	18.94
Released during the year	(2.40)	--
At the end of the year	**140.01**	**128.49**
Compensated Absences:		
At the beginning of the year	**14.06**	12.40
Charge for the year	**2.15**	1.66
Released during the year	(1.44)	--
At the end of the year	**14.77**	**14.06**

35. Retirement and other Benefit Obligations: **Amount in ` lakhs**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Defined Contribution Plan (Expenses)		
Contribution to Provident Fund	12.89	11.81
B. Post – employment Defined Benefit Plan (Gratuity)		
1. Movement in Obligation		
Present Value of Obligation at the beginning of year	171.09	149.40
Current Service Cost	5.11	4.94
Interest Cost	11.52	10.77
Benefits paid	(2.40)	--
Actuarial (Gain)/Loss on Obligation	0.26	5.98
Present Value of Obligation at the end of year	**185.58**	**171.09**
2. Movement in Plan Assets		
Fair Value of Planned assets at the beginning of the year	42.61	39.85
Return of Plan Assets	2.89	2.87
Contributions during year	--	--
Benefits paid during the year	--	--
Actuarial Gain/(Loss) on Plan Asset	0.07	(0.11)
Fair Value of Planned assets at the end of the year	**45.57**	**42.61**

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
3.	**Assets and liabilities recognised in the Balance Sheet:**		
	Gratuity: -		
	Present value of obligation as the end of the year	185.58	171.09
	Fair value of Plan assets	45.57	42.62
	Net (Asset)/Liability recognized in the Balance Sheet	**140.01**	**128.29**
4.	**Expenses recognised in Profit and Loss Statement:**		
	Current Service Cost	5.11	4.94
	Net Interest Cost	11.52	10.77
	Return on Plan Assets	(2.89)	(2.87)
	Expense for the year	**13.74**	**12.84**
5.	**Recognised in Other Comprehensive Income:**		
	Actuarial (Gain) /loss for the year	0.18	6.10
	Total Expenditure recognised	**13.92**	**18.94**
6.	**Actuarial Assumptions for estimating Company's Defined Benefit Obligation:**		
	a. Attrition Rate	PS: 0 to 40: 1 %	PS: 0 to 40: 1 %
	b. Discount Rate	7.10%	6.78%
	c. Expected Rate of Increase in Salary	8.00 – 10.00%	8.00 – 10.00%
	d. Retirement Age	65-74 years	65-74 years
	e. Mortality Rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.
	f. Expected Average remaining working lives of employees (years)	10.35	11.23

7. Sensitivity Analysis **Amount in ` lakhs**

Sensitivity	Change	Effect on obligations	
Discount Rate	+1%	(3.18)	(4.41)
	-1%	3.42	4.72
Salary Escalation Rate	+1%	2.59	3.91
	-1%	(2.43)	(3.73)
Attrition Rate	+1%	(0.14)	(0.17)
	-1%	0.17	0.21

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

8. Expected Payout - Gratuity

Expected payments – 1st Year	7.68	6.50
Expected payments – 2nd Year	185.63	7.23
Expected payments – 3rd Year	4.01	174.25
Expected payments – 4th Year	0.14	3.69
Expected payments – 5th Year	0.16	0.16
Expected payments – 6th year to 10th Year	4.66	6.23

9. Other Information:

i. Plan Assets:

The Company has invested plan assets with Life Insurance Corporation of India (LIC). The expected Return on Assets is based on rate of return declared by fund managers.

ii. Present value of defined benefit obligation:

Present value of the defined benefit obligation is calculated by using Projected Unit Credit method (PUC Method). Under the PUC method a “projected accrued benefit” is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active Members of the Plan. The “projected accrued benefit” is based on the Plan’s accrual formula and upon service as of the beginning or end of the year but using a Member’s final compensation projected to the age at which the employee is assumed to leave active service. The Plan Liability is the actuarial present value of the “projected accrued benefits” as of the beginning of the year for active Members.

iii. Expected average remaining service Vs. Average Remaining Future Service:

The average remaining service can be arithmetically arrived by deducting current age from normal retirement age whereas the expected average remaining future service is arrived actuarially by applying multiple decrements to the average remaining future service namely mortality and withdrawals. Thus, the expected average remaining service is always less than the average remaining future service.

iv. The rate of escalation in compensation considered in the above valuation is estimated taking into account inflation, seniority, promotion and other relevant factors and the above information is as certified by an actuary.

36. Disclosure of Trade Payables under financial liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the “Micro, Small and Medium Enterprises Development Act, 2006” and relied upon by the Auditors. There are no amounts due to them as at the end of the year and there is no interest paid/payable during the year by the Company in terms of section 16 of the said Act.

37. Income tax expense and Deferred Taxes

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

		Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Income Tax Expense: -				
a.	Current Tax		78.00	151.00
b.	Deferred Tax (arising on temporary differences)		(132.97)	(200.60)
c.	Income Tax relating to earlier years		1.39	(1.40)
d.	MAT credit entitlement relating to earlier years		--	(63.73)
	Total Tax Expense/(Income) for the year		**(53.58)**	**(114.73)**
Effective Tax Reconciliation: -				
a.	Net Profit/(Loss) before taxes including OCI		(125.21)	237.16
b.	Tax rate applicable to the Company as per normal provisions		27.82%	27.82%
c.	Tax expense on net profit (c = a*b)		**(34.84)**	**65.98**
d.	Increase/(decrease) in tax expenses on account of:			
	i.	Accelerated Depreciation	4.66	4.84
	ii.	Expenses not allowed under income tax	165.92	80.01
	iii.	Net Expenses allowed under payment basis	(4.58)	(4.58)
	iv.	Income not taxable under income tax	(0.15)	(0.14)
	v.	Income taxable under other heads of account	(114.94)	(194.68)
	vi.	Income taxable at special Rates	38.18	134.64
	vii.	Other adjustments	6.09	64.94
		Total Increase/(decrease) in tax expenses (d)	**95.18**	**85.03**
e.	**Tax as per normal provision under Income tax (c + d)**		**60.34**	**151.00**
f.	Tax rate applicable to the Company as per MAT provisions		16.692%	16.692%
g.	MAT tax expense on net profit		**(20.90)**	**39.59**
h.	Increase/ (decrease) in MAT tax expense on account of			
	i.	Fair Value Change/Diminution on Investments	98.90	46.57
	ii.	Other Adjustments	--	0.06
			98.90	**46.63**
i.	**MAT Tax provision under section 115JB (g+h)**		**78.00**	**86.22**
	Deferred Taxes: -			
	As on the reporting date:			
	a.	On OCI Component		
		-Actuarial Gain/(Losses) on Defined Benefit Plans	(0.05)	(1.70)
	b.	Other than OCI component		
		-Difference in WDV of fixed assets	(2.43)	(6.80)
		-Fair Value of Financial Assets/liabilities	184.81	59.63
		-Other disallowances	43.59	40.12
	c.	**Total**	**225.97**	**92.95**
	Expense/(Income) Recognised for the year ended:			
	a.	Deferred tax liability/(asset) recognised in statement of profit and loss:	(132.97)	(200.59)
	b.	Deferred tax recognised in Other Comprehensive Income	(0.05)	(1.70)
	c.	Deferred tax recognised in Total Comprehensive Income	**(133.02)**	**(202.29)**

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Amount in ` lakhs

38. Fair Value of financial instruments:

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets: -		
At Amortised Cost		
Security Deposits	2.43	2.35
Investments in Public Deposits with NBFCs	150.00	200.00
Investments in Government Bonds	125.00	375.00
Investments in NCDs	50.00	50.00
At FVTPL		
Investments in Mutual Funds	3613.08	3,699.16
Investments in Equity Instruments	886.44	1,112.97
At Cost		
Investments in Equity Instruments	21.50	--
Carrying Value		
Security Deposits	2.53	2.53
Investments in Mutual Funds	4,037.03	3,788.46
Investments in Equity Instruments	1,077.65	1,302.68
Investments in Public Deposits with NBFCs	150.00	200.00
Investments in Government Bonds	125.00	375.00
Investments in NCDs	50.00	50.00
Financial Liabilities: -		
At Amortised Cost		
Repayable Security Deposits	11.51	10.91
Carrying Value		
Repayable Security Deposits	13.43	13.43

The management assessed that cash and cash equivalents, trade receivables, trade payables and other assets/ liabilities approximate their carrying amount largely due to the short-term maturities of these instruments.

The fair value of the financials assets and liabilities is reported at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. .

The following methods and assumptions were used to estimate the fair values:

a. The fair values of the quoted equity shares are based on price quotations at the reporting date. The fair value of unquoted instruments in Mutual funds are based on the Net Asset Value provided by the Fund Manager as on the date of reporting.

b. Fair value of security deposits has been calculated by discounting future cashflows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Description of significant observable inputs to valuation:

a. Interest free Security Deposits (assets):

Interest Rate factor has been considered at a rate of 9% p.a. by the Company for discounting the amount receivable at the time of maturity.

b. Interest free Security Deposits (liabilities):

Interest Rate factor has been considered at a rate of 10% p.a. by the Company for discounting the amount payable at the time of maturity.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

39. Fair Value hierarchy:

The following table provide the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2026: Amount in ` lakhs

Particulars	Total	Fair Value measurement using	
		Quoted prices in active markets	Significant observable inputs
Financial Assets measured at Amortised Cost:			
Security Deposits	2.43	--	2.43
Investments in Public Deposits with NBFCs	150.00	--	150.00
Investments in Government Bonds	125.00	125.00	--
Investments in NCDs	50.00	50.00	--
Financial Assets measured at FVTPL:			
Investments in Mutual Funds	3,613.08	--	3,613.08
Investments in Equity Instruments	886.44	886.44	--
Financial Assets measured at Cost:			
Investments in Equity Instruments	21.50	-	21.50
Financial Liability measured at Amortised Cost:			
Repayable Security Deposits	11.51	--	11.51

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025:

Particulars	Total	Fair Value measurement using	
		Quoted prices in active markets	Significant observable inputs
Financial Assets measured at Amortised Cost:			
Security Deposits	2.35	--	2.35
Investments in Public Deposits with NBFCs	200.00	--	200.00
Investments in Government Bonds	375.00	375.00	--
Investments in NCDs	50.00	50.00	--
Financial Assets measured at FVTPL:			
Investments in Mutual Funds	3,699.16	--	3,699.16
Investments in Equity Instruments	1,112.97	1,112.97	--
Financial Liability measured at Amortised Cost:			
Repayable Security Deposits	10.91	--	10.91

40. Segment Information:

The executive management of Company monitors the operating results of its business as a single unit for the purpose of resource allocation and performance assessment which is "Investment Activities". Hence segment information is not applicable.

Entity Wide Disclosures:

Revenue from external customers	For the year ended March 31, 2026	For the year ended March 31, 2025
India	644.79	716.54
Outside India	--	--
Total	**644.79**	**716.54**

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

41. The details of the transactions with related parties to be disclosed as required by Indian Accounting Standard – 24 are as follows.

Names of the Related parties and description of relationship:

i)	Key Management Personnel (KMP)	: Sri K. Harishchandra Prasad	: Managing Director
ii)	Close Members of KMP	: Sri K. Kapil Prasad,	Son of Managing Director
iii)	Other Related Parties	: M/s. Kapil Motors Private Limited	

Transactions with Related Parties: Amount in ` lakhs

Particulars		31.03.2026	31.03.2025
i)	**Key Management Personnel**		
	Sri. K. Harishchandra Prasad		
	Managerial Remuneration[1]	110.46	129.48
ii)	**Close Members of KMP**		
	Sri. K. Kapil Prasad		
	Sitting Fee Paid	0.75	0.80
iii)	**Other Related Parties**		
	M/s. Kapil Motors Private Limited		
	Services Availed	0.37	0.43
	M/s. Wood Star Industries		
	Rent and Service Charges paid	--	7.27
Year end Balances {due from/ (due to)}			
	Sri. K. Harishchandra Prasad	(0.16)	(0.19)

42. Financial Risk Management objectives and policies:

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk, credit risk and liquidity risk. The Company's risk management policies focus on the unpredictability of financial risks and seek guidelines, where appropriate, to minimize the potential adverse impact of such risks. There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide the details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives policies and processes for the management of these risks.

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include Investments, trade and other receivables and cash and cash equivalents are derived from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.The Company's management oversees the mitigation of the risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured, and managed in accordance with the Company's policies and risk objectives. The management / Board reviews and agrees policies for managing each of these risks, which are summarized below.

i. Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk interest rate risk and other price risks such as equity risk. Financial instruments affected by market risk include loans and advances and deposits.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

a. **Interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from the employee benefit plan, investment in debt mutual funds, fixed deposits and cash and cash equivalents.

As the Company invests primarily in fixed rate interest bearing deposits, the Company is not significantly exposed to interest rate risk. Further as there are no borrowings the Company's policy to manage its interest cost does not arise.

The Company is not exposed to significant interest risk as at the respective reporting dates.

b. **Foreign Currency Risk:**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

As there were no transactions denominated in foreign currencies in any of the reporting periods, the Company is not exposed to any foreign currency risk as at the respective reporting dates.

c. **Other price risk:**

Other price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company is exposed to equity price risks arising from equity investments held by the Company and classified in the balance sheet as FVTPL. Mutual fund investments are susceptible to market price risk mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to the long tenor of the underlying portfolio in the equity shares and growth funds they do not pose any significant price risk.

ii. **Credit risk:**

Credit risk is the risk of loss that may arise on outstanding financial instruments when a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposit) the Company minimise credit risk by dealing exclusively with high credit rating counterparties. The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

a. **Exposure to credit risk:**

At the end of the reporting period the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

b. **Credit risk concentration profile:**

At the end of the reporting period there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

c. **Financial assets that are neither past due nor impaired:**

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and short-term deposits that are neither past due nor impaired are placed with or entered with reputable Banks financial institutions or Companies with high credit ratings and no history of default.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

iii. Liquidity risk:

The risk that an entity will encounter difficulty in Meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company ensures that it has sufficient cash on demand to meet expected operational demands including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Amount in ` lakhs

Particulars	On demand	< 12 months	> 12months	Total
Year ended 31 March, 2026				
Trade Payable	--	1.76	--	**1.76**
Other Payable	--	2.55	--	**2.55**
Other financial liabilities	--	27.54	58.72	**86.26**
Year ended 31 March, 2025				
Trade Payable	--	1.74	--	**1.74**
Other Payable	--	2.61	--	**2.61**
Other financial liabilities	--	15.58	84.97	**100.55**
TOTAL		19.93	84.97	**104.90**

Excessive Risk Concentration:

Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographical region or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

43. Capital Management:

Capital includes equity attributable to the equity holders of the parent. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder's value.

The Company manages its capital structure and make adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Currently the Company doesn't have loans and borrowings and maintains the entire capital in form of equity share capital.

per our report of even date
For Brahmayya & Co.,
Chartered Accountants
Firm's Registration Number: 000513S

for and on behalf of the Board

Sd/-
K.HARISHCHANDRA PRASAD
Managing Director

Sd/-
S. SURYANARAYANA
Director

Sd/-
P.CHANDRAMOULI
Partner
Membership Number: 025211

Sd/-
M. MADHAVI LATHA
Chief Financial Officer

Sd/-
DEEPA GUSAIN
Company Secretary

Place:Hyderabad
Date : May 28,2026

As required in Annex. VIII of Master Directions - RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 on disclosure requirements under Scale Based Regulation for NBFCs dated October' 19, 2023 as amended.

SCHEDULE TO THE BALANCE SHEET AS AT 31ST MARCH, 2026

(` in Lakhs)

SL. NO.	PARTICULARS	Amount outstanding	Amount overdue
	LIABILITIES SIDE:		
1	**LOANS AND ADVANCES AVAILED BY THE NBFCs INCLUSIVE OF INTEREST ACCRUED THEREON BUT NOT PAID**		
	(a) Debentures: Secured	Nil	Nil
	: Unsecured		
	(Other than falling within the meaning of public deposits)	Nil	Nil
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter-corporate loans and borrowings	Nil	Nil
	(e) Commercial paper	Nil	Nil
	(f) Public Deposits	Nil	Nil
	(g) Other Loans (specify nature)	Nil	Nil
2	**BREAK-UP OF (1) (f) ABOVE (OUTSTANDING PUBLIC DEPOSITS INCLUSIVE OF INTEREST ACCRUED THEREON BUT NOT PAID):**		
	(a) In the form of unsecured debentures	Nil	Nil
	(b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	Nil	Nil
	(c) Other Public Deposits	Nil	Nil
	ASSETS SIDE:		
3	**BREAK-UP OF LOANS AND ADVANCES INCLUDING BILLS RECEIVABLES [OTHER THAN THOSE INCLUDED IN (4) BELOW]:**		
	(a) Secured	Nil	Nil
	(b) Unsecured	Nil	Nil
4	**BREAK-UP OF LEASED ASSETS AND STOCK ON HIRE AND OTHER ASSETS COUNTING TOWARDS ASSET FINANCING ACTIVITIES:**		
	(i) Leased assets including lease rentals under sundry debtors		
	(a) Financial lease	Nil	
	(b) Operating lease	Nil	
	(ii) Stock on Hire including hire charges under sundry debtors:		
	(a) Assets on hire	Nil	
	(b) Repossessed Assets	Nil	
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed	Nil	
	(b) Loans other than (a)above	Nil	
5	**BREAK-UP OF INVESTMENTS:**		
	Current Investments:		
	1. Quoted:		
	(i) Shares: (a) Equity	Nil	
	(b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of mutual funds	Nil	
	(iv) Government Securities	Nil	
	(v) Others	Nil	
	2. Unquoted:		
	(i) Shares: (a) Equity	Nil	
	(b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of mutual funds	Nil	
	(iv) Government Securities	Nil	
	Non Current Long Term Investments:		
	1. Quoted:		
	(i) Shares: (a) Equity	886.44	
	(b) Preference	Nil	
	(ii) Debentures and Bonds	50.00	
	(iii) Units of mutual funds	3,613.08	
	(iv) Government Securities	125.00	
	(v) Others	Nil	
	2. Unquoted:		
	(i) Shares: (a) Equity	Nil	
	(b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of mutual funds	Nil	
	(iv) Government Securities/Bonds	Nil	
	(v) Others - Public Deposits with NBFCs	150.00	

6 BORROWER GROUP- WISE CLASSIFICATION OF ASSETS

(` in Lakhs)

CATEGORY	Amount (net) of provisions		Total
	Secured	Unsecured	
1. Related parties	Nil	Nil	Nil
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	-	-	-
Total	-	-	-

7 INVESTOR GROUP - WISE CLASSIFICATION OF ALL INVESTMENTS (CURRENT, NON CURRENT AND LONG TERM) IN SHARES AND SECURITIES (BOTH QUOTED AND UNQUOTED)

Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):	Market Value Break up or fair value or NAV	Book Value (Net of provisions)
1. Related parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	4,846.02	5,991.14
Total	**4,846.02**	**5,991.14**

8 OTHER INFORMATION

Particulars	Amount
(i) Gross Non-performing Assets	-
(a) Related parties	Nil
(b) Other than related parties	Nil
(ii) Net Non-performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(iii) Assets acquired in satisfaction of debts	Nil

For and on behalf of the Board

Sd/-
S. SURYANARAYANA
DIRECTOR

Place : Hyderabad
Date : 28.05.2026

Sd/-
K.HARISHCHANDRA PRASAD
MANAGING DIRECTOR

Form ISR – 1

(SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16,2023 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

REQUEST FOR REGISTERING PAN, KYC DETAILS OR CHANGES / UPDATION THEREOF

[For Securities (Shares / Debentures / Bonds, etc.) of listed companies held in physical form]

A. I / We, request you to Register / Change / Update the following (Tick ✓relevant box) **Date** : / /

☐ PAN	☐ Signature	☐ Mobile Number
☐ Bank details	☐ Registered Address	☐ E-mail address

B. Security and KYC Details [to be filled in by the First Holder]:

Name of the Issuer Company	Lakshmi Finance & Industrial Corporation Limited	**Folio No.**	
Face value of Securities		**Number of Securities**	
Distinctive number of Securities (Optional)	**From**	**To**	
E-mail Address			
Mobile Number			

C. I/We are submitting documents as per Table below (tick✓as relevant, refer to the instructions):

Name(s) of the Security holder(s) in Capital as per PAN Copies of PAN Cards of all the Holder(s) duly self-attested with date to be enclosed with this Form.	**PAN**	**PAN Linked to Aadhaar -Y/N** Tick any one [✓] *
1.		☐ Yes / No ☐
2.		☐ Yes / No ☐
3.		☐ Yes / No ☐
4.		☐ Yes / No ☐

Note: * PAN shall be valid only if it is linked to Aadhaar by March 31, 2023, or any other date as may be specified by CBDT.
Check Status of PAN linked with Aadhaar at https://www.incometax.gov.in/iec/foportal For Exemptions/Clarifications on PAN refer Instruction.

Bank Account Details of First Holder			
Name of the Bank & Branch		**IFSC**	
Bank A/c No.		Tick any one [✓] Acct type ☐ Savings ☐ Current ☐ NRO ☐ NRE ☐ Any other [ ]	

Note: Original cancelled cheque leaf bearing the name of the first holder is mandatory, failing which first security holder shall submit copy of bank passbook / statement attested by the Bank for registering the Bank Account details.

Demat Account Number	**16 digit DPid /Client id** [ ]

Also provide Client Master List (CML) of your Demat Account, duly signed by the Depository Participant with stamp.

Authorization: I / We authorise you (RTA) to update the above PAN and KYC details in my / our above Folio No, provided by me/us.
Declaration: All the above facts and documents enclosed are true and correct.

	First Named Holder	Joint Holder - 1	Joint Holder - 2	Joint Holder - 3
Signature				
Name				
Address				
PIN				

Note: If the address mentioned above differs from the address registered with the Company, you are requested to record the new address by submitting the documents as specified in point (3) overleaf. (Use separate Annexure to Form ISR-1 to update the above PAN and other KYC details as provided in this form with the additional Folio(s) where you are the First Named holder of securities, in such issuer companies.) Pg: 1/2

Form No. SH-13

Nomination Form
Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

Date: _ _

Serial No:________________
(As mentioned in KYC Form)

To,
Name of the Company : Lakshmi Finance & Industrial Corporation Limited
Address of the Company: Begumpet, Hyderabad - 500 016

I/We, the holder(s) of the securities particulars of which are given hereunder, wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made) :

Nature of Securities Tick ✓as relevant	Folio No.	No. of Securities*	Certificate No.	Distinctive No(s) (From – To)
Equity / Debs/ Bonds				

(2) PARTICULARS OF NOMINEE/S — [Use photocopies of this blank nomination form in case of additional Multiple Nominations in the same folio]

Name of Nominee			
Address of Nominee		Date of Birth	{ }
Father's/Mother's/ Spouse's name		Occupation	
Relationship with the security holder		Nationality	
E-mail_id		Mobile No	

(3) IN CASE NOMINEE IS A MINOR —

Name of Guardian		Date of Birth	{ }
Address of Guardian		Date of attaining majority	{ }

Signature(s) as per Specimen recorded with the Company.

	First Holder	Joint Holder -1	Joint Holder -2	Joint Holder -3
Signature				
Name				

Witness Details:

Name of Witness		Signature	
Address of Witness	Pin:		
		Date	

* **Nomination will be registered for entire holding in the folio. In case of more than one nominee, the ratio should be furnished & separate form to be filled for each nominee.**

Form No. MGT-11

Proxy Form [Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L65920TG1923PLC000044

Name of the Company: **LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED**
Registered office: 1-10-60/3, 1st Floor, "Suryodaya", Begumpet, Hyderabad, Telangana, 500016.

Name of the Member(s): ______________________________

Registered Address: ______________________________

E-mail Id: ______________ Folio No. /Client Id: ______________ DP ID: __________

I/We, being the Member (s) holding of ____________ shares of the above named Company, hereby appoint

1. Name: ______________________________

Address: ______________________________

E-mail Id: ______________Signature: ______________ or failing him

I/we, being the Member(s) of ________shares of the above named Company, hereby appoint

2. Name: ______________________________

Address: ______________________________

E-mail Id: ______________Signature: ______________ or failing him

I/we, being the Member(s) of ______________shares of the above named Company, hereby appoint

1. Name: ______________________________

Address: ______________________________

E-mail Id: ______________Signature: ______________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **102nd Annual General Meeting of the Company, to be held on Tuesday, 29th day of September, 2026 at 09:30 a.m at Hotel The PLAZA, MANJEERA, Banquet Hall, 2nd floor 6-3-870, Tourism Plaza, Greenlands, Begumpet, Hyderabad-500 016** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution	Vote For	Vote Against
1.	Adoption of statement of Profit & Loss, Balance sheet, report of Director's and Auditor's for the financial year 2025-26. **Ordinary Resolution**		
2.	Declaration of Dividend for the Financial year 2025-26 **Ordinary Resolution**		
3.	Appointment of Sri.K.Kapil Prasad as Director who retires by rotation. **Ordinary Resolution**		

Signed this …..… day of………… 2026

Affix Revenue Stamp Rs.1/-

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED

1-10-60/3, 1st Floor, "Suryodaya", Begumpet, Hyderabad - Telangana - 500016

102nd Annual General Meeting - Tuesday, 29th day of Spetember, 2026

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 102nd Annual General Meeting of the Members of the Company to be held on Tuesday at 29th, September, 2026 at **Hotel The PLAZA, MANJEERA**, Banquet Hall, 2nd Floor 6-3-870, Tourism Plaza / Telangana Tourism, Greenlands, Begumpet, Hyderabad-500 016 and at any adjournment thereof.

Shareholders / Proxy's Signature ___________________________________

Shareholders / Proxy's full name ___________________________________

(In block letters)

Folio No. / Client ID____

No. of shares held____

Note:

1. Shareholders attending the Meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the Meeting hall. Shareholders/ proxy holders are required to carry a valid Photo ID Cards.

2. A Proxy need not be a Member of the Company.

3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

4. The submission by a Member of this form of proxy will not preclude such Member from attending in person and voting at the Meeting.

NOTES

IMPORTANT MESSAGE TO THE SHAREHOLDERS OF THE COMPANY

- We wish to inform you that the trading of **"LAKSHMI FINANCE AND INDUSTRIAL CORPORATION LIMITED" (LFIC)** is **under compulsory demat mode**. Company Shares are traded on National Stock Exchange of (India) Limited (NSE) with effect from 15.04.2015 (Company Symbol /Stock Code: **LFIC**). **Company ISIN No in NSDL & CDSL : INE850E01012.** Members holding shares in physical form are requested to consider converting their holdings to dematerialized form (electronic mode). Demat the shares to participate in trading through Stock Exchange.

- SEBI has amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed Companies from accepting request for transfer of securities which are held in physical form, with effect from 1st April 2019. The shareholders, who continue to hold shares in physical form even after this date, will not be able to lodge the shares with Company/its RTA for further transfer. They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission, transposition and Issue of Duplicate Share Certificates of securities in physical form, will be accepted by the RTA.

- Members holding shares in physical mode are requested to submit their (KYC-Form) permanent Account Number (PAN) and Bank account details (cancelled cheque of your bank account) and request registrar to update their e-mail address/ Telephone number and can nominate a person in respect of all the shares to the Prescribed Form (KYC) is annexed to this report which may be duly filled in and sent to the Company / RTA viz. M/s. Venture Capital & Corporate Investments Private Limited.

- Members holding **shares in dematerialized mode** are requested to intimate all changes pertaining to their Bank Account details. ECS / NEFT / RTGS mandates, nominations, power of attorney, change of address/ name etc. to their depository participant only and not to the Company or its Registrar and Transfer Agent. The said nominations will be automatically reflected in the Company's records.

- The Company proposed a dividend of Rs. 2.50 per each Equity Share for the F.Y.2025-26 for the Members approval at the ensuing 102nd Annual General Meeting to be held on 29.09.2026. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The Shareholders are requested to update their PAN with the Company/ RTA M/s. Venture Capital & Corporate Investments Private Limited. (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

- No tax shall be deducted for resident individual Shareholders, if the aggregate amount of dividend to be paid for F.Y 2025-26 does not exceed Rs. 10,000/-. Tax shall be deducted at source in accordance with Section 194 of the Act @ 10%, if the amount of dividend payable exceeds Rs. 10,000/-, where PAN is available on record. Where PAN is either not available or is invalid, tax shall be deducted at source @ 20% as per Section 206 AA of the Income Tax Act,1961.

REGISTERED OFFICE OF THE COMPANY:

LAKSHMI FINANCE AND
INDUSTRIAL CORPORATION LIMITED
1st FLOOR, "SURYODAYA"
1-10-60/3, BEGUMPET, HYDERABAD-500016
Fax.No.: 040-27767793
Tel Phone: 040-27760301/27767794
E-mail: lakshmi_lfic@yahoo.com
Website: www.lakshmifinance.org.in

REGISTRARS & SHARE TRANSFER AGENTS:

VENTURE CAPITAL & CORPORATE INVESTMENTS PVT.LTD
"AURUM", DOOR No.4-50/P-II/57/4F & 5F, PLOT No.57
4th & 5th FLOORS, JAYABHERI ENCLAVE, PHASE – II
GACHIBOWLI, HYDERABAD - 500 032.TELANGANA. INDIA.
Phone No/s.: 040-23818475 / 23868257
Email: investor.relations@vccipl.com
Website: www.vccipl.com.

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To.

If Undelivered Please return to:

Lakshmi

FINANCE & INDUSTRIAL CORPORATION LIMITED

1st Floor, Suryodaya, 1-10-60/3,
Begumpet, Hyderabad - 500 016, Telangana, India.
Ph: 040-27760301 / 27767794
Fax: 040-27767793
E-mail: lakshmi_lfic@yahoo.com
Website: www.lakshmifinance.org.in